



CITY OF LOS ALTOS

2009 – 2014

Housing Element



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INTRODUCTION

CONTENTS OF THE HOUSING ELEMENT

The Housing Element of the General Plan is a comprehensive statement by the City of Los Altos of its current and future housing needs and proposed actions to facilitate the provision of housing to meet those needs at all income levels. The policies contained in this Element are an expression of the Statewide housing goal of “attaining decent housing and a suitable living environment for every California family,” as well as a reflection of the unique concerns of the community. The purpose of the Housing Element is to establish specific goals, policies, and objectives relative to the provision of housing, and to adopt an action plan toward this end. In addition, the Housing Element identifies and analyzes housing needs, and resources and constraints to meeting those needs.

In accordance with State law, the Housing Element is to be consistent and compatible with other General Plan Elements. Additionally, Housing Elements are to provide clear policy and direction for making decisions pertaining to zoning, subdivision approval, housing allocations, and capital improvements. State law (Government Code Sections 65580 through 65589) mandates the contents of the housing element. By law, the Housing Element must contain:

- An assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs;
- A statement of the community's goals, quantified objectives, and policies relevant to the maintenance, improvement and development of housing; and
- A program that sets forth a five-year schedule of actions that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

The housing program must also identify adequate residential sites available for a variety of housing types for all income levels; assist in developing adequate housing to meet the needs of low- and moderate-income households; address governmental constraints to housing maintenance, improvement, and development; conserve and improve the condition of the existing affordable housing stock; and promote housing opportunities for all persons.

Although, by nature of the State mandate, the Housing Element tends to focus on the affordability and availability of housing for low- and moderate-income households and families, the Housing Element must also address the housing needs and related policy issues for the entire community, and be consistent with the adopted policies of the rest of the General Plan. For these reasons, the focus of the updated Housing Element will be on policies and programs that can balance the desire of residents to maintain the character of residential neighborhoods, manage traffic, and minimize visual and other impacts of new development, while addressing the needs of low- and moderate-income households and special needs groups (such as seniors and individuals with disabilities).

This balance will require the City to examine strategies to accommodate higher density housing, mixed use projects in commercial zones, infill developments, and second units without sacrificing other legitimate community goals.



SUMMARY OF GOALS

The City of Los Altos Housing Element contains the following eight primary goals:

1. Preserve the natural beauty, rural-suburban atmosphere and the high quality of residential neighborhoods to attract families with children to Los Altos.
2. Strive to maintain a variety of housing opportunities by location and housing type.
3. The City will create housing opportunities for people with special needs.
4. Allow for a variety of housing densities and types in appropriate locations to accommodate housing needs at all income levels.
5. Strive to make housing in the City available to all regardless of age, sex, race, ethnic background, marital status, veteran status, religion, or physical disability.
6. Increase housing opportunities for Los Altos' senior population.
7. Maximize Los Altos' Energy Efficiency.
8. Support regional efforts to advance responsible housing policy and planning, and strive for timely compliance with all statutory reporting requirements.

CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS

State law requires that the Housing Element contain a statement of “the means by which consistency will be achieved with other General Plan elements and community goals” (California Government Code, Section 65583[c] [6] [B]). There are two aspects of this analysis: 1) an identification of other General Plan goals, policies, and programs that could affect implementation of the Housing Element or that could be affected by the implementation of the Housing Element, and 2) an identification of actions to ensure consistency between the Housing Element and affected parts of other General Plan elements. As shown below, the 2002-2020 General Plan contains several elements with policies related to housing, none of which conflict with the Housing Element.

General Plan Element	Policy	Description
Community Design and Historic Resources	1.4	Promote pride in community and excellence in design in conjunction with attention to and compatibility with existing residential and commercial environments.
	1.5	Continue to protect the privacy of neighbors and minimize the appearance of bulk in new homes and additions to existing homes.
	1.6	Continue to provide for site planning and architectural design review within the City, with a focus on mass, scale, character, and materials.
	1.7	Enhance neighborhood character by promoting architectural design of new homes, additions to existing homes, and residential developments that is compatible in the context of surrounding neighborhoods.
	1.8	Consider neighborhood desires regarding the character of future development through the establishment of development or design regulations.
	3.3	Encourage pedestrian and bicycle-oriented design in the Downtown.
	3.8	Encourage the development of affordable housing above the ground floor throughout the Downtown.
	4.3	Evaluate development applications to ensure compatibility with residential neighborhoods south of the corridor.
	6.1	Ensure that the integrity of historic structures and the parcels on which they are located are preserved through the implementation of applicable design, building, and fire codes.

General Plan Element	Policy	Description
	6.2	The City shall regard demolition of Landmark structures, and historically significant resources listed in the Historic Resources Inventory as a last resort. Demolition would be permitted only after the City determines that the resource has lost its physical integrity, retains no reasonable economic use, that demolition is necessary to protect health, safety and welfare or that demolition is necessary to proceed with a new project where the benefits of the new project outweigh the loss of the historic resource.
	6.3	Work with property owners to preserve historic resources within the community, including the orchard, or representative portion thereof, on the civic center site.
	Summary of Consistency	The design-related policies of the Community Design and Historic Resources Element enhances the quality of housing in the City, encourages alternative transportation modes, supports providing affordable housing and mixed-use projects, and balances preservation of historic resources with the benefits of new projects. These policies are consistent with the Housing Element.
Land Use	2.2	Encourage a variety of residential housing opportunities by allowing residential uses with adequate parking in appropriate commercial areas, including sections of the Downtown area, Foothill Plaza and along El Camino Real.
	2.3	Continue to conduct design review of residential and non-residential development applications to ensure compatibility with surrounding property and neighborhoods.
	2.4	Promote the use of planned unit developments (PUDs) to achieve physical development that recognizes the unique qualities of a site and harmonizes with existing and future land uses in the vicinity.
	2.5	For planned unit developments (PUDs), review, at a minimum, site plans and building elevations concurrently with tentative maps for future subdivision applications.
	3.1	Encourage residential development above the ground floor that includes affordable housing units.
	3.2	Consider zoning code incentives to encourage mixed-use development.
	3.3	Consider a parking fee for residential use of City-owned parking plazas in lieu of additional parking requirements for below market rate housing residents.
	3.4	Consider amending the zoning code to allow development of three-story buildings in the Downtown Core to encourage construction of below market rate housing units.
	4.2	Encourage mixed-use projects with retail, housing, and/or lodging in addition to retail and office uses.
	4.3	Encourage residential development on appropriate sites within the El Camino Real corridor.
	4.4	Encourage the development of affordable housing.

General Plan Element	Policy	Description
	5.1	Consider amending the zoning code to allow increased development density and intensity for the provision of mixed use and affordable housing.
	5.2	At the Foothill Plaza (Crossings) CN District, consider amending the zoning code to allow development of three-story buildings to encourage construction of below market rate housing units.
	Summary of Consistency	The Land Use Element policies encourage a variety of development types that include housing and affordable housing in commercial districts. These policies are consistent with the Housing Element.
Economic Development	2.5	Work with property owners and business associations to ensure an adequate supply of attractive parking with convenient access, as well as pedestrian and bicycle facilities, to accommodate patron and employee needs in all commercial areas in Los Altos.
	3.5	Allow mixed-use development with multifamily residential and commercial uses to provide alternative housing opportunities within the community.
	4.3	Promote the development of mixed-use commercial and residential developments within the El Camino Real area to provide housing opportunities within the community.
	4.4	Discourage the division of land and encourage the aggregation of parcels in the El Camino Real commercial area.
	4.5	Designate El Camino Real as the principal area for intensification of commercial and residential development.
	Summary of Consistency	The Economic Development Element policies support providing appropriate parking and alternative transportation modes, advance mixed-use development with housing, and designate the El Camino Real corridor for an intensification of development including housing. Maintaining larger lot sizes in the El Camino Real area should promote greater project efficiencies and result in more housing potential. These policies are consistent with the Housing Element.
Open Space, Conservation and Community Facilities	2.6	Adopt land use controls that prevent incompatible uses for parcels adjacent to existing open space lands and recreation areas.
	2.7	Establish buffers from adjoining land uses to protect the natural state of all creekside areas.
	10.1	Cooperate with other organizations and providers to promote and optimize resources for dependent residents.
	10.2	Adopt land use controls for second units, zoning, and day care that encourage dependent care services.
	Summary of Consistency	The Open Space, Conservation and Community Facilities Element policies promote keeping natural open space such as creek and recreation areas and require buffers from creekside areas. The policies support the development of necessary community facilities for such groups as dependent residents and alternative housing types such as second living units. These policies are consistent with the Housing Element.
Circulation	2.12	Provide adequate maintenance of local streets and roadways.

General Plan Element	Policy	Description
	2.14	Achieve residential street travel widths consistent with safe residential use of streets and with maintaining neighborhood character.
	2.15	Discourage construction of private streets.
	5.1	Continue to encourage off-street parking in residential areas.
	5.3	Reduce the amount of on-street parking in single-family residential neighborhoods caused by adjacent non-residential and multifamily residential uses.
	Summary of Consistency	The Circulation Element policies will maintain streets and roads, and the residential character of the community. Policies to encourage off-street parking and to discourage private streets enhance residential development by managing parking and maintaining streets that meet the public standards. These policies are consistent with the Housing Element.
Natural Environment and Hazards	1.1	Update acceptable levels of risk/life safety standards when necessary, and see that buildings are brought up to those standards, consistent with State law.
	2.1	Work with other jurisdictions to regulate land uses in flood-prone areas and allow development in those areas only with appropriate mitigation.
	7.1	Ensure that new development can be made compatible with the noise environment by utilizing noise/land use compatibility standards and the Noise Contours Map as a guide for future planning and development decisions.
	7.2	<p>Enforce the following maximum acceptable noise levels for new construction of various noise-sensitive uses in an existing noise environment.</p> <ul style="list-style-type: none"> ❖ 60 dBA CNEL is the maximum acceptable outdoor noise exposure level for single-family residential areas. ❖ 65 dBA CNEL is the maximum acceptable outdoor noise exposure level for multiple-family residential areas. ❖ 70 dBA CNEL is the maximum acceptable outdoor noise exposure level for schools (public and private), libraries, churches, hospitals, nursing homes, parks, commercial, and recreation areas. Excepted from these standards are golf courses, stables, water recreation, and cemeteries.
	7.3	Work to achieve indoor noise levels not exceeding 45 dBA CNEL in the event that outdoor acceptable noise exposure levels cannot be achieved by various noise attenuation mitigation measures.
	7.7	Require the inclusion of design features in development and reuse/revitalization projects to reduce the impact of noise on residential development.



General Plan Element	Policy	Description
	7.8	Require an acoustical analysis for new construction and in areas with higher than established noise levels.
	8.4	Ensure location and design of development projects so as to conserve air quality and minimize direct and indirect emissions of air contaminants.
	Summary of Consistency	The Natural Environment and Hazards Element policies minimize risk by requiring structures to meet current seismic, noise and flood regulations. There are an insignificant number of properties within the 100-year floodplain. These policies are consistent with the Housing Element.
Infrastructure and Waste Disposal	1.1	Continue to work with California Water Services Company to ensure that the City's drinking water meets all federal and State water quality standards.
	1.2	Ensure that the California Water Services Company meets the demand for water for the population anticipated within the Los Altos water service area, and that adequate pressure levels are maintained.
	1.3	Review development proposals to determine whether adequate water pressure exists for existing and new development.
	2.1	Continue to work with the Palo Alto Regional Water Quality Control Plant to ensure that adequate sewage treatment capacity is available to meet the needs of development in Los Altos.
	2.2	Review development proposals to ensure that if a project is approved, adequate sewage collection and treatment capacity are available to support such proposals.
	Summary of Consistency	The Infrastructure and Waste Disposal Element policies require an analysis of adequate water and sewer capacity. As the City has adequate infrastructure, these policies are consistent with the Housing Element.

EFFORTS TO ACHIEVE PUBLIC PARTICIPATION

State law requires cities and counties to make a diligent effort to achieve participation by all segments of the community in preparing a housing element. Section 65583[c][6] of the California Government Code specifically requires that *the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the program shall describe this effort.*

The diligent effort required by State law means that local jurisdictions must do more than issue the customary public notices and conduct standard public hearings prior to adopting a Housing Element. State law requires cities and counties to take active steps to inform, involve, and solicit input from the public, particularly low-income and minority households that might otherwise not participate in the process. Active involvement of all segments of the community can include one or more of the following:

- Outreach to community organizations serving low-income, special needs, and underserved populations;
- Special workshops, meetings, or study sessions that include participation by these groups;
- Establishment of an advisory committee with representatives of various housing interests; and
- Public information materials translated into languages other than English if a significant percentage of the population is not English proficient.

To meet the requirements of State law, the City of Los Altos has completed the public outreach and community involvement activities described below:

Public Notice and Outreach

City staff conducted a stakeholder workshop on January 15, 2009. The twenty attendees represented local government agencies and nonprofits. Appendix A contains a copy of the public notice posted for the workshop.

The City prepared notification of the workshop using a variety of media and techniques to inform the public and interested organizations of the update process, and to solicit participation by all segments of the community. An email notice was also sent to the City Council, City commissions, committees and other interested parties. The notice was mailed to the following list of community organizations and select development professionals.



St. Simon's Catholic Church 1860 Grant Road Los Altos, CA 94022	Covenant Church 1555 Oak Avenue Los Altos, CA 94024	St. Paul's Anglican Church 101 North El Monte Avenue Los Altos, CA 94022
Christ Episcopal Church 1040 Border Road Los Altos, CA 94022	Los Altos Lutheran Church 460 S. El Monte Avenue Los Altos, CA 94022	First Baptist Church of Los Altos 625 Magdalena Avenue Los Altos, CA 94022
Immanuel Lutheran Church-E.L.C.A. 1715 Grant Road Los Altos, CA 94024	Foothill Baptist Church 1347 Richardson Ave. & Grant Road Los Altos, CA 94022	St. Nicholas Catholic Church 473 Lincoln Ave. at Sherman Los Altos, CA 94022
Seventh Day Adventist Church 2100 Woods Lane Los Altos, CA 94024	St. William's Catholic Church 611 S. El Monte at Covington Los Altos, CA 94022	First Church of Los Altos 401 University Avenue Los Altos, CA 94022
Los Altos United Methodist Church 655 Magdalena Avenue Los Altos, CA 94024	Union Presbyterian Church of Los Altos 858 University Avenue Los Altos, CA 94022	Foothills Congregational Church 461 Orange Avenue Los Altos, CA 94022
Silicon Valley Leadership Group Lauren Doud 224 Airport Parkway, Suite 620 San Jose, CA 95110	Los Altos Community Foundation Roy Lave 183 Hillview Avenue Los Altos, CA 94022	Los Altos Neighborhood Network President Kathy Putman P.O. Box 576 Los Altos, CA 94023
Kiwanis Club of Los Altos P.O. Box 484 Los Altos, CA 94023	Rotary Club of Los Altos P.O. Box 794 Los Altos, CA 94023	Jeff Warmoth 309 Second Street, Suite #3 Los Altos, CA 94022
Owen Signature Homes Shaun and Bob Owen 445 S. San Antonio Road, Suite 201 Los Altos, CA 94022	Abigail Co. Abigail Ahrens 329 S. San Antonio Road, Suite 6 Los Altos, CA 94022	Los Altos Senior Center Candace Bates 97 Hillview Avenue Los Altos, CA 94022
Los Altos Legacies 183 Hillview Avenue Los Altos, CA 94022	Silicon Valley Association of Realtors Paul Cardus 19400 Stevens Creek Blvd., #100 Cupertino, CA 95014	Community Services Agency 204 Stierlin Road Mountain View, CA 94043

Written Comments Regarding the Housing Element

Stakeholder Meeting – January 15, 2009

The City solicited input to the Housing Element update process at the stakeholder meeting through mailings to community organizations and through public notice. City staff conducted the workshop on January 15, 2009. Twenty people attended the meeting representing local government agencies, nonprofit organizations, local civic organizations and private citizens.

Comments received at the stakeholder workshop raised concerns about, or expressed interest in the following:

- The few number of below-market-rate (BMR) units for seniors;
- The impact that credit checks performed for BMR unit applications has on an applicant's credit score;
- The possibility that people of substantial means may be qualifying for BMR units;
- The manner in which applications for BMR units are prioritized;
- Expansion and modification of the City's affordable housing ordinance to produce BMR rental and ownership units;
- Encouraging more low-income restricted second units and monitoring the income levels of those occupants;
- Higher densities in commercial corridors and near transit to reduce greenhouse gas emissions; and
- Use of City-owned land for affordable and mixed-use housing.

Copies of written comments received preceding or during the hearing can be found in Appendix A – Public Participation.

Public Hearing—Planning Commission Meeting – March 5, 2009

On March 5, 2009 the Los Altos Planning Commission held a public hearing to review a preliminary draft of the updated Housing Element. The meeting was attended by all commissioners and five members of the public. Several meeting attendees provided comments and suggestions regarding Housing Element goals policies and programs. A summary of those comments is provided below.

Comments received at the Planning Commission hearing raised concerns about, or expressed interest in the following:

- Concerns about the priority system used to qualify applicants for the City's BMRs.
- The expressed desire to have Los Altos be a leader in smart growth and sustainability;

- Concern regarding the possibility that some second units are being rented to individuals of substantial means who may not qualify for very-low or low-income units;
- Concern that the City's multifamily affordable housing ordinance cannot produce enough affordable units to meet the City's RHNA.
- An expressed desire to see more mixed-use housing developments at higher densities to create a more walk-able community and promote smart growth and sustainable lifestyles.

Copies of written comments received preceding or during the hearing can be found in Appendix A – Public Participation.

Public Hearing—City Council Meeting – April 14, 2009

On April 14, 2009 the Los Altos City Council held a public hearing to review an administrative draft of the City's updated Housing Element. The meeting was attended by all Council members.

Comments received at the City Council hearing raised concerns about, or expressed interest in the following:

- A proposal to amend the multifamily affordable housing ordinance to allow an in-lieu fee rather than require affordable units;
- Concerns that the City's multifamily affordable housing ordinance is a mandatory inclusionary housing policy that will affect the financial feasibility of developing housing in Los Altos;
- An expressed desire for the City to initiate discussions with a non-profit affordable housing developer to build affordable housing in Los Altos;
- A request that the City consider donating City-owned land for affordable housing development; and
- A request that the City examine ways to waive fees and identify other incentives for developers of affordable housing.

Copies of written comments received preceding or during the hearing can be found in Appendix A – Public Participation.

Public Hearing—City Council Study Session – April 22, 2009

On April 22, 2009 the Los Altos City Council held a study session and public hearing to continue reviewing an administrative draft of the City's updated Housing Element. The meeting was attended by four of five Councilmembers.

Comments received at the City Council hearing include the following:

- Recommendations regarding how to create an amnesty program for unpermitted second units; and
- Recommendations for a program to legalize existing unpermitted second units.

A copy of the letter received at the hearing can be found in Appendix A – Public Participation.

Incorporation of Public Comments and Suggestions

Many of the public comments submitted during the Housing Element update process addressed issues and programs that had been previously considered by City planning staff and by the City Council, such as the method the City uses to determine how to fill affordable housing vacancies. Other concerns and suggestions voiced by residents, however, revealed new interests and ideas in important areas related to housing affordability and sustainable development. The City's Housing Element has addressed these concerns and recommendations in the following ways:

1. The City has developed further its housing goals, policies and programs specifically addressing housing *affordability*.
2. The City will address the potential housing needs of extremely low-income residents through **Program 4.2.2 - Identify incentives to encourage production of housing for residents with extremely low incomes**.
3. The City acknowledges water as a valuable resource deserving of conservation measures as expressed through **Goal 7, Policies 7.1 and 7.2**, and **Program 7.1.1 - Promote energy and water conservation through education and financial incentives**; and
4. The City includes language to acknowledge that *sustainability* is a long term goal for the City. This is specifically expressed in **Goal 7** as well as **Program 7.2.2 - Monitor and Implement Thresholds and Statutory Requirements of Climate Change Legislation**.

GOALS, POLICIES, PROGRAMS & QUANTIFIED OBJECTIVES

PRESERVATION – CONSERVATION - REHABILITATION

Goal 1 - Preserve the natural beauty, rural-suburban atmosphere and the high quality of residential neighborhoods to attract families with children to Los Altos.

Policy 1.1: The City shall encourage the preservation and improvement of the existing housing stock to minimum housing standards, including existing non-conforming housing uses.

Program 1.1.1 – Implement Voluntary Code Inspection Program.

Continue the voluntary code inspection program encompassing code compliance, rehabilitation, energy conservation, and minimum fire safety standards.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: On-going

Status: Continue

Program 1.1.2 – Help Secure Funding for Housing Assistance Programs.

The City will continue to assist in the provision of housing assistance in Los Altos for low-income households with other public agencies and private non-profit organizations that offer rental assistance, home repairs, and first-time homebuyer assistance. To minimize overlap or duplication of services, Los Altos will undertake the following actions:

The City will support County and non-profit housing rehabilitation programs by providing program information to interested individuals through handouts available at City Hall, the Los Altos Senior Center, and the Los Altos Library, and the Woodland Branch Library;

The City will contact previous rehabilitation applicants when new funding becomes available and post a legal notice in the newspaper when housing rehabilitation funds become available. The City Council will continue to contribute CDBG funds to housing programs each year as it sets budget priorities and receives requests from non-profit and other service organizations.



Responsible Body: Community Development Department, City Council

Funding Source: CDBG Funds; other funds, as identified and secured

Timeframe: Ongoing

Status: Continue

Policy 1.2: The City shall maintain and enhance the existing pleasant, attractive, moderate density multifamily zoning districts, typically located between commercial and single-family residential areas.

Program 1.2.1 – Support Rezoning from Office to Medium-Density Multifamily.

The City shall support case-by-case review of property owner initiated rezoning from Office to Medium-Density Multifamily in the Fremont-Giffin Office District.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Ongoing

Status: Continue

Policy 1.3: If transitional land use zoning is not possible or inadequate to buffer, multifamily and senior housing will be encouraged between commercial and public/quasi-public, and single-family neighborhoods. Setbacks, sound walls, protective vegetation and on-site landscaping will be required as a buffer when transitional land use zoning is not possible.

Program 1.3.1 – Enforce Neighborhood Residential Buffering.

Minimum standards will be enforced for buffers between commercial uses and public/quasi-public uses, and residential properties. Enforcement will occur through the development permit review process as provided in the Zoning Ordinance. Buffering will include a combination of landscaping, minimum setback, or yard requirements, and stepped-back building heights.

Responsible Body: Community Development Department, Planning Commission

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 1.3.2 – Restrict Commercial Uses in Residential Neighborhoods.

The City will continue to restrict commercial uses in residential neighborhoods.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Ongoing

Status: Continue

Policy 1.4: Design, construction, and remodeling permits for all residential development will be reviewed for quality, safety, privacy, and the capacity to maintain the character of existing neighborhoods.***Program 1.4.1 – Implement Zoning and Design Standards.***

Continue to implement residential zoning, development standards and design review to ensure compatibility of housing with neighborhood character, minimum open yard space, and streets that are safe.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 1.4.2 - Evaluate Design Review Process.

Regularly review and adjust, if appropriate, criteria, objectives, and procedures for design review of residential construction to be compatible in terms of bulk and mass, lot coverage, and proportion with houses in the immediate vicinity. This program will set criteria under which development must be reviewed by the City staff, Architectural and Site Control Committee, or the Planning Commission.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 1.4.3 – Facilitate Alternate Modes of Transportation in Residential Neighborhoods.

Continue to implement zoning and development standards to facilitate walk-able neighborhoods and the safe use of alternate modes of transportation such as bicycles.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 1.4.4 - Accommodate the Needs of Children Through Design Review and Land Use Regulations, Including Open Space, Parks and Recreation Facilities, Pathways, Play Yards, etc.

Responsible Body: Community Development Department

Funding Source: Park Land Dedication Fees

Timeframe: Ongoing

Status: Continue

Policy 1.5: The City shall ensure that the level of development permitted in the creation of land divisions results in an orderly and compatible development pattern, within the subdivision and in relation to its surroundings; provides for quality site planning and design; and provides for quality structural design.

Program 1.5.1 - Review Compatibility of Land Divisions as Part of the Permit Review and Approval Process.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

NEW CONSTRUCTION

Goal 2 - Strive to maintain a variety of housing opportunities by location and housing type.

Policy 2.1: The City shall maintain zoning that provides for a range of housing sizes and residential densities.

Program 2.1.1 - Encourage Diversity of Housing.

Require diversity in the size of units for projects in mixed-use or multifamily zones to accommodate the varied housing needs of families, couples and individuals.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 2.1.2 – Implement Multifamily District Development Standards.

Continue to implement the multifamily district development standards to ensure that the maximum densities established can be achieved and that the maximum number of units is required to be built. (See **Table 38** in Appendix B for a Summary of Multifamily Zoning Requirements)

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Policy 2.2: The City shall encourage mixed-use development in designated zones.

Program 2.2.1 - Provide Development Incentives for Mixed-Use Projects in Commercial Districts.

Continue to implement the affordable housing mixed-use policies developed for El Camino Real, and expand the application of these policies to other commercial districts in the City, including CN (Commercial Neighborhood), CS (Commercial Service), CD (Commercial Downtown), and CRS (Commercial Retail Service). Development incentives will be included for these districts that will encourage the development of affordable housing in these identified commercial areas.

Responsible Body: Community Development Department, Planning Commission, City Council

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Policy 2.3: The City shall encourage the development of new rental units in the existing multifamily districts.

Program 2.3.1 - Implement Density Bonuses.

Continue to implement density bonuses and other incentives as provided by State law and City zoning ordinance.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Ongoing

Status: Continue

SPECIAL NEEDS HOUSING

Goal 3 - The City will create housing opportunities for people with special needs.

Policy 3.1: Support the efforts of Santa Clara County and local social service providers to increase their capacity to operate facilities serving the homeless.

Program 3.1.1 - Support Efforts to Fund Homeless Services.

The City will consider pursuing funding from available sources for homeless services. The City will also assist community groups that provide homeless services and assist such groups in applying for funding from other agencies. The City will consider applying for grants where appropriate or will encourage/partner with local and regional nonprofit organizations that wish to apply for such grants.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Time Frame: Ongoing

Status: New

Program 3.1.2 - Continue to Participate in Local and Regional Forums for Homelessness, Supportive and Transitional Housing.

Continue to participate in regional efforts as coordinated with other adjacent cities to address homeless and emergency and transitional housing issues and potential solutions.

Responsible Body: Community Development Department, City Council, Community Services Agency

Funding Source: General Fund, CDBG funds

Timeframe: Ongoing

Status: Continue

Policy 3.2: The City will comply with all State legal requirements, including SB 2, pertaining to zoning provisions for homeless shelters, transitional housing, and supportive housing.***Program 3.2.1 - Amend the City's Zoning Ordinance to Accommodate Emergency Shelters.***

The City will amend the City's Zoning Ordinance to allow emergency shelters as a permitted use by right in the Commercial Thoroughfare (CT) district without a conditional use permit or other discretionary review and only subject to the development requirements in this zone. This district is well suited for the development of emergency shelters with its full access to public transit and underdeveloped parcels that allow higher density housing opportunities. The public transit opportunities include the CalTrain, the VTA Bus, and the VTA transit hub on Showers Drive in Mountain View. The CT District has almost 11 acres of underdeveloped parcels that will accommodate residential housing such as emergency shelters. Four key opportunity sites make up the approximately 11 acres of development potential that could generate as much as 378 housing units not including density bonuses for affordable housing. The City will also evaluate adopting standards consistent with Government Code Section 65583(a) (4) that address operational and design criteria that may include:

- Lighting
- On-site management
- Maximum number of beds or persons to be served nightly by the facility
- Off-street parking based on demonstrated need
- Professional security during hours that the emergency shelter is in operation

Supportive services provided on-site on a level commensurate with the number of beds.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Time Frame: March 2012

Status: New

Program 3.2.2 - Amend the City's Zoning Ordinance to Comply with Statutory Requirements for Transitional and Supportive Housing.

The City will amend the Zoning Ordinance to explicitly allow both supportive and transitional housing types in all residential zones. The Zoning Ordinance update will also include specific definitions of transitional and supportive housing as defined in Health and Safety Code Sections 50675.2 and 50675.14. Transitional and supportive housing will be allowed as a permitted use, subject only to the same restrictions on residential uses contained in the same types of structure.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Time Frame: May 2012

Status: New

Program 3.2.3 - Amend the City's Zoning Ordinance to Comply with Statutory Requirements for Single-Room Occupancy (SRO) residences.

AB 2634 requires cities to identify zoning to encourage and facilitate supportive housing single-room occupancy units. The City will amend the Zoning Ordinance to define single-room occupancy units (SROs) and will be allowed with a conditional use permit in appropriately defined districts in the City.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Time Frame: May 2012

Status: New

AFFORDABILITY

Goal 4 - Allow for a variety of housing densities and types in appropriate locations to accommodate housing needs at all income categories.

Policy 4.1: The City shall encourage the conservation of existing affordable housing, including the present rental stock represented by units in the City's existing multifamily districts, particularly rental housing affordable to low- or moderate-income households.

Program 4.1.1 – Monitor Condominium Conversion.

The City will continue to implement the Condominium Conversion Ordinance to protect against the conversion or demolition of rental units. It shall require buildings in multifamily zoning districts initially built as rental units which have not been converted to condominiums to be reconstructed as rental units unless there is greater than a 5 percent vacancy rate.

Responsible Body: Community Development Department

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 4.1.2: Conserve Small Houses in Areas of Small Lot Sizes.

The City will continue to conserve the stock of small houses in areas of small lot sizes.

Responsible Body: Community Development Department

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Policy 4.2: The City shall encourage the development of affordable second dwelling units that conform to zoning regulations.

Program 4.2.1 - Facilitate New Construction of Second Dwelling Units.

The Zoning Ordinance allows for a detached second dwelling unit to be permitted on a lot or parcel within a single-family residential district that has a minimum of the greater of 150 percent of the lot area required in the residential zoning district in which the second living unit is propose to be located, or 15,000 square feet of lot area. A lesser lot size is required if a

second unit is attached to the main residence. Findings for approval include that a public benefit will result because the proposed second living unit will be maintained as affordable for very-low and low-income households.

The City will continue to implement the following actions annually:

- Continue to implement second dwelling unit regulations to provide increased opportunities for the development of affordable second units.
- Promote awareness of regulations which allow the construction of new second units consistent with City regulations through public information at the Community Development Department public counter, inclusion in the City's newsletter, *City News* (former *Communiqué*), press releases, City cable television channel, and utility bill inserts.
- Continue to require a verification and quantification procedure regarding rent and occupancy as a condition of the permit.

Responsible Body: Community Development Department

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Policy 4.3: The City shall facilitate the development of new units of affordable housing.

Program 4.3.1 - Assist in the Development of Affordable Housing.

If necessary for the development of affordable housing projects, and when requested by the project sponsor, the City of Los Altos will consider assisting in securing funding for low- and moderate-income housing developments through one or more of the following actions:

- Appropriating a portion of the City's annual CDBG allocation for projects that serve the Los Altos community.
- Providing funding to participate in a multi-jurisdictional housing finance program (such as a Mortgage Revenue Bond or Mortgage Credit Certification Program).
- Applying for state and federal funding on behalf of a non-profit, under a specific program to construct affordable housing.

Responsible Body: Community Development Department, City Council

Funding Source: CDBG funds, State or Federal grant funds

Timeframe: Ongoing

Status: Continue

Program 4.3.2 - Implement an affordable housing ordinance that defines the number of required below-market-rate (BMR) units by development size and type, and require on larger projects (greater than 10 market rate units) that the BMR units generally reflect the size and number of bedrooms of the market-rate units.

The City amended the Multifamily Affordable Housing Ordinance (Chapter 14, Section 28) to include a series of unit thresholds at which affordable housing units will be required. The ordinance established the following thresholds and requirements:

- 1-4 units may all be at market rate.
- 5-9 units must demonstrate that affordable housing will create an undue financial burden for the project; otherwise affordable units must be accommodated at the same percentages as 10 or more units.
- 10 or more units must provide affordable units as follows:
 - For rental units – 15% low; 10% very low.
 - For owner units – 10% moderate.
- When more than one affordable unit is required, then one affordable unit must be low income.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Implemented April 2010

Status: Modify

Program 4.3.3 - Identify Incentives to Encourage Production of Housing for Residents with Extremely Low Incomes.

