REPORT - PLANNING COMMISSION MEETING
August 26, 2004

Project Name and Number: **ANNUAL REPORT ON THE GENERAL PLAN AND HOUSING ELEMENT (PLN2005-00014)**

Applicant: City of Fremont

Proposal: To consider an annual report on the status of the General Plan and Implementation of the Housing Element.

Recommended Action: Recommend annual report on the General Plan and Implementation of the Housing Element (this agenda report and Exhibit A) to Council.

Location: Citywide

Environmental Review: This project is statutorily exempt under CEQA Guidelines Section 15262, Feasibility and Planning Studies. Environmental analysis will be prepared for any subsequent proposals for General Plan Amendments or Zoning Text Amendments.

Public Hearing Notice: Public hearing notification is applicable. A total of 159 notices were mailed to organizations and individuals interested in housing issues on August 13, 2004. A Public Hearing Notice was delivered to The Argus on August 9, 2004 to be published by August 12, 2004.

Executive Summary: State planning law requires cities to provide a status report on the General Plan, on or before October 1 of each year. The statute specifically requires an update on implementation of the Housing Element.

On July 17, 2003, the State Department of Housing and Community Development (HCD) informed the City of Fremont that the Housing Element adopted by the City Council on May 13, 2003 was found in compliance with State housing element law. The HCD letter reiterated the importance of reporting on the progress in implementing identified Housing Element programs by October 1, 2004.

This report provides an annual review of the General Plan as well as progress in implementing the Housing Element since the last report on October 1, 2003.

Background: State planning law requires the City to prepare an annual status report on the General Plan. Specifically, Government Code Section 65400 (b) provides, in relevant part:

(1) Provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of the plan and progress in its implementation, including the progress in meeting its share of regional housing needs … and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing….

(2) The housing portion of the annual report required to be provided to the Office of Planning and Research and the Department of Housing and Community Development pursuant to this subdivision shall be prepared though the use of forms and definitions adopted by the Department of Housing and Community Development…. This report shall be provided to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on or before October 1 of each year.

Because the Planning Commission is the advisory body to the City Council on the General Plan, the annual report is provided to the Planning Commission for its consideration and recommendations. This report provides an update on the status of the General Plan, and the Housing Element in particular, and the progress made in meeting goals and objectives for 2003 and 2004. The City Council will review the report at its September 14, 2004 meeting.

This report is divided into the following sections:

I A description of progress in meeting regional housing needs for calendar years 2003 and 2004.
II A description of the progress in implementing various programs in the Housing Element.
III A description of the status of the General Plan activities during the calendar years 2003 and 2004.

I. PROGRESS IN MEETING REGIONAL HOUSING NEEDS

The regional council of governments, (for Fremont it is the Association of Bay Area Governments (ABAG)), is charged by the State with the responsibility of determining the number of new housing units needed in a community. The State of California provides population estimates to each regional government and that agency then allocates the estimated housing units needed among its member communities. During 1999-2000 ABAG developed the "Regional Housing Needs Determination" for its member communities and on March 15, 2001, the ABAG Board of Directors certified the final numbers. After determining the number of additional households expected by the end of the planning period, ABAG further quantified future households by income level. The goal of this analysis is to distribute lower income households equitably throughout a region, thereby avoiding undue concentrations of very low and low income households in one jurisdiction. The estimated number of housing units needed in Fremont, as determined and certified by ABAG, is set forth in Table 1 below and reflects the planning period from January 1, 1999 to June 30, 2006. This time period was subsequently extended to June 30, 2007.

