

City of Los Altos

Housing Element Community Workshop #1

May 1, 2014



Agenda

- Purpose
- Requirements
- Recent Housing Element legislation
- Need for Compliance
- Housing Element components
- Regional Housing Needs Allocation (RHNA)
- Discussion



Purpose

- Increase housing supply and mix of housing types, tenure, and affordability
- Promote:
 - Protection of environmental resources
 - Efficient development patterns
- Improve link between jobs and housing



Requirements

- One of seven mandated General Plan elements
- Existing and projected housing needs of all economic segments of the community
- Review by California Department of Housing and Community Development (HCD)
- State sets schedule for Housing Element updates
 - 8-year timeframe
 - 5th Cycle planning period: January 31, 2015 – January 31, 2023



Recent Legislation

SB 812 (2010)

- Persons with developmental disabilities housing needs

SB 375 (2008)

- Transportation coordination and update schedule

SB 2 (2007)

- Emergency shelters, transitional and supportive housing

AB 2634 (2006)

- Extremely low-income housing needs

AB 2511 (2006)

- Anti-NIMBY and no net loss requirement

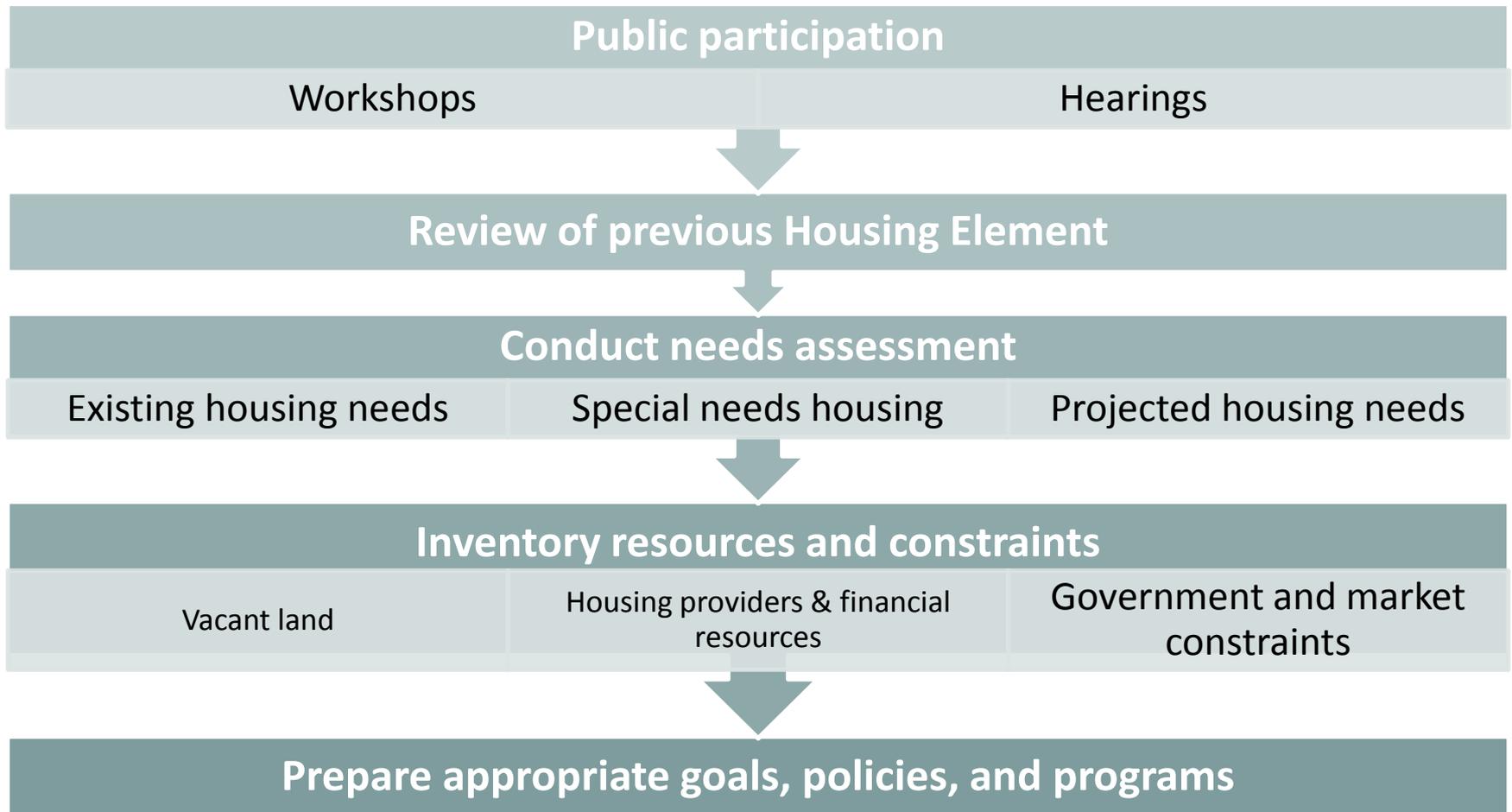


Need for Compliance

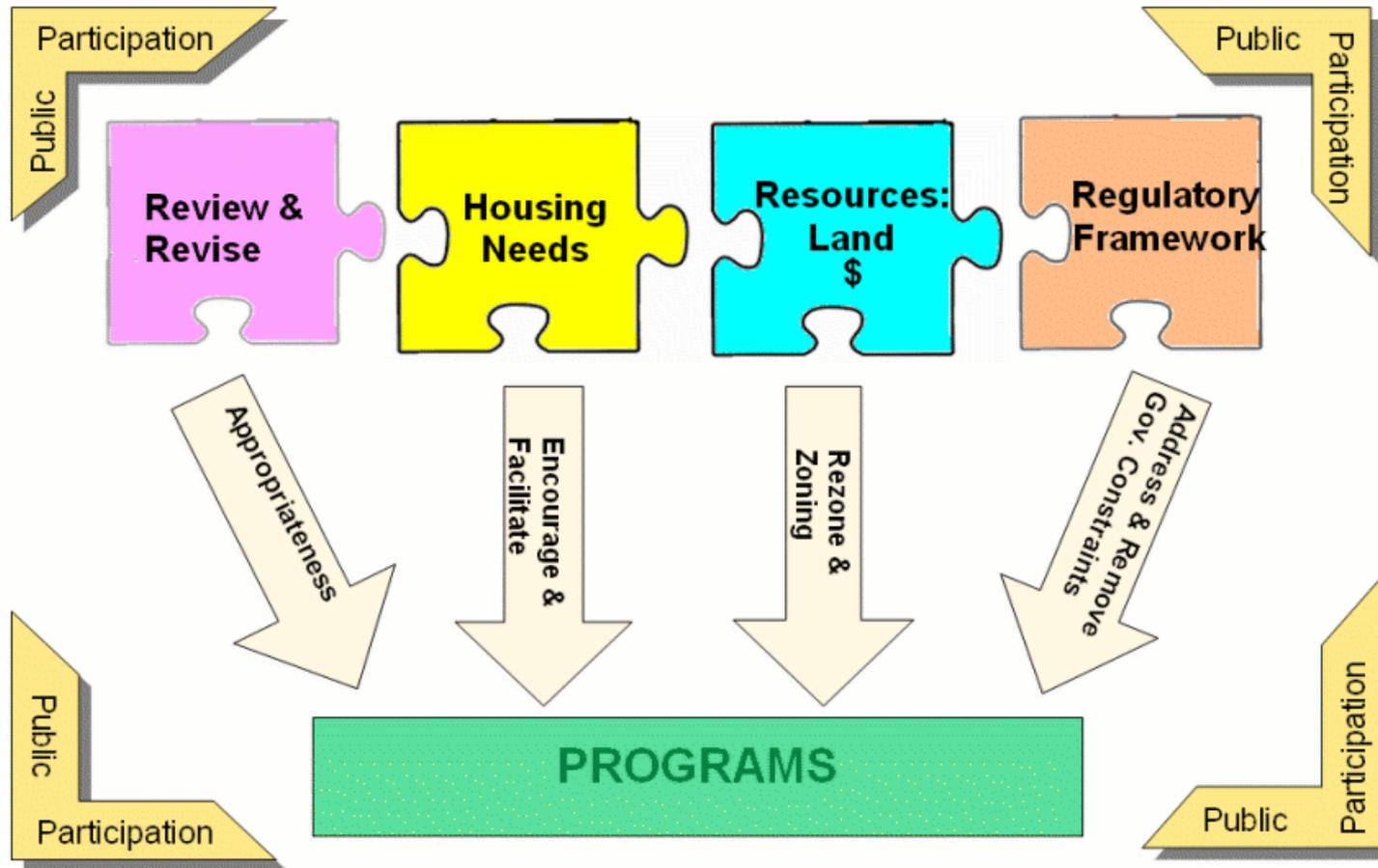
- Maintain local discretion over development
- Legal responsibility
- Must be certified for adequate General Plan
- Access to State funding resources
- Potential legal challenges



