<u>CITY OF ALAMEDA PLANNING BOARD</u> RESOLUTION NO. PB-21-03

RECOMMENDING THAT THE CITY COUNCIL ADOPT A RESOLUTION OF INTENT TO PREPARE A HOUSING ELEMENT UPDATE FOR THE PERIOD 2023-2031 THAT MAXIMIZES THE USE OF CITY-OWNED LAND AT ALAMEDA POINT AND ENCINAL TERMINALS AND REZONES CERTAIN SITES AND DISTRICTS TO PERMIT MULTIFAMILY HOUSING AND RESIDENTIAL DENSITIES OF AT LEAST 30 UNITS PER ACRE. AND FINDS THAT CITY CHARTER ARTICLE 26 IS PREEMPTED AND UNENFORCEABLE DUE TO CONFLICTS WITH STATE HOUSING LAW

WHEREAS, the California legislature has found that "California has a housing supply and affordability crisis of historic proportions. The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state's environmental and climate objectives." (Gov. Code § 65589.5); and

WHEREAS, the legislature further found that "Among the consequences of those actions are discrimination against low-income and minority households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commuting, and air quality deterioration." (Gov. Code § 65589.5); and

WHEREAS, the legislature recently adopted the Housing Crisis Act of 2019 (SB 330) which states that "In 2018, California ranked 49th out of the 50 states in housing units per capita...California needs an estimated 180,000 additional homes annually to keep up with population growth, and the Governor has called for 3.5 million new homes to be built over 7 years"; and

WHEREAS, State Law requires that the City Council adopt a Housing Element update for the period 2023-2031 (Gov. Code §§ 65000-66499.58); and

WHEREAS, the Housing Element must make adequate provision for the housing needs of all economic segments of the community (Gov. Code § 65580, subd. (d)); and

WHEREAS, on May 25, 2021, the Association of Bay Area Governments (ABAG) released the Draft Regional Housing Needs Allocation (RHNA) for the City of Alameda (City) Housing Element for 2023-2031 of 5,353 housing units, comprised of 1,421 very low income units, 818 low income units, 868 moderate income units, and 2,246 above moderate income units; and

WHEREAS, the City anticipates that previously approved projects will result in construction of approximately 1,522 housing units during the 2023-2031 housing element cycle; and

Page 1 of 4

WHEREAS, the City-owned land at Alameda Point can feasibly accommodate up to 1,282 housing units within the financial caps established by the U.S. Navy for Alameda Point; and

WHEREAS, the City Council has approved the Waterfront Town Center Specific Plan and Main Street Neighborhood Specific Plan to support housing development on the City-owned land at Alameda Point; and

WHEREAS, up to 1,282 of the 5,353 RHNA may be accommodated at Alameda Point if the City Council approves the necessary land use and property disposition agreements to construct 1,282 units, which requires four votes of the City Council; and

WHEREAS, the configuration of the City-owned Tidelands Trust property at Encinal Terminals is preventing the viable development of the site for residential use consistent with the General Plan and in support of the City's Housing Element; and

WHEREAS, the reconfiguration of the City-owned Tideland Trust lands at Encinal Terminals will allow for the development of 589 units at Encinal Terminals, and 589 of the 5,353 RHNA may be accommodated at Encinal Terminals if the City Council approves the necessary land use and property disposition agreements to construct 589 units as reconfigured, which requires four votes of the City Council; and

WHEREAS, the City Planning Board approved a resolution in support of the Tidelands Exchange at Encinal Terminals on March 8, 2021 and a resolution recommending approval of the Encinal Terminals Tidelands Exchange Master Plan and Development Agreement on May 24, 2021; and

WHEREAS, State law requires that Alameda must make zoning available for all types of housing, including multifamily housing (Gov. Code §§ 65583.2 and 65583(c)); and

WHEREAS, Alameda City Charter Article 26 prohibits construction of multifamily housing and residential densities above 21 units per acre; and

WHEREAS, State law generally states that the Housing Element and the City's zoning must support housing for all income levels and residential densities under 30 units per acre do not support construction of housing for lower income households (Gov. Code § 65583.2(c)(3)(B)(iv)). Although state law may allow different densities, subject to a market study which considers market demand and financial feasibility, that option would ultimately require greater densities given that the City is located in the heart of the San Francisco Bay Area, a region with some of the highest land costs and highest construction costs in the country; and

WHEREAS, to address similar inconsistencies with state law, in 2012 the City adopted the Multi-Family (MF) overlay zone in AMC § 30-4.23(b)(1) which allows densities of 30 residential units per acre and states, "In the event of a conflict between the provisions of the MF Combining District and the provisions of the underlying district or the Alameda Municipal Code or Alameda City Charter Article 26, the provisions of the MF District shall govern"; and

WHEREAS, the analysis of available sites to accommodate the City's RHNA of 5,353 housing units demonstrates that multifamily housing at densities of greater than 21 units per acre is necessary to accommodate the RHNA.

NOW, THEREFORE, BE IT RESOLVED, that the City Planning Board recommends that the City of Alameda City Council finds City Charter Article 26 is in direct conflict with state housing law and is preempted and unenforceable in these circumstances. More specifically, Article 26 of the City Charter is preempted by Government Code Sections 65583.2(c), (h), and (i) and Section 65583(c)(1) which require the City to allow multi-family housing, and Government Code Section 65583.2(c)(3) which requires the City to allow at least 30 du/acre to meet its RHNA; and

BE IT FURTHER RESOLVED that the City Planning Board recommends that the City of Alameda City Council:

- Declares its intent to prepare a draft Housing Element, all necessary programs and zoning amendments necessary to comply with State Law,
- Declares its intent to prepare zoning designations to permit multifamily housing at residential densities of at least 30 units per acre <u>contrary to City Charter Article 26</u> as necessary to comply with State Law,
- Directs staff to prepare the documents necessary for the City Council to hold public hearings and consider inclusion of City-owned lands at Alameda Point in the draft Housing Element for the development of at least 1,282 housing units during the 2023-2031 period, and
- Directs staff to prepare the documents necessary for the City Council to hold public hearings and consider inclusion of Encinal Terminals in the draft Housing Element for the development of at least 589 housing units during the 2023-2031 period.

BE IT FURTHER RESOLVED that this action is not a project under Public Resources Code section 21065 and CEQA Guidelines section 15378. The Planning Board's recommendation and the City Council's action is simply declaring the City Council's intent to comply with state law and directing staff to prepare a draft Housing Element (i.e. project description) for consideration and subsequent analysis under CEQA.

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I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Planning Board of the City of Alameda during the Regular Meeting of the Planning Board on the 14th day of June 2021, by the following vote to wit:

- AYES: (5) Cisneros, Hom, Rothenberg, and Teague
- NOES: (0)
- ABSENT: (2) Curtis and Saheba
- RECUSED: (1) Ruiz

ATTEST:

- Tai

Allen Tai, Secretary City of Alameda Planning Board