The City will review its affordable housing ordinance and other available development incentives to determine what measures can be taken to encourage the development of housing for people with extremely low-incomes. The City will consider additional incentives and incorporate these incentives into the ordinance to encourage additional opportunities for the development of housing for extremely low-income households.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe:

The City will consider additional incentives and incorporate these incentives into the ordinance by May 2012.

Status: New

Program 4.3.4 – Amend the Zoning Code to Reduce Parking Requirements for Certain Housing Types and Affordable Housing Units.

For affordable housing units and small housing units including senior housing, studios and SROs, the City will amend its zoning code to require just one parking space per unit. In addition, the program will comply with Section 65915 P.1 of the California State Government Code.

The City will monitor the underground parking requirement to ensure this requirement is not a constraint to the production of housing or a constraint to meeting maximum densities.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: May 2012

Status: New

Program 4.3.5 – The City will Continue to Encourage Maximum Densities.

Will continue to ensure that the City is meeting maximum densities in the zones that allow for multifamily housing. The City will monitor the lot coverage requirement and the height requirements. Most recently the City removed the “stories requirement” from the commercial and multiple-family districts to allow more flexibility in development and facilitate greater potential densities. The City will also monitor the underground parking requirements as stated in Program 4.3.4 to ensure that they do not cause a significant constraint to meeting the maximum densities required by all the City’s multiple-family zoning districts.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Annually

Status: New

HOUSING NON-DISCRIMINATION

Goal 5 - Strive to make housing in the City available to all regardless of age, sex, race, ethnic background, marital status, veteran status, religion, or physical disability.

Policy 5.1: The City supports non-discrimination in housing.

Program 5.1.1 - Assist Residents with Housing Discrimination and Landlord-Tenant Complaints.

Continue to provide a service to refer individuals to organizations or agencies who handle complaints about discrimination, landlord-tenant relations, etc. Complaints regarding discrimination will be referred to the Mid-Peninsula Citizens for Fair Housing, Santa Clara County, and other appropriate fair housing agencies. Complaints regarding landlord-tenant problems will be referred to the Los Altos Mediation Program, the County of Santa Clara Office of Consumer Affairs or other appropriate local agencies.

Responsible Body: Community Development Department

Funding Source: General Fund, CDBG funds

Timeframe: Ongoing

Status: Continue

Program 5.1.2 – Implement a Reasonable Accommodation Process for People with Disabilities.

To comply with fair housing laws, the City will analyze existing land use controls, building codes, and permit and processing procedures to determine constraints they impose on the development, maintenance, and improvement of housing for persons with disabilities. Based on these findings, the City will adopt reasonable accommodation procedures to provide relief to Code regulations and permitting procedures that have a discriminatory effect on housing for individuals with disabilities. The adopted policy shall include procedures for requesting accommodation, timeline for processing and appeals, criteria for determining whether a requested accommodation is reasonable, and approval processes.

Responsible Agency: Community Development Department

Financing Source: General Fund

Time Frame: December 2009

Status: New



SENIOR HOUSING

Goal 6 - Increase housing opportunities for Los Altos' senior population.

Policy 6.1: The City shall promote services and education to help seniors maintain their independence and remain in their own homes as long as possible.

Program 6.1.1 - Discourage Senior-Only Housing from Converting to Other Uses.

The City shall discourage projects developed as senior-only projects from converting to other uses.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 6.1.2 - Assist Seniors to Maintain and Rehabilitate Their Homes.

The City shall seek, maintain, and publicize a list of resources or service providers to help seniors maintain and/or rehabilitate their homes.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 6.1.3 - Encourage Conforming and Contextual Senior Housing Near Transportation and Services.

The City shall assure that senior housing conforms and harmonizes with surrounding neighborhoods and shall encourage that it be located near transportation and services.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

Policy 6.2: The City shall encourage a variety of senior housing opportunities, including building type, degree of care, and form of ownership.

Program 6.2.1 - Provide Senior Housing Density Bonuses and Development Incentives.

Provide density bonus increases in the Cuesta-Lassen multifamily district of up to 38 dwelling units per acre for projects which are senior-only. Provide expanded development incentives for senior-only projects in this district. Consider increased densities and development incentives for senior and affordable housing projects in all multifamily districts.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 6.2.2 - Designate and Encourage Senior Housing on Specific Well-Suited Sites.

The City shall allow senior housing on designated sites according to the provisions of the City's PUD/SC ordinance and the underlying regulations.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 6.2.3 - Mixed-Use Development, Including Developments that Contain Senior and Institutional Housing, will be Encouraged in Public and Quasi-Public Land Use Areas that are Zoned PCF.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

Program 6.2.4 - Senior Housing with Extended Care Facilities will be Allowed in Multifamily and Mixed-Use Zoning Districts.

This type of housing is currently allowed as a conditional use in the PCF district. The City will continue to explore opportunities to promote senior housing with extended care facilities in other multifamily and mixed-use districts.

Responsible Body: Community Development Department

Funding: Permit Fees

Timeframe: Ongoing

Status: Continue

ENERGY EFFICIENCY

Goal 7 - Maximize Los Altos' sustainability through energy efficiency, water conservation and greenhouse gas reductions.

Policy 7.1: The City shall encourage energy and water conservation measures to reduce energy and water consumption in residential, governmental, and commercial buildings.

Program 7.1.1 - Promote Energy and Water Conservation Through Education and Financial Incentives.

The City shall continue to promote residential energy conservation through consumer information on financial assistance and rebates for energy efficient home improvements published by governmental agencies, non-profit organizations, and utility companies.

In addition, Los Altos has adopted resolutions supporting the CalFIRST Grant Program. By doing this, Los Altos residents will be eligible for the program. Only 14 counties in the State qualified for this program.

The program allows residents to finance any energy improvements to their homes - e.g., solar panels, water efficient landscapes, etc - on their property tax assessment. This allows the financing to be extended over 20 years and also allows a home to be sold with that assessment assigned to the new owner.

The program will be administered by Santa Clara County and will be available by the end of summer. The County will be hiring an administrator and will do outreach and advertising.

The City will make information available at the public counter of the Community Development Department, at the Los Altos Senior Center, through the public libraries, and through the *Spotlight* and *City News* (former *Communiqué*) newsletters. The information will also be available on the City's website and a link to energy programs will be placed on the City's Environmental Commission's web site.

Responsible Body: Community Development Department and Santa Clara County

Funding Source: General Fund, CDBG funds

Timeframe: Ongoing

Status: Continue

Program 7.1.2 - Promote the Use of Solar Energy.

This program focuses on promoting solar energy as a means to increase energy efficiency and promote green energy alternatives. As part of this program, the City will leverage and promote other State and commercial initiatives to encourage solar energy, such as grants, tax credits and rebates, as they are implemented. (No design review of solar panels is allowed by law. Setbacks, height restrictions, etc. are already covered by the zoning ordinance.)

Responsible Body: Community Development Department

Funding Source: General Fund, other funds as identified

Timeframe: Ongoing

Status: Continue

Policy 7.2: The City shall continue to implement building and zoning standards to encourage energy and water efficiency.***Program 7.2.1 - Implement Energy Efficient Regulations.***

The City shall continue to implement building code and zoning standards that promote energy efficiency in residential design, layout, construction, and landscaping. The City enforces energy efficiency standards of Title 24 of the California Code of Regulations (State Building Code Standards), zoning requirements for lot size, building separation, yards, setbacks, landscaping, and design review to promote energy conservation in new development. Chapter 12.66 of the Los Altos Municipal Code also contains the City's Green Building Regulations, which requires that all single-family housing construction must be GreenPoint Rated through Build It GREEN; and for commercial, mixed-use, and multifamily projects with energy efficiency standards established by Title 24 must be exceeded by 15%.

Responsible Body: Community Development Department

Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

Program 7.2.2 – Monitor and Implement Thresholds and Statutory Requirements of Climate Change Legislation.

The City shall monitor the implementation measures of the Global Warming Solutions Act of 2006 (AB 32) and SB 375, which requires planning organizations to promote sustainable communities as part of their regional transportation plans. The City will implement the measures as guidance for thresholds and compliance methods are released by the State.

Responsible Body: Community Development Department



Funding Source: Permit fees

Timeframe: Ongoing

Status: Continue

STATUTORY COMPLIANCE AND REPORTING

Goal 8 - Support regional efforts to advance responsible housing policy and planning, and strive for timely compliance with all statutory reporting requirements.

Policy 8.1: The City shall comply with all HCD and other statutory reporting requirements for housing programs and plans.

Program 8.1.1 - Develop Annual Housing Status Report.

Provide an annual status report to the City Council and State HCD on the status of the General Plan Housing Programs and their implementation as required by State law.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Annually

Status: Continue

Policy 8.2: The City shall support local and regional efforts to develop and implement proven and effective housing policies and plans.

Program 8.1.2 - Participate in the Regional Housing Needs Determination.

The City will actively participate in the ABAG Regional Housing Needs Determination. The City will meet with ABAG staff to provide land use, housing, employment, and other information related to the RHNA formula to ensure that the allocation accurately represents the City's fair share of the region's housing needs.

Responsible Body: Community Development Department

Funding Source: Permit Fees

Timeframe: Ongoing, as requested

Status: Continue

DISCONTINUED PROGRAMS (2009)

H-10: Homesharing Services

Description

The City identifies and contacts organizations that provide and promote home sharing arrangements among homeowners with living space to share and individuals seeking affordable housing. The City collects program, contact, and application information from these organizations and makes these available to the public through the Community Development Department's public information counter and the Los Altos Senior Center. The availability of home sharing programs and program information is publicized through the *Spotlight* and *City News* (former *Communiqué*) newsletters, publications of the Los Altos Senior Center and the City of Los Altos.

The Senior Center currently offers a homesharing program called "Project Match," which pre-screens individuals seeking rooms to rent for seniors with rooms to spare.

Reason for Discontinuing Program

There is no funding for the program available. It has been inactive for several years.

H-5: AH/MU Ordinance

Description

The City will continue to implement the Affordable Housing/Mixed-Use (AH/MU) zoning regulations that permit multifamily residential projects along the El Camino Real commercial corridor. The City will continue to encourage and support projects that provide for a mix of senior housing and/or multifamily housing, and retail space in commercial areas through the AH/MU regulations.

The City will consider amending the Ordinance to not only allow, but to require, that future development proposals include a housing component, with a specified percentage of affordable housing, unless the applicant can demonstrate that housing is not financially feasible.

As noted above, the El Camino Real AH/MU designated corridor in particular has been identified in the Land Use Element as an area where affordable housing can be created as properties redevelop. Incentives to build housing along El Camino Real, such as allowing additional building stories and increasing allowable floor area, are included in the Land Use Element. Disincentives to build commercial-only projects, such as reduced allowable floor area, are also included. Similar mixed-use development incentives are also being considered for Los Altos' other business districts.

To assure that some affordable housing units will be created, the City has imposed the following requirements in the AH/MU Overlay-Zoning District:



Affordable housing required. A minimum of 20 percent low-income or 10 percent very low-income housing shall be provided as part of any new residential construction and/or conversion of an existing structure to residential use.

In all mixed-use projects proposed in a residential (R) zoning district, a minimum of 40 percent of the gross floor area shall be maintained for residential use, of which a minimum of 20 percent low-income or ten percent very low-income housing shall be provided.

Reason for Discontinuing Program

This program will be discontinued and replaced by **Program 4.3.2** - *Implement an affordable housing ordinance that defines the number of required below-market-rate (BMR) units by development size and type*. The updated ordinance is expected to be implemented in May 2009.

QUANTIFIED OBJECTIVES

City planning staff estimates that a total of 543 additional units of housing will be developed in Los Altos during the next RHNA planning period. These estimates are based on historic trends in permit applications received and completed units, as well as current market conditions and expected results from designated housing programs that will be implemented during the planning period, such as the Second Dwelling Unit program.

Second units in Los Altos are deed restricted and limited to low and very low incomes. Based on the number of applications received in the past, the City expects to increase the number of second units produced from approximately 2.25 units per year to 4 units per year during the current planning period. In **Table 1** the number of second units produced in 2006 and 2007 (nine units in total) demonstrates the feasibility of attaining this level of production. The City will increase efforts to educate residents about second units through **Program 4.2.1 - Facilitate new construction of second dwelling units**, and by encouraging new applications.

Table 1

Affordable Second Units Built 2001 - 2008

No.	Income Limit	Year	Application ID
1	Very Low	2007	07-SC-17
2	Very Low	2007	07-SC-24
3	Very Low	2007	07-SC-25
4	Low	2007	07-SC-44
5	Very Low	2007	07-SC-54
6	Low	2006	06-SC-17
7	Very Low	2006	06-SC-03
8	Very Low	2006	06-SC-25
9	Very Low	2006	06-SC-42
10	Very Low	2005	05-SC-37
11	Low	2005	05-SC-50
12	Low	2003	03-UP-01
13	Very Low	2003	03-SC-50
14	Low	2002	02-UP-13
15	Very Low	2002	02-UP-03
16	Low	2002	02-UP-05
17	Low	2002	02-UP-08
18	Low	2001	01-UP-01
Total - Second Units			18
Total - Very low-income Units			10
Total - Low-Income Units			8
Average Number of Units Produced Per Year			2.5

Source: City of Los Altos, Community Development Department, 2009.

Table 2 represents the estimated number of housing units the City expects to be built or entitled between January 2007 and June 2014 when the next Housing Element period ends. Between January 2007 and December 2008 a total of 163 housing units were entitled or constructed in Los Altos. Moving forward, the City estimates that an additional 364 housing units will be built across all income categories. These estimates are based on a number of factors including historical production, current market forces, pending zoning ordinance amendments, City housing programs, and state laws and guidelines for density bonuses.

Table 2

Quantified Objectives (January 1, 2007 – June 30, 2014)

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
Permit Issued Jan 2007 – Dec 2008						
Single Family					79	79
Multifamily		8		1	70	79
Second Units		4	1			5
Density Bonus						0
Total		12	1	1	149	163
Estimated Units Jan 2009 – Jun 2014						
Single Family					175	175
Multifamily			16	16	141	173
Second Units		10	6	0	0	16
Density Bonus	4	6	6			16
Total	4	16	28	16	316	380
Rehabilitation*	0	0	0	0	0	0
Conservation/Preservation**	0	0	0	0	0	0
Grand Total	4	28	29	17	465	543

Source: City of Los Altos 2009.

*The City has no funding and does not plan to seek any funding for rehabilitations

** There are currently no units at risk of converting.

APPENDIX A: PUBLIC PARTICIPATION

STAKEHOLDER MEETING – JANUARY 15, 2009

Notice of Public Outreach Meeting



HOUSING PLAN UPDATE

The Los Altos Community Development Department is updating the Housing Element of the City's General Plan. All California cities and counties are required to have a Housing Element that provides policies and programs to attain decent housing and a suitable living environment. It is further required that cities and counties allow for the development of affordable housing and homeless shelters within their jurisdictions.

The purpose of this initial meeting is to seek input from the public prior to preparing the draft Housing Element. The public outreach meeting is scheduled for Thursday, January 15, 2009 at 6:00 PM in Room 2 at the Hillview Community Center at 97 Hillview Avenue in Los Altos.

You are invited to share your thoughts at this earliest opportunity. Your input will help to shape the goals and programs of the Housing Element. Once drafted, the Housing Element will ultimately be reviewed by the Planning Commission and City Council at a publicly noticed later date. If you should have any questions, please contact Community Development Department staff at (650) 947-2750.

Publish Once: December 31, 2008

David Kornfield, AICP

Planning Services Manager



Public Comment

The following exhibits represent the written comments submitted on public comment cards provided by the City at the stakeholder meeting:

Public Comment Cards Received



HOUSING ELEMENT UPDATE
PUBLIC OUTREACH MEETING
6:00 p.m., January 15, 2009

PUBLIC COMMENT CARD

NAME: K.G. TIEMANN, SENIOR ADVOCATE
ADDRESS: 150 W EDITH AVE - LOS ALTOS

I AM VERY CONCERNED THAT WE HAVE
SO FEW "SENIOR" BLHR UNITS
PLEASE KEEP ME INFORMED
ON THAT & OTHER BLHR ISSUES
ALSO COULD YOU EMAIL ME
PAGES 9, 10 & 11 OF THE
PRESENTATION.

KGABRIELLE74@GMAIL.COM
650-796-4423

Thank you
K. Tiemann

PLEASE HAND THIS SLIP TO STAFF OR
MAIL OR DELIVER TO:
PLANNING DIVISION, 1 N. SAN ANTONIO ROAD, LOS ALTOS, CA 94022



HOUSING ELEMENT UPDATE
PUBLIC OUTREACH MEETING
6:00 p.m., January 15, 2009

PUBLIC COMMENT CARD

NAME: Jim Waple, Alain Pineau Realtors
ADDRESS: 167 S. San Antonio Rd. LA 94022

We would like to see a change in the policy requiring
applicants for BMR units to have a new credit check
for each application - this has a negative effect on one's
credit rating.

We would like to see improved policing of the awarding
of BMR units so as to prevent people of substantial
means from obtaining BMR units as has happened in
the past.

PLEASE HAND THIS SLIP TO STAFF OR
MAIL OR DELIVER TO:
PLANNING DIVISION, 1 N. SAN ANTONIO ROAD, LOS ALTOS, CA 94022

**Signed Letters Received****From: Ms. Alina Rother**

Suggestions for the Los Altos Below-Market-Rate Housing program were resubmitted by Ms. Alina Rother at the Housing Element Community Workshop, held on January 15, 2009 at the Los Altos Senior Center. Ms. Rother originally submitted her suggested changes to the program as part of the following letter, which was received by the City on September 8, 2007.

ALINA ROTHER

ALINA ROTHER'S SKIN AND SOUL CLINIC
85 MAIN STREET LOS ALTOS, CA 94022 (650) 949-4226

September 6, 2007

Starla Jerome-Robinson
David Kornfield
City of Los Altos
One North San Antonio Road
Los Altos CA 94022

Dear Ms. Jerome-Robinson and Mr. Kornfield;

I appreciate that both of you spent time with me in August to personally discuss the topic of this correspondence.


As you know, I have been an applicant to the City Of Los Altos' Below Market Rate (BMR) program since 2006. That was the year I helped bring to the City's attention an egregious abuse of the BMR program, where a local residence that was required to be owner-occupied was being rented instead.

I have applied for six or more residential properties and have never been selected. This is naturally very disappointing to me, given that I have lived and worked in Los Altos for twenty years and have operated my own business in Los Altos for the last seven years.

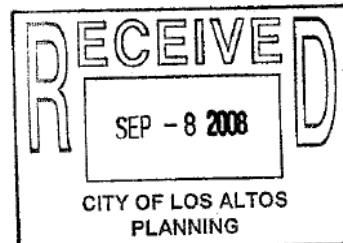
In the course of my many applications, I have become very familiar with the operation of the BMR program. I wish to submit the attached feedback as a proposal to reform the City's program, because, frankly speaking, this program does not work. The BMR program may be designed to provide low cost housing opportunities to a variety of citizens with connections to Los Altos, using a tiered preference model, but in practice and given the low inventory, no one below the first tier ever has a chance.

Thank you for considering my proposal. I will contact you soon to request a meeting to discuss this information.

Sincerely,


Alina Rother

Copy: Jim Nappo; Julie Saffren; Rod Geiman



SUGGESTED REFORMS FOR LOS ALTOS' BELOW MARKET RATE PROGRAM

1. Until BMR housing inventory is substantially increased, abolish the preference tiers and utilize discretion in selecting eligible purchasers

Preference tiers were established to incent certain eligible purchasers (teachers, city employees, firefighters, current city residents, persons employed within the city, etc.) to reside in Los Altos by offering them preferential consideration for BMR housing. Preference tiers make sense if inventory is sufficient such that members other than Tier One have an actual chance to be considered eligible. But as long as inventory is low, the current system is, de facto, a single-tier system. This is unfair and should be corrected.

The City should consider abolishing the preference tiers until such time that housing inventory is substantially increased. Without the use of preference tiers, the City should make its selection based a variety of factors. The City is, of course, free to give extra consideration for purchasers who are City employees or members of other special categories. But having the ability to exercise discretion means that eligible purchasers may be selected from a wider pool of applicants and include other factors that are also important to the City, such as long-term residential connection to Los Altos, owning and operating small businesses, minority or female business owners, etc.

2. If Tiers must remain, Tier One should be expanded

Tier One is currently limited to City employees, school district employees and Los Altos Fire Department employees. This tier is extremely limiting, representing a small number of total eligible purchasers. While these categories reflect important and critical functions for the City, members of these groups are not alone in having a tangible "worth" to the City. Los Altos does not prioritize public safety, education and City government against each other; all are vitally important in very different ways. The same is true for the City's economic growth, measured by the category of small business owners, and the City's stability, measured by long-term residence in the City. Isn't economic growth just as important as education? Doesn't the resident who has lived here for twenty years bring as much, if not more, to the community as the teacher who has worked here for twelve months?

An expanded Tier One system would provide greater diversity in the numbers of eligible purchasers available for consideration, and would eliminate the "de facto" single tier system by having a broader and richer pool of eligible purchasers from which to choose.

3. If Tiers must remain, permit the City to utilize discretion

Giving the City the ability to exercise discretion in decision-making for BMR units would enable more nuanced decision-making, and would take into consideration additional factors the City may wish to consider on a case-by-case basis. It would enable the City to diverge from Tier One if there were justifiable reasons to select an eligible purchaser from a different tier.

As long as the City has so little inventory of BMR housing units, a system that enables discretion is much more fair to all who apply to the program.

From: League of Women Voters of the Los Altos-Mountain View Area, January 15, 2009



**LEAGUE OF WOMEN VOTERS
of the Los Altos-Mountain View Area
97 Hillview Avenue, Los Altos, CA 94022**

January 15, 2009

Re: Housing Element Update

The League of Women Voters of the Los Altos-Mountain View Area would like to comment briefly on the housing element update process which is just beginning. First, it seems clear that Los Altos did not meet its Regional Housing Needs goals for the last time period. Since the number of very-low income units assigned to Los Altos for this housing element timeframe is 98, in comparison to 38 for the last timeframe, the City must adopt some new and improved policies if it intends to reach the RHNA goals.

The LWV supports many of the policies adopted by the City in earlier Housing Elements, but believes that modifications are needed. First, because the City depends so much on its inclusionary zoning program for creating very-low income units, the LWV would like to see this program strengthened. We have long been advocates for having a transparent, consistent below-market-rate program for multi-family districts outside of the affordable housing/mixed use overlay zone.

In addition, we would like to see the City review the guidelines for below-market-rate units in the overlay zone, making a distinction between rental and ownership housing. And the entire below-market program should be reviewed, with changes in terms of the incomes targeted, the sales price calculations, the resale restrictions, and outreach. The program is large enough now so that residents and those who work in the City should know how to get on a waiting list and how to qualify, rather than rely on short-term, last-minute ads when units become available.

A second program the City has relied upon for producing very-low and low-income units is second units. We would urge a careful review of this program to see if the guidelines should be changed to encourage more units, and, even more important, some monitoring of the income levels these units are serving.

We support higher densities along the El Camino corridor, including Sherwood Triangle, and also in the downtown area. It is key to the reduction of greenhouse gases that we have housing near transit and services.

We would also encourage the City to consider using City-owned land such as the Civic Center property and the First and Main site for affordable housing. Both of these sites are well-situated for higher density housing and for mixed use.

We hope to have the opportunity to comment in more detail as the Housing Element update process proceeds. Thank you for considering our input at this time.

Susan Russell
Co-Chair, Affordable Housing Committee
744 Los Altos Avenue

PLANNING COMMISSION MEETING – MARCH 5, 2009

Notice of Public Hearing



HOUSING ELEMENT UPDATE

PUBLIC HEARING

The City of Los Altos is updating its General Plan Housing Element as required by State law. All California cities and counties are required to periodically update their Housing Element. A main goal of the State is to have a Housing Element that provides policies and programs to attain decent housing and a suitable living environment for all. Among other things, the State housing law requires that cities allow for the development of affordable housing and emergency homeless shelters within their jurisdictions.

Accordingly, the Planning Commission will hold a public hearing on March 5, 2009, at 7:30 PM in the Community Chambers at City Hall, One North San Antonio Road, Los Altos, California to consider updates to the Housing Element including its goals, policies and programs. The purpose of this public hearing is to seek input from the public regarding the draft Housing Element and to provide a recommendation to the City Council.

Your input will help to shape the goals, policies and programs of the Housing Element. If you should have any questions, please contact Planning Services Manager David Kornfield at (650) 947-2632.

Publish Once: March 18, 2009
David Kornfield, AICP
Planning Services Manager



Public Comment

The following exhibits represent the written comments submitted by the public either preceding the meeting or at the Planning Commission Meeting on March 5, 2009:

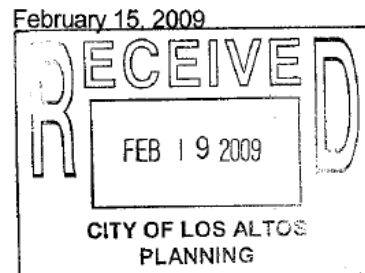
Signed Letters Received

From: Ms. Alina Rother on February 19, 2009

ALINA ROTHER

ALINA ROTHER'S SKIN AND SOUL CLINIC
85 MAIN STREET LOS ALTOS, CA 94022 (650) 949-4226

David Kornfield
City of Los Altos
One North San Antonio Road
Los Altos CA 94022



Dear Mr. Kornfield;

I have been an applicant to the City Of Los Altos' Below Market Rate (BMR) program since 2001. In the last three years, I have applied for residential properties more than six times and have never been selected. I submitted detailed feedback to the City in 2008, urging the revision of the selection criteria for the BMR program, because I believe the lack of sufficient inventory of properties creates a *de facto* "single tier" preference system, where other eligible purchasers such as long-time residents or local small business owners, never have a chance to be considered.

Now, that situation has dramatically changed and I am writing to you with a different concern. I understand there are no less than eleven properties that should be part of the Los Altos BMR program, all coming "on line" around the same time. (I am referring to the eight units in the Peninsula Real development, two units on Tyndall Avenue and one on North San Antonio Road). This significant increase in inventory of BMR units creates, at long last, an opportunity for eligible purchasers who are not in the first preference tier of City employees to have a chance to acquire a residence in Los Altos through the BMR program. But now I am deeply concerned there is no sense of urgency on the part of the City or its contracted agency, Neighborhood Housing, to establish the pricing and advertise these properties for participation in the BMR program.

I urge you to expedite the process whereby these BMR units are identified and advertised, and I ask you to stay involved in the selection process. There has not been a situation of substantial inventory in the BMR program for several years, and it is important that the City keeps a close eye on the program's administration, to ensure fairness. The constraints of our economy simply underscore the need for a program such as this, as long as it operates with transparency and opportunity for all eligible applicants.

Sincerely,


Alina Rother

Copy: James Walgren; Greg Schmitz; Megan Satterlee
Jim Nappo; Rod Geiman; Julie Saffren



From: Greentown Los Altos on February 23, 2009



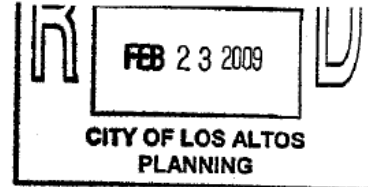
151 Mountain View Ave
Los Altos, CA 94024

February 23, 2009

Los Altos City Council
City of Los Altos Planning Department
One North San Antonio Road
Los Altos, CA 94022

Attn: David Kornfield

ATTACHMENT B



Dear Honorable Mayor and Members of City Council:

The current state mandated update of the Housing Element presents an opportunity for Los Altos to continue to demonstrate leadership with respect to sustainability and smart growth.

The Green Ribbon Citizens Committee of GreenTown Los Altos recommends expanding the Los Altos Housing Element to include sustainability and Smart Growth goals. We are recommending that the following be added to the Goals and Policies of the Los Altos Housing Element:

Expand Goal 7 from "Maximize Los Altos' energy efficiency" to "Maximize Los Altos' sustainability through energy efficiency, water conservation, and green-house gas reductions."

We propose the policies for Goal 7 read as follows:

Policy 7.1: The City shall encourage energy and water conservation measures to reduce energy and water consumption in residential, governmental, and commercial buildings.

Policy 7.2: The City shall promote the use of solar energy.

Policy 7.3: The City shall continue to implement building and zoning standards to encourage energy and water efficiency.

Policy 7.4: The City shall continue to update green building standards

We propose the City add an 8th Goal to:

"Encourage the location of housing, jobs and services within walking distance of each other to reduce vehicle miles traveled."

We propose the policies for Goal 8 to read as follows:

Policy 8.1: The City shall continue to implement building and zoning standards to encourage mixed use zoning for maximum flexibility within the Downtown and neighborhood commercial corridors.

Policy 8.2: The City shall allow for higher density within these mixed use zones.

Policy 8.3: The City shall provide incentives for high density and mixed use development.

Please feel free to contact us as at 650-400-2266 (Forrest Linebarger) or 650-948-3345 (Ted Sorensen) if you have any questions. Thank you for your time and consideration.

Sincerely,

Forrest Linebarger

Ted Sorensen

Co-chairs, Transportation and Land Use Working Group
Green Ribbon Citizens Committee
GreenTown Los Altos

GreenTown Los Altos

*A non-profit environmental
organization serving Los Altos
and Los Altos Hills, California*

www.GreenTownLosAltos.org

***From: The League of Women Voters of the Los Altos-Mountain View Area,
March 2, 2009***



**LEAGUE OF WOMEN VOTERS
of the Los Altos-Mountain View Area
97 Hillview Avenue, Los Altos, CA 94022**

March 2, 2009

David Kornfield, Planning Department
Members of the Planning Commission

Re: Housing Element Update

The LWV of the Los Altos/Mtn. View Area wants to compliment the staff and consultant on an excellent job of gathering and organizing much important information, and we are particularly pleased to see that "Affordability" has been addressed as a separate goal in this Housing Element Update Draft. We do have some specific suggestions for Policies under Goal 4. Re Policy 4.2, we would like to see that these units are actually rented to very-low and low-income households. (We would like to see a category added here for "extremely-low-income".) If these units are occupied by relatives of the homeowner building the second unit, and these relatives are not low-income households, then this is not actually adding to the low-income housing stock. We believe that these units should not be counted as "affordable" units unless they are actually rented at affordable rents to those who are in these income categories and we recommend annual monitoring. We wonder how many of the new second dwelling units listed in the report are rented by non-family members.

We agree that having one "below-market-rate" ordinance for the entire City makes sense. However, we are concerned that there is no requirement for "extremely-low-income" units in this ordinance, as these units will be the hardest to create and may need additional incentives from the City and/or CDBG funds to reach this lower level of affordability. We would also recommend that the City review carefully whether 15% lower income rental units is an appropriate target in terms of feasibility. Developers never selected the option of 20% lower-income BMR units in the affordable housing/mixed use overlay zone for economic reasons. We are concerned that setting aside 15% lower income rentals may be so much easier for the developers to do under the proposed BMR ordinance, that no one will choose the option of building 10% very-low income units. We base this on the experience of Palo Alto and Sunnyvale. These cities have had the longest operating BMR programs in the area; they target rentals at less than the maximum lower income rents. Restricted lower income rents otherwise are often not much lower than market-rate rents. Again, we are not able to do the proper analysis, but we advise Los Altos to look at the track record of other cities. We agree that the ownership units should be targeted to moderate-income households.

We have other concerns with the current BMR policies, but we agree with staff that these issues don't need to be addressed in this Housing Element update.

We would like to see a new policy included: 4.3.3 "The City should use City-owned land to encourage the development of affordable housing." This could be as the upper stories of a downtown parking structure, upper stories at the Civic Center, or part of the development at First and Main, for example.

We are most concerned with the methodology for arriving at the quantified objectives. Not only is there no category for "extremely-low-income" units, but we do not think that it is a reasonable assumption that the multiple-family units will be distributed among the less than market income categories. (See p. 33 of Draft Housing Element and p. 4 of Housing Element Update staff memo.) The only moderate and lower income units built during the last Housing Element planning period, besides second living units, were BMR units required by the City. In the list of potential sites, we see 2 multi-family sites where BMR units would be required. The total potential units would be 162 at these two sites. But only 10% - 15% of them would likely be BMR's, or a total of 24. Adding these 24 (assuming 15% of the units built) to the 32 anticipated second-living units would yield 56 units. However, a total of 243 units need to be shown to satisfy the RHNA goals.