Housing Element Update Process



Requirements



2014 – 2022 Regional Housing Needs Allocation (RHNA)

- State law requires HCD to determine total regional housing needs.
- ABAG provides allocations for each jurisdiction.
- Allocation is distributed among 5 standard income categories.



Los Altos RHNA

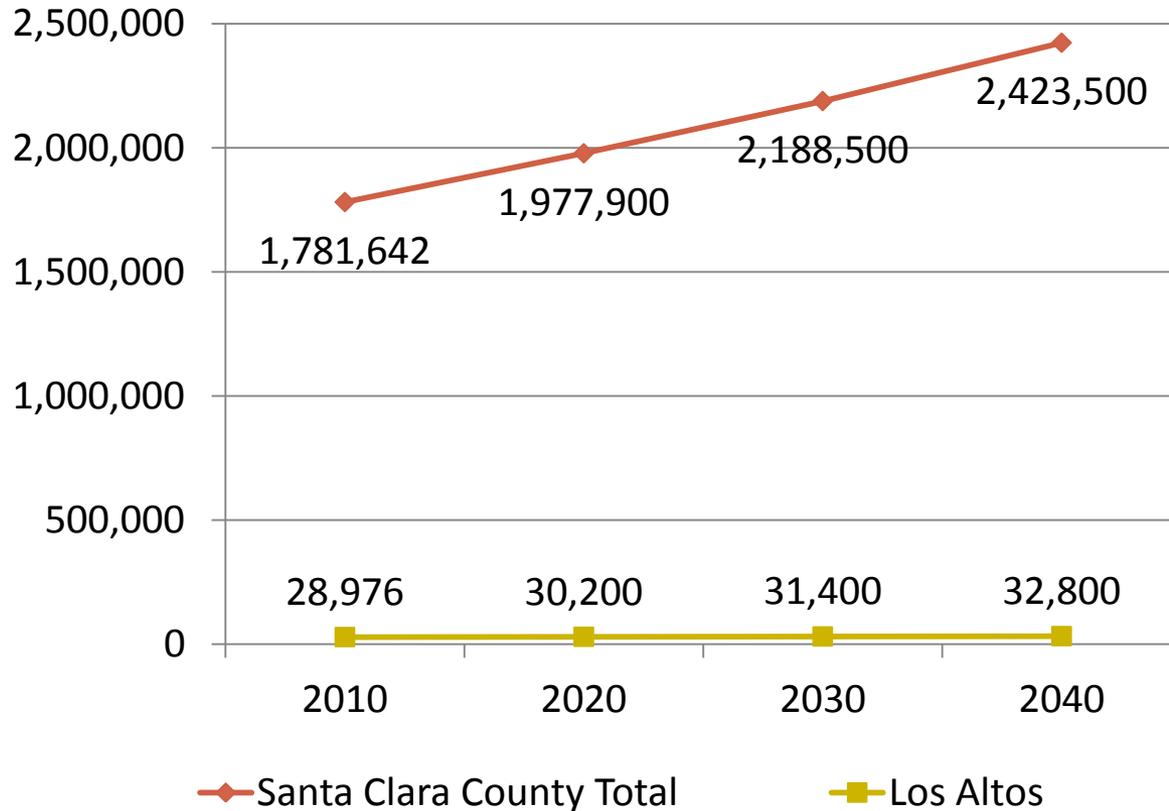
Income Category	Income Level (Percentage of Median Family Income)	2014-2022 Allocation	
		Housing Units	Percent
Extremely Low	< \$31,850	84	17.7%
Very Low	\$31,851 - \$53,050	75	17.7%
Low	\$53,051 - \$84,900	99	20.8%
Moderate	\$84,901 - \$126,600	112	23.5%
Above Moderate	\$126,601+	97	20.3%
Total		477	100%



