Alameda Inclusionary Zoning January 2025

Street Level Advisors, LLC

Exhibit 5 Item 5-B, January 27, 2025 Planning Board Meeting



Introductions

Agenda

- 01. Introductions
- 02. Scope and Schedule
 - a. Consultant Scope of Work
 - b. Purpose of Working Group
 - c. Project Schedule
- 03. Policy Framework
- 04. Development Feasibility
- 05. Issues/Questions
- 06. Scheduling Future Meetings



Scope and Schedule

Consultant Scope of Work

- 1. High Level Financial Feasibility Memo
- 2. Alternatives Analysis
 - a. Income Targets
 - b. In Lieu Fee Options
- 3. Working Group
- 4. Final Report and Presentation

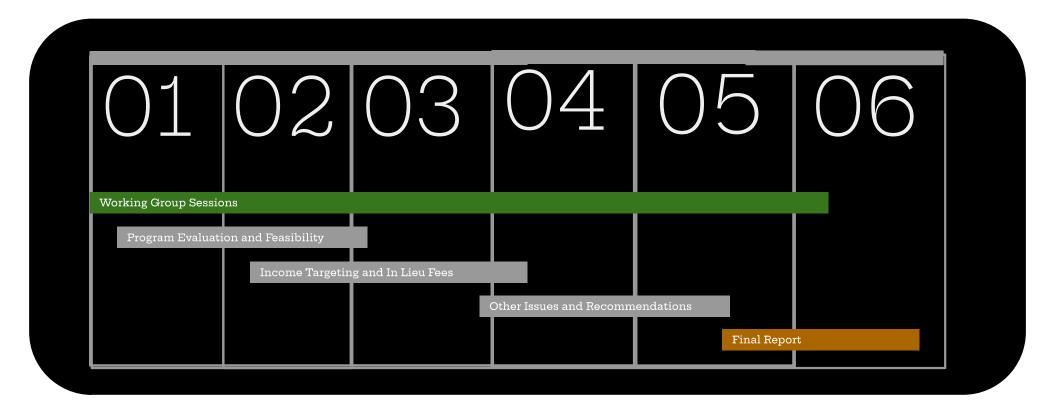
Purpose of Working Group

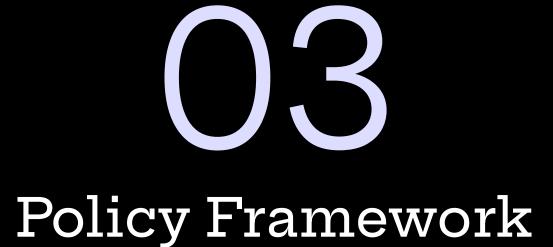
The working group shall discuss the program and consider potential changes. Members attend all meetings, review materials, and provide timely feedback.

- •Meeting 1: Program Evaluation
- •Meeting 2: Income Targeting
- •Meeting 3: In lieu Fees
- •Meeting 4: Other issues (if needed)
- •Meeting 5: Recommendations

Project Schedule

The Working group will meet 4-5 times during the study period. The work will result in a Final Report and Presentation in June 2025.





Housing Element Alignment

Program 7: Inclusionary Housing Ordinance. Continue to implement the required 15 percent affordable housing requirement on all projects over 5 units in size in Alameda. Consider modifications to the ordinance to lessen or eliminate the 7% moderate income units and increase the 4% requirement for low- income units and 4% very low-income units, or alter the percentages for each level or required units in some other way, given the larger need for lower income units.

Quantified Objective: At least 803 deed restricted affordable units (15% of 5,353) over 8 years (100 per year) . . . for lower- and moderate income households.

Key Issues

→ Income Targeting

- Mix
- Averaging
- Variation by tenure

→ In lieu Fees



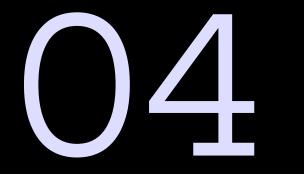
- Indexing
- Basis GSF or unit

Additional Considerations

- \rightarrow Term of Affordability,
 - Currently 55 years
 - Options: 99 years, in perpetuity
- → Tilting: could incentivize onsite or fees
- → Incentives
 - Currently offer: Streamlining
 - Options: Parking waivers, tax abatement,
- → Geographic variation:
 - Currently: higher % on base

Discussion

- → Program performance?
- → Issues and considerations
- → Additional areas to consider?



Development Feasibility

Recent Feasibility Studies

City	Study	Consultant	Date
Berkeley	Berkeley In-Lieu Fee and Housing Policies Economic Feasibility Analysis	Strategic Economics and Street Level Advisors	Dec-24
Oakland	Impact Fee 5 year Review	Hausrath Economics Group	Nov-24
Hayward	Affordable Housing Ordinance Study	Strategic Economics	Feb-23
San Luis Obispo	Affordable Housing Fees Inclusionary Requirements, In-lieu Fees and Commercial Lii EPS		
Fremont	Financial Feasibility Analysis	Keyser Matston	Oct-20
Oakland	Downtown Oakland Specific Plan: Incentive Program Feasibility Study	EPS	Jul-20
Santa Rosa	Residential Impact Fee Nexus and Feasibility Study (Santa Rosa)	Strategic Economics	May-19
Richmond	Feasibility Analysis for New Affordable Housing Requirements	Keyser Matston	Sep-18
Santa Cruz	IZ Feasibiilty Analysis	Keyser Matston	Jun-18
Santa Clara County	Multi-jurisdiction Nexus Studies	Keyser Matston	Apr-18
Union City	Residential Nexus Analysis	Keyser Matston	Sep-16
Albany	Residential Nexus Analysis	Keyser Matston	Jun-16
San Mateo County	Grand Nexus Study	21 Elements	Mar-16
Emeryville	Residential Nexus Study	Keyser Matston	Jun-14

Key Take Aways

- High interest rates and high construction costs have made most multi-family rental projects temporarily infeasible.
- 2. Single family and townhouse projects are still profitable (but sites are limited)
- 3. Even with infeasible projects, the modeling can help set fee levels and other parameters.

Prototypes

Prototype	Berkeley	Oakland	Hayward	Fremont
Ownership				
Small Lot Single Family	х			х
Townhomes	Х		Х	x
Rental				
Infill Rental	х		х	
Low Rise Rental				
Mid Rise Rental	Х	х	х	x