Finally, we would like to see housing development promote walkable communities and neighborhoods. Policies 2.2 and 2.3 could be strengthened to be more specific regarding providing incentives, including higher densities, fast-tracking and other incentives requested by developers to encourage residential uses above ground-floor retail or office uses. Generally, we endorse the recommendations made by Green Town Los Altos in their February 23rd letter, particularly as these relate to reducing vehicle miles traveled. We also support expansion of the City's energy efficiency goals and would like to see the City join a County effort to make green-building standards consistent throughout the County.

Thank you for considering our suggestions.

Sincerely,
Susan Russell
Co-Chair, Affordable Housing Committee
League of Women Voters of Los Altos/Mountain View Area
Cc: James Walgren, Assistant City Manager
Doug Schmitz, City Manager

CITY COUNCIL MEETING – APRIL 14, 2009

Notice of Public Hearing



HOUSING ELEMENT UPDATE

PUBLIC HEARING

The City of Los Altos is updating its General Plan Housing Element as required by State law. All California cities and counties are required to periodically update their Housing Element. A main goal of the State is to have a Housing Element that provides policies and programs to attain decent housing and a suitable living environment for all. Among other things, the State housing law requires that cities allow for the development of affordable housing and emergency homeless shelters within their jurisdictions.

The City Council will hold a public hearing on April 14, 2009 at 7:00 PM in the Youth Center, One North San Antonio Road, Los Altos, California, to consider the Planning Commission's recommendation on the Housing Element update.

For further information, please contact Planning Services Manager David Kornfield at (650) 947-2632.

Publish Once: March 25, 2009
David Kornfield, AICP
Planning Services Manager

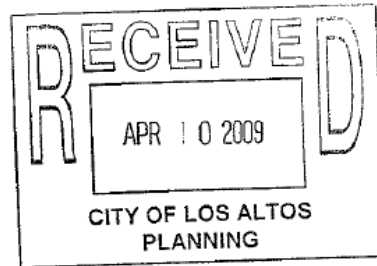
Public Comment

The following exhibits represent the written comments submitted by the public either preceding the meeting or at the City Council Meeting on April 14, 2009:

Signed Letters Received

From: Catholic Charities of Santa Clara County, April 9, 2009

435 San Luis Ave.
Los Altos, CA 94024



April 9, 2009

Mayor Megan Satterlee and Members of the City Council
City of Los Altos
One North San Antonio Road
Los Altos, CA 94022

Re: Affordable Housing in Los Altos

I urge you to support stronger measures to encourage the development of affordable housing in Los Altos within the next six years.

Stable housing is the first step out of poverty. Los Altos is part of Santa Clara County where one in four households does not have sufficient resources to make ends meet (Insight Center for Community Economic Development). This is a regional issue. We must do our part.

On April 20 Catholic Charities of Santa Clara County will launch **Step Up Silicon Valley: Campaign to Cut Poverty**. Affordable housing is one of five focus areas in the campaign. Over 90 agencies and government bodies have participated in developing this campaign. We now invite every resident, every neighborhood, every city to step up.

In particular, for your consideration, I support the steps recommended by the League of Women Voters:

Re Policy 4.3, rewrite the first paragraph under 4.3.1 as follows:

"Initiate discussions with nonprofit housing developers and market-rate developers to find possible ways for the City to assist in the development of extremely low, very-low, low and moderate income housing through one or more of the following actions:"

Add the following to the current bullets:

"Fast-track developments with more affordable housing units than required by ordinance or for rental housing developments."

"Consider fee waivers for developments with more affordable housing than required by ordinance or for rental housing developments."



“Consider contributing City land in order to make affordable housing feasible.”

Re Policy 8.1, add 8.1.3 as follows:

“Review annually Chapter 14.28 Multiple-Family Affordable Housing, as well as the policies associated with this ordinance to ensure that the ordinance and policies target appropriate income levels, appropriate rent levels and sales prices, and that these programs address extremely-low-income households.”

Please take this step. As stewards of our city, help us create a welcoming, inclusive community, where young and old, our children and our parents, can live as neighbors.

Step up to cut poverty!

Sincerely,

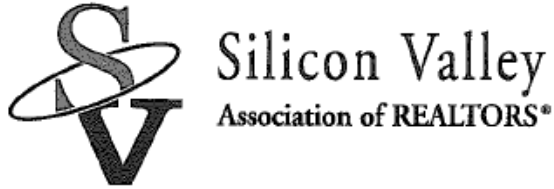
A handwritten signature in cursive script that reads "Elizabeth Lilly".

Elizabeth Lilly
Director, Community and Parish Partnerships
Catholic Charities of Santa Clara County

Member of St. William Catholic Church

Cc: David Kornfield, Planner
James Walgren, Assistant City Manager
Doug Schmitz, City Manager

From: Silicon Valley Association of Realtors, April 14, 2009



April 14, 2009

The Honorable Megan Satterlee
Mayor
City of Los Altos
One North San Antonio Road
Los Altos, Ca.

Mayor Satterlee and Council Members,

The Silicon Valley Association of REALTORS® (SILVAR) is a trade association representing over 4,000 real estate professionals in Santa Clara and San Mateo counties and is an historical advocate for the construction of affordable housing and the creation of ownership housing opportunities for all members of the community. We would like to comment on items eight and nine, the draft housing element and the housing ordinance amendments.

We commend the City for taking a proactive role in creating solutions for affordable housing and taking proactive steps in engaging the community in developing a comprehensive housing element update. Our comments on these two items are in regards to draft policy and program 4.3.2 "implement an affordable housing ordinance that defines the number of required below-market-rate (BMR) units by development, size and type."

Our concerns regarding this program is that program 4.3.2, which is a mandatory inclusionary zoning policy, is not analyzed in the section titled government constraints. This program might have the potential to negatively impact the overall development of housing in Los Altos. We believe this program should be analyzed on several levels including the constraints it might cause to developers ability to acquire financing (especially in the current market) to bring a project to completion and the possible barriers created to potential market rate homebuyers. For instance, since the last housing element there has been research on inclusionary zoning that should be reviewed by city staff that has shown that over many years in Bay Areas Cities, inclusionary zoning has lead to the development of fewer homes and higher home prices (Means, Stringham, Lopez, Below-Market Housing Mandates as Takings: Measuring their Impact, November 2007).

Regarding the housing ordinance amendment, we would like to recommend that for ownership housing the inclusionary requirements at 10 percent be applied to 10 units or more, or the City mirror the approach taken by Mountain View regarding fractional units "If the calculation of BMR units results in a fraction of a unit, either an in-lieu fee shall

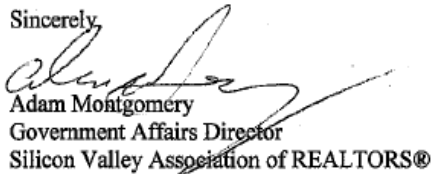
19400 Stevens Creek Blvd., Suite 100 • Cupertino, CA 95014
Phone: 408.200.0100 • Fax: 408.200.0101 • www.silvar.org

be paid to the city's housing fund or the development shall provide an additional unit to satisfy the requirement. The in-lieu fee shall be based on a formula that considers the difference between the price of market-rate units and the price of below-market-rate units as specified in the BMR administrative guidelines."

Our recommendation is based on the fact that this proposal will have a larger negative financial and practical impact on project between 5 and 9 units because developers would have to remove more than 10 percent of their total project from the market. The use of in-lieu fees has become the practice of many neighboring cities as a way to neutralize the additional burden on smaller projects, created by their size, from the inclusionary programs. The fees (in the form of an affordable housing fund) are used in many ways by the cities by partnering with non-profits to leverage funds and create permanent affordable housing.

Thank you for allowing me the opportunity to comment on the draft housing element and the housing ordinance amendments.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Montgomery".

Adam Montgomery
Government Affairs Director
Silicon Valley Association of REALTORS®



CITY COUNCIL STUDY SESSION – APRIL 22, 2009

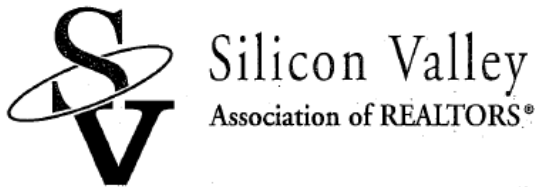
The City Council also held a study session on April 22, 2009 to discuss specific items in more depth and carefully consider written comments and submitted by the public at the April 14 public hearing.

Public Comment

The following exhibit represents the written comments submitted by the public either preceding the meeting or at the City Council Study Session on April 22, 2009:

Signed Letters Received

From: Silicon Valley Association of Realtors, April 22, 2009



April 22, 2009

The Honorable Megan Satterlee
Mayor
City of Los Altos
One North San Antonio Road
Los Altos, Ca.

Mayor Satterlee and Council Members,

The Silicon Valley Association of REALTORS® (SILVAR) is a trade association representing over 4,000 real estate professionals in Santa Clara and San Mateo counties and is an historical advocate for the construction of affordable housing and the creation of ownership housing opportunities for all members of the community. We would like to comment on items one and two, the draft housing element and the housing ordinance amendments, respectively.

Thank you for allowing us the opportunity to comment at the last council meeting regarding the housing element, and for scheduling an additional meeting to allow more discussion on this issue. We maintain our positions regarding inclusionary zoning as discussed in a letter sent to the council on April 14, which suggested several potential amendments to the proposed program 4.3.2 and Housing Ordinance Amendments. We have attached that letter for your reference.

Another suggestion brought up in the original public hearing which we would like to address in this letter, is a proposal to create an amnesty program for illegal second units. After completing some research, we found some communities have adopted such programs as part of their housing elements, but many required deed restrictions that would limit the second unit rent amount as a condition of the amnesty, which in turn turned away potential property owners seeking amnesty. Marin County, on the other hand, took a different approach by consciously attempting to strike a balance between the needs of the community and property owners, to ensure tenants were residing in safe and legal units.

Below is the program we suggest Los Altos include as part of the housing element. This program is similar to Marin County's one-year amnesty program that commenced in 2008 (was a conceptual program in their 2003 housing element).

Legalization of Existing Second Units. Los Altos will establish an amnesty program for illegal second units that provides a period of time for owners of non-permitted units to legalize their units. In exchange for the property owner meeting

19400 Stevens Creek Blvd., Suite 100 • Cupertino, CA 95014
Phone: 408.200.0100 • Fax: 408.200.0101 • www.silvar.org

specified health and safety standards, there should be limits on future expansion of the second unit to maintain its current affordable rent.

Establish an Amnesty Program for Un-Permitted Second Units. Establish an amnesty program for non-permitted second units in order to increase the legal housing stock while assurances of continued affordability are provided by restricting unit size and by limiting required improvements to health and safety standards to reduce costly repairs that may drive up rents. Based on the experience of other communities, requiring affordability covenants could discourage applications to legalize existing second units, and the units could be lost entirely at a later date through code enforcement actions. A specific period of time will be allowed for owners of illegal units to register their units and make them legal without incurring fines, penalties and fees un-related to cost recovery. Property owners may only be required to modify the second unit to meet health and safety requirements. Information submitted to the City in support of an Amnesty Permit application will not be used as the basis for enforcement action unless there is a clear and imminent danger to public and/or environmental health.

Through communications I have had with Marin County staff, they claim this program has been extremely successful, with 55 units already being granted amnesty in the unincorporated part of the county. According to the county they were also able to work out a formula with California HCD to have most of the units that were granted amnesty in 2008 count towards meeting their RHNA allocation requirements (mainly the units that were existing but not counted as part of the previous census). I have attached an FAQ regarding their program to give a better understanding of how this program might work, and we suggest contacting Marin County for more information regarding this program.

Thank you for allowing me the opportunity to comment on the draft housing element and the housing ordinance amendments.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Montgomery".
Adam Montgomery

Government Affairs Director

Silicon Valley Association of REALTORS®

APPENDIX B: HOUSING NEEDS ASSESSMENT

POPULATION CHARACTERISTICS

Population Trends

Los Altos has not experienced substantial population growth for several decades. Because Los Altos is nearly built out, most of the population changes that have occurred since 1970 are due largely to annexations. Changes in household composition related to age and the percentage of households with children have had a greater influence on Los Altos' population than growth from new development. The City's population gradually increased between 1970 and 1980, and peaked for a period around 1980, when the U.S. Census recorded 26,816 residents. Between 1980 and 1990, the number of residents gradually declined, to 26,599. Between 1990 and 2000, the City's population has increased around 4.5 percent, less than half the growth rate (12.4 percent) for Santa Clara County overall. According to the 2000 U.S. Census, the City's population was 27,693 (**Table 1**). Current projections estimate the population of Los Altos to be 27,728, just a 0.13 percent increase over the population recorded in 2000. Forecasts for 2013 and 2020 indicate that Los Altos will continue to experience some growth (**Table 2**). The City's population is projected to grow by over 4 percent between 2008 and 2020, while Santa Clara County is expected to see a 16.54 percent increase in population during the same period.

Table 1

City of Los Altos and Santa Clara County Population 2000 - 2020

	1990	2000	2008	2013	2020
Los Altos	26,492	27,693	27,728	28,093	32,000
Santa Clara County	1,497,577	1,682,585	1,789,270	1,870,533	2,016,700

Source: 2000 U.S. Census Data. ESRI Forecasts 2008 and 2013. Association of Bay Area Governments, Projections 2020.

Table 2

City of Los Altos and Santa Clara County Population Growth 1990 - 2013

	2000		2008		2013		2020	
	Population	% Change	Population	% Change	Population	% Change	Population	% Change
Los Altos	27,693	4.53%	27,728	0.13%	28,093	1.32%	32,000	2.87%
Santa Clara County	1,682,585	12.35%	1,789,270	6.34%	1,870,533	4.54%	2,016,700	11.48%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

Age of Population

Although the age distribution in Los Altos has remained relatively constant since 1990 (**Table 3**), current estimates indicate that since 2000 there has been a notable increase in residents older than 50 years. During the same period, the percentage of residents between 30 and 49 years of age has decreased by 5 percent. These trends are expected to hold through 2013. **Figure 1** below illustrates the expected change in population for designated age groups between 2008 and 2013.

Table 3

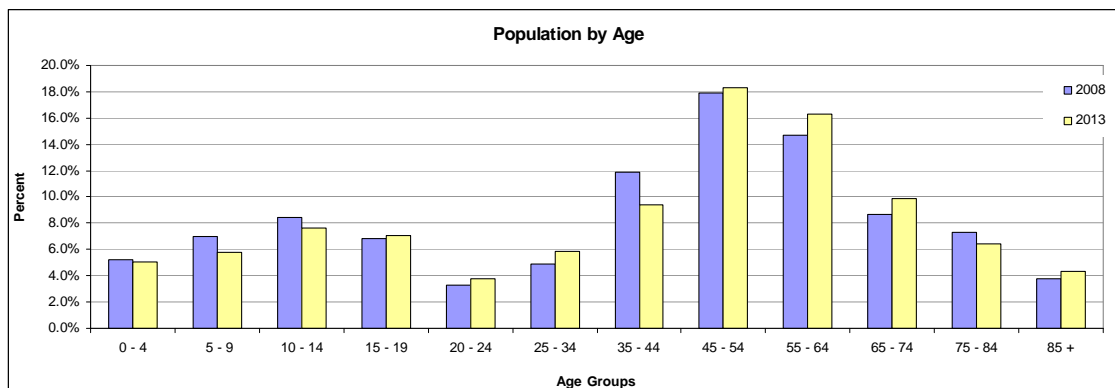
Los Altos Age Distribution

Age	1990	2000	2008	2013
0-4	5.1%	5.9%	5.2%	5.1%
5-9	5.7%	7.1%	7.0%	5.8%
10-14	6.0%	7.1%	8.4%	7.6%
15-19	5.3%	4.8%	6.8%	7.1%
20-24	3.6%	2.2%	3.3%	3.8%
25-34	9.8%	7.2%	4.9%	5.9%
35-44	17.3%	17.3%	11.9%	9.4%
45-54	16.0%	16.9%	17.9%	18.3%
55-64	12.3%	12.2%	14.7%	16.3%
65+	18.9%	19.4%	19.8%	20.6%
Median Age	43.5	44.2	46.4	48.1

Source: 1990 and 2000 U.S. Census Data. ESRI forecasts for 2008 and 2013.

Figure 1

Los Altos Projected Age Distribution 2008–2013



Source: 1990 and 2000 U.S. Census Data. ESRI forecasts for 2008 and 2013.

Households

The number of households increased by about 6 percent between 1990 and 2000 (**Table 4**). Since 2000, estimates show a slight decrease in the total number of households, though the average household size in Los Altos has remained relatively stable between 1990 and 2008. Over the next five years, the number of households in Los Altos is expected to increase by less than 1 percent.

Table 4

Los Altos Household Estimates

	1990	2000	2008	2013
Average Household Size	2.63	2.61	2.61	2.63
Households	9,869	10,462	10,422	10,514

Source: 1990 and 2000 U.S. Census Data. ESRI forecasts for 2008 and 2013.

Household Type and Composition

The characteristics of the City's household population can be further evaluated by examining household size, composition, age, and other relevant factors.

In 1990, the largest percentage (40 percent) of households in the City consisted of two persons (**Table 5**). Large families (households of five or more related individuals) comprised less than 10 percent of all households. The Census Bureau reported a small increase in the percentage of one-person households between 1990 and 2000, from 16 to 19 percent. New data regarding household type and composition will be available after the results of the 2010 Census are tabulated.

Table 5

Los Altos Number of Persons per Household

	1990		2000	
	Number	Percentage	Number	Percentage
1 Person	1,605	16%	1,955	18.7%
2 Persons	3,980	40%	4,022	38.4%
3 Persons	1,765	18%	1,755	16.8%
4 Persons	1,700	18%	1,897	18.1%
5 Persons	568	6%	640	6.1%
6 Persons	169	2%	151	1.4%
7 + Persons	50	<1%	42	0.4%
Total	9,837	100%	10,462	100%
Average Household Size	2.63		2.61	

Source: 1990 and 2000 U.S. Census Data

The 2000 Census reported that 70 percent of all households in the City were married-couple families, 14 percentage points higher than countywide (**Table 6**). The percentage of female households in the County was twice that of the City, and there were 6 percent more non-family households countywide than citywide.

Table 6

Household Composition by Type (2000)

Household Type	Los Altos		Santa Clara County	
	Number	Percentage	Number	Percentage
Family Households	8,036	77%	399,765	71%
Married Couple Families	7,322	70%	317,923	56%
Other Family, Male Householder	161	2%	27,525	5%
Other Family, Female Householder	553	5%	54,317	10%
Non-Family Households	2,419	23%	166,720	29%
Total	10,455	100%	566,485	100%

Source: 2000 U.S. Census Data

With family and non-family households, household categories can be further broken down as depicted in **Table 7** below. The 2000 Census reported that 31 percent of all households in the City were married-couple households with children, over 2 percent higher than countywide. In 2000, a higher percentage of residents in Los Altos lived in family households than was recorded countywide, and a higher percentage of single-parent households was also recorded in the County. The percentage of female householders living alone in the City (12 percent) is slightly higher than in the County (11 percent). The percentage of households comprised of non-relatives is significantly lower in the City (6 percent) than in the County (11 percent). The percentage of institutionalized persons living in group quarters was higher in Los Altos (4 percent) than in Santa Clara County (2 percent).

Table 7

Detailed Household Composition by Type (2000)

Household Type	Los Altos		Santa Clara County	
	Number	% of Total Households	Number	% of Total Households
Total Households	10,455	100.00%	566,485	100.00%
In Family Households				
Couples - With Children	3,240	30.99%	162,637	28.71%
Male Single Parents	106	1.01%	11,765	2.08%
Female Single Parents	218	2.09%	27,397	4.84%
Family Households - No Children	4,472	42.77%	197,966	34.95%
In Non-Family Households				
Male Householder - Living Alone	720	6.89%	58,105	10.26%

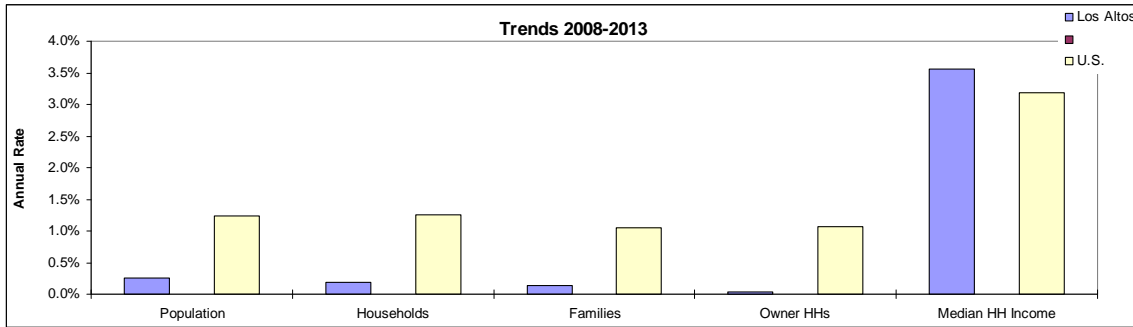
Household Type	Los Altos		Santa Clara County	
	Number	% of Total Households	Number	% of Total Households
Male Householder - Not Living Alone	233	2.23%	28,600	5.05%
Female Householder - Living Alone	1,238	11.84%	62,821	11.09%
Female Householder - Not Living Alone	228	2.18%	17,194	3.04%
Non-relatives	616	5.89%	64,933	11.46%
In Group Quarters				
Institutionalized Persons	373	3.57%	13,414	1.95%
Other Persons in Group Quarters	17	0.16%	19,800	3.29%

Source: 2000 U.S Census Data

Figure 2 displays projected growth rates for population, households, families, owner households, and median income as bars for both the City of Los Altos and the United States. Los Altos lags behind the national average in terms of growth in population, households, families, and owner households. Los Altos exceeds the national average slightly for percentage growth in median income.

Figure 2

Projected Annual Growth Rates Population, Households, Families and Income 2008–2013



Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

INCOME CHARACTERISTICS

The median income of Los Altos' residents has risen dramatically between 1990 and 2000, and again between 2000 and 2008 (**Table 8**). Estimates for 2008 indicate that the median income for the City has grown 52 percent since 2000, a 144 percent increase in the median income since 1990. Over the same period the County has also experienced a dramatic increase in income, though comparatively less than the City of Los Altos. These trends are expected to continue through 2013 although there will be a slight decrease in the rate of growth. Median income grew at an annual rate of almost 6.5 percent between 2000 and 2008; that rate is expected to decrease to around 3.8 percent between 2008 and 2013. The County's annual growth rate for income is expected to decrease to 2.9 percent for the same period. Since 1990 the City's median income has continued to grow at a faster rate than the

County's. In 1990 the City's median income was 1.6 times larger than the County's median income. By 2013, the median income for Los Altos residents will be almost two times that of residents living in the County.

Table 8
Los Altos Household Income (2000, 2008, 2013)

	2000		2008		2013	
Income	Number	Percentage	Number	Percentage	Number	Percentage
Total Households	10,455	100.0%	10,421	100.0%	10,513	100.0%
<\$10,000	138	1.3%	91	0.9%	71	0.7%
\$10,000 – \$14,999	150	1.4%	46	0.4%	41	0.4%
\$15,000 – \$19,999	134	1.3%	113	1.1%	48	0.5%
\$20,000 – \$24,999	193	1.8%	80	0.8%	97	0.9%
\$25,000 – \$29,999	261	2.5%	78	0.7%	57	0.5%
\$30,000 – \$34,999	270	2.6%	133	1.3%	64	0.6%
\$35,000 – \$39,999	226	2.2%	120	1.2%	69	0.7%
\$40,000 – \$44,999	218	2.1%	172	1.7%	105	1.0%
\$45,000 – \$49,999	362	3.5%	179	1.7%	87	0.8%
\$50,000 – \$59,999	406	3.9%	323	3.1%	243	2.3%
\$60,000 – \$74,999	592	5.7%	573	5.5%	642	6.1%
\$75,000 – \$99,999	1,129	10.8%	651	6.2%	728	6.9%
\$100,000 – \$124,999	1,079	10.3%	762	7.3%	624	5.9%
\$125,000 – \$149,999	847	8.1%	708	6.8%	746	7.1%
\$150,000 – \$199,999	1,526	14.6%	1,341	12.9%	969	9.2%
\$200,000 – \$249,999	2,924	28.0%	1,023	9.8%	1,046	9.9%
\$250,000 – \$499,999	N/A		2,751	26.4%	2,868	27.3%
\$500,000 +	N/A		1,277	12.3%	2,008	19.1%
Median Household Income	\$126,740		\$192,546		\$229,336	
Average Household Income	\$174,627		\$268,604		\$333,753	
Per Capita Income	\$66,776		\$101,099		\$124,980	

Data Note: Income represents annual income for the preceding year, expressed in current dollars, including an adjustment for inflation (for 2008 and 2013).

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

The incomes of residents of Los Altos continued to rise between 2000 and 2008. Whereas 43 percent of residents earned income equaling or exceeding \$150,000 in 2000, in 2008 over 61 percent of all households were estimated to earn \$150,000 or more annually (**Table 8**). The average household income for Los Altos is estimated to have increased 54 percent between

2000 and 2008 and is projected to increase another 24 percent over the next five years, from \$268,604 in 2008 to \$333,753 in 2013. Estimates show the median income in Los Altos grew 52 percent between 2000 and 2008 to \$192,546 (**Table 8A**).

Table 8A
Los Altos and Santa Clara County Median Income Growth 1990–2013

Median Income	Los Altos	% Change	Santa Clara County	% Change
1990	\$78,867		\$48,115	
2000	\$126,740	61%	\$74,419	55%
2008	\$192,546	52%	\$100,041	34%
2013	\$229,336	19%	\$115,440	15%

Data Note: Income represents annual income for the preceding year, expressed in current dollars, including an adjustment for inflation (for 2008 and 2013).

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

In evaluating income levels, five standard measures are often used—extremely low-income, very low-income, low-income, moderate-income, and above moderate-income. These income levels are expressed as a percentage of the median income, the mid-point at which half of all households earn more and half earn less. **Table 9** shows the distribution of households across income categories for the City of Los Altos in 2000 and 2008 including the estimated percentage of corresponding households.

Table 9
2000 and 2008 Los Altos Household Income Range by Income Category

Income Category	2000			2008		
	Income Range	No. of HHs	% of HHs	Income Range	No. of HHs	% of HHs
Extremely Low Income <30% AMI	\$0 – \$38,022	1,039	10%	\$0 – \$57,764	1,263	12%
Very Low Income 30%–50% AMI	\$38,023 – \$63,370	1,452	14%	\$57,765 – \$96,273	1,199	12%
Low Income 50%–80% AMI	\$63,371 – \$101,392	1,648	16%	\$96,274 – \$154,037	1,675	16%
Moderate Income 80%–120% AMI	\$101,393 – \$152,088	1,930	18%	\$154,037 – \$231,055	1,868	18%
Above Moderate Income 120% AMI	\$152,089+	4,386	42%	\$231,056+	4,416	42%
Total		10,455	100%		10,421	100%

Data Note: Income represents annual income for the preceding year, expressed in current dollars, including an adjustment for inflation (for 2008 and 2013).

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

Median Household Income includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. For Median Family Income the incomes of all household members related to the householder age 15 years and older are summed and treated as a single amount. Because many households consist of only one person, average household income is usually less than average family income. HUD provides data regarding extremely low-income residents through specially prepared Census data for the Comprehensive Housing Affordability Strategy (CHAS) required as part of the National Affordability Housing Act of 1991. **Table 9A** show CHAS data as it relates to extremely low-income residents in Los Altos based on Median Family Income (MFI). According to 2000 Census information, there were a total of 381 households in Los Altos earning 30 percent or less of the City's Median Family Income.

In 2000 the Median Family Income for Los Altos was \$148,201. For that year, extremely low-income residents earned \$44,460 or less. There were 381 extremely low-income households in Los Altos, or about 4% of the City's total households. Of those extremely low-income households, 284, or about 75 percent are homeowners; and 97, or 25% are renters. Within those groups, 168, or about 44% are Elderly homeowners. (Elderly households are defined as a 1 or 2 person household with either person 62 years old or older.) This would tend to indicate that a large number of extremely low-income households in Los Altos are senior residents who own their homes, but who receive extremely low fixed incomes.

Characteristics of Extremely Low-Income Residents

Table 9A

Extremely Low-Income Residents (2000)

Median Family Income (2000)				Income	
Los Altos Median Family Income (MFI)				\$148,201	
Extremely Low-Income Threshold (30% of Area MFI)				\$44,460	
Extremely Low-Income Households				No.	% of Total
Total Extremely Low-Income Households (<=30% of MFI)				381	100%
Breakdown of Extremely low-income Households					
Home Owners	No.	% of Total	Renters	No.	% of Total
Elderly Owners	168	44.1%	Elderly Renters	39	10.2%
Small Family Owners	58	15.2%	Small Family Renters	19	5.0%
Large Family Owners	19	5.0%	Large Family Renters	0	0.0%
Other Owners	39	10.2%	Other Renters	39	10.2%
Total Owners	284	74.5%	Total Renters	97	25.4%

Source: US Dept. of Housing and Urban Development, CHAS Data, 2000.

Income limits are published annually by the U.S. Department of Housing and Urban Development (HUD). These limits are used to determine eligibility for participation in various housing subsidy programs. The income limits are adjusted for household size. For a

family of four, the median income was estimated to be \$106,125 in Santa Clara County in 2008. Income limits for Santa Clara County households in 2008 are shown in **Table 10**.

Projected Extremely Low-Income Households

Table 9B

Projected Households by Income Category (2013)

Income Category	Range	Number of Households	Percentage of Households
Extremely Low	\$0 - \$68,799	1,259	12%
Very Low	\$68,800 - \$114,667	1,359	13%
Low	\$114,668 - \$183,467	1,653	16%
Moderate	\$183,468 - \$ 275,202	1,655	16%
Above Moderate	\$275,203 +	4,587	44%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2013.

The total number of extremely low-income households in Los Altos by 2013 is projected to be 1,259, or approximately 12 percent of all households. Thus, the percentage of extremely low-income households remains stable at 12 percent 2008 and 2013, after rising from 10 percent to 12 percent between 2000 and 2008. Very low-income households are projected to increase slightly from 12 percent to 13 percent of the total households in Los Altos. Above moderate income households also see an increase of two percent from 42 percent to 44 percent of households. (Refer also to **Table 9** above.)

County Income Limits

Table 10

Santa Clara County Income Limits (2008)

Household Size	Extremely Low-Income (30% of Median)	Very Low-Income (50% of Median)	Low-Income (80% of Median)
1 Person	\$22,300	\$37,150	\$59,400
2 Persons	\$25,500	\$42,450	\$67,900
3 Persons	\$28,650	\$47,750	\$76,400
4 Persons	\$31,850	\$53,050	\$84,900
5 Persons	\$34,400	\$57,300	\$91,650
6 Persons	\$36,950	\$61,550	\$98,450
7 Persons	\$39,500	\$65,800	\$105,250
8 Persons	\$42,050	\$70,050	\$112,050

Source: California Department of Housing and Community Development, Official State Income Limits, 2008.

POVERTY

The poverty rate is a federally defined level of income for minimum subsistence. The dollar threshold for poverty is adjusted for household size and composition. **Table 11** provides poverty thresholds for the year 2007 (the most recent year published on the Census Bureau's website) for several types of households.

Table 11

Poverty Thresholds (2007)

Size of Family Unit	Weighted Average Thresholds
One Person (Unrelated Individual)	\$10,590
Under 65 Years	\$10,787
65 Years and Over	\$9,944
Two People	\$13,540
Householder Under 65 Years	\$13,954
Householder 65 Years and Over	\$12,550
Three People	\$16,530
Four People	\$21,203
Five People	\$25,080
Six People	\$28,323
Seven People	\$32,233
Eight People	\$35,816
Nine People or More	\$42,739

Source: U.S. Census

According to 2000 Census data, 2.4 percent of the City's population had incomes below the federally defined poverty level (**Table 12**). The highest rates of poverty by age are among non-elderly adults at 1.7 percent. Among families, unrelated individuals and unmarried couple families have the highest poverty rates at 8.7 percent and 6.5 percent respectively. By race, almost 11 percent of Native Americans are living in poverty, a rate over four times higher than the City as a whole; and Hispanics experience poverty at almost twice the rate of Whites, Asians and Pacific Islanders.