Housing Needs Assessment



Population Growth 2010 - 2040



Growth Projections 2010 - 2040

Los Altos: 13%

Santa Clara County: 36%

Bay Area: 31%

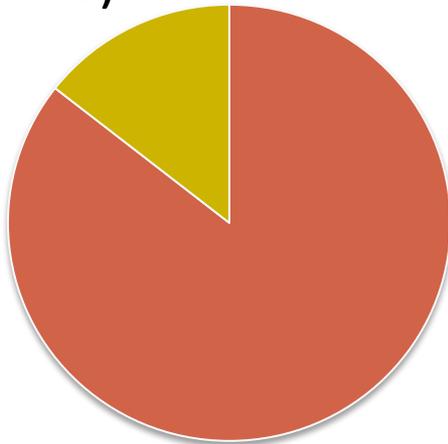
Source: ABAG, 2014.



Housing Tenure

2000

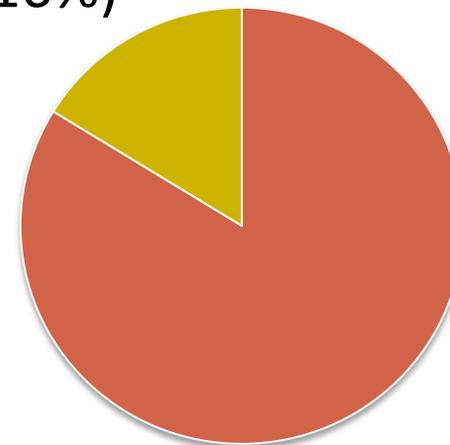
1,508
(14%)



8,954
(86%)

2010

1,743
(16%)