TABLE 1
FIVE YEAR HOUSING NEED BY INCOME CATEGORY (1999-2006)

Income Category	Five Year Need (Housing Units)
Very Low Income	1,079 households (16.0%)
Low Income	636 households (9.5%)
Moderate Income	1,814 households (27.0%)
Above Moderate Income	3,179 households (47.5%)
TOTAL	**6,708 households (100%)**

Source: 2001-2006 Housing Element based on Association of Bay Area Governments (ABAG) figures. Generally, Very Low Income households have incomes which do not exceed 50% of the area median income, Low Income households have incomes which do not exceed 80% of area median income, Moderate Income Households have incomes which do not exceed 120% of area median income, and Above Moderate Income households have incomes greater than 120% of area median income. (See Title 25 Cal. Code of Regs. §6910 *et. seq.*)

The ABAG Regional Housing Needs Determination was certified in 2001. Since these numbers were certified, units have been approved, and added to the housing stock. Thus, it is important to adjust the totals to reflect that units that have been added to the housing stock between January 1999 (the beginning of the planning period for this Housing Element) and the present. Table 2 includes information reflecting units added to Fremont's housing stock since 1999 and includes adjusted totals accordingly.

TABLE 2
REVISED REGIONAL HOUSING NEED DETERMINATION 2002-2006

HOUSEHOLD INCOME LEVEL	REGIONAL HOUSING NEED DETERMINATION (1999-2006)	UNITS ADDED TO HOUSING STOCK, 1999-2002	UNITS APPROVED / UNDER CONSTRUCTION 01/1/2002-8/12/2004	REVISED REGIONAL HOUSING NEED DETERMINATION (2002-2006)
Very Low	1,079 Units	138 Units	123 Units	762 Units
Low	636 Units	34 Units	108 Units	550 Units
Moderate	1,814 Units	13 Units	38 Units	1,763 Units
Above Moderate	3,179 Units	1,516 Units	493 Units	1,170 Units
Total	**6,708 Units**	**1,701 Units**	**762 Units**	**4,245Units**

Source: 2001-2006 Housing Element and City of Fremont Building Permit records January 1, 2002 to August 12, 2004.

In terms of very low income units, 179 units have been approved or are under construction during the period since January 1, 2002. These include 30 units at Fremont Oak Gardens, 18 units at Bridgeway East, 4 units at Fremont Vista, 96 units in the Maple Square Apartments, and 11 units in the Lincoln Street Apartments. Fremont Oak Gardens, which had entitlements approved in 2003 and 2004, is now under construction and scheduled for completion in Spring of 2005. Bridgeway East, which had entitlements approved in 2003 and 2004, is now under construction and scheduled for completed in Summer of 2005. Fremont Vista was approved in 2003 and is nearly completed (September 2004). Maple Square Apartments received entitlements in 2003 and construction is scheduled to begin in October 2004.

Low income units that were approved or are under construction total 52 for the period between 2002 and the present. They include Fremont Assisted Living (16 units), Fremont Oak Gardens (20 units), and Maple Street (36 units).

A total of 38 moderate income units were approved or are under construction during the time period since January 1, 2002, including: Pacific Union (6 units), Central Avenue Townhouses (2 units), Warm Springs (19 units), Mission Villas (8 units), and Carol Commons (3 units). The Warm Springs project (now known as Mayfield) was approved in 2003 and is now under construction in 2004. Mission Villas was approved in 2003/04 and is now in for building permits in 2004.

There were also 493 market rate (above moderate) units approved or under construction during this time frame.

In all, a total of 2,463 units were approved or are under construction between 1999 through August of 2004 and 762 were approved or under construction since January 1, 2002. The 47 Housing Element implementation programs described below and in the attached Exhibit A will assist in continuing the production of housing at all income levels in the City of Fremont.

An application for a 215 unit development, including 100 below market rate units, is currently scheduled for review by the Planning Commission in September or October of 2004. This development is not reflected in the numbers above as it has not yet been approved. The proposal is for 115 market rate units and 100 below market rate units (18 extremely low units and 82 very-low units).

II. PROGRESS IN IMPLEMENTATION OF THE HOUSING ELEMENT (ADOPTED MAY 2003, CERTIFIED JULY, 2003)

The Housing Element, in Chapter 8, identified a Housing Program Strategy with 5 goals, 12 policies and 47 programs. The attached Exhibit A (Status of Housing Element Implementation Programs) lists in detail the various Goals, Policies and Programs, with their current status. The time period covered in this report is from August 29, 2003 to August 12, 2004. To avoid confusion, some documentation from the previous years report has been included in this report for programs that were completed or partially completed by August of 2003. A summary of important achievements under each of the goal areas is provided below. For further detail, please refer to the Exhibit A “Status of Housing Element Implementation Programs,” which provides extensive and more in-depth information.