Table 12

Los Altos 2000 Poverty Rates

Group	Total Population	Above Poverty Level	Below Poverty Level	Poverty Rate
Los Altos	27,179	26,532	647	2.4%
By Age				
Elderly	5,059	4,985	74	0.3%

Non-Elderly	22,120	21,547	573	2.1%
Children	6,485	6,305	180	0.7%
Adults	20,694	20,227	467	1.7%
By Family Relationship				
Unrelated Individuals	3,044	2,778	266	8.7%
In Married Couple Families	22,245	21,986	259	1.2%
Not in Married Couple Families	1,890	1,768	122	6.5%
By Race				
Asian/Pacific Islander	4,194	4,105	89	2.1%
Black	80	80	0	0.0%
Native American	103	92	11	10.7%
Other	199	199	0	0.0%
White	21,841	21,294	547	2.5%
Two or More Races	762	762	0	0.0%
Hispanic	949	909	40	4.2%
White Alone - Not Hispanic or Latino	21,175	20,668	507	2.4%

Source: 2000 U.S. Census Data

EMPLOYMENT TRENDS

According to the California Employment Development Department (EDD), the City of Los Altos had a 3.6 percent unemployment rate in November 2008, about 500 persons of a total labor force of 12,500 people. Although Los Altos' unemployment rate is substantially lower than the State and national averages, the City has seen a 1.2 percent increase in unemployment since November 2007 and a 2.3 percent increase since 2000.

Many of the jobs created in Los Altos will continue to be in services, retail, and public sector industries that typically employ low- and moderate-income wage earners. In addition, the demand for services of all kinds will remain strong. For these reasons, Los Altos will continue to experience a local demand for housing affordable for these income groups. The number of high paying jobs in the region in recent years has created an upward pressure on housing costs. The result is that households previously considered middle class, such as teachers and public safety personnel, are in need of affordable housing.

SPECIAL NEEDS GROUPS

Elderly

As in many well-established suburbs, the elderly remain a significant part of the local population, both in number and percentage. **Table 13** compares the number of older adults in 1990, 2000, 2008, and 2013. The elderly population is increasing faster than the total population, although the percentage of the population represented by persons 65 years of age or more has increased only slightly since 2000. If this trend continues, Los Altos will need to

plan for a larger number and variety of housing alternatives that address the changing needs of older adults as they become less able to function fully independently.

Table 13

Pattern of Aging in Los Altos

	1990		2000		2008		2013	
	Pop.	% Change	Pop.	% Change	Pop.	% Change	Pop.	% Change
Total Population	26,492	NA	27,693	4.5%	27,728	0.1%	28,093	1.3%
Population 55+	8,243	NA	8,723	5.8%	9,586	9.9%	10,377	8.3%
Population 65+	4,997	NA	5,346	7.0%	5,504	3.0%	5,802	5.4%
	1990		2000		2008		2013	
	Pop.	% of Total	Pop.	% of Total	Pop.	% of Total	Pop.	% of Total
Total Population	26,492	100%	27,693	100%	27,728	100%	28,093	100%
Population 55+	8,243	31%	8,723	31%	9,586	35%	10,377	37%
Population 65+	4,997	19%	5,346	19%	5,504	20%	5,802	21%

Source: 1990 and 2000 U.S. Census Data. ESRI forecasts for 2008 and 2013.

In 1990, 8,243 residents of Los Altos, or 31 percent of the total population, were 55 and older. By 2008, residents age 55 and older had increased to 35 percent of the total population. By 2013 it is estimated that 37 percent of the population will be age 55 and over. Residents age 65 and older are expected to comprise 21 percent of the total population in 2013. As the population ages, the City needs to plan accordingly to accommodate this aging population and to provide services for residents with special needs.

One common special need for a growing portion of the elderly is for assisted living facilities that combine meal, medical, and daily living assistance in a residential environment. State Department of Social Services licensed elderly care facilities provide services in Los Altos. Bridgepoint (capacity 150), Hidden Lane Villa (capacity 6), and Snow White Care Home (capacity 6) offer assisted living services in a residential home setting. The Terraces of los Altos (formerly Pilgrim Haven) offers 79 rooms for residential and assisted care with an additional 67 skilled nursing beds. Lastly, Los Altos Sub-Acute and Rehabilitation Center offers 152 beds for skilled nursing care (**Table 14**).

Table 14

State Department of Social Services Licensed Elderly Care Facilities

Type of Facility	Name	Address	License Status	Number of Beds
Residential Care Homes	Bridgepoint at Los Altos	1174 Los Altos Avenue	Licensed	136 Apartments (licensed for 150 residents)
Residential Care Homes	Hidden Lane Villa	890 Berry Avenue	Licensed	6

Residential Care, Assisted Living, & Skilled Nursing	The Terraces of Los Altos (formerly Pilgrim Haven)	373 Pine Lane	Licensed	65- Residential Care 67- Skilled Nursing 14- Assisted Living
Residential Care Homes	Snow White Care Home	431 Mundell Way	Licensed	6
Skilled Nursing Facility	Los Altos Sub-Acute & Rehab	809 Fremont Avenue	Licensed	152
Residential Care Homes	El Sereno Home	2080 El Sereno Avenue	Licensed	6

Source: PMC 2009.

The facilities listed above are primarily institutional care facilities. Many of the seniors who might consider selling their homes are younger, active seniors who do not yet require institutional nursing care. There is a need in the community to provide high-quality, independent-living senior housing. Because many seniors desire to “downsize” when they move, these senior housing developments will necessarily be higher density projects with on-site supportive services. An increase in this type of available housing for seniors makes it possible for them to sell their homes and remain in the community.

Disabled Citizens

According to the 2000 Census, approximately five (5) percent of the City’s non-institutionalized residents have physical conditions that affect their abilities to live independently in conventional residential settings. These individuals have mobility impairments, self-care limitations, or other conditions that may require special housing accommodations or financial assistance. Individuals with such disabilities can have a number of special needs that distinguish them from the population at large.

- Individuals with mobility difficulties (such as those confined to wheelchairs) may require special accommodations or modifications to their homes to allow for continued independent living. Such modifications are often called “handicapped access.”
- Individuals with self-care limitations (which can include persons with mobility difficulties) may require residential environments that include in-home or on-site support services, ranging from congregate to convalescent care. Support services can include medical therapy, daily living assistance, congregate dining, and related services.
- Individuals with developmental disabilities and other physical and mental conditions that prevent them from functioning independently may require assisted care or group home environments.
- Individuals with disabilities may require financial assistance to meet their housing needs because a higher percentage are low-income than the population at large and their special housing needs are often more costly than conventional housing.

Disabled persons often require special housing features to accommodate physical limitations. Some disabled persons may have financial difficulty due to the cost of having their special

needs met or because of difficulty in finding appropriate employment. Although California Administrative Code Title 24 requires all public buildings to be accessible to the public through architectural standards such as ramps, large doors, and restroom modifications to enable handicapped access, not all available housing units have these features. According to 2000 Census data, there were approximately 1,238 non-institutionalized, physically disabled persons over age 16 in Los Altos. According to the 2000 Census, 500 persons (2 percent) between the ages of 16 and 64 had mobility and/or self-care limitations.

Many persons with disabilities can benefit from a residential environment that provides supportive services in a group setting. San Andreas Regional Center, located in San Jose, is a community-based, California state-funded program designed to serve persons with a developmental disability, as required by the Lanterman Developmental Disabilities Services Act. The center is a private, nonprofit corporation under contract for provision of services through the California Department of Developmental Services. The Early Start Program at San Andreas is focused on assisting developmentally disabled children from the age of zero to three. These children are placed in a transitional program six months prior to their third birthday to assist families in transitioning the children out of care. San Andreas Regional Center serves the four-county area of Monterey, San Benito, Santa Clara, and Santa Cruz.

Families with Female Heads of Households

Most female-headed households are either single elderly women or single mothers. Traditionally, these two groups have been considered special needs groups because their incomes tend to be lower, making it difficult to obtain affordable housing, or because they have specific physical needs related to housing (such as child care or assisted living support). Single mothers, in particular, tend to have difficulty in obtaining suitable, affordable housing. Such households also have a greater need for housing with convenient access to child-care facilities, public transportation, and other public facilities and services.

According to the 2000 Census, of the 10,462 households in the City, 781 are female-headed 2-or-more-person households. This number represents roughly 7.5 percent of the total households in Los Altos. It is possible that many of these households are overpaying for housing (i.e., more than 30 percent of their income) or are experiencing other unmet housing needs.

Large Families

Large families are defined by most state and federal agencies as households of five or more related individuals. In 2000, 867 households contained five or more persons. Large families comprised over 99 percent of those households, while non-families represented less than one percent. Large families often face special challenges in the housing market because they need to find housing of sufficient size (three or more bedrooms) and do not always have sufficient income to purchase or rent such housing. No specific information was available on the income of large families relative to housing payments to determine if there is a significant problem of overpayment of housing costs by low-income large families.

Farmworkers

Los Altos is not an agricultural area, and there are no known sites left in the City that have active agricultural uses as the primary land use. The likelihood of special farmworker

housing needs is extremely low. According to the 2000 Census, 24 persons (less than 1 percent) were employed in farming, forestry, and fishing occupations of a total labor force of 12,711. The California Employment Development Department includes farmworkers, nursery workers, delivery truck drivers for produce and flowers, horticulturists, landscapers, tree trimmers, and lawn gardeners in this category. Given Los Altos' location in an urban region, it is likely that few, if any, of these "farmworkers" are employed in crop production or harvesting.

Homeless

Homelessness is caused by a number of social and economic factors, including a breakdown of traditional social relationships, unemployment, shortage of low-income housing, and the deinstitutionalization of the mentally ill. A homeless person lacks consistent and adequate shelter. Homeless persons can be considered resident (those remaining in an area year-round) or transient. Emergency and transitional shelters can help to address the needs of the homeless. Emergency shelters provide a short-term solution to homelessness and involve limited supplemental services. In contrast, transitional shelters are designed to remove the basis for homelessness. Shelter is provided for an extended period of time and is combined with other social services and counseling to assist in the transition to self-sufficiency.

According to the 2007 Santa Clara County Homeless Census and Survey, a total of 10 homeless people were observed in the City of Los Altos. This figure represents approximately 0.1% of the total population. Of those identified as homeless, 3 were classified as "Individuals," while another 7 were classified as "People in cars/RVs/vans or encampments." Because homeless individuals frequently move from place to place and are not always visible on the street, it is difficult to get an accurate count of homeless persons in a community.

The Community Services Agency, located in Mountain View, offers a number of services for the homeless population in Los Altos. The agency used to operate the Alpha Omega homeless shelter, which is no longer in service. Although the Community Services Agency no longer offers a homeless shelter, the agency does assist the homeless population with the following services: assistance with food; rental assistance; employment assistance; access to eye glasses; transportation assistance; housing information; aid in applying for public assistance; and shelter referrals. The Community Services Agency reported assisting five Los Altos residents in the 2006–2007 fiscal year.

The closest homeless shelter for Los Altos residents is a 15-bed, rotating men's shelter operated by West Valley Community Services, Inc. (WVCS), a private nonprofit, community-based agency. Although Los Altos is not in WVCS' direct service area, they do take referrals for the emergency shelter and other services.

Table 15

Local Homeless Service Providers

Type of Facility	Name	Location	Support Services
Transitional Housing	Emergency Housing Consortium of Santa Clara County	Sunnyvale, Santa Clara, San Jose, San Martin, and Gilroy	Yes

Shelter & Supportive Services	Family Supportive Housing, Inc.	Operates the three services listed below:	Yes
Shelter	San Jose Family Shelter	San Jose	No
NA	Bridges AfterCare Program	San Jose	Yes
Transitional Housing	GlennArts Arms	San Jose	Yes

Source: PMC 2009.

Agencies Offering Homeless Assistance

There are a number public service organizations and agencies in the County of Santa Clara that offer shelter, counseling, or other services for the homeless, abused, or elderly.

Emergency Housing Consortium of Santa Clara County

The most successful program of the Santa Clara County Consortium is the Transitional Housing Program (THP). This program enables a person to obtain a job and work and eventually achieve independence in a conventional housing environment.

Other consortium programs include the New Start Program, which helps homeless individuals obtain employment, and the Waste Management Program, which gives people a job with the Waste Management Department for the City of San Jose.

Lastly the consortium offers a volunteer program through its facility, which in return guarantees a room for 30 days. The Emergency Housing Consortium has shelters and programs located in Sunnyvale, Santa Clara, San Jose, San Martin, and Gilroy.

Family Supportive Housing, Inc.

Family Supportive Housing offers shelter and supportive services to homeless families in Santa Clara County. In 2007, the organization provided emergency housing for 182 families through the San Jose Family Shelter and prepared over 186,000 nutritious meals for the homeless. In addition, Family Supportive Housing also supplied 641 homeless individuals with food, clothing, case management, educational classes, and workshops during 2007. The organization offers three distinct services to assist families in the transition from homelessness to finding permanent housing: the San Jose Family Shelter, the Bridges AfterCare program, and GlennArts Arms.

San Jose Family Shelter

This is an emergency shelter facility that provides overnight rooms and meals for families with children for stays of up to three months. Seventy percent of the people served by the shelter are children, the majority of whom are under the age of 10. Family Supportive Housing is currently working to build a new 35,000 square foot San Jose Family Shelter.



Bridges AfterCare Program

The Bridges AfterCare program is for people who have successfully completed their stay at the San Jose Family Shelter. This program offers support services to assist families in continuing on their path to self-sufficiency.

GlennArts Arms

GlennArts Arms program is a transitional housing program which offers a rental subsidy and case management for families for up to two years. There are 16 to 20 families which can be served through this program.

County Housing Programs Available to Meet Special Needs

The Santa Clara County Community Development Commission/Housing Authority administers the Section 8 Housing Choice Voucher Program. This program provides tenant-based rental subsidies for very low-income households.

The County has one federal grant program to assist eligible persons seeking permanent, transitional, or emergency housing-related services.

Community Development Block Grants (CDBG)

The City receives an annual Community Development Block Grants allocation to provide funding to nonprofit agencies to enable them to offer housing and housing-related services to eligible lower-income persons including seniors, persons with disabilities, the homeless, and battered spouses. CDBG funds can be used for acquisition, construction, or rehabilitation of affordable housing to lower-income persons. Each of the Urban County cities develops their own CDBG program. Each city has a housing rehabilitation program offering low-interest loans or grants for home repair to qualified Urban County residents. In previous years, the CDBG program has been used to assist with home improvements for applicants that meet the income guidelines.

Units Eligible for Conversion

State housing element law requires cities and counties to document and evaluate the potential loss of publicly subsidized rental housing occupied by low-income households. Such developments are assisted under an agreement that requires affordability of the rental units for a specified period of time. After that time, the property owner may charge market rents. A search of federal, state, and local records has uncovered no assisted rental housing units restricted to occupancy by low-income households that are eligible to convert to market-rate rental housing within the next ten years.

LOS ALTOS HOUSING STOCK

Housing Composition

The composition of the City's housing stock has not seen significant change in the last twenty years. The number of single-family, detached homes in Los Altos has only decreased slightly. In 1990, the majority of Los Altos' housing units (90 percent) were single-family,

detached homes. By 2000 this number had decreased to 86 percent and it decreased again in 2008 to 85 percent. The number of single-family, attached units and multifamily developments with two to four units has increased by only 1 percent since 1990. The largest change in the housing stock is the increase in multifamily housing with five or more units, which increased from 5 percent in 1990 to 9 percent in 2008. The vacancy rate in Los Altos remained almost constant between 1990 and 2008, decreasing slightly in 2000 from 2.7 percent to 2.5 percent. The number of persons per household has not changed significantly since 1990, but is lower than the countywide average.

The composition of the housing stock countywide remained relatively similar to that of Los Altos. Santa Clara County experienced a decrease in the number of single-family, detached units from 56 percent in 1990 to 54 percent in 2008. There was no change in the percentage of housing units that comprised single-family, attached units or multifamily housing of two to four units. Similar to Los Altos, the County saw an increase of 2 percent in the number of multifamily housing units between 1990 and 2008. The number of mobile homes in Santa Clara County decreased by 1 percent from 1990 to 2008. The County experienced a slight increase in the number of vacant units from 1990 to 1999. This number dropped substantially in 2000 and has remained constant since.

Table 16
Housing Estimates for the City of Los Altos (1990 through 2008)

Year	Housing Units								Persons Per Household
	Total	Single		Multiple		Mobile Homes	Occupied	% Vacant	
		Detached	Attached	2 to 4	5 Plus				
1990	10,323	9,244	338	218	520	3	10,047	2.7	2.6
1991	10,364	9,266	338	225	532	3	10,087	2.7	2.6
1992	10,369	9,262	338	228	538	3	10,092	2.7	2.6
1993	10,375	9,268	338	228	538	3	10,098	2.7	2.6
1994	10,396	9,289	338	228	538	3	10,118	2.7	2.6
1995	10,406	9,299	338	228	538	3	10,128	2.7	2.6
1996	10,471	9,334	338	232	564	3	10,191	2.7	2.7
1997	10,524	9,369	338	235	579	3	10,243	2.7	2.7
1998	10,592	9,381	338	235	635	3	10,309	2.7	2.7
1999	10,611	9,386	346	235	641	3	10,327	2.7	2.7
2000	10,727	9,185	364	259	903	16	10,462	2.5	2.6
2001	10,770	9,218	364	269	903	16	10,504	2.5	2.6
2002	10,774	9,222	364	269	903	16	10,508	2.5	2.6
2003	10,757	9,205	364	269	903	16	10,491	2.5	2.6
2004	10,748	9,184	364	273	911	16	10,482	2.5	2.6
2005	10,731	9,151	364	273	927	16	10,465	2.5	2.6
2006	10,741	9,159	364	275	927	16	10,475	2.5	2.6
2007	10,810	9,228	364	275	927	16	10,542	2.5	2.6
2008	10,820	9,219	383	275	927	16	10,552	2.5	2.6

Source: California Department of Finance, 1990–2008 City/County Population and Housing Estimates.

Table 16A
Housing Estimates for Santa Clara County (1990 through 2008)

Housing Units									
Year	Total	Single Detached	Attached	Multiple 2 to 4	5 Plus	Mobile Homes	Occupied	% Vacant	Persons Per HH
1990	540,240	303,212	47,668	42,096	126,338	20,926	520,180	3.7	2.8
1991	543,532	304,332	47,956	42,167	128,155	20,922	523,532	3.7	2.8
1992	547,884	305,447	48,210	42,407	130,972	20,848	527,541	3.7	2.8
1993	551,584	306,578	48,872	42,507	132,779	20,848	531,107	3.7	2.9
1994	555,429	308,364	49,060	42,699	134,628	20,678	534,729	3.7	2.9
1995	559,010	310,242	49,423	42,742	135,984	20,619	538,094	3.7	2.9
1996	562,352	312,166	49,423	43,018	137,126	20,619	541,406	3.7	2.9
1997	566,164	314,649	49,531	43,225	138,141	20,618	544,358	3.8	3.0
1998	573,593	318,463	49,725	43,594	141,193	20,618	551,516	3.8	3.0
1999	581,532	322,454	49,839	43,760	144,861	20,618	559,166	3.8	3.0
2000	579,329	323,913	52,739	46,371	136,628	19,678	565,863	2.3	2.9
2001	584,163	325,819	52,844	46,480	139,362	19,658	570,832	2.3	2.9
2002	590,109	327,618	52,959	46,676	143,198	19,658	576,670	2.3	2.9
2003	595,879	329,191	53,057	46,758	147,215	19,658	582,319	2.3	2.9
2004	600,707	330,773	53,413	46,864	150,013	19,644	587,040	2.3	2.9
2005	607,035	332,346	53,575	46,758	154,698	19,658	593,061	2.3	2.9
2006	612,129	333,923	54,153	46,861	157,534	19,658	598,061	2.3	2.9
2007	617,175	335,312	54,656	46,886	160,658	19,663	603,022	2.3	2.9
2008	622,779	336,196	55,834	46,932	164,151	19,666	608,652	2.3	3.0

Source: California Department of Finance, 1990-2008 City/County Population and Housing Estimates.

Housing Occupancy and Tenure

Of the 10,727 year-round dwelling units reported by the 2000 Census, 10,462 units (approximately 98 percent) were occupied and 265 units (less than 3 percent) were vacant in 2000 (**Table 17**). Recent estimates indicate the number of occupied units in the City has decreased slightly, and by 2013 the vacancy rate is expected to approach four percent. It is likely that most of the vacant units were for sale (**Table 18**).

Table 17
Housing Units by Occupancy Status and Tenure

	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	10,727	100.0%	10,827	100.0%	10,943	100.0%
Occupied	10,462	97.5%	10,422	96.3%	10,513	96.1%
Owner	8,954	83.5%	9,103	84.1%	9,115	83.3%
Renter	1,508	14.1%	1,319	12.2%	1,398	12.8%
Vacant	265	2.5%	405	3.7%	430	3.9%

Source: 2000 U.S. Census Data; ESRI forecasts for 2008 and 2013.

In 1990, more housing units were owner-occupied (88 percent) than renter-occupied (12 percent). By 2000, housing tenure had changed only slightly, with 86 percent owner-occupied and 14 percent renter-occupied. By comparison, the tenure of occupied housing units in the County was 60 percent owner-occupied units and 41 percent renter-occupied units in both 1990 and 2000.

Table 18
Type of Vacant Units

Unit Type	1990				2000			
	City of Los Altos		Santa Clara County		City of Los Altos		Santa Clara County	
	No.	Vacancy Rate	No.	Vacancy Rate	No.	Vacancy Rate	No.	Vacancy Rate
Units for Rent	19	<1%	10,239	2%	86	<1%	4,450	<1%
Units for Sale	115	1%	4,341	<1%	54	<1%	2,155	<1%
Total Vacant Units	270	3%	20,060	4%	262	2%	13,466	2%
Total Housing Units	10,107	100%	540,240	100%	10,730	100%	579,329	100%

Source: 2000 U.S. Census Data

Los Altos has remained a largely home-owning community due to strong income growth during the 1990s and 2000s. As housing prices have climbed over the past 20 years, a decreasing percentage of households countywide can afford homeownership in Los Altos. Based on current housing prices, it is unlikely that low- or moderate-income households can afford to purchase a home in the City without financial assistance, except for a small percentage of older homeowners who have substantial equity in an existing home.

Analysis of Census data on tenure by age of householder in Los Altos reveals that the majority of homeowners fall between the ages of 45 and 64. Overall, adults aged 45 and over tended to own their housing units rather than rent, while younger adults mostly rented rather than owned their homes. **Table 19** shows the 2000 tenure by age of householders in Los Altos.

Table 19
Tenure by Age of Householder (2000)

Age	Los Altos	Percentage	Santa Clara County	Percentage
Owner-Occupied Units				
15 to 24	24	<1%	1,879	1%
25 to 34	279	3%	37,030	11%
35 to 44	1,805	20%	87,476	26%
45 to 54	2,109	23%	83,411	25%
55 to 64	1,761	20%	58,562	17%
65 to 74	1,365	15%	38,404	11%
75 and over	1,656	18%	31,874	9%
Total	8,999	100%	338,636	100%
Renter-Occupied Units				
15 to 24	52	4%	16,171	7%
25 to 34	281	19%	78,781	35%
35 to 44	462	31%	59,417	26%
45 to 54	262	18%	35,432	16%
55 to 64	173	12%	15,941	7%
65 to 74	119	8%	9,944	4%
75 and over	120	8%	11,541	5%
Total	1,469	100%	227,227	100%

Source: 2000 U.S. Census Data

Age and Condition of Housing Stock

The age and condition of the housing stock provide additional measures of housing adequacy and availability in many communities. Although age does not always correlate with substandard housing conditions, neighborhoods with a preponderance of homes more than 40 years old are more likely than newer neighborhoods to have a concentration of housing problems related to deferred maintenance, inadequate landscaping, outdated utilities or interior amenities, and a need for housing rehabilitation.

Age of Housing Stock

The year a structure was built can, at times, be an indicator of the current condition of the housing unit. Housing units built before 1940 may be old but may not necessarily be dilapidated. In contrast, newer homes that were built equipped with adequate utilities and amenities may already be run down due to abuse or just general lack of care. However, it is useful to look at the age of the housing stock to determine where inadequacies may lie

or why certain units remain vacant. **Table 20** shows that the highest percentage of housing units in the City were built during the 1950s and the median year structures were built was 1958. Over 80 percent of the housing stock was built before 1970. Very few units (less than 6 percent) have been built since 1990.

Table 20

Age of Housing Stock (2000)

Year Built	Number of Units	Percentage
1999 to March 2000	73	<1%
1995 to 1998	278	3%
1990 to 1994	211	2%
1980 to 1989	598	6%
1970 to 1979	1,264	12%
1960 to 1969	2,326	22%
1950 to 1959	4,261	40%
1940 to 1949	1,063	10%
1939 or Earlier	656	6%
Total	10,730	100%

Source: 2000 U.S. Census Data

Housing Conditions

Although nearly 60 percent of the City's housing stock is more than 50 years old, the overwhelming majority of homes are in good to excellent condition. Most households properly maintain their homes, and the City has an active code enforcement program to address incipient problems before they become irreversible.

In addition, the City participates in the Urban County program whereby Santa Clara County passes through a portion of its CDBG funding directly to communities that are not otherwise eligible to receive CDBG funds directly from the federal government. The City is free to use its funds for any CDBG eligible project and is not obligated to allocate any of its funds to a housing rehabilitation loan program. Although it is not required to do so, the City has found that it is most efficient to contract with County and California Department of Housing and Community Development (HCD) staff to operate the rehabilitation loan program on its behalf.

Rehabilitation

The number of structures in the City currently in need of rehabilitation is less than one percent. This is based on visual surveys of the Building Official and Code Enforcement Officer. The community is primarily made up of single-family houses built primarily between 1950 and 1970. The single-family housing stock remains in very good condition due to the high property values. The multiple-family housing stock is in very good condition. The Sherwood Gateway Specific Plan area has a few single-family houses in

lesser condition due to their age and location within a commercial district. The Sherwood Gateway Specific Plan area plans for the rebuilding of these housing units under the goals of the specific plan. Because Los Altos is a very small community with a high median household income the few problem areas in the City are well known and monitored regularly. City staff primarily responds to complaints regarding maintenance issues that can be resolved quickly through communications with homeowners and landlords.

Housing Accommodations

The number of bedrooms a housing unit has can also characterize the housing stock in a community, as shown in **Table 21**. Consistent with the City's character as primarily a single-family community, the highest percentage of homes in the City (71 percent) had three or four bedrooms. There are very few (less than 7 percent) studio and one-bedroom units available for Los Altos residents. This may affect single individuals, couples, and small families looking for a smaller more affordable place to reside.

Table 21

Number of Bedrooms per Housing Unit (2000)

Unit Type	Total Units	Percentage
Studio	88	<1%
1 bedroom	595	6%
2 bedrooms	1,627	15%
3 bedrooms	3,853	36%
4 bedrooms	3,699	35%
5 + bedrooms	868	8%
Total:	10,730	100%

Source: 2000 U.S. Census Data

The majority of housing units in Los Altos appear to have a large number of rooms according to the 2000 Census. As shown in **Table 22**, nearly a quarter of housing units in the City have seven rooms and over half of the units have seven or more rooms.

Table 22

Rooms per Housing Unit (2000)

Rooms	Total	Percentage
1 Room	81	<1%
2 Rooms	288	3%
3 Rooms	438	4%
4 Rooms	761	7%

Rooms	Total	Percentage
5 Rooms	1,351	13%
6 Rooms	1,950	18%
7 Rooms	2,352	22%
8 Rooms	1,916	18%
9+ Rooms	1,593	15%
Total Units	10,730	100%

Source: 2000 U.S. Census Data

Overcrowding

Overcrowding typically results when either (1) the costs of available housing with a sufficient number of bedrooms for larger families exceeds the family's ability to afford such housing, or (2) unrelated individuals (such as students or single adults) share dwelling units due to high housing costs. This can lead to overcrowded situations if the housing unit is not large enough to accommodate all of the people effectively. In general, overcrowding is a measure of the ability of existing housing to adequately accommodate residents and can result in deterioration of the quality of life within a community.

The 2000 Census defines overcrowding as 1.01 or more persons per room and extreme overcrowding as more than 1.5 persons per room. The State of California allows two people to occupy the first 70 square feet, plus one additional person for each 50 square feet, for the rooms that can legally be used for sleeping purposes. **Tables 23** and **24** summarize the overcrowding status in the City based on the 2000 Census. Approximately 2 percent of the City's occupied housing units were overcrowded, compared to 14 percent of the County's housing units. In 2000, there were 65 (1 percent) owner-occupied and 13 (less than 1 percent) renter-occupied units defined as overcrowded in the City.

Table 23

Persons per Room in All Occupied Housing Units (2000)

Persons	Los Altos	Percentage	Santa Clara	Percentage
0.50 or less	8,192	78%	305,187	54%
0.51 to 1.00	2,133	20%	179,772	32%
1.01 to 1.50	78	<1%	34,640	6%
1.51 to 2.00	58	<1%	27,006	5%
2.01 or more	7	<1%	19,258	3%
Total Housing Units	10,468	100%	565,863	100%

Source: 2000 U.S. Census Data

Table 24
Overcrowded Housing (2000)

Number of Persons per Room	Rental Units	% Total Occupied Rental Units	Owner Units	% Total Occupied Owner Units
Los Altos				
Total Occupied Units	10,468	100%	10,468	100%
1.01 to 1.50	13	<1%	65	<1%
1.51 or more	37	<1%	28	<1%
Total Overcrowded Units	50	1%	93	1%
Santa Clara County				
Total Occupied Units	565,863	100%	565,863	100%
1.01 to 1.50	19,945	4%	14,695	3%
1.51 or more	33,048	6%	13,216	2%
Total Overcrowded Units	52,993	9%	27,911	5%

Source: 2000 U.S. Census Data

HOUSING COSTS

Rental Costs

The cost of rental housing has increased dramatically in the Santa Clara County region over the past 20 years. In 1987, the prices of rental dwellings ranged from a low of \$650 to a high of \$935 a month. The 1990 Census reported 57 percent of rental units in Los Altos cost over \$1,000 per month, and rents have steadily increased since then. The 1990 Census reported the County's rents as considerably lower than the City's. Only 19 percent of the County's rental units were \$1,000 or more.

In November 2008 monthly rents in Los Altos for apartments and condominiums ranged between approximately \$1,500 and \$3,200, and for single-family homes from \$1,400 to \$8,500. There were no studio apartments, or four or more bedroom apartments, for rent in Los Altos at that time. One, two, and three bedroom apartments are available, but there are a limited number. Lack of available rental units raises their market value.

Housing costs from 1998 to present indicate a dramatic change in the cost of housing and the availability of housing units. Rents in Santa Clara County rose by 5.2 percent from 2007 to 2008, with the average renter paying \$1,708 a month according to the *Mercury News*. The *Mercury News* also reported that as of 2008, the San Jose metro area is the most expensive rental market in California.

Fair market rents for the Santa Clara County area effective October 1, 2008, are provided in **Table 25**.

Table 25
Fair Market Rents for Existing Housing in Santa Clara County (2008)

Studio	One Bedroom	Two Bedrooms	Three Bedrooms	Four Bedrooms	Five Bedrooms	Six Bedrooms
\$961	\$1,113	\$1,338	\$1,924	\$2,118	\$2,435	\$2,753

Source: Housing Authority of the County of Santa Clara, 2008

Rental stock available in Los Altos is limited at any monthly rental rate. **Table 26** shows the rental units listed locally for rent. Listings vary from month to month.