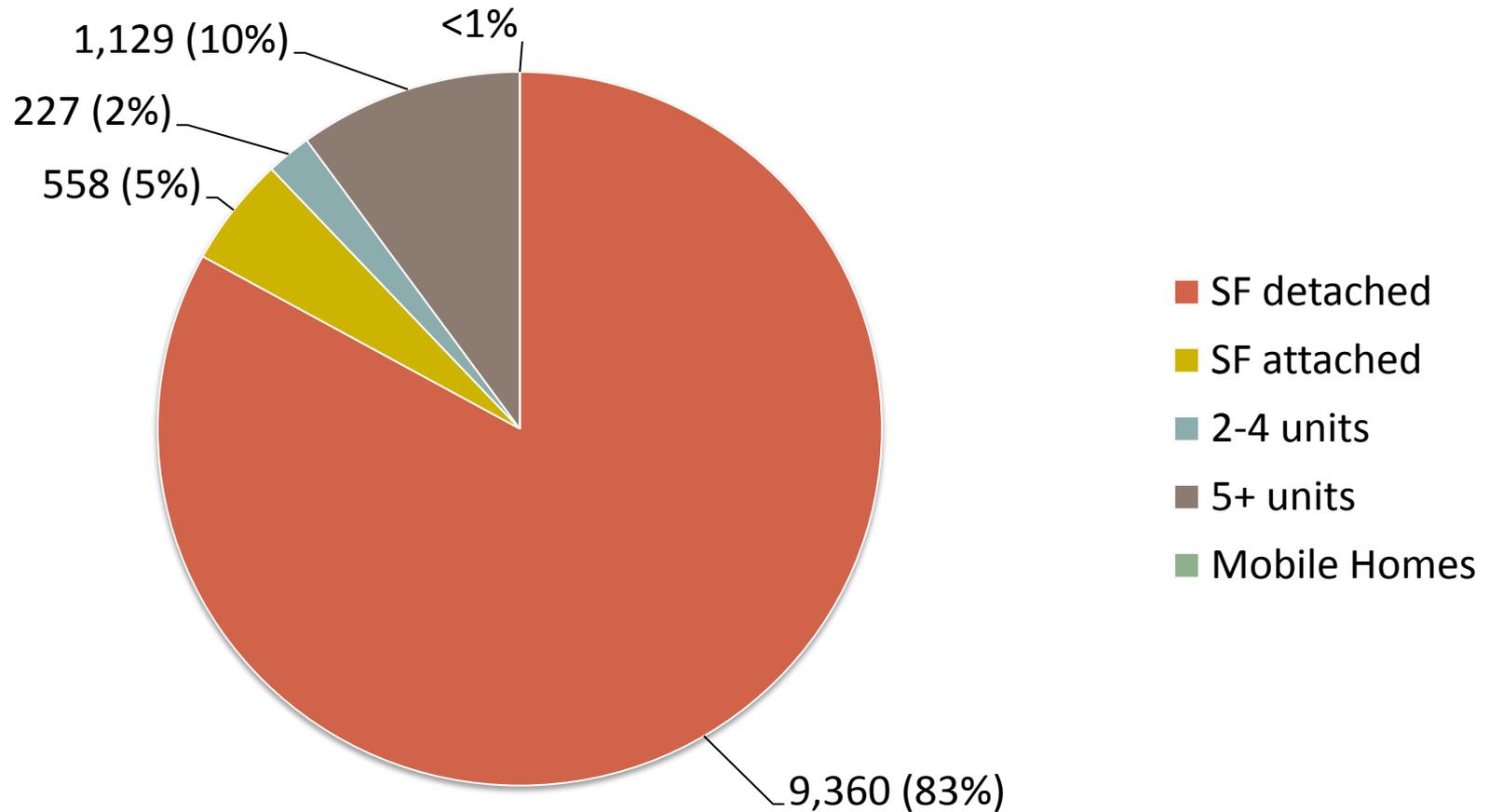


9,002
(84%)

Source: ABAG, 2014.



