

Alameda Inclusionary Zoning

January 2025

Street Level Advisors, LLC

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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

02

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.



03

Policy Framework

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**
 - ◆ Amount
 - ◆ Indexing
 - ◆ Basis - GSF or unit

Additional Considerations

- 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?**

04

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 Li	EPS	Feb-22
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 Feasibility 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

1. 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	X			x
Townhomes	X		X	x
Rental				
Infill Rental	X		X	
Low Rise Rental				
Mid Rise Rental	X	X	X	x