Table 26
Rental Rates in Los Altos (2008)

Type	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms +
Apartment	None	\$1,570-\$2,450	\$2,005-\$3,250	\$3,155	None
Home	\$1,400	\$1,550-\$1,875	\$2,425-\$3,045	\$2,950-\$6,700	\$3,600-\$8,500
Condominium	None	\$2,350	\$2,300-\$2,650	\$2,950-\$3,250	None

Source: Craigslist.com and Rents.com

Home Prices

The price of homes in the Silicon Valley region have long been regarded as some of the most expensive in California and even the nation. Housing prices in Los Altos have been historically higher than housing prices in other areas of the region. **Table 27** displays the number of homes available for sale in Los Altos as of November 2008. There were no one-bedroom homes for sale and only five two-bedroom units available. The majority of homes (68 percent) have four or more bedrooms. The least expensive single-family home for sale in Los Altos is listed at well over a million dollars. There are condominiums available for less; however, there are only 13 condos currently for sale in the City, indicating that the City needs smaller, more affordable units available to residents.

Table 27
Home Prices in Los Altos (November 2008)

Bedrooms	Units for Sale	City Range	Average	Median	% of Total
Single-Family Homes					
1	0	N/A	N/A	N/A	0%
2	5	\$1,145,000- \$1,650,000	\$1,498,000	\$1,549,000	5%
3	25	\$1,199,000- \$2,195,000	\$1,509,276	\$1,495,000	27%
4	41	\$1,299,000-\$5,250,000	\$2,297,000	\$2,297,802	44%
5+	22	\$1,599,000-\$19,900,000	\$3,835,405	3,196,944	24%

Bedrooms	Units for Sale	City Range	Average	Median	% of Total
Total	93	--	--	--	100%
Condominiums					
1	1	\$488,850	\$488,850	\$488,850	8%
2	5	\$878,000-\$1,150,000	\$1,074,200	\$1,098,000	38%
3	6	\$799,000-\$1,149,000	\$949,761	\$936,444	46%
4	1	\$699,000	\$699,000	\$699,000	8%
Total	13	--	--	--	100%

Source: National Association of Realtors (Realtors.com), November, 2008

Income and Affordability

There are five income categories typically used for comparative purposes based on the median countywide income: extremely low (0–30 percent of median income), very low (30–50 percent of median income), low (50–80 percent of median income), moderate (80–120 percent of median income), and above moderate (120 percent or more of median income). One method of analyzing housing affordability for each income group is to compare the number and/or percentage of housing units by cost to the number and/or percentage of households by comparable income levels.

A standard measure of housing affordability is that housing expenses, on the average, should not exceed 30 percent of a household's income. However, to truly evaluate housing affordability, individual circumstances and factors must be taken into account. These circumstances and other factors include other long-term debt, mortgage interest rates, the number of children in a household, and other large, ongoing expenses (such as medical bills).

Tables 28 and 29 show the number of households paying over 30 percent of their income for housing. Some households choose to pay over 30 percent of their income for various reasons, such as location, aesthetics, or other features. In contrast, some households are forced to pay a large percentage of their income because of limited affordable housing availability.

Table 28

Number of Households Paying Over 30 Percent of Income on Housing

Income	Owners	Renters	Total
Very Low	748	475	1,223
Lower	303	60	363
Total	1,051	535	1,586

Source: 2000 U.S. Census Data

Table 29

Percentage of Income Expended on Housing by Income Group

Income	<\$10,000	\$10,000 - \$19,999	\$20,000 - \$34,999	\$35,000 - \$49,999	\$50,000 - \$74,999	\$75,000 - \$99,999	100,000+
Owners							
Under 30%	0%	13%	68%	76%	59%	74%	80%
30%+	13%	18%	2%	2%	9%	4%	9%
35%+	41%	69%	30%	22%	32%	23%	11%
Total HHs	91	185	453	612	692	872	5,500
Renters							
Under 30%	0%	11%	18%	23%	26%	74%	90%
30%+	71%	90%	82%	16%	31%	8%	7%
35%+	71%	90%	82%	57%	40%	14%	3%
Total HHs	51	57	172	148	226	177	638

Source: 2000 US Census Data.

Note: 2000 Census data uses income ranges that do not correspond exactly to the income categories. Data has been calculated to reflect the income ranges provided in the Census.

Affordability Trends

Housing affordability can be inferred by comparing the cost of renting or owning a home in Los Altos with the maximum affordable housing cost to households at different income levels. The Area Median Income (AMI) provides a benchmark for estimating the affordability of housing and the ability of newcomers to move into the community. Taken together, this information can generally demonstrate who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding or a burden on housing cost.

In evaluating affordability, the maximum affordable price refers to the maximum amount that could be afforded by households in the upper range of their respective income category. Households in the lower end of each category can afford less in comparison. The maximum affordable home and rental prices for residents of Santa Clara County are shown in **Table 30** and **Table 31**. The affordability of the County's housing stock for each income group is discussed below. HCD has estimated the 2008 County Area Median Income (AMI) to be \$105,500.

Extremely Low-Income Households: Extremely low-income households are households earning 30 percent or less of the County AMI. As shown in **Table 30**, these households have monthly incomes ranging from \$1,858 for a one-person household to \$2,654 for a four-person

household. The maximum affordable rent for a one- to four-person household ranges from \$557 per month to \$796 per month.

Very Low-Income Households: Very low-income households are classified as those earning between 30 and 50 percent of the County Area Median Income. As shown in **Table 30**, the maximum affordable rent for a one- to four-person household ranges from \$929 per month to \$1,326 per month.

Low-Income Households: Low-income households earn between 50 and 80 percent of the County AMI. The maximum affordable rent for a low-income household ranges from \$1,485 for one person to \$2,123 for a four-person family.

Moderate-Income Households: Moderate-income households earn between 80 to 120 percent of the County AMI. The maximum affordable rental prices for moderate-income households range from \$2,215 for a one-person household to \$3,165 for a four-person household.

Tables 30 and 31 show the maximum rents and sales prices, respectively, that are affordable to extremely low-, very low-, low-, moderate-, and above moderate-income households. Affordability is based on the following assumptions: a household spending 30 percent or less of their total household income for shelter; the maximum household income levels established by HUD and HCD; and maximum affordable sales prices based on a 10 percent down, 30-year fixed rate mortgage at 7 percent annual interest rate.

Table 30

Affordability of Rental Housing in Relation to Income

Household Rent Levels				
Income Group	1-Person	2-Person	3-Person	4-Person
Extremely Low				
Monthly Rent	\$557	\$638	\$716	\$796
Monthly Income	\$1,858	\$2,125	\$2,388	\$2,654
Very Low				
Monthly Rent	\$929	\$1,061	\$1,194	\$1,326
Monthly Income	\$3,096	\$3,538	\$3,979	\$4,421
Low				
Monthly Rent	\$1,485	\$1,697	\$1,910	\$2,123
Monthly Income	\$4,950	\$5,658	\$6,367	\$7,075
Moderate				
Monthly Rent	\$2,215	\$2,533	\$2,848	\$3,165
Monthly Income	\$7,383	\$8,442	\$9,492	\$10,550

Note: The monthly rents do not include utilities.

Source: 2008 Income Limits, Department of Housing and Community Development

Table 31
Affordable Owner-Occupied Housing Costs, Santa Clara County (2008)

Household Sales Price				
Income Group	1-Person	2-Person	3-Person	4-Person
Extremely Low				
Maximum Sales Price	\$50,850	\$66,780	\$82,350	\$98,100
Annual Income	\$22,300	\$25,500	\$28,650	\$31,850
Very Low				
Maximum Sales Price	\$124,380	\$150,660	\$176,760	\$196,830
Annual Income	\$37,150	\$42,450	\$47,750	\$53,050
Low				
Maximum Sales Price	\$220,410	\$251,910	\$283,500	\$315,000
Annual Income	\$59,400	\$67,900	\$76,400	\$84,900
Moderate				
Maximum Sales Price	\$328,590	\$375,840	\$422,640	\$469,800
Annual Income	\$88,600	\$101,300	\$113,900	\$126,600

Source: California HCD 2008.

Assisted Housing "At Risk" of Conversion

There are no government-assisted rental properties in the City of Los Altos that may be at risk of opting out of programs that keep them affordable to very low- and low-income households over the five-year Housing Element Period (2009–2014). Generally, the inventory consists of Housing and Urban Development (HUD), Redevelopment Agency, multifamily bonds, and density bonus properties. Target levels include the very low-income group and the low-income group.

State law requires the City to identify, analyze, and propose programs to preserve housing units that are currently restricted to low-income households and that will become unrestricted and possibly lost as low-income housing. State law requires the following:

- An inventory of restricted multifamily housing projects in the City and their potential for conversion;
- An analysis of the costs of preserving and/or replacing the units "at risk" and a comparison of these costs;
- An analysis of the organizational and financial resources available for preserving and/or replacing the units at risk; and
- Programs for preserving the at risk units.

Inventory of Assisted Housing

Currently, in addition to 29 deed-restricted and affordable second living units, there are a total of 46 income-restricted housing units in the City of Los Altos. Four income-restricted housing units are entitled but not built. **Table 31A**, below, lists the income restricted housing units in Los Altos including number of owner and rental units and whether the units are deed restricted.

Table 31A

2009 Los Altos Income Restricted Housing Inventory

Project Name	Very Low	Low	Mod	Agreement Date	Owner	Rental	Deed-Restricted
Chester Circle		X		1995	2		yes
Chester Circle			X	1995	6		yes
Second Street		X			1		yes
Rosewood			X		2		yes
Parc Regent			X		6		yes
Tyndall Cottages			X		1		yes
Gabilan Cottages			X		1		yes
Tyndall		X			1		yes
Tyndall 2	X				1		yes
Second St 2		X		2000	2		yes
Gabilan 2		X		2001	1		yes
Loyola Plaza		X		2005	8		yes
Tyndall 3	X			2005	1		yes
Tyndall 4		X			1		yes
Tyndall 5			X	2006	1		yes
El Camino	X			2006	3		yes
El Camino 2	X				8		yes
Post Office			X	2007	2		pending
Tyndall 6			X	2007	1		pending
Tyndall 7			X	2007	1		pending
Totals					50		

Source: City of Los Altos 2009.

Loss of Assisted Housing

Affordability covenants and deed restrictions are typically used to maintain the affordability of publicly-assisted housing, ensuring that these units are available to lower- and moderate-

income households over a certain period of time. Restricted units that are not permanent may lose their affordability controls or subsidies and revert to market-rate units. Currently, there are no “at-risk” affordable units in the City of Los Altos.

Preservation and Replacement Options

There are currently no at-risk affordable housing units in Los Altos; however, generally, the cost of preserving assisted housing units is estimated to be less than replacing units through new construction. Preserving units entails covering the difference between market-rate and assisted rental rates. New construction tends to be less cost-efficient due to the shortage of available land, which is often a limiting factor in the development of affordable housing.

Many low- and moderate-income households can afford rents for two- and three-bedroom apartments without experiencing overpayment. However, extremely low- and very low-income households find it more difficult to obtain rental housing at an affordable price without overpaying. To maintain the existing affordable housing stock, the City may either preserve the existing assisted units or replenish the affordable housing inventory with new units.

Preservation

There are several local organizations available to manage these units, if property owners are interested, including those in **Table 31B** below. The Housing Element goals and policies provide additional information on strategies to preserve the City’s affordable housing stock.

Table 31B

Qualified Entities Santa Clara County

No.	Name	Address	Contact	Phone Number
1	Affordable Housing Foundation	P.O. Box 26516 San Francisco, CA 94126	Eric Tang	(415) 387-7834
2	BRIDGE Housing Corporation	One Hawthorne, Ste. 400 San Francisco, CA 94105	Lydia Tan	(415) 989-1111
3	Cambrian Center, Inc.	2360 Samaritan Place San Jose, CA 95124	Dale J. Harrington	(408) 559-0330
4	Charities Housing Development Corp.	195 East San Fernando St San Jose, CA 95112	Chris Block	(408) 282-1125
5	Christian Church Homes of Northern California, Inc.	303 Hegenberger Road, Ste. 201 Oakland, CA 94621	William F. Pickel	(510) 632-6714
6	Community Home Builders and Associates	675 North First St., Ste. 620 San Jose, CA 95112	Mark D. Lazzarini	(408) 977-1726

No.	Name	Address	Contact	Phone Number
7	Community Housing Developers, Inc.	255 N. Market St, Ste. 290 San Jose, CA 95110	Bonnie Bamburg	(408) 279-7676
8	Community Housing Improvement Systems & Planning Assoc. Inc.	295 Main Street, Suite 100 Salinas, CA 93901	Normond V. Kolpin	(831) 757-6251
9	Eden Housing, Inc.	409 Jackson St Hayward, CA 94544	Catherine A. Merschel	(510) 582-1460
10	Foundation for Affordable Housing, Inc.	2847 Story Rd San Jose, CA 95127	Wallace K. Shepherd	(408) 923-8260
11	Matinah Salaam	3740 Barrington Drive Contra Costa, CA 94518	Matinah Salaam	(925) 671-0725
12	Mid-Peninsula Housing Coalition	303 Vintage Park Drive, #250 Foster City, CA 94404	Fran Wagstaff	(650) 356-2900
13	Palo Alto Housing Corp	725 Alma St Palo Alto, CA 94301	Marlene H. Prendergast	(650) 321-9709
14	Palo Alto Senior Housing Project, Inc.	455 E. Charleston Rd Palo Alto, CA 94306	Genie Dee	(650) 494-1944
15	Satellite Housing Inc.	2526 Martin Luther King., Jr Way Berkeley, CA 94704	Kate Hartley	(510) 647-0700
16	South County Housing, Inc	7455 Carmel St Gilroy, CA 95020	Jan Lindenthal	(408) 842-9181

Source: California HCD 2009.

CURRENT AND FUTURE HOUSING NEEDS

Regional Housing Needs Allocation (RHNA)

State law (California Government Code Section 65584) provides for councils of governments to prepare regional housing allocation plans that assign a share of a region's housing construction need to each city and county. In the nine-county San Francisco Bay Area, the Association of Bay Area Governments (ABAG) is the council of governments authorized under state law to identify existing and future housing needs for the region. ABAG produced the San Francisco Bay Area Housing Needs Plan which covers the period from 2007 to 2014. After the plan was developed, the Regional Housing Needs Allocation (RHNA) was adopted by ABAG in May 2008. Los Altos' Regional Housing Needs Allocation was determined to be 317 for the current planning period.

ABAG’s methodology is based on the regional numbers supplied by HCD; these are “goal numbers” and are not meant to match, and often exceed, anticipated growth in housing units. A goal vacancy rate is set by HCD, and then a housing unit need to meet that vacancy rate is derived by assessing potential growth rates (population, jobs, and households) and loss of housing due to demolition. The numbers produced by HCD are provided to ABAG in the form of a regional goal number, which is then broken into income categories. ABAG is mandated to distribute the numbers to Bay Area jurisdictions by income categories. ABAG is responsible for allocating the RHNA goal number to cities and counties in the Bay Area.

The methodology used to determine the future need considered the growth in the number of households expected, the need to achieve desired vacancy rates, the need for more housing opportunities, and compensation for anticipated demolition. An “avoidance of impaction” adjustment was applied to the preliminary allocation figure to avoid further concentration of low-income units in jurisdictions that have more than the regional average.

The RHNA allocation is a minimum needs number—cities and counties are free to plan for, and accommodate, a larger number of dwelling units than the allocation. The City must, however, use the numbers allocated under the RHNA to identify measures (policies and ordinances) that are consistent with these new construction goals. While the City must also show how it will accommodate for these units to be built, it is not obligated to build any of the units itself or finance their construction.

According to the RHNA, the City of Los Altos has a total housing construction need of 317 units and an annual need of about 40 units. **Table 32** shows Los Altos’ allocation for the 2007–2014 planning period.

Table 32

Regional Housing Needs Determination (2007–2014)

Income Category	Income Level	# of Units	% of Total
Extremely Low	0-30% of AMI	49	16%
Very Low	30-50% of AMI	49	16%
Low	50-80% of AMI	66	21%
Moderate	80-120% of AMI	79	25%
Above Moderate	120%+ of AMI	74	23%
Total		317	100%

Sources: ABAG 2008 Regional Housing Needs Determination. Adopted May 15, 2008.

Table 32A lists the residential developments entitled and permitted from January 2007 until February 2009.

Table 32A

Remaining RHNA by Income Category

Permits Issued January 2007 – February 2009						
Housing Unit Type	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
Single Family					79	79
Multifamily		8		1	70	79
Second Units		4	1			5
Density Bonus						0
Total Permitted		12	1	1	149	163
RHNA						
RHNA	49	49	66	79	74	317
Remaining RHNA	49	37	65	78	(-75)	NA
Total (Remaining Lower-Income RHNA)	229				0	NA

Source: City of Los Altos, January 2009

Table 33B below displays a summary of all vacant and underutilized land identified for development in the planning period. There is currently a total of 32.39 acres of vacant or underutilized land in Los Altos with the capacity to yield 324 units of new housing across all income categories.

Table 32B

Summary of Vacant and Underutilized Land

	Acres	Existing No. Units	Realistic No. Units
Total Vacant Land	8.03	0	40
Total Underutilized Land	24.36	26	284
Total	32.39	26	324

Table 33C summarizes the City's RHNA, the residential units permitted in Los Altos since 2007, and the total number of potential housing units identified through the City's vacant and underutilized land inventory. The results indicate that the City has already made significant progress towards meeting its current RHNA. From January 2007 to December 2008, the City permitted 163 units across all income levels. The remaining number of new housing units needed to meet the current RHNA is 154. The vacant and underutilized land inventory identified sites with a potential for 324 new housing units. These sites include 90 potential single family housing units and 234 potential multifamily housing units. The number of

potential housing units accommodated by sites identified in the vacant and underutilized land inventory exceeds the City's RHNA by 170 units.

Table 32C

Summary of RHNA Required Units

RHNA Minus Permitted Units	Units
RHNA 2007-2014	317
Permitted Residential Units—January 2007-February 2009	163
Remainder of Units Needed to Meet the City's RHNA	154
Vacant and Underutilized Land Inventory – Potential Housing Units Accommodated by Identified Sites	Units
Potential Single Family Units	90
Potential Multifamily Units	234
Total Potential Housing Units Identified	324
Number of Potential Units Identified in Excess of Remaining RHNA	170

Source: City of Los Altos, January 2009

FUTURE DEVELOPMENT POTENTIAL

Areas with Potential for Residential Development

Table 33 contains an inventory of vacant sites with residential development potential as of January 2009. A mandatory provision of below market rate (BMR) units applies to all multiple-family projects with ten or more units and to those projects within a Mixed-Use Overlay District that include housing. All of the sites listed below are located in Residential Zones and will not require a rezone. There are no visible obstructions, incompatible surrounding structures, or infrastructure capacity impediments that would prevent any of the sites listed below from being developed.

Realistic Capacity

Due to the extremely high cost and limited availability of vacant land in Los Altos, developments are consistently built to the maximum allowable density. In addition, the City's zoning ordinance requires that residential developments must be built to their maximum densities when they are constructed in commercial or mixed-use districts. For example, sections 14.22.030 and 14.24.030 of the Los Altos Zoning Code require maximum densities of 24 du/ac and 38 du/ac for all residential zones and the CT district respectively. Exceptions to maximum density must be based on health, safety and welfare; however, since this provision was adopted in 1995, no projects have been approved without meeting the maximum density requirements.

The City allows housing in all commercial districts as mixed-use development with residential units permitted above the ground level only, except for in the Commercial Thoroughfare (CT) District, which allows commercial, mixed-use with housing above the ground floor or residential-only development for the entire building, and in the CD District downtown where residential uses are a permitted use. In non-CT commercial Districts the City assumes a 20-unit per acre density as realistic capacity of the non-ground floor development capacity; however, the downtown commercial area residential projects are not limited in density. A recently entitled project at 240 Third Street, demonstrate the practicality of mixed-use projects in commercial districts and validates the 20-unit per acre capacity for this type of project. Another recent project in the downtown area at 100 First Street demonstrates a greater density of 48 units per acre for a residential-only project following key recent zoning changes that removed floor area limits and increased height limits. Two recently built projects in the CT District (5100 El Camino Real, 4388 El Camino Real) demonstrate the realistic capacity to achieve the 38-dwellings per acre density in this district. The CT District zoning also encourages development of solely multifamily residential housing by permitting a third story of development in such cases. Commercial and mixed-use projects downtown are not limited in floor area or number of story limits. Commercial or mixed-use development in the CT District is limited to two stories. **Table 33A** below lists recently entitled projects in commercial zones in Los Altos.

Of the most recently completed projects in commercial areas, four of five projects included residential components. Three projects were entitled at the maximum allowable density and included below-market-rate units. All of those projects that included residential components were built in zones allowing mixed-use or residential-only developments and yielded a total of 13 below-market-rate units. The commercial-only project was in the CRS/OAD zone, which allows residential uses above the ground level. However, due to the project constraints of providing a public plaza in accordance with the City's Downtown Urban Design Plan, the project was designed for commercial land uses. (It should be noted that no sites in the Vacant or Underutilized Sites Inventory are in the CRS zone.) Recent development trends clearly show that when residential units are allowed, developers will include residential components in their projects in Los Altos.

There is a unique market condition in Los Altos where people downsizing from large estates seek 2- or 3-bedroom condominiums as replacement housing close to their previous home. The projects at 240 Third Street and 100 First Street are illustrative of the strong demand for residential development in commercial areas of Los Altos. Two-forty Third Street is a mixed-use project that will yield two above-moderate condominium units. One-hundred First Street is a mixed-use project that contains 18 above-moderate residential units and two, moderate-income affordable housing units.

Table 33A

Recently Entitled Projects in Commercial Zones

Address	Date	Zone	Type	Lot Size	Max Density	Units Built	Units/ Acre	BMR Units	Income
5100 El Camino Real	8/05	CT	Multifamily	0.79 ac	38 du/ac	29	36	3	Very Low

Address	Date	Zone	Type	Lot Size	Max Density	Units Built	Units/Acre	BMR Units	Income
4388 El Camino Real	10/06	CT	Multifamily	2.2 ac	38 du/ac	78	35	8	Very Low
100 First Street ¹	8/10	CD/R 3	Multifamily	0.97 ac	No max ³	48	48	5	Moderate
240 3rd Street ²	4/08	CD	Retail/Office/Residential	0.33 ac	No max	2	6	0	Above Moderate
45 Main Street	4/08	CRS/OAD	Retail/Office	-	No max	NA	NA	NA	NA
950 N. San Antonio Road	1/08	CT	Retail/Office/Residential	1.47	38du/ac	56	38	6	Very low
Totals				5.76 ac		213		22	

1. Incentives included receiving 100 percent of lot size for the building floor area, a 1 to 1 ratio.

2. 3-story building—1st floor: 6,200 sq/ft of retail; 2nd floor: 2 office units; 3rd floor: two 3,500 sq/ft condominiums.

3. There is no maximum density defined for the CD or CRS districts. Density is determined by lot size, height restrictions, density bonuses, setbacks, unit size and other factors as applicable to the development.

Source: City of Los Altos, January 2009, May 2010

Table 33B below is a list of all projects that have included multifamily housing built in Los Altos since 2002. Collectively, the data clearly illustrates the point that virtually all multifamily projects meet the maximum density allowed for the zone. Some projects have even exceeded the prescribed maximum density after density bonus laws or other incentives were applied. This is due to several factors.

1. The cost of land in Los Altos is very high; thus, developers are seeking to maximize the value of the structure to receive an adequate return on investment.
2. The cost of housing in the Silicon Valley remains very high and developers are interested in maximizing the number of units to maximize their return on investment.
3. The incremental cost for construction of each additional unit of housing is not expensive in relation to the overall costs of the land, fees and entitlements.
4. The demand for housing in the area remains high and relatively stable in relation to other areas of the state and country.

Given these realities of the local housing market, it is reasonable to expect that future multifamily and mixed-use projects in Los Altos will continue to be built at densities very close to or exceeding the maximum allowed for the zone. The results of this analysis have been applied to the Vacant Sites Inventory in **Table 33**.

Table 33B
Recent Multiple-Family Development¹

Project Address	Zone	Type	Lot Size	Max Density	Units Approved	Units/Acre	BMR Units	BMR Income Limit	Entitlement Date	Built
36 Lyell Street	R3-1.8	Multiple-Family Residential	0.16	24 du/ac	3	19 ²	0	NA	1/09	
569 Lassen Street	R3-1.8	Multiple-Family Residential	0.16	24 du/ac	3	19 ³	1	Low	8/08	Under construction
240 Third Street	CD	Mixed-Use (retail/office/m-f residential)	0.33	NA	2	6	0	NA	4/08	Under construction
510-516 Tyndall Street	R3-1.8	Multiple-Family Residential	0.33	24 du/ac	8	24	1	Moderate	3/08	Built
100 First Street	CD/R 3	Mixed-Use (office/m-f residential)	0.97	NA	48	48	5	Moderate	Pending	
420-426 Tyndall Street	R3-1.8	Multiple-Family Residential	0.33	24 du/ac	8	24	1	Moderate	5/07	Built
4388 El Camino Real	CT	Multifamily Residential	2.2	38 du/ac	78	35	8	Very Low	10/06	Built
438 Tyndall Street	R3-1.8	Multiple-Family Residential	0.16	24 du/ac	4	25	1	Moderate	12/06	Built
437 Tyndall Street	R3-1.8	Multiple-Family Residential	0.16	24 du/ac	4	25	1	Moderate	2/06	Built



Project Address	Zone	Type	Lot Size	Max Density	Units Approved	Units/Acre	BMR Units	BMR Income Limit	Entitlement Date	Built
5100 El Camino Real	CT	Multiple-family Residential	0.79	38 du/ac	29	36	3	Very Low	8/05	Built
477 Tyndall Street	R3-1.8	Multiple-Family Residential	0.16	24 du/ac	4	25	1	Low	6/02	Built
41 Cuesta Street	R3-1.8	Multiple-Family Residential	0.33	24 du/ac	8	24	1	Very Low	6/02	Built
950 N. San Antonio Road	CT	Mixed-Use (retail/office/residential)	1.47	38 du/ac	56	38	6	Very Low	1/08	Under construction
Totals			7.55		255		29			

Source: City of Los Altos 2009/May 2010.

1. This table summarizes the projects with multiple-family housing units since 2002.
2. The R3-1.8 District requires at least 1,850 square feet of gross lot area per unit. Thus, the maximum density project for lots of this size is three units.
3. The basic lot size in the R3-1.8 District is 7,100 square feet. This table has several recent examples of maximum density projects on small lots.

Vacant Sites

Table 33

Potential Vacant Sites Inventory

Site ID	APN	Zone	Allowable Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infrastructure Capacity	On-site Constraints
1	167-37-009	R1-10	4 du/ac	Single Family	0.19	0	1	Vacant	Yes	None
2	167-37-034	R1-10	4 du/ac	Single Family	0.35	0	1	Vacant	Yes	None
3	167-41-036	CD	20 du/ac	Downtown Commercial	0.16	0	3	Vacant	Yes	None
4	167-41-053	CD	20 du/ac	Downtown Commercial	0.26	0	5	Vacant	Yes	Vacant Gas Station Site
5	170-01-022	CN	20 du/ac	Commercial Neighborhood	0.27	0	5	Vacant	Yes	None
6	170-12-004	R1-10	4 du/ac	Single Family	0.49	0	1	Vacant	Yes	None
7	170-28-058	R1-10	4 du/ac	Single Family	0.5	0	1	Vacant	Yes	None
8	175-14-025	R1-10	4 du/ac	Single Family	0.29	0	1	Vacant	Yes	None
9	175-15-054	R1-10	4 du/ac	Single Family	0.14	0	1	Vacant	Yes	None
10	175-18-040	R1-10	4 du/ac	Single Family	0.24	0	1	Vacant	Yes	None
11	189-15-007	R1-10	4 du/ac	Single Family	0.09	0	1	Vacant	Yes	None
12	189-15-026	CN	20 du/ac	Commercial Neighborhood	0.11	0	2	Vacant	Yes	None
13	189-19-003	R1-10	4 du/ac	Single Family	0.28	0	1	Vacant	Yes	None
14	189-19-017	R1-10	4 du/ac	Single Family	0.23	0	1	Vacant	Yes	None
15	193-34-030	R1-10	4 du/ac	Single Family	0.23	0	1	Vacant	Yes	None



Site ID	APN	Zone	Allowable Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infrastructure Capacity	On-site Constraints
16	193-40-019	R1-10	4 du/ac	Single Family	0.2	0	1	Vacant	Yes	None
17	193-41-039	R1-10	4 du/ac	Single Family	0.35	0	1	Vacant	Yes	None
18	193-44-023	R1-10	4 du/ac	Single Family	0.23	0	1	Vacant	Yes	None
19	193-44-033	R1-10	4 du/ac	Single Family	0.23	0	1	Vacant	Yes	None
20	197-16-063	R1-10	4 du/ac	Single Family	0.34	0	1	Vacant	Yes	None
21	336-02-008	R1-10	4 du/ac	Single Family	0.35	0	1	Vacant	Yes	None
22	336-03-030	R1-10	4 du/ac	Single Family	0.31	0	1	Vacant	Yes	None
23	342-04-078	R1-10	4 du/ac	Single Family	1.48	0	5	Vacant	Yes	Part of Under-developed Site at 2100 Woods Lane
24	342-09-045	R1-10	4 du/ac	Single Family	0.31	0	1	Vacant	Yes	None
25	342-10-088	R1-10	4 du/ac	Single Family	0.39	0	1	Vacant	Yes	None
				Totals	8.29	0	45			

City of Los Altos, January 2009

***Small Sites and Lot Consolidation***

While the City does have several small sites, current conditions do not warrant a special program for lot consolidation. This is due to the location of the small sites within the City and the reigning market conditions in the Silicon Valley. Opportunities to consolidate small lots in Los Altos are rare since the lots are few in total and are often not contiguous with other small lots. Where small lot consolidation has been feasible in the past, however, it has been done. The zoning code itself currently provides an incentive for lot consolidation. For example, a lot consolidation in the R3-1.8 district would yield more units based on maximum density calculations than the individual lots by themselves. Recent projects at 420-426 Tyndall Street and at 510-516 Tyndall Street demonstrate the ability and incentive to consolidate adjacent parcels; both projects combined two adjacent lots and each developed eight-unit projects at the maximum density; both projects included one moderate-income unit.

Consolidation Incentive Scenario

Zone = R3-1.8

Lot 1 size = 7,100 sq/ft;

Max Density = 24 du/ac;

Subtotal Allowable Units under Zoning Code = 3 dwelling units;

Zone = R3-1.8

Lot 2 size = 7,100 sq/ft

Max Density = 24 du/ac;

Subtotal Allowable Units under Zoning Code = 3 dwelling units;

Consolidated Lot (Lot 1 + Lot 2) = 14, 200 sq/ft

Max Density = 24 du/ac;

Total Allowable Units under Zoning Code = 7 dwelling units;

Net Gain through Consolidation = 1 dwelling unit

Median Value of One Dwelling Unit in Los Altos in 2008 = \$1,000,001



With the current high price of land in Los Altos and the strong market demand for housing in the area, the City currently sees development on small parcels and is even able to provide incentives that yield BMR units as part of small-site development projects.

The City has numerous examples of new, multiple-family small-lot developments in the R3-1.8 district where projects were granted development incentives and density bonuses consistent with the State Density Bonus regulations. The density bonus provisions have typically been applied to allow a fourth unit in what otherwise would have been a three-unit project in exchange for development incentives. These projects on the small lots have translated into an affordable housing percentage of 33 percent of the total dwelling units before the density bonus is applied. The City's application of the State Density Bonus and Other Incentives law on projects with fewer than five base units is above and beyond the minimum State threshold.

Small Lot Development with BMR Scenario

Zone = R3-1.8

Lot size = 7,100 sq/ft;

Max Density = 24 du/ac;

Total Allowable Units under Zoning Code = 3 dwelling units;

BMR units = 1 dwelling unit;

BMR Percentage of Total Units = 33%

Applied Density Bonus = 1 additional dwelling unit

Total Units with Density Bonus = 4 dwelling units

Lastly, according to State law, the density bonus and incentive provisions technically apply to projects containing five or more residential units; however, the City of Los Altos allows consideration of incentives and density bonuses for projects with fewer than five units, which is above and beyond the State law. Two recent projects at 437 and 438 Tyndall Street demonstrate this application of the density bonus provisions on small lots and the City's ability to generate affordable housing on small lots.

