Date: 1/27/2025

To: City of Alameda Planning Board Members

From: Karen Bey

Subject: Agenda Item #5B

Inclusionary Housing Ordinance Update

As you've stated, Oakland, Berkeley and Hayward have all recently completed in depth feasibility studies to support updates to their inclusionary housing policies.

Given that the recent in depth feasibility studies for Oakland, Berkeley, & Hayward show that rising interest rates and inflation have left many projects infeasible with or without inclusionary requirements, I believe we might also consider making some updates to the Alameda Point inclusionary housing policy.

Most of the new housing outlined in the current Housing Element will be built at Alameda Point; yet of all the development areas in the city, Alameda Point is the most constrained.

Here are some examples of higher per unit development costs for Alameda Point:

- 25% affordable housing requirement vs 15% in areas outside of Alameda Point
- Major increase in material and labor costs to install new master backbone infrastructure at Alameda Point
- Alameda Point Development Impact Fees
- Excess Housing Unit Fee
- Project Labor Agreement

While, I don't imagine the 25% requirement can be reduced, giving Alameda Point developers more flexibility in the following areas would be an advantageous decision considering we are updating the Inclusionary Housing Policy for areas outside of Alameda Point:

- 1. Off-site construction. Inclusionary Units may be constructed off-site if the Planning Board can make a finding that the purposes of this section would be better served by the construction of off- site units.
- 2. After reaching a certain threshold (number of inclusionary housing units), reduce the 25% requirement to 15%.

This Alameda Point recommendation is separate from the Inclusionary Policy Update:

Community benefits, like the construction of the Seaplane Lagoon Ferry Terminal, and the Sports Center were charged I believe only to the Site A development. If this is true, given that these community benefits serve all of Alameda Point, consider re-allocating the related capital expenditures so they spread over the entire Alameda Point development, not just the Site A development.

From: <u>Marilyn Alwan</u>

To: Nancy McPeak; Steven Buckley

Subject: [EXTERNAL] Planning Board Meeting 1/27/25 Comment: Agenda 5B

Date: Monday, January 27, 2025 11:58:40 AM

5B. Attachments. Exhibit 1. INCLUSIONARY HOUSING REQUIREMENTS FOR RESIDENTIAL PROJECTS

I have two comments.

First, to insure equitable distribution, the Housing Element required that affordable homes be built in all Alameda neighborhoods. I find no such requirement in the Inclusionary Housing Requirements for Residential Projects. I ask that equitable distribution be included in this plan as it is required of the Housing Element.

Second, 30-16.11, In-Lieu Fees,

I find a contradiction in this paragraph.

These funds are best used for direct bricks and mortar and infrastructure costs required to develop inclusionary housing. The conclusion of this section supports this view.

"The In-Lieu Fees may not be used to support operations or ongoing housing services not directly related to the construction, acquisition, rehabilitation or preservation of affordable units."

Deleting the following from 30-16.11 section a. will correct this:

. . . counseling or assistance to other government entities, private organizations or individuals to expand affordable housing opportunities . . .

Thank you.

Marilyn Alwan 1420 Fifth Street