Housing Goal 1: Conservation and Enhancement of Existing Residential Neighborhoods

Housing Goal 1 is the Conservation and Enhancement of Existing Residential Neighborhoods, with three specific policies that address that goal. Housing Policy 1A states the following: Maintain Existing Programs and Periodically Review and Modify those Programs Assisting Very Low and Low Income Homeowners and Rental Property Owners in the Repairing of the Housing Units. Three programs, implemented by the Housing Division, were developed to implement this goal and policies. The Neighborhood Home Improvement Program assisted 8 homeowners with rehabilitation loans funded by $160,000 of Agency affordable housing funds and approximately $300,000 federal Community Development Block Group (CDBG) funds during Fiscal Year (FY) 2003-2004. This included 5 very-low, 1 low and 2 moderate-income households. Based on the current funding level and the per unit cost of single-family home rehabilitation (estimated at $35,000-$60,000 per unit), this funding level can realistically support from 8-14 rehabilitation loans/projects per year and not the 30-40 rehabilitation loans as stated in this Program's original objective. The City has developed a brochure to reach out to the community and market this program (see attached brochure in enclosures). In August, 2004, these brochures were mailed to all single-family homeowners in the City's three redevelopment project areas (total of over 500 brochures).

Another 21 very low-income households received emergency repair grants during FY2003-2004. The Apartment Acquisition /Rehabilitation Program enabled the Glen Haven Apartments, located in Centerville, to be acquired and rehabilitated; this project reduced market rate rents for 57 tenants to affordable rents with a breakdown of 9 affordable to very-low income households and 48 affordable to low income households, with the remainder remaining affordable to 24 moderate-income tenants. This work was completed in October of 2003. The Fremont Redevelopment Agency was awarded an $11.25 million Housing Enabling by Local Partnerships (HELP) Program loan to assist a developer with the acquisition and rehabilitation of another 46-unit rental complex in the Centerville area. The agency provided a $553,000 rehabilitation loan to Century Village to address health and safety improvements for this 100-unit affordable apartment complex. A program to address rental housing property management trained Fremont property owners and managers in a one-day workshop jointly sponsored by Office of Housing and Redevelopment and the Rental Homeowners of Alameda County (RHO). The City's Community Preservation Division also continued to implement an Apartment Preservation Program to provide for rental units that are well maintained, safe and habitable.

Housing Policy 1B addresses capital improvement needs as follows: Identify and Program the Construction of Basic Neighborhood Improvements (Sidewalks, Street Trees, etc.) and Public Facilities (Roads, Lighting, etc.) in Areas Where they are Lacking or Substandard. This policy has two components: (1) a Redevelopment Area Program; and (2) a Citywide Program. The Redevelopment Program operates within the Centerville, Irvington and Niles commercial and residential neighborhoods and within the Industrial area. Over the last 3 years, the following projects have been funded: Washington Grade Separation, I-880/Dixon Landing Road Interchange, I-880/Mission/Warren Interchange, Central Avenue widening and improvement, Bay Street streetscape, Centerville Train Depot Parking Lot and access, Bridgeway Expansion Street Improvements, Roberts Avenue Sidewalk Improvement, and the Niles sign program.

The Citywide Program has funded the following projects: Cape Sealing of Streets ($566,088, FY03/04), Concrete Repair Program ($35,000 FY03/04), Street Median Maintenance ($2,906,905 FY03/04), Slurry Sealing of Streets ($181,361 FY03/04), and Street Overlays ($1,800,000 FY03/04). All of the investments described above make the area more attractive and conducive to investment, particularly investments which result in improvements to existing residential neighborhoods.