Areas with Redevelopment and Re-use Potential

Much of the potential for additional housing in Los Altos relies on the redevelopment of underutilized properties in multifamily and commercial zoning districts. There is a strong market incentive to develop parcels in Los Altos to their highest and best use. The same market conditions described on page 91 also apply to underutilized parcels.

Table 34 estimates that there are approximately 24.36 acres of underutilized property that has development or reuse potential. In addition, the El Camino Real corridor in particular has been identified in the current General Plan Land Use Element update process as an area where affordable housing can be created as properties redevelop. Incentives to build housing along El Camino Real, such as allowing additional building stories and increasing allowable floor area, are included in the draft Land Use Element update. Disincentives to build commercial-only projects are also included. Similar mixed-use development incentives are also being considered for other business districts in Los Altos.

Table 34

Potential Underutilized Sites Inventory

Site ID	APN	Zone	Allowable Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infrastructure Capacity	On-site Constraints
26	167-17-006	R1-10	4 du/ac	Single Family	0.27	1	2	Underutilized	Yes	One SFR on two legal lots
27	167-18-026	R1-10	4 du/ac	Single Family	0.28	1	2	Underutilized	Yes	One SFR on two legal lots
28	167-18-032	R1-10	4 du/ac	Single Family	0.31	1	2	Underutilized	Yes	One SFR on two legal lots
29	167-27-070	R1-10	4 du/ac	Single Family	2.31	1	8	Underutilized	Yes	None
30	167-38-061	R3-1	38 du/ac	Medium Density Multifamily	0.16	1	4	Underutilized	Yes	One SFR
31	167-39-028	R3-1	38 du/ac	Medium Density Multifamily	0.16	1	4	Underutilized	Yes	One SFR
32	167-39-131	OAD/R3-1	38 du/ac	Medium Density	0.49	0	17	Underutilized	Yes	Small Office Buildings (2)



Site ID	APN	Zone	Allow-able Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infra-structure Capacity	On-site Constraints
				Multifamily						
33	167-41-016	CS	20 du/ac	Downtown Commercial	0.1	0	2	Underutilized	Yes	Parking Lot
34	167-41-034	CD	20 du/ac	Downtown Commercial	0.16	0	3	Underutilized	Yes	Parking Lot
35	167-41-035	CD	20 du/ac	Downtown Commercial	0.16	1	3	Underutilized	Yes	One SFR
36	167-41-037	CD	20 du/ac	Downtown Commercial	0.16	0	3	Underutilized	Yes	Parking Lot
37	167-41-038	CD	20 du/ac	Downtown Commercial	0.16	1	3	Underutilized	Yes	Small Office Building
38	167-41-054	CD	20 du/ac	Downtown Commercial	0.16	0	3	Underutilized	Yes	Pancake House Parking Lot
39	170-01-045	CN	20 du/ac	Commercial Neighborhood	0.05	1	1	Underutilized	Yes	Condemned Structure
40	170-01-066	CN	20 du/ac	Commercial Neighborhood	0.11	1	2	Underutilized	Yes	Condemned Structure
41(a)	170-01-072	CT	38 du/ac	Thoroughfare Commercial	0.16	0	6	Underutilized	Yes	None
41(b)	170-01-073	R3-1	16/du ac	Medium Density Residential	0.4	1	6	Underutilized	Yes	Single-Family
41(c)	170-01-075	CT	38 du/ac	Thoroughfare Commercial	0.74	1	28	Underutilized	Yes	Single-Family
41(d)	170-01-091	CT	38 du/ac	Thoroughfare Commercial	0.05	0	2	Underutilized	Yes	None
41(e)	170-01-092	CT	38 du/ac	Thoroughfare	0.25	0	10	Underutilized	Yes	Retail



Site ID	APN	Zone	Allow-able Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infra-structure Capacity	On-site Constraints
				Commercial						
41(f)	170-01-093	CT	38 du/ac	Thoroughfare Commercial	0.47	0	18	Underutilized	Yes	Restaurant
41(g)	170-01-094	CT/R3-1	38 du/ac and 16/du ac	Thoroughfare Commercial and Medium Density Residential	2.7	0	0.93 ac @ 38 du/ac = 35 units 1.77 ac @ 16 du/ac = 28 units Total parcel 63 units	Underutilized	Yes	Garden Supply
Subtotal					4.77	2	146			
42	170-38-006	R3-1.8	16 du/ac	Medium Density Multifamily	0.11	1	2	Underutilized	Yes	One SFR
43	170-38-030	R3-1.8	16 du/ac	Medium Density Multifamily	0.16	1	3	Underutilized	Yes	One SFR
44	170-38-047	R3-1.8	16 du/ac	Medium Density Multifamily	0.16	1	3	Underutilized	Yes	One SFR
45	170-38-048	R3-1.8	16 du/ac	Medium Density Multifamily	0.16	1	3	Underutilized	Yes	One SFR
46	170-38-060	OAD	16 du/ac	Downtown Commercial	0.15	0	3	Underutilized	Yes	Existing Office - GP Housing Element 4.3 encourages rezoning to MF



Site ID	APN	Zone	Allowable Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infrastructure Capacity	On-site Constraints
47	170-38-062	OAD	16 du/ac	Downtown Commercial	0.15	0	3	Underutilized	Yes	Existing Office - GP Housing Element 4.3 encourages rezoning to MF
48	170-38-066	OAD	16 du/ac	Downtown Commercial	0.31	0	7	Underutilized	Yes	Existing Office - GP Housing Element 4.3 encourages rezoning to MF
49	170-39-043	R3-1.8	16 du/ac	Medium Density Multifamily	0.24	1	5	Underutilized	Yes	One SFR
50	175-16-017	R1-10	4 du/ac	Single Family	0.3	1	2	Underutilized	Yes	One SFR on two legal lots
51	175-16-036	R1-10	4 du/ac	Single Family	0.3	1	2	Underutilized	Yes	One SFR on two legal lots
52	175-16-074	R1-10	4 du/ac	Single Family	0.39	1	2	Underutilized	Yes	One SFR on two legal lots
53	175-16-084	R1-10	4 du/ac	Single Family	0.34	1	2	Underutilized	Yes	One SFR on two legal lots
54	175-17-028	R1-10	4 du/ac	Single Family	0.6	1	3	Underutilized	Yes	One SFR on three legal lots
55	189-15-095	R1-10	4 du/ac	Single Family	0.18	1	2	Underutilized	Yes	One SFR on two legal lots
56	189-15-117	R1-10	4 du/ac	Single Family	0.09	1	1	Underutilized	Yes	One SFR on three legal lots (117,118 & 119)
57	189-15-118	R1-10	4 du/ac	Single Family	0.09	0	1	Underutilized	Yes	One SFR on three legal lots (117,118 & 119)



Site ID	APN	Zone	Allow-able Density	General Plan	Acres	Existing No. Units	Realistic No. Units	Vacant/ Underutilized	Infra-structure Capacity	On-site Constraints
58	189-15-119	R1-10	4 du/ac	Single Family	0.09	0	1	Underutilized	Yes	One SFR on three legal lots (117,118 & 119)
59	197-16-064	R1-10	4 du/ac	Single Family	1.48	1	5	Underutilized	Yes	Historic Property
60	318-07-008	R1-10	4 du/ac	Single Family	0.23	0	1	Underutilized	Yes	Parking Lot
61	342-04-078	R1-10	4 du/ac	Single Family	8.9	1	28	Underutilized	Yes	Church w/ SFR. Part of under-developed site at 2100 Woods Lane. To achieve max density, a PUD will be required in order to address the site environmental constraints
62	342-25-056	R1-10	4 du/ac	Single Family	0.12	0	1	Underutilized	Yes	Odd shaped driveway for adj. SFR
Total Underutilized					24.36	26	284			

1. These parcels are owned together and have common access to parking. Zoning doesn't follow parcels boundaries. Densities are defined through the Sherwood Gateway Specific Plan.

2. To achieve max density, a PUD will be required in order to address the site environmental constraints.

Source: City of Los Altos, December 2008

Analysis of Underutilized Sites

Three of the underutilized sites, identification numbers 32, 41 and 61, hold the majority of the redevelopment capacity for residential units with an estimated realistic capacity of 17, 145 and 28 dwelling units respectively. Below, the feasibility of redevelopment and the realistic capacity of dwelling units is discussed in more detail for each of the sites.

Site ID 32 in the Potential Underutilized Sites Inventory (**Table 34**) has a realistic residential capacity of 17 dwelling units. This estimation is based on the market conditions in Los Altos (discussed under Realistic Capacity in this section) as well as the financial incentive presented by redevelopment of the site to its highest and best use. Currently, the site supports a small amount of square footage for office space worth only the market rent it generates on a monthly basis. Given current market conditions and the proceeds from recent developments within the downtown triangle, the 17 dwelling units could yield as much as \$13 million as a housing development site. The existing commercial structures were originally residences and are not suited for commercial use in the long run. They are under a common ownership and some of the units have deferred maintenance. Therefore, Site ID 32 is underutilized compared to the potential development. Supporting this are recent entitlements for multiple-family development in the downtown area and the property owner's recent interest in redeveloping the site.

Site ID 41 describes the former Garden Supply site. This assemblage of parcels is ear-marked in the City's Sherwood Gateway Specific Plan for multifamily residential development and is owned by one family. The family owns the properties and occupies the residences. The realistic number of units for this site (145) was calculated using the maximum densities dictated in the Specific Plan and applying the City's zoning code requirement to develop any site to its maximum density. The likelihood that this site will be redeveloped in the current RHNA period is high. This is due to retail market conditions that have negatively affected the viability of the garden supply business; and the other two businesses operating on the site, a restaurant and a vitamin supply store, have relatively short-term leases. The City has consulted with the owner and developers over the last year regarding potential projects at the site. As a result, the City has had several inquiries from housing developers. This site is located in the CT District where most of the development that is occurring in this district is more intense uses and redevelopment. Individual parcels are consolidated through special land use policies in the Sherwood Gateway Specific Plan as well as by common ownership and common access and parking easements.

Site 61 is the site of a Church and a single-family residence. The site will likely require a Planned Unit Development (PUD) permit to achieve the maximum density allowed for the zone and to protect the distinctive natural features. Rezoning to a PUD is not a significant development constraint because it is considered at the same time with any subdivision of the site. It is expected that this site will develop to its highest and best use as a residential land use as the existing community facility has waned in its use and the property owner and developers have approached the City over the last few years as to the site's development potential. This is a somewhat secluded residential area; it is unique because it is a large wooded area that could accommodate a planned unit development of single-family homes or possibly a senior project that would include affordable units and/or an assisted living project. The City's General Plan provides development incentives that encourage housing for seniors.

Table 35 contains an estimate of the potential number of additional housing units that can be accommodated through alternative programs to augment the residential development capacity of existing, residentially zoned vacant and underutilized sites listed in **Tables 33** and **34**. These alternative strategies include the approval of second units (the City believes that four to five second units per year is a reasonable objective), and the granting of density bonuses for projects that contain minimum percentages of affordable housing with long-term affordability requirements as specified under State law.

For the 157 multifamily units listed in the City's Quantified Objectives from 2009 through 2014, the City might conservatively expect at least sixteen additional units to be built as a result of the State's density bonus law. This estimate is based on the law's provisions that grant a five percent (5%) density bonus to multifamily developments that include BMR units for moderate incomes. Bonus percentages increase for multifamily developments that include units affordable to people of low and very low incomes. As of February 2009, bonus percentages for extremely low incomes have not yet been defined or addressed by State law.

Table 35

Los Altos Programs 2007 - 2014

Programs	# Of Units
Second Living Units	21
Density Bonus	16
Total	37

City of Los Altos, 2009

Availability of Public Facilities and Services

Much of Los Altos' infrastructure is old; however the systems can still accommodate the projected housing needs during the next five years. The cost of infrastructure improvement required for residential development will be borne by the developers. All of the vacant sites identified in **Table 33** and **34** have sufficient infrastructure availability, including water and sewer, to allow development to occur.

Water and Sewer Priority for Affordable Housing Developments

To comply with Senate Bill (SB) 1087, the City will immediately forward its adopted Housing Element to its water and wastewater providers so they can grant priority status for service allocations to proposed developments that include units affordable to lower-income households.

CONSTRAINTS

Non-Governmental Constraints

Non-governmental constraints include community preferences and market conditions such as land costs, construction costs, and financing that affect the availability and cost of housing but which are not directly related to local government policies or regulations.

Land and Construction Costs

The availability of environmentally suitable land, the cost of that land, and construction costs pose the greatest constraints to the availability and affordability of housing in Los Altos. These constraints primarily affect low- and moderate-income households, not above moderate-income households, and make it difficult for homebuilders to provide affordable housing regardless of local zoning and development requirements. This constraint is prevalent throughout the region.

Land Costs

A search of Realtor.com and LoopNet records in January 2009 uncovered few vacant residential properties for sale in Los Altos. A wider search of vacant residential properties and properties with redevelopment potential in neighboring cities yielded the following results:

- Single-family lots, Los Altos: \$1.225 million – \$9.5 million per unit
- Single-family lots, neighboring cities (within 40 miles): \$150,000 – \$65 million
- Multifamily property, low density (2–8 units/acre): \$300,000 – \$800,000 per unit
- Multifamily, medium density (8–12 units/acre): \$300,000 – \$400,000 per dwelling unit
- Multifamily properties with redevelopment potential (properties with multifamily buildings 40 years old or more): \$400,000 – \$800,000 per dwelling unit
- Commercial properties with residential potential: \$200,000 – \$3.5 million per acre

Given these high land costs, it is unlikely that increases in density (such as a 25 percent density bonus) would significantly reduce the per-unit cost of building market-rate and affordable dwelling units. In spite of this, the City has been successful in having affordable housing included in new multiple-family developments.

Construction and Labor Costs

The most significant constraint on development of new housing in Los Altos and the region is the overall cost of housing, including land costs and construction costs. Many factors can affect the cost to build a house, including the type of construction, materials, site conditions, finishing details, amenities, and structural configuration. Development costs were developed from estimates provided by residential builders who work in the region. According to the City of Los Altos Building Department, permitting fees in 2009 for an average size home in Los Altos (3,500 square feet) are \$8,036 (this is calculated at a valuation of \$200 per square foot). Plan check fees for a 3,500 square foot house in 2009 total \$4,835. Once a vacant

parcel is purchased, the contractor has to make certain site improvements to prepare for building on the property. Such improvements include connections to existing utility systems and rough grading, plus installation of water and sewer lines. This type of work is generally figured into the contractor's cost to build the home.

Materials and labor have a wide range of costs depending on the type of materials used for construction. Typically, more expensive materials are used for custom homes, which average \$265 per square foot. An average quality construction single-family home generally costs less because the materials are less expensive and are easier to handle. Material and labor for these homes costs around \$150–\$200 per square foot. In addition to site improvement and building material cost, there are engineering and architecture soft costs, which can range from 12 to 13 percent of the total cost of construction. Additional costs including trash and temporary fencing average about \$5,000 per lot. The scarcity of easily developed land, combined with the great demand, indicates that housing construction costs are likely to remain high in the future.

The Cost and Availability of Financing

The City has not uncovered any local constraints to the availability or cost of financing for home purchases or rehabilitation that differ significantly from the availability and cost of financing generally in California. Even in older neighborhoods of the City, there are no barriers to obtaining financing for home purchase, improvement, or construction (other than customary underwriting considerations by lenders).

The primary factor related to home finance affecting housing affordability and availability is the cost of borrowing money (interest rates). Historically, substantial changes in interest rates have correlated with swings in home sales. When interest rates decline, sales increase. The reverse has been true when interest rates increase. In the past, there has been a dramatic growth in alternative mortgage products, such as graduated mortgages and variable rate mortgages. These types of loans allow homeowners to take advantage of lower initial interest rates and qualify for larger home loans. Even during periods of high interest rates, these alternative products allow more buyers to qualify for homeownership, thus dampening the swings in home sales that accompany changes in interest rates.

Nevertheless, the fixed interest rate mortgage remains the preferred type of loan, especially during periods of low, stable interest rates. Most governmental programs that seek to increase homeownership among low- and moderate-income households rely on loan products that provide fixed interest rates below prevailing market rates, either for the principal loan or for a second loan that provides part of the down payment for home purchase. Many programs offer deferred second loans to facilitate homeownership. **Table 36** shows various monthly payments necessary to service mortgages at various interest rates.

Table 36

Monthly Payments at Various Interest Rates According to Zip Code

Interest Rate	30-Year Fixed Loan Term	
	Loan Amount	Monthly Payment*
5%	\$600,000	\$4,400
6%	\$600,000	\$4,777

30-Year Fixed Loan Term		
Interest Rate	Loan Amount	Monthly Payment*
7%	\$600,000	\$5,171
8%	\$600,000	\$5,582

Source: mortgage101.com

* Payments include loan closing costs, estimated property cost information, and a \$50,000 down payment. These payments are the same for all three zip codes in Los Altos.

The cost of financing can have a substantial effect on the affordability and availability of housing. A few points difference in the interest rate can make a substantial difference in the financial feasibility of a development project. For buyers with a good credit rating, current interest rates for fixed rate home purchase loans in Los Altos range from 5.25 percent to 6.6 percent, depending on the mortgage type and amount.

Table 37 summarizes purchase loan application history and status in Los Altos between the years 2005 and 2007. According to the Home Mortgage Disclosure Act (HMDA), 167,727 loan applications were processed in the San Jose/Sunnyvale/Santa Clara Metropolitan Statistical Area/Metropolitan Division (MSA/MD) reporting area between 2005 and 2007. Of the applications processed, 105,046 loans, or approximately 63 percent of all loans, were approved, and 30,245 loans, or approximately 18 percent of all loans processed, were denied.

Table 37

**Los Altos/ San Jose MSA/MD Reporting Area
Home Purchase Loans**

Year	Approved			Denied			Withdrawn/ Incomplete			Total Loan Applications
	Los Altos	San Jose/ Sunnyvale / Santa Clara MSA	% Purch. Loans	Los Altos	San Jose/ Sunnyvale / Santa Clara MSA	% Purch. Loans	Los Altos	San Jose/ Sunnyvale / Santa Clara MSA	% Purch. Loans	
2005	961	39,129	67.01%	178	11,920	20.41%	110	7,340	12.57%	58,389
2006	909	38,096	70.41%	142	10,536	19.47%	69	5,477	10.12%	54,109
2007	918	27,821	50.37%	148	7,789	14.10%	79	2,942	5.33%	55,229
Totals	2,788	105,046	63%	468	30,245	18%	258	15,759	9%	167,727

Source: Home Mortgage Disclosure Act, 2005, 2006, 2007

Note: Loans Approved include loans originated and loans approved, not accepted.

Environmental Constraints

There are no significant environmental conditions or constraints in Los Altos that would significantly affect the production and maintenance of housing. The City has taken measures to mitigate and effectively manage environmental constraints presented by seismic activity, landslides and flooding in the planning area.

Although the City is located between the active San Andreas and Hayward faults, as well as numerous smaller faults, no known active faults traverse Los Altos planning area and no Alquist-Priolo Earthquake Fault Zoning has been established by the State. As such, housing developers in Los Altos are not required to take any additional measures to mitigate potential effects of fault activity.

Landslides are unlikely to occur where slopes are less than 15 percent. Within the Los Altos planning area, slopes that are 15 percent or more are isolated to the southwest portion of the City. While there are no recent examples of landslides in the planning area, development on such slopes should be carefully reviewed for mitigation of landslide risks.

Los Altos is subject to periodic flood hazards associated with creek overflow, dam inundation, and potential mud and debris flows during rain storms of a few hillsides within the planning area. The Los Altos planning area contains both 100- and 500-year floodplain areas. Adobe Creek is the most flood-prone of Los Altos creeks. The Santa Clara Valley Water district has requested the City to require setbacks along the creek and to require property owners to dedicate an easement or fee title to the District. In accordance with the adopted watercourse protection regulations, special setbacks are required and development restrictions applied along Adobe Creek from Shoup Park to O'Keefe Lane.

Los Altos participates in the National Flood Insurance Program (NFIP), which is administered by the Federal Emergency Management Agency (FEMA). The NFI program provides federal flood insurance and federally financed loans for property owners in flood prone areas. To qualify for federal flood insurance, the City must identify flood hazard areas and implement a system of protective controls.

Governmental Constraints

A section of the Housing Element must identify and analyze potential and actual governmental constraints to the maintenance, improvement, or development of housing for all income levels, including housing for persons with disabilities. The analysis should identify the specific standards and processes and evaluate their impact, including cumulatively, on the supply and affordability of housing. The analysis should determine whether local regulatory standards pose an actual constraint and must also demonstrate local efforts to remove constraints that hinder a jurisdiction from meeting its housing needs. An adequate evaluation must assess the cumulative impacts of standards, including whether such requirements impede the ability to achieve maximum allowable densities.

Land Use Controls and Development Standards

The City's land use controls and development standards have little effect on the ability to finance or achieve maximum density in residential projects. This is due in part to the very high land value compared to construction costs. This is also a result of the City's zoning requirement to develop at the maximum allowable density, which has been successfully implemented without exception since 1995.

Table 38 summarizes the City's development standards for housing contained in the City's Zoning Ordinance. Although these requirements apply to new development, their practical impact in affecting the construction of housing for low-income households is minor in comparison to non-governmental constraints. Nevertheless this table describes the key development regulations and policies that potentially affect the City's ability to accommodate low-income housing.

Potential Constraints Presented by the City's Zoning Requirements

The City's zoning requirements do not present a constraint to meeting its overall future housing construction needs under ABAG's RHNA. To ensure that the City continues to meet maximum densities the City will implement Program 4.3.5 to monitor the land use controls to ensure development potential. Given land and development costs in the City, however, that portion of the City's allocation in low- and moderate-income categories can only be met in multiple-family zoned areas or commercial areas permitting multifamily housing. It should be noted that the City allows rental housing as a permitted use in all residential zoning districts. The code also does not differentiate between factory-built housing or mobile homes and permanent construction. All housing is subject to the same design review process. The following is a list of the zoning requirements.

Maximum permitted residential density: The City's multifamily zones permit densities of between 4 and 38 dwelling units per acre before density bonuses. This is a sufficient range of densities to permit the construction of various types of affordable housing.

Parking: In general, the City requires two parking spaces per dwelling unit, only one of which must be covered. Units with fewer than two bedrooms have a parking requirement of 1.5 parking spaces, one of which must be covered. The City counts the driveway as an additional parking space which allows most units to meet the City's parking requirements by providing a covered garage with the capacity to shelter one automobile. In addition, the City requires underground parking in its highest density zone, except on lots of less than 30,000

square feet. All parking standards can also be relaxed through the development review process, and as such the relaxed standards could be considered a development incentive.

Although these parking requirements are typical for cities of similar size and character, they may be viewed as a financial constraint for some developments. The underground parking requirement serves several purposes. In the City's most densely developed areas, street parking is at a premium. The potential increases in traffic and on-street parking demand are two of the most contentious issues with residents and merchants when new developments are proposed. The underground parking requirement ensures that impacts to on-street parking availability are mitigated while providing deeded parking spaces to new residents who demand parking for new market-rate units. Furthermore, the compact development and efficient use of space that comes with underground parking is important to create a streetscape and density of uses that encourages pedestrian activity and reduces vehicle trips in the City's downtown and commercial districts. The underground parking requirement on large lots is typically not seen as a significant constraint because it allows the living spaces of the dwellings to be larger within the zoning requirements which coincide with the market demand for larger dwelling units. Finally, the cost of providing underground parking is relatively small compared to the high overall land costs and the prevailing high market prices for dwelling units; projects in our highest density districts and in our downtown area have consistently provided underground parking meeting the City's requirements and affordable housing units.

Existing parking requirements may be excessive for special types of housing, such as senior housing and very small one-bedroom apartments. For these projects the parking requirements may increase costs beyond what is feasible for affordable housing construction. In such situations, the City has the ability to require less costly parking standards on a case-by-case basis, as an incentive for providing affordable housing under its affordable housing and density bonus ordinances. In the past, the City has typically waived the full parking requirements for BMR units and only required one parking spot per unit, even when two were called for by code. Although two parking spots are required for second units, the parking requirements can be co-mingled with the main unit. As a result, second units rarely require additional parking to be constructed to meet zoning requirements.

For certain types of housing, including senior housing; studio, one and two bedroom affordable units; and SRO units, the City will require just one parking space per unit. The new program is described in **Program 4.3.4 – Amend the Zoning Code to Reduce Parking Requirements for Certain Types of Affordable Housing**. The program will comply with Section 65915 P.1 of the California State Government Code and is expected to be implemented in summer 2010.

Minimum lot size: Minimum lot sizes range from five acres for the lowest density multifamily zone to 7,100 square feet for the highest density zone. Minimum lot size requirements do not impose an unreasonable constraint to the production of affordable housing in relation to the size of vacant land remaining for residential development.

Minimum dwelling unit size: The City does not impose minimum dwelling unit sizes in its multifamily zones.

Maximum height: The maximum height in all but the highest density multifamily zone permits two-story buildings. In the highest density multiple-family residential zones three-story development is permitted at a height of 35 feet; three stories are considered a reasonable

height to achieve the permitted density and reduce the land cost per dwelling unit in the highest density zone. Maximum densities in the other multifamily zones are 4, 8, 14, and 24 dwelling units per acre. Two stories are considered sufficient to achieve these densities, plus allowed density bonuses. The downtown commercial CD District was recently changed to allow up to a 45-foot height limit and no limit to the number of stories; one recent project (100 First Street) has demonstrated four stories within that height limit and a density of 48 dwellings per acre.

Although the height restrictions place a constraint on development, residential projects are still able to meet maximum densities and achieve densities of 20 dwelling units per acre, which meets the State's density guidelines for the region to make affordable housing development feasible. The height limitations also conform to historic structures and the character of existing neighborhoods in the City.

Zoning for Lower-Income Households

Pursuant to Government Code Section 65583.2(c)(3), the high density residential and commercial zones in Los Altos allow densities appropriate to encourage and facilitate housing for lower-income households. According to HCD specifications, the City of Los Altos would need to allow densities of at least 20 dwelling units per acre to make affordable housing development feasible. The City has identified the capacity to accommodate the lower-income RHNA in zones that allow multifamily development at densities of 16 to 38 units per acre. Maximum densities are not prescribed for the CD or CRS zone, but are determined by other limitations which generally amount to densities of approximately 20 dwelling units per acre. The City has identified sites totaling 8.89 acres with the capacity to yield 234 units of multifamily housing. Of those potential units, 180 units would be created in areas zoned for commercial or mixed-use development.

In addition, a recent code amendment to the City's Multiple-Family Affordable Housing Regulations requires including at least one low-income below-market-rate unit for projects that exceed 10 dwelling units. A graduated number of BMR units and a mix of income categories are required according to the size of the project.

Table 38
Residential Zoning Ordinance Requirements
Summary of Single-Family Zoning Ordinance Requirements

	R1-H Single-Family District	R1-10 Single-Family District	R1-20 Single-Family District	R1-40 Single-Family District
Minimum Site Area (new lots)	20,000 square feet for each single-family residence	10,000 square feet for each single-family residence	20,000 square feet for each single-family residence	40,000 square feet for each single-family residence
Coverage	All structures in excess of six feet in height shall be 25% of total area of the site	Over six feet in height shall be 35% of total area of the site	All structures in excess of six feet in height shall be 25% of total area of the site	All structures in excess of six feet in height shall be 20% of the total area of the site
Front Yard	Minimum depth shall be 30 feet, not less than 50% of which shall be pervious	Minimum depth shall be 25 feet, 50% of which shall be pervious	Minimum depth shall be 30 feet, not less than 50% of which shall be pervious	Minimum depth of front yard shall be 50 feet, not less than 50% of which shall be pervious
Side Yard	Minimum width of side yards shall be 25 feet	Minimum width of side yards shall be 20 feet	Minimum width of side yards shall be 25 feet	Minimum width of side yards shall be 30 feet
Rear Yard	Minimum depth of the rear yard shall be 50 feet	Minimum depth of the rear yard shall be 25 feet	Minimum depth of the rear yard shall be 35 feet	Minimum depth of the rear yard shall be 50 feet
Height of Structure	No structure shall exceed two stories or 27 feet in height	No structure shall exceed two stories or 27 feet in height	No structure shall exceed two stories or 27 feet in height	No structure shall exceed two stories or 27 feet in height
Parking	No less than 2 parking spaces; 1 shall be covered	Not less than one garage or carport, plus one parking space for each single-family residence plus one parking space for each roomer	No less than 2 parking spaces; 1 shall be covered	No less than 2 parking spaces; 1 shall be covered



Summary of Multifamily Zoning Ordinance Requirements

	R3-4.5 Multiple-family District	R3-5 Multiple-family District	R3-3 Multiple-family District	R3-1.8 Multiple-family District	R3-1 Multiple-family District	R3 Multiple-family District
Permitted Uses	Not more than one two-family dwelling unit for each 9,000 square feet of lot area Maximum density: 9 dwelling units per acre	Apartments, two-family units or more per building with not more than one dwelling unit for each 5,000 square feet of lot area Maximum density: 8 dwelling units per acre	Apartments, two-family or more, with not more than one dwelling unit for each 3,000 square feet of lot area Maximum density: 14 dwelling units per acre	Multifamily residential dwelling units with not more than one dwelling unit for 1,800 square feet of lot area Maximum density: 24 dwelling units per acre	Multifamily dwelling units, with not more than four dwelling units for the first 7,100 square feet of lot area, plus six units for the next additional 7,100 square feet of lot area and not more than one additional dwelling unit for each 1,000 square feet of lot area thereafter not to exceed 38 units per acre Maximum density: 38 dwelling units per acre	Multifamily dwellings with no density limit
Site Area	Minimum site area five acres (new lots)	Minimum site area shall be one acre (new lots)	Minimum site area shall be 21,000 square feet (new lots)	Minimum site area shall be 7,100 square feet on vacant property and 14,000 square feet on properties with existing structures	Minimum site area shall be 7,100 square feet (new lots)	None
Lot Coverage	Site area shall be planned and developed as an integrated unit with such coverage, front yard, side yard, rear yard, distance between structures, off-street parking, height of structures requirements as may be approved by the Council after the consideration of a	Maximum coverage shall be 30% of the total area of the site	Maximum coverage shall be 30% of the total area of the site	Maximum coverage for all structures shall be 40% of the total area of the site	Maximum coverage for all structures shall be 40% of the total area of the site	None
Front Yard		Minimum depth of front yard shall be 40 feet	Minimum depth of front yard shall be 40 feet	Minimum depth of front yard shall be 20 feet	Minimum depth of front yard shall be 20 feet	10 feet
Side Yards		Minimum width of side yards shall be 15 feet. Five feet shall be added to each side for each story above the 1 st floor or for each 10 feet of height	Minimum width of side yards shall be 15 feet. Five feet shall be added to each side for each story above the 1 st floor or for each 10 feet of height	Minimum width of side yards shall be 7½ feet. Five feet shall be added to each side for each story above the 1 st floor or for each 10 feet of height	Minimum width of side yards shall be 7½ feet. Five feet shall be added to each side for each story above the 1 st floor or for each 10 feet of height	None



	R3-4.5 Multiple-family District	R3-5 Multiple-family District	R3-3 Multiple-family District	R3-1.8 Multiple-family District	R3-1 Multiple-family District	R3 Multiple-family District
Rear Yards	report	Minimum depth of rear yards shall be 30 feet to 40 feet	Minimum depth of rear yards shall be 30 feet to 40 feet	Minimum depth of rear yard shall be 25 feet to 30 feet	Minimum depth of rear yard shall be 25 feet	10 feet
Height of Structure		No structure shall exceed two stories, 30 feet in height or 15 feet in height if located within 100 feet of an R1-10 District	No structure shall exceed two stories, 30 feet in height or 15 feet in height if located within 100 feet of an R1-10 District	No structure shall exceed two stories, 30 feet in height or 15 feet in height if located within 100 feet of an R1-10 District	No structure shall exceed three stories or 35 feet in height, whichever is the lesser. No structure located within 100 feet of an R1-10 District shall exceed two stories and 30 feet in height	45 feet
Parking		Not less than 2 parking spaces for each dwelling unit, one of which shall be covered, shall be required	Not less than 2 parking spaces for each dwelling unit, one of which shall be covered, shall be required	Two spaces, one of which shall be covered, for each dwelling unit having two or more rooms. One and one-half spaces, one of which shall be covered, for each dwelling unit having less than two rooms	There shall be two underground off-street parking spaces for each dwelling unit. There shall be one and one-half underground off-street parking spaces for each dwelling unit having less than two rooms	There shall be two underground off-street parking spaces for each dwelling unit. There shall be one and one-half underground off-street parking spaces for each dwelling unit having less than two rooms



Summary of Commercial Zoning Ordinance Requirements

	CN District	CT District
Permitted Uses	Office located above the ground floor (except on Sherwood Avenue in Specific Plan); parking spaces and loading areas; recycling facilities; restaurants, excluding drive-through services; retail and personal service establishments	Professional and administrative offices; restaurants, excluding drive-through facilities; and retail and personal services
Conditional Uses	Daycare centers that do not displace a retail business; living quarters that shall be provided on the second floor only; mixed-use projects including a combination of retail, service, office, and/or residential uses which are found to be compatible with the intent of the CN District and surrounding uses; and nurseries or garden supplies	Animal clinics, hospitals, and kennels; business, professional, and trade schools; cocktail lounges; commercial recreation; day care centers; hotels and motels; mixed-use projects, including a combination of multiple-family dwelling units and nonresidential uses; mortuaries; multiple-family housing; pet shops; printing shops; and upholstery shops
Site Area		The minimum site area shall be 20,000 square feet; the minimum site frontage shall be 75 feet
Front Yard	No front yard shall be required	The minimum front yard depth shall be 25 feet, a minimum of 50% of which shall be landscaped
Side Yards	No side yards shall be required	No side yards shall be required, except where a side property line of the site is across a street alley in an R District, in which instance the minimum width of side yards shall be 40 feet
Rear Yards	Minimum depth of the rear yard shall be 20 feet	No rear yard shall be required except where a side property line of the site is across a street alley in an R District, in which instance the minimum width of side yards shall be 30 feet
Height	No structure shall exceed two stories or 30 feet in height whichever is the lesser	No structure shall exceed two stories or 30 feet in height whichever is the lesser

Commercial Zoning Ordinance Requirements (cont.)