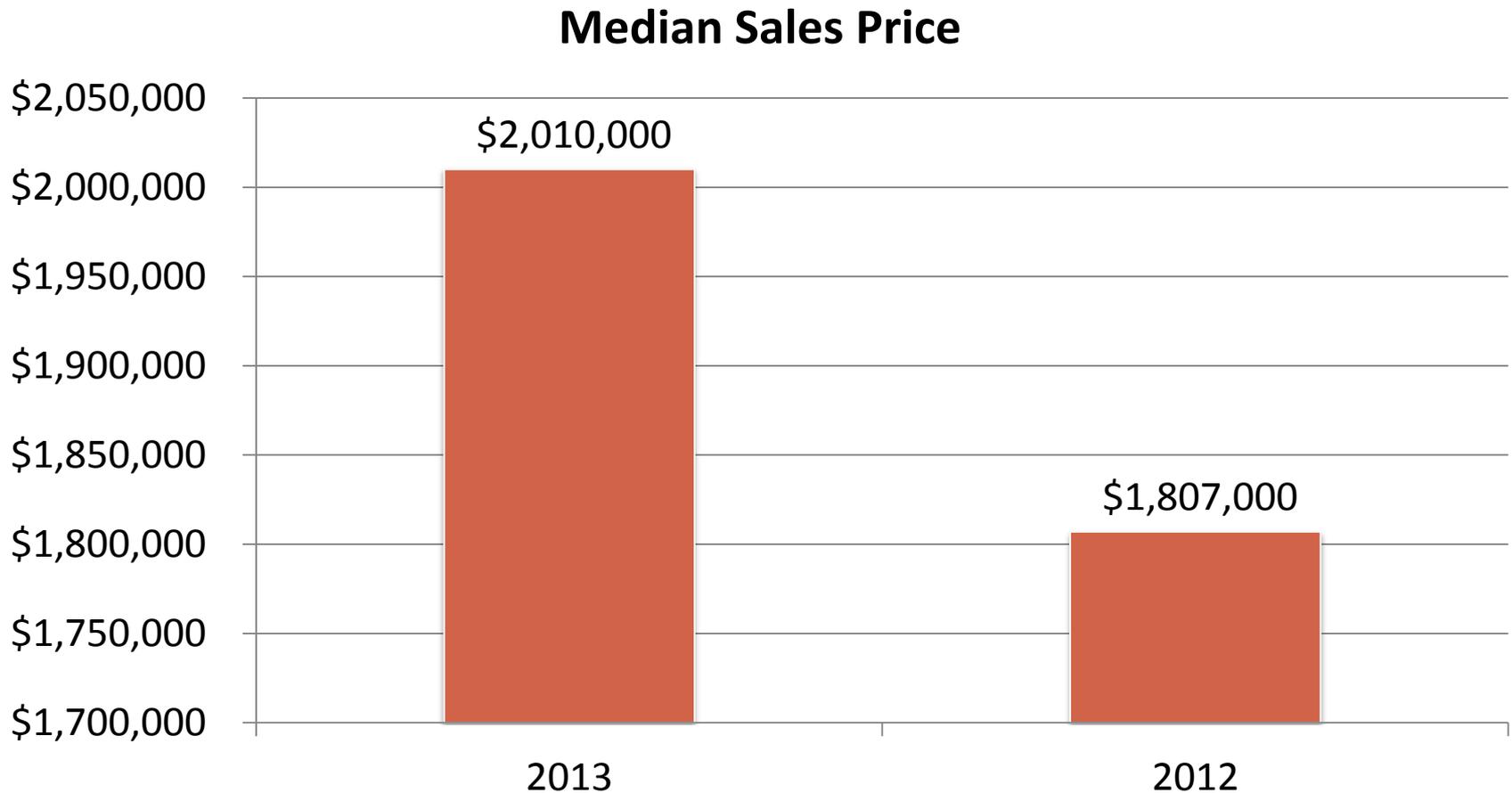
Housing Types, 2013



Source: Department of Finance, 2013.



Median Sales Price (94022, 94024)



Source: dqnews.com, 2013.



Housing Affordability

2014 Santa Clara County 4-person median income: \$105,500

Income Category	Annual Household Income Limit (4-person household)	Affordable Monthly Payment*	Max Purchase Price
Extremely Low-Income	\$31,850	\$796	\$130,600
Very Low-Income	\$53,050	\$1,326	\$245,700
Low-Income	\$84,900	\$2,123	\$384,400
Moderate-Income	\$126,600	\$3,165	\$580,000

Source: Numbers estimated using income information from the California Department of Housing and Community Development, 2014. CNNmoney.com mortgage calculator, 5% down, 5% interest, and 30 yr mortgage

Note: Affordable housing costs assume that 30% of gross household income is applied toward rent or house payment.

*Utilities not included



Rental Prices

Unit Size	Range
1-bedroom	\$2,595 - \$3,495
2-bedroom	\$3,400
3-bedroom	\$5,500
4-bedroom+	\$5,075 – \$6,500

**Note: Data may be unreliable due to the small number of listings in each category.*

Source: zillow.com; rent.com, 2014.



Discussion & Next Steps



Strengths

- What existing housing and service programs are most successful in Los Altos?
- What factors have contributed to this success?



Weaknesses/Needs

- Which segments of the population are most underserved by housing related resources?
- Are new housing-related needs emerging in the community?



Opportunities

- How can the community improve on and grow existing resources?
- What are the barriers to meeting housing needs in Los Altos?
- Are there specific policies or actions that the county should consider including in the Housing Element to improve access and/or opportunities?



Housing Element Update Schedule

Public Review Draft Housing Element	June 2014
Planning & Transportation Commission Hearing	June 2014
City Council hearing	July 2014
Submit draft to HCD (60-day review)	July 2014
Receive and address comments from State	September 2014
Planning & Transportation Commission hearing	October 2014
City Council adoption hearing	October 2014