Housing Policy 1C addresses working with the private sector and provides: Assist Private Initiatives to Maintain and Improve Neighborhoods and Homes. The City of Fremont continues to maintain staff liaison with the Irvington Business Association, Centerville Business Association, and Niles Commercial Property Owners Association. During the year, the City re-launched its Commercial Loan Rehabilitation Program and created a new Façade Improvement Grant Program to assist private property owners with grants and no-interest loans to help maintain their businesses located in the City's Redevelopment Project Areas. Also, nearly 136 City staff, Council members, on-duty police and firefighters participated in the 21st anniversary of National Night Out in August, 2004. This group visited over 131 community block parties, which represented an 8 percent increase in community block parties from the prior year. The Office of Neighborhoods also staffs the Neighborhood Crime Prevention Captain's Group to address crime problems while building leadership skills. When issues in neighborhoods arise, the Office of Neighborhood provides community engagement specialists to facilitate joint City/neighborhood problem solving to address the issue.

Housing Goal 2: High Quality and Well-Designed New Housing of All Types Throughout the City

This goal addresses the importance of developing and maintaining a high quality, attractive and diverse housing stock throughout the City. Housing Policy 2A states: The City Shall Continue to Apply Building Codes and Design Standards to Ensure That Development is of High Quality and Consistent with the Scale and Character of the Community. Adoption and implementation of the 2001 California building, plumbing, mechanical, electrical and fire codes pursuant to State law addresses this goal and policy. Local amendments to these uniform codes also address unique conditions in Fremont, such as the requirement for fire sprinklers in certain apartment buildings.

Housing Goal 3: Housing Affordable and Appropriate for a Variety of Fremont Households at all Economic Levels Throughout the City Consistent with the Hill Area Initiative of 2002

There are five separate Housing Policies to address this goal and each will be discussed separately.

Housing Policy 3A states: Adopt Appropriate Land Use Regulations and Other Development Tools to Encourage the Development of Affordable Housing, Consistent with the Hill Area Initiative of 2002. A total of nine programs have been identified to implement this policy. Eight of these programs have been completed or partially completed, including:

1) Program 9, Amendment of the Land Use Element to eliminate step densities (**completed and adopted** May 13, 2003),
2) Program 10, Amendment of the Land Use Element to complement elimination of step densities and encourage higher densities (**completed and adopted** May 13, 2003),
3) Program 11, Creation of a new R-3 zoning district to streamline multi-family development as well as encourage increased densities and affordability components (**completed and adopted** July 22, 2003),
4) Program 12, Creation of a new density bonus ordinance to reflect State Density Bonus law requirements (**completed and adopted** September 23, 2003).
5) Program 13A, Development of Incentives Package for Affordable Housing Developments (**completed** in September, 2003)
6) Program 14, Modification of parking requirements to address parking needs by unit size and allow for modification of standards depending on proximity to transit corridors and facilities (**completed and adopted** July 22, 2003), and Changes to the Parking Ordinance for Multi-Family Parking (**completed and adopted** March 2, 2004)
7) Program 15, Revisions to existing standards and criteria for Mixed-Use Developments and inclusion of Mixed-Use Developments in various commercial districts (**completed and adopted** July 6, 2004), and
8) Program 16, Adoption of an Inclusionary Housing Ordinance (**completed and adopted** November 2002 with a 15 percent affordability component, and modified to provide greater flexibility in July 2004).

The completion of these eight programs largely satisfies the requirements of Housing Policy 3A. These programs have provided much of the groundwork necessary for subsequent General Plan redesignations and rezonings and for affordable housing production. Adoption of the Inclusionary Housing Ordinance, in particular, will provide for a consistent source of affordable units along with market rate housing production. In fact, the newly created system for tracking inclusionary units has identified the commitment of 33 below market rate units by market rate housing developers. The one remaining program in this section, creation of a new Zoning Combining District, is underway with an expected completion date in the Fall of 2004.

Program 13B provides for ongoing assistance to affordable housing developments. Housing staff is currently working with Satellite Homes, in partnership with the Housing Consortium for the East Bay, as well as with Affirmed Housing and BRIDGE Housing to facilitate additional below market rate housing developments. These efforts could result in the creation of 381 more below market rate units in the City of Fremont.