	CRS District	CS District	CD	CRS/OAD
Permitted Uses	Business, professional, and trade schools located above the ground floor; Offices located above the ground floor; Parking spaces and loading areas incidental to a permitted use; Personal services, except when located in a ground floor building space that fronts directly onto Main Street or State Street; Private clubs, lodges, or fraternal organizations located above the ground floor; Restaurants, excluding drive-through services; Retail; and uses which are determined by the City Planner to be of the same general character.	The following uses shall be permitted in the CS District, provided that any existing retail business of fifteen thousand (15,000) square feet or more shall remain a retail use: Business, professional, and trade schools located above the ground floor; Maintenance and repair services; Offices located above the ground floor; Parking spaces and loading areas; Restaurants, excluding drive-through services; Retail and personal services; and uses which are determined by the City Planner to be of the same general character.	Housing, business, professional, and trade schools; Maintenance and repair services; Offices, excluding drive-through facilities; Parking spaces and loading areas; Restaurants, excluding drive-through facilities; Retail and personal services; and uses which are determined by the City Planner to be of the same general character.	Business, professional, and trade schools located above the ground floor; Offices; Parking spaces and loading areas incidental to a permitted use; Personal services; Private clubs, lodges, or fraternal organizations located above the ground floor; Restaurants, excluding drive-through services; Retail; and uses which are determined by the City Planner to be of the same general character.
Conditional Uses	The following uses shall be permitted in the CRS District, except when they displace a retail business located in a ground floor building space that fronts directly onto Main Street or State Street: Any new building that has an area greater than seven thousand (7,000) gross square feet, and any addition to an existing building which would result in the total building area exceeding seven thousand (7,000) gross square feet, including additions to buildings which presently exceed seven thousand (7,000)	Provided that any existing retail business of fifteen thousand (15,000) square feet or more shall remain a retail use: Animal clinics and hospitals; Cocktail lounges; Commercial recreation; Day care centers; Housing located above the ground floor; Service stations provided the site has at least one hundred (100) feet of frontage on a street with a minimum site area of twenty thousand (20,000) square feet; and uses which are determined by the Planning Commission and the City Council to be of the same general character.	Animal clinics and hospitals; Cocktail lounges; Commercial recreation; Day care centers;; Service stations provided the site has at least one hundred (100) feet of frontage on a street with a minimum site area of twenty thousand (20,000) square feet; and uses which are determined by the Planning Commission and the City Council to be of the same general character.	Any new building that has an area greater than seven thousand (7,000) gross square feet, and any addition to an existing building which would result in the total building area exceeding seven thousand (7,000) gross square feet, including additions to buildings which presently exceed seven thousand (7,000) gross square feet in area; Cocktail lounges; Commercial recreation; Hotels; Housing located above the ground floor; and uses which are determined by the Planning Commission to be of the same general character.



	CRS District	CS District	CD	CRS/OAD
	gross square feet in area; Cocktail lounges; Commercial recreation; Day care centers, except when located in a ground floor building space that fronts directly onto Main Street or State Street; Hotels; Housing located above the ground floor; and uses which are determined by the Planning Commission to be of the same general character.			
Front Yard	With the exception of landscaping, all development in the CRS District must be built to the back of the sidewalk.	The minimum depth of front yards shall be two and one-half feet, which shall be landscaped.	The minimum depth of front yards shall be two feet and shall be landscaped.	With the exception of landscaping, all development in the CRS/OAD District must be built to the back of the sidewalk.
Side Yards	No side yards shall be required, and none shall be allowed, except where the side property line of a site abuts a public parking plaza, the minimum width of the side yard shall be two feet which shall be landscaped. A required side yard may be used for parking except for the area required to be landscaped.	No side yards shall be required except when the side property line of a site abuts a public street or a public parking plaza, in which case the minimum width of the side yard shall be two and one-half feet, which shall be landscaped.	No side yards shall be required, except when the side property line of a site abuts a public street or a public parking plaza, in which case the minimum width of the side yard shall be two feet and shall be landscaped.	No side yards shall be required, and none shall be allowed, except where the side property line of a site abuts a public parking plaza, the minimum width of the side yard shall be two feet which shall be landscaped. A required side yard may be used for parking except for the area required to be landscaped.
Rear Yards	No rear yard shall be required except as follows: Where the rear property line of a site abuts a public parking plaza, the minimum depth of the rear yard shall be two feet, which shall be landscaped; Where the rear property line of a site abuts an existing alley, the minimum depth of the rear yard shall be	Structures above fifteen (15) feet in height must have a minimum rear yard of fifteen (15) feet. Otherwise, no rear yard shall be required except as follows: Where the rear property line of a site abuts a public parking plaza, the minimum depth of the rear yard shall be two feet and shall be landscaped; Where the rear	Structures above fifteen (15) feet in height must have a minimum rear yard of fifteen (15) feet. Otherwise, no rear yard shall be required except as follows: Where the rear property line of a site abuts a public parking plaza, the minimum depth of the rear yard shall be two feet	No rear yard shall be required except as follows: Where the rear property line of a site abuts a public parking plaza, the minimum depth of the rear yard shall be two feet, which shall be landscaped; Where the rear property line of a site abuts an existing alley, the minimum depth of the rear yard shall be



	CRS District	CS District	CD	CRS/OAD
	ten (10) feet, of which the rear two feet shall be landscaped. A required rear yard may be used for parking, except for the area required to be landscaped.	property line of a site abuts a public street or alley, the minimum depth of the rear yard shall be ten (10) feet of which the rear two feet shall be landscaped; A required rear yard may be used for parking, except for the area required to be landscaped.	and shall be landscaped; Where the rear property line of a site abuts a public street or alley, the minimum depth of the rear yard shall be ten (10) feet of which the rear two feet shall be landscaped; and a required rear yard may be used for parking, except for the area required to be landscaped.	ten (10) feet, of which the rear two feet shall be landscaped. A required rear yard may be used for parking, except for the area required to be landscaped.
Height	No structure shall exceed two stories or a maximum height of thirty (30) feet. The first story shall have a minimum interior ceiling height of twelve (12) feet to accommodate retail use, and the floor level of the first story shall be no more than one foot above sidewalk level.	No structure shall exceed two stories or a maximum height of thirty (30) feet.	No structure shall exceed 45 feet. For commercial projects, the first story shall have a minimum interior ceiling height of twelve (12) feet to accommodate retail use, and the floor level of the first story shall be no more than one foot above sidewalk level.	No structure shall exceed a maximum height of thirty (30) feet. The first story shall have a minimum interior ceiling height of twelve (12) feet to accommodate retail use, and the floor level of the first story shall be no more than one foot above sidewalk level.

Source: City of Los Altos Zoning Ordinance, 2009/2010

Maximum lot coverage: The maximum permitted lot coverage is 40 percent in the two highest density multifamily zones (i.e., the R3-1.8 District requires 24 dwelling units per acre; the R3-1 District requires 38 dwelling units per acre). Based on the development history, the permitted coverage is sufficient to achieve the maximum permitted dwelling unit densities, plus density bonuses, in consideration of the height limitation and parking requirements.

Residences in commercial zones: The City permits mixed residential-commercial developments in all commercial zones with a use permit. The CT District permits a density of 38 du/ac, there is no maximum dwelling unit density for mixed-use projects and residential projects in the other commercial zones.

Permit and Development Impact Fees

Los Altos charges a number of planning building and engineering fees to cover the cost of processing development requests, providing public facilities and services to new development, and mitigating the environmental impacts of new development. Although these fees are necessary to meet City service and environmental standards, they can have an impact on the cost of housing, particularly affordable housing. Appendix C summarizes the various Community Development Department, Building Department, and Engineering Department fees charged by the City.

Normally, planning fees would have a minimal impact on housing costs because most of the fees are flat rate charges, not per unit charges, and can be spread over the entire development. For a modest-sized development proposal, permit fees would typically amount to a few hundred dollars per dwelling unit.

Building and engineering fees have a much larger effect than planning fees on the final cost of a home. Such fees include water and sewer impact and hook-up costs, park fees (in lieu of land dedication), construction taxes, and similar charges. The City's development impact fees could be significant for an affordable multifamily housing project; however, these fees have not been a constraint to developers constructing market-rate housing that also includes some affordable units.

Two recent projects, 4400 El Camino Real (78 units) and 420-426 Tyndall Street (8 units) provide an example of the type and amount of impact fees that would be incurred by similar projects:

<u>4400/4388 El Camino Real (78 units)</u>		<u>420-426 Tyndall Street (8 units)</u>	
Planning:	\$15,000	Planning:	\$10,500
Building:	\$285,590	Building:	\$28,586
Engineering:	\$957,158	Engineering:	\$88,237
TOTAL	\$1,257,748	TOTAL	\$127,323

School Fees

The local school district also charges impact fees on new residential construction as provided for under state law. The school impact fee is \$2.97 per square foot for residential development and \$0.47 per square foot of assembled space when building commercial units.

Permit Processing Procedure

The City of Los Altos meets state-required timelines for the approval of development permits, as shown below (**Table 39**). The time required for development approval is not generally a constraint or substantial cost to housing developers. An overly lengthy review process, however, could adversely affect an affordable housing project if the time required to obtain approval affects the proponent's ability to access funding for the project (particularly governmental grants).

Table 39

Application Processing Times

Application	Time Frame
One-Story Single-Family	2 weeks
Residential Design Review	
Two-Story Single-Family	5-7 weeks – Architectural and Site Control Committee
Residential Design Review	
Variances	5-7 weeks – Board of Adjustments
Use Permit and Tentative Maps	5-7 weeks – Planning Commission
	10-12 weeks – City Council
Commercial and Multifamily Design Review	5-7 weeks – Architectural and Site Control Committee
	8-10 weeks – Planning Commission
	10-12 weeks – City Council
Projects with Environmental Review	7-10 weeks – Planning Commission
	10-12 weeks – City Council
Typical Agenda Limits	
Architectural and Site Control Committee	4 items
Board of Adjustments	2 items
Planning Commission	3 items
City Council	3 items
Factors Affecting Service Levels and Application Processing Time	
1. Volume of applications	
2. Number of general inquiries (phone, front counter, correspondence)	
3. Extent and detail of code requirements	
4. Minimum time lines for public notice (state law and zoning code)	
5. Additional time and extent of noticing desired by some members of the community	



6. Concurrent special projects
7. Subjective review issues (building and site design)
8. Generally high level of community involvement and interest
9. Agenda item staff report and review chain

Source: City of Los Altos Planning Division, 2008

For single-family development, the planning process is typically two to seven weeks. The building permit process for single-family development is three to seven weeks. The entire planning and permitting process for single-family developments could require five to 14 weeks in total.

For multifamily development, the planning process is typically 12 to 16 months. The building permit process for multifamily development is three to seven weeks. The entire planning and permitting process could require 15 to 23 weeks to complete.

Because of the high value of developments, the carrying costs, even at the high end of the processing timeline, do not equal a significant portion of the overall development costs. The City has relatively fast permitting timelines compared to surrounding communities, such as San Jose. The design review does have a cost, but it provides for higher quality construction and higher and more sustainable property values.

Architectural and Site Review Committee

The Los Altos Zoning Ordinance (Chapter 14.64) establishes a subcommittee of the Planning Commission to review residential, multifamily, commercial, and planned development projects for conformance to the City's zoning standards. The committee is an advisory body to the full Planning Commission and can recommend modifications to a project to meet the objectives of Chapters 14.76 and 14.78.

Among the committee's responsibilities is review of all two-story single-family development and site plans and building designs for all multiple-family and mixed-use development. The committee can recommend modifications to a project's overall layout, landscaping, design, and use of materials, among other things. For multiple-family and mixed-use development the committee typically takes 30 days to review a proposed project and make a recommendation to the full Planning Commission, who in turn provides a recommendation to the City Council for a total process of three to four months.

The City provides objective written criteria in the *City of Los Altos Single Family Residential Design Guidelines for New & Remodeled Homes*. The Design Guidelines include detailed explanations of the City's design goals, the City's review process, an explanation of how the design guidelines were developed as well as architectural and site planning guidelines that include illustrations and examples of conforming designs. There are separate design review forms for one and two story homes. The filing fee for single-family development ranges from \$750 for staff-level review and \$1,500 for Committee-level review. (Multifamily is \$4,500 for design review. Negligible compared to the value of the development.) The Design Guidelines and the Design Submittal Forms are available on the City's website and at the City's planning service counter.

The Design Guidelines Goals are as follows:

- Improve and enhance the architectural quality and design integrity of single-family residential housing in Los Altos.
- Illustrate the goals of the General Plan, including those relating to privacy, bulk, neighborhood character, and landscaping.
- Provide a vision of single-family residential housing and neighborhoods that reflects the community values of Los Altos.

In order to grant design approval, the zoning regulations require positive findings to the following criteria:

- The proposed structure or alteration follows all provisions of the Los Altos Municipal Code and Zoning Ordinance.
- The height, elevations and placement on the site of the proposed main or accessory structure or addition, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy, and will consider the topographic and geologic constraints imposed by particular building site conditions.
- The natural landscape will be preserved where practical by minimizing tree and soil removal, grade changes will be minimized and will be in keeping with the general appearance of neighboring developed areas.
- The orientation of the proposed main or accessory structure or addition in relation to the immediate neighborhood will minimize the perception of excessive bulk.
- General architectural considerations, including the character, size, scale and quality of the design, the architectural relationship with the site and other building materials, and similar elements have been incorporated in order to ensure the compatibility of the development with its design concept and the character of adjacent buildings.
- The proposed structures have been designed to follow the natural contours of the site with minimal grading, minimum impervious cover, and maximum erosion protection. A stepped foundation shall generally be required where the average slope beneath the proposed structure is 10 percent or greater.

For multiple-family and mixed-use projects, the Architecture and Site Review Committee review process has two potential impacts on the development of housing, particularly affordable housing:

- The review adds up to 30 days to the total time needed for project approval over the Planning Commission and City Council review process, plus additional time for the applicant to make modifications to the development proposal. This additional time is not unreasonable, however, in relation to the total time frame for a residential development project.
- The review has the potential to add to project cost, since the Committee can make recommendations affecting the project's layout, density, design, and materials.

The City's experience with the Architecture and Site Review Committee process is that recommended modifications do not generally add significantly to project costs. The Committee attempts to balance the property owner's objectives with the objectives of Chapter 14.64. Most modifications result in "fine tuning" of project proposals. A decrease in project density (such as the number of dwelling units) does not usually result from the Committee's review, especially given the City's maximum density requirements of multiple-family residential developments.

Codes and Enforcement

The City has adopted the 2007 California Building Code (CBC). The Building Code is administrated ministerially by City staff with an established process. There are no local amendments with regard to the cost of materials or methods in the CBC that pose a significant constraint to housing development or maintenance. The City's Municipal Code prohibits wood burning fireplaces in new construction, but this should have no impact on development or construction costs.

The City is privileged with high property values and high incomes, thus building maintenance and code enforcement are much less of an issue for Los Altos than for other communities. Property owners are able to maintain their homes in a good condition and market rents for the area are high enough to allow landlords to do the same. As described under the Rehabilitation section of this element, the number of structures in the City currently in need of rehabilitation is less than one percent. Because Los Altos is a very small community with a high median household income, the few problem areas in the City are well known and monitored regularly. City staff primarily responds to complaints regarding maintenance issues and can resolve any code violations quickly through communications with homeowners and landlords.

Health and Safety Code 17980(b)(2) requires local governments to give consideration to the needs for housing as expressed in the Housing Element when deciding whether to require vacation of a substandard building or to repair as necessary. The enforcement agency is required to give preference to the repair of the building whenever it is economically feasible to do so without having to repair more than 75 percent of the dwelling.

The prevailing market conditions in Los Altos means that the provisions in Health and Safety Code 17980(b)(2) rarely need to be enforced. The City's high ownership rate and high median income yield few, if any, cases where rehabilitation becomes an issue. Home owners in Los Altos are voluntarily upgrading their homes to meet or exceed minimum housing and building standards. The desirability of the location means that some homes in good condition are even being demolished to make way for newer and sometimes larger dwellings. Should a case arise where the City would need to make a determination regarding vacation or rehabilitation, especially in regard to affordable units, the City will abide by the provisions of the Health and Safety Code and grant preference to the rehabilitation of the unit.

Infrastructure Capacity

Los Altos is a built-out city with the primary infrastructure in place or readily accessible. For proposed development projects, the City requires appropriate engineering studies to determine project-specific utilities, water and sewer infrastructure requirements. Recommendations resulting from the studies are required to be incorporated into the design of projects.

Water Availability and Adequacy

All domestic and commercial water in Los Altos is supplied by the California Water Service Company, and financially supported by user fees. Currently, 28 percent of the City's water comes from well water and 72 percent comes from Santa Clara Valley Water District (SCVWD) sources, which include underground aquifers, reservoirs, and the San Joaquin-Sacramento River Delta. The City does not anticipate a significant increase in water demand and the SCVWD has not identified any substantial concerns with water resources.

Sewer

With the exception of a few homes with septic systems, the City's sewer system serves all development within Los Altos, adjacent unincorporated areas within the "urban service area," and a portion of Los Altos Hills. Since 1972, the City has contracted with the City of Palo Alto for sewage treatment at the Palo Alto Regional Water Quality Control

The City's contract is for 3.6 million gallons a day (MGD) of treatment, which will accommodate future development of vacant sites and the intensification of commercial areas in accordance with the Land Use Element. The typical design life of a wastewater facility is 50 years. The Palo Alto Regional Water Quality Control Plant was designed in 1969 to serve the wastewater management needs of Palo Alto, Los Altos, Mountain View, East Palo Alto, Los Altos Hills, and Stanford through the year 2020. The existing plant serves Los Altos for the period of this Housing Element. The City will be an active stakeholder in any plans for water plant improvements or replacement.

Utilities

Los Altos has adequate utilities for urban development. Natural gas and electricity are provided by Pacific Gas & Electric Company, telephone service is provided by Pacific Bell Telephone, and cable television is provided by AT&T Broadband. New development is required to provide verification of utility service availability at the time of development.

Transportation

Los Altos is currently served by a well-established circulation system. The City is located immediately adjacent to the regional facilities of Interstate 280 and SR 85 and is served by two subregional facilities: Foothill Expressway and El Camino Real (State Route 82). The City contains approximately 107 miles of public streets. Pedestrian and bicycle facilities are concentrated on the major streets with some off-street paths to provide intra-City travel. Most local streets do not include sidewalks. Established bus transit service also provides travel opportunities for community residents and employees and provides links to Caltrain passenger rail and VTA light rail service.

The City has established a comprehensive neighborhood traffic management program (NTMP) in November 1999 that specifies a process for implementing traffic calming measures designed to reduce or manage volumes and travel speeds on local streets, as well as a process for residents to petition the City for improvements. Traffic calming measures include changes in street alignment, street width reductions, installation of barriers or other physical devices, and enforcement to reduce traffic speeds and/or cut-through volumes, in the interest of street safety, livability, and other public purposes. As congestion increases, the potential for diversion of traffic to local streets increases.

The City applies a Traffic Impact Fee to all new and redeveloped sites as follows (Chapter 3.48, LAMC):

Traffic Impact Fee -

Single Family Residential Unit	\$5,142.00
Multiple Family Residential Unit	\$3,156.00
Senior Residential Unit	\$1,323.00
Commercial (Per 1,000 Sq. Ft.)	\$9,418.00
Office (Per 1,000 Sq. Ft.)	\$7,585.00

While the Traffic Impact Fee does create additional costs, it is not significant as a percentage of land and construction costs in Los Altos. The fees are also comparable to those in neighboring communities.

On Site Infrastructure

The City considers on a case by case basis what level of improvements is required for a project. Since Los Altos is a built-out community, on-site infrastructure requirements primarily consist of improvements, upgrades and repairs that are performed in compliance with the site plan. Many neighborhoods, primarily single-family, do not have curbs, gutters, or sidewalks, and it is the City's practice to maintain that semi-rural appearance as a desired quality. Developments in commercial and multifamily districts are improved with curbs, gutters and sidewalks, as applicable. In these districts it is customary to have the project repair the street adjacent to the project as determined necessary, and repair broken or missing curb, gutter or sidewalk elements. While on-site infrastructure requirements do add some additional costs to a project it is not in an amount that would affect affordability. As a built-out community, on-site infrastructure costs are relatively lower in Los Altos as compared to other communities where there is no existing infrastructure, or where water, sewer and other utilities must be extended to greenfield developments.

Inclusionary Housing

The City of Los Altos implements an affordable housing ordinance that defines the number of required below-market-rate (BMR) units by development size and type, and requires projects with more than 10 market rate units to include BMR units that generally reflect the size and number of bedrooms of the market-rate units. In May 2009 the City amended the Multifamily Affordable Housing Ordinance (Chapter 14 Section 28) to include a series of unit thresholds at which affordable housing units will be required. This action is described in **Program 4.3.2 - Implement an Affordable Housing Ordinance that Defines the Number of Required Below-Market-Rate (BMR) Units by Development Size and Type.**

The objective of this amendment was to simplify the requirements and to provide definite thresholds for the development community by condensing the City's affordable housing regulations and reducing subjectivity during the review process. There should be minimal to no net costs associated with the inclusion of affordable housing units because they are

required in conjunction with the City granting development incentives and density bonuses that compensate developers for providing the affordable housing.

The amended ordinance establishes the following thresholds and requirements:

14.28.030 General requirements.

The following provisions shall apply to all multiple-family residential projects:

- A. One to four units. Affordable housing units are not required.*
- B. Five to nine units. Affordable housing units are required. In the event that the developer can demonstrate to the satisfaction of the City Council that providing affordable housing units in a project will be financially infeasible, the City Council may waive the requirement to provide affordable housing units.*
- C. Ten units or more. Affordable housing units are required.*
- D. For multiple-family residential projects where affordable housing units are required, the following minimum percentage of units shall be provided.*
 - 1. Rental units. Fifteen (15) percent low income or ten (10) percent very-low income housing.*
 - 2. Owner units. Ten (10) percent moderate income housing.*
- E. Notwithstanding Section 14.28.030 (D) in projects containing more than 10 units and when more than one affordable unit is required at least one affordable unit must be provided at the low income level.*
- F. Unless otherwise approved by the City Council, all affordable units in a project shall be constructed concurrently with market rate units, shall be dispersed throughout the project, and shall not be significantly distinguishable by design, construction or materials. The City has and will continue to work with developers to be creative and flexible with these requirements and has on a case-by-case basis approved off-site construction as an option to meet these requirements.*
- G. Any tentative map, use permit, PUD, design application or special development permit approved for multiple-family residential construction projects meeting the foregoing criteria shall contain sufficient conditions of approval to ensure compliance with the provisions of this chapter.*

The City's affordable housing ordinance may reduce the percentage of profit attainable on some developments; however, these potential losses could be negligible or counteracted if density bonuses and incentives from the City can offset the net costs to developers for including BMRs. While additional costs borne by developers to subsidize the affordable units may be passed through to home-buyers of the market-rate units in multifamily developments; the City is committed to providing development incentives to minimize the additional costs to developers and reduce the increase in costs for home buyers.

Because of continuing strong market demand for housing in Los Altos it is unlikely that the City's affordable housing ordinance will diminish the supply of housing available. The basic ordinance has been in place since 1995 and the City has not seen a decrease in permits or experienced a softening of the real estate market, even during periods of economic decline.

According to the Los Altos Building Department, the current construction cost is \$150 per foot. Moderate units are selling for \$440K, so there appears ample room in the market to turn a profit even on some types of BMR development.

Other Incentives for Affordable Housing

The City grants the following types of incentives for affordable housing:

- Extra lot coverage;
- Setback reductions;
- Height and number of story increases;
- Reduced parking requirements; and
- Defer fees/waive fees (on a case-by-case basis).

The City also removed floor area limits in downtown zones (CRS, CD, CD) to encourage development, which will improve the financial feasibility of projects and likely increase the number of housing units included in mixed-use developments (Ordinance: 08-320 of the City of Los Altos Zoning Code). Ordinance 08-321 also increased the height limit in the CD zone from two to three stories. In addition, there are several policies in the Land Use Element to encourage housing downtown. For example, Policy 3.1 in the Land Use Element encourages residential development in commercial zones above the ground floor that includes affordable housing units.

Density Bonus Regulations

As stated in the Los Altos Zoning Ordinance Chapter 14.30, developer incentives specified in Government Code Section 65915 may be provided by the City Council on a case-by-case basis and provided the following findings are made:

- The granting of the incentive will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the area;
- The benefit to the City derived from granting the incentive is appropriate when considered against the cost to the developer to provide low- or very low-income housing units;
- The provision of low- or very low-income housing by the developer will assist the City in meeting its share of the regional housing needs.

Notwithstanding Government Code Section 65915(f), the City Council may allow the density bonus to apply to any multiple-family residential project.

Second Living Units in R1 Districts

As stated in the Los Altos Zoning Ordinance Chapter 14.14, upon granting of a use permit, one second living unit may be permitted on a lot or parcel within a single-family residential zoning district that has a minimum of the greater of (1) 150 percent of the lot area required in the residential zoning district in which the second living unit is proposed to be located; or (2) 15,000 square feet of lot area. A second living unit may be established through the following:

- The conversion of existing floor space in a single-family structure; in which case the figures of 150 feet set forth above shall be reduced to 130 percent and 13,000 square feet respectively in the R1-10 zoning district, and reduced to 100 percent of the minimum required lot area in the R1-20, R1-H and R1-40 zoning districts;
- An integral addition to a single-family structure; in which case the figures of 150 percent and 15,000 square feet set forth above shall be reduced to 130 percent and 13,000 square feet respectively in the R1-10 zoning district, and reduced to 100 percent of the minimum required lot area in the R1-20, R1-H and R1-40 zoning district;
- The conversion of an existing accessory structure provided its location on the property is in conformance with present setback regulations; and
- The construction of a new accessory structure.

The following unit size and occupancy requirements are also stipulated.

- The maximum size of a second living unit, not including any covered parking, shall be 800 square feet. However, a second living unit of greater than the maximum size may be considered only within a residential or accessory structure which existed prior to March 1, 1995.
- No more than two persons shall reside in a second living unit.
- Either the principal living unit or the second unit shall be the principal residence of at least 50 percent of record owners of the property.
- The affordability and occupant income limitations shall apply to either the principal living unit or the second living unit regardless of which unit is the principal residence of the property owner. If the property owner resides in the second living unit, then the primary residence can be rented at market rate, but shall have no effect on the affordability requirement for the second living unit for future occupancies.
- If rented or leased, second living units with a size of greater than 640 square feet shall be affordable to a person or persons of very low-income levels, and the income level of the person(s) renting the second living unit shall not be greater than the limits for a very low-income household as determined by the City based on State and Federal guidelines.
- If rented or leased, second living units with a size of not more than 640 square feet shall be affordable to a person or persons of lower-income levels, and the income

level of the resident(s) of the second living unit shall not be greater than the limits for a lower-income household as determined by the City based on State and Federal guidelines.

- The resident income limits in subsection E and F of this section shall not apply if the second living unit is rented or leased to an immediate family member. However, the affordability requirements of subsections E and F of this section shall remain applicable. *(Please refer to the Los Altos Zoning Ordinance for the income limits listed in subsections E and F.)*

The City estimates that there are approximately 1,000 parcels between 13,000 and 15,000 square feet in area in the R1-10 zone. In addition, there are an estimated 1,280 parcels over 15,000 square feet in area in the R1-10 zone (Table 40).

Table 40

Estimated Parcel Sizes R1-10 Zoning Only City of Los Altos

Parcel Size	Estimated # of Parcels	Percentage of Total
R1-10 Parcels under 10,000 sq. ft.	1,483	16.44%
10,000–11,000 sq. ft.	3,238	35.91%
11,001–12,000 sq. ft.	1,224	13.57%
12,001–13,000 sq. ft.	797	8.84%
13,001–14,000 sq. ft.	642	7.12%
14,001–15,000 sq. ft.	354	3.93%
Subtotal: R1-10 Parcels 10,000 to 15,000 sq. ft.	6,247	69.27%
Estimated R1-10 Parcels over 15,001 sq. ft.	1,280	14.19%
Estimated Total of R1-10 Zoned Parcels	9,018	100%

Source: City of Los Altos, February 2009

Conversion to Community Housing

The purpose of this regulation is to maintain an adequate supply of rental housing in the City and provide a variety of choices of tenure, type, price, and location of housing and to ensure that converted housing achieves high quality appearance and safety. The purpose is also to reduce and avoid the displacement of long-term residents, particularly senior citizens, who may be required to move from the community due to the lack of replacement rental housing. (Chapter 14.26)

The regulation declares that when the number of vacant apartment units being offered for rent or lease in the City is equal to or less than 5 percent of the total number of such dwelling units offered for and under rental or lease agreement in the City, a rental housing shortage exists which is inconsistent with the purpose of Chapter 14.26 and with the declared goals and objectives of the City relating to the Housing Element of its General Plan.

Under these conditions, the conversion or redevelopment of existing apartment buildings into community housing, such as condominiums, planned developments, community apartment projects, and stock cooperatives, diminishes the supply of rental housing, displaces residents, and tends to require them to move outside the City when a housing shortage exists.

Therefore, unless there is a vacancy surplus as of the most recent determination, no application for the approval of a tentative map for the conversion or redevelopment of an existing apartment building into a community housing project subject to the provisions of Chapter 14.26 shall be filed. When there is a vacancy surplus as of the most recent determination, an application for the approval of a tentative map for the conversion or redevelopment of an existing apartment building into a community housing project may be filed with the Planning Department if the number of lots, parcels, units, or rights of exclusive occupancy proposed does not exceed the vacancy surplus by more than 40 percent.

Emergency Shelters

California Health and Safety Code (Section 50801) defines an emergency shelter as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person.”