General Plan Redesignations and Rezonings

Housing Policy 3B has eight implementation programs (Programs 17-24). Housing Policy 3B requires designation of sufficient residentially-zoned land at appropriate densities to provide adequate sites for Fremont's new construction need for the period 2001-2006. This time period has subsequently been extended to 2007. These implementation programs

are nearly complete. With the actions taken by the City Council to date, 70 percent of the needed acreage has been redesignated and/or rezoned. These accomplishments are detailed below by Program number. Groups of General Plan redesignations and rezonings occurred in December of 2003 and July of 2004. Private sector initiated redesignations and rezonings are included in the 70 percent figure. A second group of rezonings, as described below, is expected to be reviewed by the Planning Commission in October, 2004 with action by City Council anticipated in November, 2004. If these rezonings are ultimately approved by the City Council, 90 percent of the need identified in the Housing Element will have been accomplished in 2003 and 2004.

Program 17 requires the periodic updating of the existing inventory of vacant and underutilized land. This list has been updated on a periodic basis. An inventory of land has been made available on the City of Fremont's web site, including information for interested persons about zoning, acreage, broker contact, etc. to facilitate interested persons finding available land.

Programs 18-22 concentrate on rezoning existing vacant or underutilized land, whether it is zoned residential, commercial or industrial. Implementation of Program 18, redesignation of existing vacant or underutilized residential land, has occurred with the first group of redesignations and rezonings that were adopted by the City Council on July 13, 2004. Parcels representing 22 acres were redesignated and rezoned to various densities (15-18 dwelling units per acre (du/ac), 18-23 du/ac, 27-35 du/ac) to provide the opportunity to accommodate a total of 597 dwellings, conservatively estimated at the mid-point of the density ranges. Private sector redesignations and rezonings that fit into the Program 18 category (vacant or underutilized residential land) were also tracked and since the adoption of the Housing Element, an additional 6.2 acres was redesignated and/or rezoned to accommodate a total of 103 dwellings.

Staff is proposing a second group of sites for Program 18 to be reviewed for recommendation by the Planning Commission in October of 2004 and for action by the City Council in November of 2004. The second group of sites consist of parcels representing 32 acres to provide the opportunity to accommodate 385 dwellings, conservatively estimated at the mid-point of the density ranges.

Implementation of Program 19, which emphasizes redesignation along transit corridors for the development of medium to very-high densities within close proximity to existing or planned transit sties, has occurred with the first group of redesignations and rezonings that were adopted by the City Council on July 13, 2004. Parcels representing 36.5 acres were redesignated and rezoned to various densities (5-7 du/ac, 23-27 du/ac, 27-35 du/ac, 35-50 du/ac) to provide the opportunity to accommodate a total of 850 dwellings, conservatively estimated at the mid-point of the density ranges. In this instance, no other private sector General Plan redesignation applications were determined to fall within this category.

Implementation of Program 20 has primarily occurred by private sector General Plan redesignation and rezoning. A total of 29.28 acres has been redesignated to various densities (5-7 du/ac, 6.5-10 du/ac) for a potential 152 dwellings. In addition, the San Francisco Public Utility Commission (SFPUC) and Alameda County Water District (ACWD) have entered into an agreement with a housing developer to redesignate and/or rezone approximately 12 acres. The development is expected to yield approximately 50 units at the 5-7 dwellings per acre range. This was not included in the calculations as the application is in a very preliminary stage. However, the application is expected to very nearly meet the remaining need of 59 units in the 5-7 dwellings per acre category.

Implementation of Program 21, which relates to redesignation and rezoning of commercially and industrially zoned and designated property, has occurred with the first group of redesignations and rezonings that were adopted by the City Council on July 13, 2004. Parcels representing 26.55 acres were redesignated and rezoned to various densities (5-7 du/ac, 18-23 du/ac, 23-27 du/ac) to provide the opportunity to accommodate a total of 441 dwellings, conservatively estimated at the mid-point of the density ranges. Private sector redesignations and rezonings that fit into this category were also tracked. An additional 5.96 acres was redesignated and/or rezoned to accommodate a total of 59 dwellings. Another City initiated redesignation and rezoning in this category, which occurred in December of 2003, was an 8.6 acre site on Grimmer Boulevard redesignated to 23-27 dwellings per acre, which could accommodate 215 dwellings at the mid-point of the density range. Applications from two housing developers (one for-profit and one non-profit) have been received to develop this site with 215 dwellings.