In effect since January 1, 2008, Senate Bill (SB) 2 (Cedillo, 2007) requires Los Altos to allow emergency shelters without any discretionary action in at least one zone that is appropriate for permanent emergency shelters (i.e., with commercial uses compatible with residential or light industrial zones in transition), regardless of its demonstrated need. The goal of SB 2 is to ensure that local governments are sharing the responsibility of providing opportunities for the development of emergency shelters. To that end, the legislation also requires that the City demonstrate site capacity in the zone identified to be appropriate for the development of emergency shelters. Within the identified zone, only objective development and management standards may be applied, given they are designed to encourage and facilitate the development of or conversion to an emergency shelter. Those standards may include:

- The maximum number of beds or persons permitted to be served nightly by the facility;
- Off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone;
- The size and location of exterior and interior on-site waiting and client intake areas;
- The provision of on-site management;
- The proximity to other emergency shelters provided that emergency shelters are not required to be more than 30 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

The current Los Altos Zoning Ordinance does not permit emergency shelters in any districts. **Program 3.2.1** - *Amend the City's Zoning Ordinance to Accommodate Emergency Shelters*, will bring the City into compliance with new legislation requiring emergency shelters be allowed by right in at least one zone.

The City will amend the zoning code to allow emergency shelters by right in the Commercial Thoroughfare (CT) district. The CT district has several advantages as a location for an emergency shelter: 1) higher density housing is allowed as a permitted land use; 2) it contains retail establishments to serve the needs of homeless families and individuals, including grocery, pharmacy and clothing stores; and 3) the district is also served by public transit with quick access to the regional Bus transfer station in Mountain View on Showers Drive. Other critical services such as mental health care facilities, job placement services, the local food bank and social services are located in nearby Mountain View.

The CT district is well suited for the development of emergency shelters with its full access to public transit and underdeveloped parcels that allow higher density housing opportunities. The CT district has almost 11 acres of underdeveloped parcels that will accommodate residential housing such as emergency shelters. Four key opportunity sites (from .84 acres to 6.12 acres) with existing structures that are well under the permitted building intensity make up the approximately 11 acres of development potential that could accommodate an emergency shelter.

Transitional and Supportive Housing

Transitional housing is defined in Section 50675.2 of the Health and Safety Code as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. It may be designated for a homeless individual or family transitioning to permanent housing. This housing can take many structural forms such as group housing and multifamily units and may include supportive services to allow individuals to gain necessary life skills in support of independent living.

Supportive housing is defined by Section 50675.14 of the Health and Safety Code as housing with linked on-site or off-site services with no limit on the length of stay and occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Services linked to supportive housing are usually focused on retaining housing, living and working in the community, and/or health improvement.

SB 2 requires that transitional and supportive housing types be treated as residential uses and subject only to those restrictions that apply to other residential uses of the same type in the same zone. Both transitional and supportive housing types must be explicitly permitted in the City's Municipal Code. Transitional housing is already listed as a use but supportive housing is not explicitly defined or listed under any land use category. Compliant with SB 2, residential care homes for six or fewer persons are allowed by right in all residential zones. However, to further comply with SB 2, the City will add supportive housing as defined in the Health and Safety Code as a permitted housing type under this land use category through **Program 3.2.2** – *Amend the City's Zoning Ordinance to Comply with Statutory Requirements for Transitional and Supportive Housing*.

Housing for Persons with Disabilities

Compliance with provisions of the federal Americans with Disabilities Act (ADA) is assessed and enforced by the Building Official in Los Altos. ADA access is enforced through building permit entitlement and is required for all commercial development, new construction of multifamily apartments with three or more units in any one building, and new construction of congregate housing or shelters.

The Engineering Division monitors ADA compliance with all work within the public right-of-way. The Engineering Division routinely reviews sidewalks, curbs and all development improvement plans for ADA compliance on public property. The Building Division monitors the State Title 24 accessibility requirements with all plan checks and permits. Such reviews include but are not limited to parking spaces, walkways, building access and restrooms. The Building Division coordinates with the Planning Division to expedite the review for ministerial permits such as door widenings, ramps, et cetera.

The City makes reasonable accommodations for persons with disabilities, but has not formalized or published a defined process for making these statutory accommodations. A new program, **Program 5.1.2 – Implement a Reasonable Accommodation Process for People With Disabilities**, will adopt reasonable accommodation procedures to provide relief to Code regulations and permitting procedures that have a discriminatory effect on housing for individuals with disabilities. The adopted policy shall include procedures for requesting accommodation, timeline for processing and appeals, criteria for determining whether a requested accommodation is reasonable, and approval processes.

In the past, many jurisdictions in the State have attempted to define a family by blood or marriage. These limitations on the definition of a family are now illegal under the law. The City's ordinance does not define the term "family," and deliberately defaults to State and Federal laws regarding the legal and enforceable definition of family.

No Spacing or concentration requirements are present in the City's zoning code for any type of housing apart from day care facilities in homes, which meet State law. (Large family day care is subject to a use permit and a separation requirement of 1,500 feet as measured along a street or 500 feet as measured from any property line.)

Extremely Low-Income Households

Assembly Bill 2634 (Lieber, 2006) requires the quantification and analysis of existing and projected housing needs of extremely low-income households. Elements must also identify zoning to encourage and facilitate supportive housing and single-room occupancy units (SROs).

Extremely low-income households typically comprise persons with special housing needs including but not limited to persons experiencing homelessness or near-homelessness, persons with substance abuse problems, and farmworkers. The City's Zoning Ordinance currently does not allow SROs in any district. **Program 3.2.3 - Amend the City's Zoning Ordinance to Comply with Statutory Requirements for Single-Room Occupancy (SRO) Residences**, states the City will amend the Zoning Ordinance to allow SROs as a conditional use in the Commercial Thoroughfare (CT) district.

ENERGY CONSERVATION OPPORTUNITIES

Development of California's Energy Standards

The State of California pioneered the development of energy conservation legislation, mainly as a result of the 1973 energy crisis. In 1974, the legislature adopted the Warren-Alquist State Energy Resources and Development Act, which established the Energy Resources Conservation and Development Commission (California Energy Commission). The Energy Commission was delegated the authority to adopt standards and regulations encouraging energy conservation in new buildings and rehabilitation of existing buildings. The State building requirements that address energy conservation are included in Title 24 of the State Building Code. The State of California presently requires local governments to recognize and address energy conservation measures in the preparation of housing elements. Title 20 of the California Administrative Code, Section 1406 gives local governments the authority to adopt more stringent standards and provides for documentation on energy savings and cost effectiveness.

Energy Conservation Programs

Local utility companies, in conjunction with State and Federally funded initiatives, offer a number of programs to promote energy-efficient homes. Listed below are some of the programs that are currently active.

1. **California Energy Star® New Homes Program** – This PG&E administered incentive program is available to builders of single-family homes that are at least 15 percent more efficient than required by Title 24. A second tier of participation is available to builders of single-family homes that exceed Title 24 by 35 percent, demonstrate a 40 percent reduction in cooling load, and include solar generation as an option for buyers. For homes built in Climate Zone 4, Los Altos' designated microclimate, the current incentive amount equals \$400 per unit. Additionally, both tiers require that all appliances provided by the builder must be Energy Star® qualified. PG&E will help prospective buyers locate homes that meet the Energy Star® specifications.
2. **California Multifamily New Homes (CMFNH)** – The CMFNH program sponsored by PG&E and administered by the Heschong Mahone Group, Inc. (HMG) facilitates and encourages energy-efficient design in multifamily housing through design assistance, cash incentives, and Energy Star® marketing benefits.
3. **Energy Efficiency for Multifamily Properties** – PG&E offers rebates to multifamily property owners and managers of existing residential dwellings that contain two or more units when they implement specified measures to increase energy efficiency. The program encourages the installation of qualifying energy-efficient products in individual tenant units and in the common areas of residential apartment buildings, mobile home parks, and condominium complexes.
4. **New Solar Homes Partnership** – The New Solar Homes Partnership (NSHP) provides financial incentives and other support for installing eligible solar photovoltaic (PV) systems on new residential buildings that receive electricity from qualifying utility companies. The California Energy Commission implements the New Solar Homes

Partnership in coordination with the California Public Utilities Commission (CPUC) as part of the overall California Solar Initiative.

Residential Energy Efficiency Standards

The Energy Commission issued the current building energy standards in 1998, with an update in 2001. The standards for residential buildings incorporate different requirements for low-rise buildings (three or fewer stories) and high-rise buildings (four or more stories). Any building, building addition, or alteration that increases the heated or cooled floor area of a building must comply with the State Energy Conservation Standards. Enforcement of the standards is carried out during the building permit process by building departments. The State standards require new residential buildings and alterations and additions to existing buildings to meet or exceed a specific set of energy conservation requirements. Because energy use depends partly upon weather conditions, which vary considerably throughout the State, the Energy Commission has created 16 different “climate zones.” Each climate zone represents a distinct microclimate in the state. The energy conservation requirements are tailored for each climate zone. The City of Los Altos is located in Climate Zone 4.

Compliance Methods

There are two compliance methods available to builders and designers of residential structures. The prescriptive method involves selection of prescribed compliance features from a list of alternative component packages. Each climate zone has four packages to choose from and each offers a different combination of energy conservation requirements. Parameters of the building, such as the insulation R-values of the walls and ceilings, percentage of glazing, the solar heat gain coefficient of the glazing, thermal mass area, and heating and cooling equipment efficiencies, are required to meet specific minimums for each package. The computer performance method requires the use of an Energy Commission-approved computer program. The computer program actually models the energy performance of the structure two ways.

The energy budget is calculated for the structure through the use of a selected set of standard parameters set forth by the Energy Commission. The structure is then modeled with the parameters proposed by the designer. The predicted energy budget of the proposed design may not exceed the calculated energy budget of the structure modeled with the standard parameters of the Energy Commission. This method involves the most effort to demonstrate compliance; however, it does offer the greatest flexibility for design. When using the computer performance method, additional compliance credit can be obtained for improvements in the quality of design, installation of heating and cooling ducts, and construction of less-leaky building envelopes. The compliance credit options require installer diagnostic testing and certification, as well as independent diagnostic testing and field verification by a certified Home Energy Rater.

Mandatory Energy Conservation Requirements

There are also mandatory energy conservation requirements that must be met by all new residential structures and by additions and alterations to existing structures. A condensed summary of these is listed on the mandatory measures checklist, or MF-1 form, submitted at the time of plan review.

State Building Code Standards

The California Energy Commission (CEC) was created in 1974 by the Warren-Alquist State Energy Resources Conservation and Development Act (Public Resources Code 25000 et seq.). Among the requirements of the new law was a directive for the CEC to adopt energy conservation standards for new construction. The first residential energy conservation standards were developed in the late 1970s (Title 24, Part 6 of the California Code of Regulations) and have been periodically revised and refined since that time.

The City's Municipal Code prohibits wood burning fireplaces in new construction.

Land Use Planning for Energy Conservation and Climate Change

It is now standard industry practice for local governments to address climate action through stand-alone documents or as integral parts of long range planning documents, however there is no uniform accepted approach to the challenge of climate change. Over time, approaches to addressing climate change will inevitably become more standardized as implementation and compliance methods for legislation, such as SB 375, are released.

SB 375 passed in November 2008 and will require planning organizations to promote sustainable communities as part of their regional transportation plans. For example, the City's zoning code currently promotes high density housing near downtown and along our Commercial Thoroughfare District. The CT District runs along a transit corridor and is within one mile of the local CalTrain station. This type of land use planning helps to reduce vehicle trips and decrease the carbon footprint of a community. As the State Office of Planning and Research and the California Resources Board release additional guidance on how to address climate change in the General Plan and CEQA documents, the City will adopt such measures.

CalFIRST Grant Program

Los Altos has adopted resolutions supporting the CalFIRST Grant Program. By doing this, Los Altos residents will be eligible for the program. Santa Clara County is one of only 14 counties in the State qualified for this program so it is a unique opportunity.

The program allows residents to finance any energy improvements to their homes - e.g., solar panels, water efficient landscapes, etc. - on their property tax assessment. This allows the financing to be extended over 20 years and also allows a home to be sold with that assessment assigned to the new owner.

The program will be administered by Santa Clara County and should be available by the end of summer 2010. The County will be hiring an administrator and will do outreach and advertising.

APPENDIX C: 2008 - 2009 CITY DEPARTMENTS' FEE SCHEDULES

Table 1

Community Development Department Fee Schedule 2008 - 2009

Account	Description	Fees
4378	Preliminary DRC Project Review	\$250.00
4377	Design Review – Second Living Unit	\$500.00
4375	Design Review – Single Family Administrative (<500 s.f.)	\$750.00
4376	Design Review – Single Family Architecture and Site Review Committee	\$1,500.00
4383	Design Review - Commercial/Multiple Family Administrative (≤500 s.f.)	\$750.00
4383	Design Review – Commercial/Multiple Family Planning Commission/City Council (<500 s.f.)	\$4,500.00
4388	General Plan/Map Amendment	\$4,500.00
4388	Zoning Ordinance/Map Amendment	\$4,500.00
4384	Planned Unit Development	\$4,500.00
4385	Zoning Use Compliance	\$50.00
4386	Variance Review – Accessory Structure	\$500.00
4386	Variance Review – Single Family Main Structure	\$1,500.00
4386	Variance Review – Commercial/Multiple Family Main Structure	\$4,500.00
4380	Application Extension – Single-Family	\$250.00
4380	Application Extension – Commercial/Multiple Family	\$500.00
4380	Application Modification –	



Account	Description	Fees
	Single Family	\$500.00
4380	Application Modification – Commercial/Multiple Family	\$1,500.00
4388	Single Story Overlay Rezoning	\$4,075.00
4389	Sign Design Review – Modification of Existing Sign or New Sign Per a Sign Program	\$125.00
4389	Sign Design Review – New Sign Not Per a Sign Program	\$250.00
4392	Appeal – Within Notification Boundary	\$500.00
4392	Appeal – Outside Notification Boundary	\$1,500.00
4393	Environmental Initial Study	\$1,500.00 + Time/Material
4393	Environmental Impact Report	\$4,500.00 + Time/Material
4395	Certificate of Compliance	\$500.00 + Time/Material
4397	Reversion to Acreage	\$1,500.00 + Time/Material
4397	Lot Line Adjustment	\$1,500.00 + Time/Material
4398	Tentative Subdivision Map Review	\$4,700.00
4398	Tentative Subdivision Map Extension	\$1,500.00
4400	Conditional Use Permit – Business Use Only Planning Commission	\$1,500.00
4400	Conditional Use Permit – Business Use Only Planning Commission/City Council	\$2,500.00
4400	Conditional Use Permit – New Construction (<500 s.f.) Planning Commission/City Council	\$4,500.00
4404	Public Sidewalk Display Permit	\$50.00
4408	Annexation	\$500.00 + Time/Material
4403	Tree Removal	\$50.00
4715	Other Copies	\$2.00 First 20 Pages \$.25 Each Additional Page \$5.00 Retrieval Fee if Stored Offsite
4715	Reproduction Services	\$15 for DVD \$10 for CD \$10 for Audiotape
4715	Maps and Documents –	



Account	Description	Fees
	Zoning Map	\$5
	Zoning Ordinance	\$15
	General Plan	\$15
	Specific Plans	\$5
4338	Research Fees	Time/Material

Source: City of Los Altos, 2008

Table 2

Building Department Fee Schedule 2008

Total Valuation	Fee
\$1.00 – \$3,000.00	\$72.50
\$3,001.00 – \$25,000.00	\$72.50 for the first \$3,000.00 plus \$14.70 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 – \$50,000.00	\$410.50 for the first \$25,000.00 plus \$10.60 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 – \$100,000.00	\$675.50 for the first \$50,000.00 plus \$7.35 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 – \$500,000.00	\$1,043.50 for the first \$50,000.00 plus \$7.35 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 – \$1,000,000.00	\$3,395.50 for the first \$500,000.00 plus \$5.00 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$5,889.00 for the first \$1,000,000.00 plus \$3.30 for each additional \$1,000.00 or fraction thereof
Electrical, Fire, Mechanical, & Plumbing Permits	
Valuation of Electrical Work	Fee
\$1.00 – \$3,000.00	\$72.50
\$3,001.00 – \$25,000.00	\$72.50 for the first \$3,000.00 plus \$20.00 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 – \$50,000.00	\$532.50 for the first \$25,000.00 plus \$14.50 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 – \$100,000.00	\$885.50 for the first \$50,000.00 plus \$9.50 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 and up	1% of the valuation



Plan Check Fees	
Type of Plan Check	Fee
S-1 Building Plan Check	65% of Total Building Permit Fee
S-11 Fire Department Plan Check	20% of Total Building Permit Fee (if applicable)
S-1J Energy Plan Check (Title 24)	25% of Total Building Permit Fee
Additional Fees	
Solar/Photovoltaic Permit	\$500.00
S-170 Demolition Permit – Single Family	\$250.00
S-170 Demolition Permit – Commercial/ Multiple Family	\$500.00
S-261 Street Address Change	\$500.00
S-104 Sale of documents/Xerox	\$2.00 first 20 pages \$0.25 for each additional page \$5.00 retrieval fee is stored offsite
S-104 Blueprint for a Clean Bay	\$10.00
S-106 Property Research – Residential	\$25.00 per Property
S-106 Property Research – Commercial	\$50.00 (minimum) per Property
Construction Tax – Residential	\$0.41 per Square Foot
Construction Tax – Commercial	\$0.68 per Square Foot
Strong Motion Instrumentation & Seismic Hazard Mapping Fees – SMIP	<u>Residential</u> – Minimum Fee is \$0.50 for Any Valuation up to \$5,000.000 Valuation Amount x 0.0001 = Fee Amount
Strong Motion Instrumentation & Seismic Hazard Mapping Fees – SMIP	<u>Commercial</u> – Minimum Fee is \$0.50 for Any Valuation up to \$2,381.00 Valuation Amount x 0.00021 = Fee Amount
Re-inspection Fee	\$75.00
Expired Permits: Permits with no inspections for 6–11 months Permits with no inspection for 12+ months	Half the cost of the original permit fees Full cost of original permit fees
School Impact Fees	Residential – \$2.97 per square foot Commercial – \$.047 per square foot

Source: City of Los Altos, 2008

**Table 3****Engineering Fee Schedule 2008**

Description	Fee
Subdivision Map Check	\$500 (+ Time & Materials)
Street Trees	\$304
Subdivision Improvement Inspection	\$300 (+ Time & Materials)
Sanitary Sewer Connection Fee – Connection Charges	\$95 each
Storm Drainage Fee	In accordance with Chapter 13.28
Deposit for improvements not to be constructed at this time	For developments when improvements are being constructed in the right-of-way, fees are based upon the development requirements at the Council level.
Park In-Lieu Fee	Single Family Residential Unit – \$30,000 Multiple Family Residential Unit – \$18,000
Traffic Impact Fee	Refer to Chapter 3.48
Deposit for Time/Material Fees	\$2,000 deposit (reimbursable) may ask for more depending on the number of submittals and the change by the surveyor.

Source: City of Los Altos, 2008

APPENDIX D: PROGRAM MATRIX

Review of Previous Housing Element

ID	Description	Accomplishments/ Comments	Status
H-1	Neighborhood Residential Buffering	<p>Effectiveness/Progress: This program is effective and continues to work well. The City enforced these standards through the development review process on all applicable projects.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued.</p>	Continue
H-2	Evaluate Design Review Process	<p>Effectiveness/Progress: During this planning period the staff, Planning Commission and the City Council met several times to review the design review outcomes for residential construction and found that the existing codes and guidelines were generally appropriate and effective.</p> <p>The City completed a comprehensive zoning ordinance update that largely clarified the Code and removed discrepancies. One substantive change requires greater setbacks for taller accessory structures on single-family properties.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued to ensure that the design review process remains effective.</p>	Continue
H-3	Zoning and Design Standards	<p>Effectiveness/Progress: The comprehensive Zoning Ordinance was completed in 2003. The City continues to implement this program. Recent subdivisions have not been large enough to require pedestrian and bicycle amenities.</p> <p>Appropriateness: This is an ongoing program that will be continued.</p>	Continue



ID	Description	Accomplishments/ Comments	Status
H-4	General Plan Land Use Ranges	<p>Effectiveness/Progress: The General Plan Update is complete. Housing specific elements of this program are now covered by other policies and programs.</p> <p>Appropriateness: This program is no longer required and will be discontinued.</p>	Discontinue
H-5	AH/MU Ordinance	<p>Effectiveness/Progress: The City implemented this program which resulted in two large housing-only projects in the AH/MU District totaling 108 dwellings and 11 affordable housing units.</p> <p>Appropriateness: The City would like to refine the Ordinance to provide specific thresholds at which BMR units are required and consider removing the low and very-low directives to open it up to moderate income affordable housing. This program will be discontinued and replaced by a new ordinance.</p>	Discontinue
H-6	Mixed-Use Projects in Commercial Districts	<p>Effectiveness/Progress: The City continues to implement this successful program. The 100 First Street project is an example of a project that resulted from this program. The project was approved with a mix of office area and 20 residential units including two affordable units.</p> <p>Appropriateness: This program is appropriate to maintain focus on mixed-use development in the City and will be continued.</p>	Continue
H-7	Voluntary Code Inspection	<p>Effectiveness/Progress: Due to lack of resources and staff time, the City has not maintained records on the number of voluntary inspections provided since 1995.</p> <p>Appropriateness: The City believes that this program should be continued to provide an option for interested homeowners to ensure compliance with building code requirements.</p>	Continue

ID	Description	Accomplishments/ Comments	Status
H-8	Condominium Conversion	<p>Effectiveness/Progress: The City changed its Code to allow the demolition of apartment buildings with three or fewer units to encourage the rebuilding of underdeveloped properties. This program is intended to produce a net gain of dwelling units as parcels are developed at higher densities.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued.</p>	Continue
H-9	Second Dwelling Units	<p>Effectiveness/Progress: The City amended the Zoning Ordinance to require that all new second units be affordable to very low- and low-income occupants. Since 2001, 18 second units have been approved. The City's objective was 20 units; therefore this program has been relatively effective.</p> <p>The City publicizes the availability of the second unit option through a press release and articles published in the <i>City News</i> (former <i>Communiqué</i>).</p> <p>Appropriateness: This program generates a substantial percentage of the very-low and low-income housing units produced in the City. Moving forward, the program will receive renewed attention with the intention of increasing the annual number of second units produced to approximately four units.</p>	Continue
H-10	Home-sharing Services	<p>Effectiveness/Progress: The previous home-sharing program, "Project Match," has been inactive for several years.</p> <p>Appropriateness: This program is no longer being funded and therefore it will be discontinued until further notice.</p>	Discontinue
H-11	Housing Assistance Programs	<p>Effectiveness/Progress: Over a five year period we provided \$228,000 to the Stevenson House and fulfilled this aspect of the program. The City discontinued the housing rehab portion of the program in FY2007-2008.</p> <p>Appropriateness: This program is an appropriate avenue for the City to provide low-income households with rental assistance, home repairs, and first-time homebuyer assistance.</p>	Continue

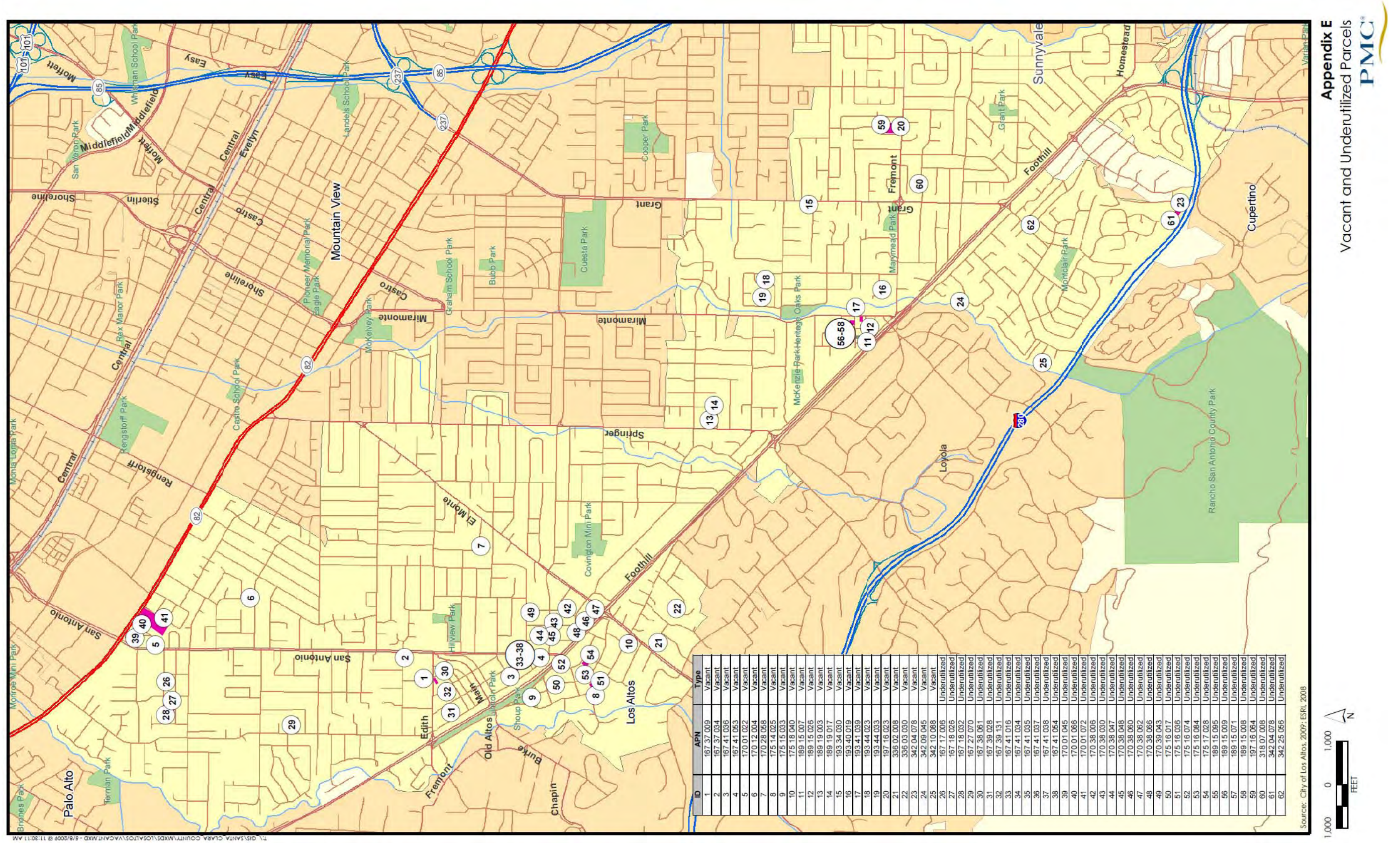


ID	Description	Accomplishments/ Comments	Status
H-12	Participation in the Regional Housing Needs Determination	<p>Effectiveness/Progress: The City of Los Altos participated in the 2007-2014 Regional Housing Needs Allocation (RHNA) program with the Association of Bay Area Governments (ABAG).</p> <p>Appropriateness: This program is appropriate for the City and will be continued as new RHNA processes are organized and coordinated through ABAG.</p>	Continue
H-13	Annual Status Report	<p>Effectiveness/Progress: In recent years, the City has not produced annual status reports for General Plan programs.</p> <p>Appropriateness: Moving forward the City will identify sufficient funds and staff to complete this reporting requirement.</p>	Continue
H-14	Density Bonuses	<p>Effectiveness/Progress: Since 2003, several small-scale projects have included density bonuses.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued as a means to support State law and to further encourage developers to include affordable units in permitted projects.</p>	Continue
H-15A	Senior Housing Density Bonuses and Development Incentives	<p>Effectiveness/Progress: This program has not yielded any senior-only projects.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued as a means to encourage senior housing through available tools and financial mechanisms.</p>	Continue
H-15B	Diversity of Housing	<p>Effectiveness/Progress: The City continues to implement this ongoing program. Other City programs to encourage second units and mixed-use housing are closely aligned with the objectives of this program.</p> <p>Appropriateness: This program will be continued as a means to encourage a diversity of housing types and configurations to meet the needs of the City's residents.</p>	Continue

ID	Description	Accomplishments/ Comments	Status
H-16	Multifamily District Development Standards	<p>Effectiveness/Progress: The City continues to implement this ongoing program.</p> <p>Appropriateness: This program will be continued as a means to align development standards for multifamily housing with the evolving needs of the City.</p>	Continue
H-17	Assist in the Development of Affordable Housing	<p>Effectiveness/Progress: Since 2003 the City has not been asked to apply for State and/or Federal funds on behalf of a non-profit to build affordable housing. In the same period the City has not had an opportunity to participate in a multi-jurisdictional housing finance program, such as a Mortgage Revenue Bond or Mortgage Credit Certification Program. In recent years the City has not received or used any CDBG funds towards the development of affordable housing.</p> <p>Appropriateness: Although this program has seen limited success in the past Housing Element period, it remains an important option for the City to assist in the development of affordable housing. The City will continue to implement the program.</p>	Continue
H-18	Housing Discrimination	<p>Effectiveness/Progress: The City continues to refer individuals to organizations or agencies who handle complaints about discrimination, landlord-tenant relations, etc. on an ongoing basis.</p> <p>Appropriateness: This program is an appropriate means for the City to support non-discrimination in housing and will be continued.</p>	Continue
H-19	Homelessness and Emergency and Transitional Housing	<p>Effectiveness/Progress: The only homeless shelter in the City is The Alpha Omega, which is a rotating homeless shelter run by area churches.</p> <p>Appropriateness: Moving forward this program will serve as the vehicle for the City to amend its Zoning Ordinance to comply with all aspects of SB2, including homeless shelters, transitional and supportive housing.</p>	Continue

ID	Description	Accomplishments/ Comments	Status
H-20	Energy Efficiency Regulations	<p>Effectiveness/Progress: By code, the City requires GreenPoint ratings of new and substantially new single-family construction; and by code we require multiple-family and commercial and public structures to exceed Title 24 by 15 percent in terms of energy efficiency.</p> <p>The City has adopted a Green Building ordinance that requires: a GreenPoint rating for all new and substantially new single-family structures; and bettering Title 24 Energy requirements by 15 percent for all new multiple-family, commercial and government construction.</p> <p>Brochures about the program are available in a brochure entitled, <i>Los Altos Green Building Resources</i>, at the public counter for the City's Community Development Department (CDD).</p> <p>Appropriateness: Citizens of Los Altos have expressed a great deal of interest in programs to "green" the City and to support more energy efficient and environmentally sustainable construction methods. This program is appropriate for the current needs of the City and will be continued.</p>	Continue
H-21	Energy Conservation	<p>Effectiveness/Progress: The City publishes information regarding energy efficiency and makes it available at the CDD public counter. The City distributes other publications and makes announcements for specific issues or opportunities as required.</p> <p>Appropriateness: This program is appropriate for the current needs of the City and will be continued as a means to encourage energy efficiency and specific energy conservation measures.</p>	Continue

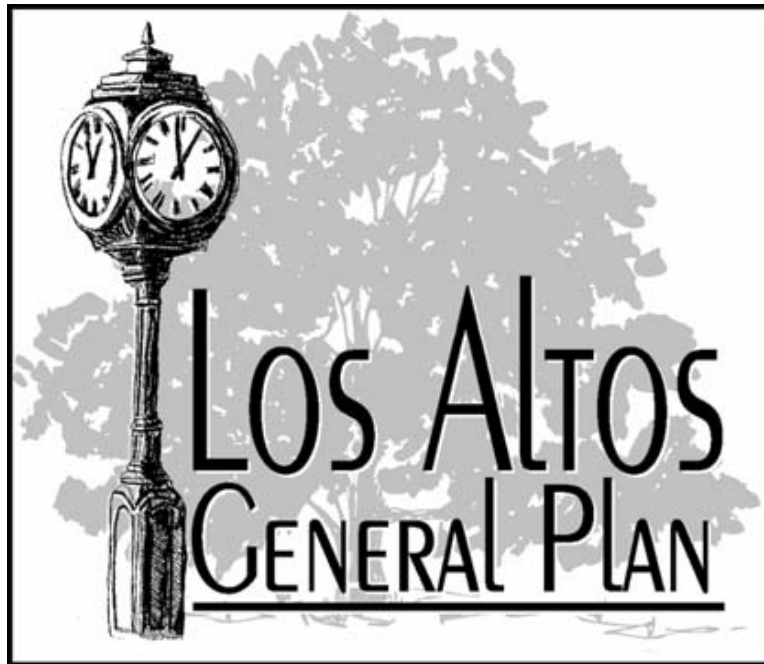
APPENDIX E: MAP OF VACANT AND UNDERUTILIZED PARCELS



Source: City of Los Altos, 2009; ESRI, 2008







2009 – 2014 HOUSING ELEMENT

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