Staff is proposing a second group of sites for Program 21 to be reviewed for recommendation by the Planning Commission in October of 2004 and for action by the City Council in November of 2004. The second group of sites consist of parcels representing 23 acres to provide the opportunity to accommodate 386 dwellings, conservatively estimated at the mid-point of the density ranges. Density ranges will include 5-7 du/ac, 6.5-10 du/ac, 15-18 du/ac, 18-23 du/ac, and 27-35 du/ac.

Another commercial redesignation, that of older shopping centers, is the primary purpose of Program 22. Implementation of this program occurred with the redesignation and rezoning of 22 acres in four different sites in December of 2003. The 22 acres were redesignated and rezoned to various densities (15-18 du/ac, 18-23 du/ac, 23-27 du/ac, and 27-35 du/ac) to provide the opportunity to accommodate 544 dwellings at the mid-point of the density range. In this instance, no other private sector General Plan amendments were determined to fall within this category.

The emphasis of Program 23 is to rezone sites with commercial designations to encourage mixed-use development that incorporates affordable housing units. As part of Program 15, explained in detail above, the City adopted comprehensive changes to the zoning code relative to mixed-use standards. Staff made some estimates about the possible number of residential units that could occur as a result of these changes and determined there could be approximately 253 units in the 6.5-10 du/ac range, approximately 48 units in the 15-18 du/ac range, approximately 137 units in the 18-23 du/ac range, and approximately 181 units in the 23-27 du/ac range. This assumes that 15 percent of the commercial land in which mixed use would be permitted would be developed with residential units as part of a mixed-use project. Density ranges were based on the size of the sites, with smaller sites (less than 1.5 acres) being developed at 6.5-10 du/ac and sites with 3 or more acres being developed at the 23-27 du/ac range. This is a reasonable and conservative estimate of the changes that could occur as a result of the new mixed-use standards.

Staff calculated the total accomplishments of the various redesignations and rezonings, by density range. That calculation is noted in Table 3, City-Initiated and Private Sector Accomplishments by Program Number. Staff then calculated the remaining unmet need, by density range. This unmet need is illustrated in Table 4, City-Initiated and Private Sector Accomplishments and Remaining Need. Table 4 also shows the total accomplishments by the City-Initiated and Private Sector redesignations for the first group of sites, and what is proposed for the second group of sites. City-Initiated and private sector rezonings account for 70 percent of the Housing Element goal of accommodating 5,032 dwelling units (22% above the adjusted Regional Housing Needs Determination). With the proposed second group of redesignations and rezonings in October and November of 2004, the accomplishments account for 90 percent of the Housing Element goal. Following the second group of redesignations and rezonings in Program 18 and 21 in October and November of 2004, staff will bring forward a third group of sites in the winter of 2004/2005. These sites are expected to be primarily in the Program 21 category.

Table 3
City-Initiated And Private Sector Accomplishments By Program Number

Density Range (units/acre)	18		19		20		21		22		23	
	Land Acreage	Units	Land Acreage	Units	Land Acreage	Units	Land Acreage	Units	Land Acreage	Units	Land Acreage	Units
5-7	0	0	0	0	27.02	135	1.26	6	0	0	0	0
6.5-10	0.97	9	0	0	2.26	17	0	0	0	0	30	253
11-15	0	0	0	0	0	0	13.97	181	0	0	0	0
15-18	11.97	201	0	0	0	0	2	33	2.33	37	3	48
18-23	2.76	55	0	0	0	0	11.79	241	6.07	160	7	137
23-27	0	0	7.38	181	0	0	16.95	417	3.72	93	7	181
27-35	13.99	433	13.86	426	0	0	0	0	8.25	254	0	0
35-50	0	0	5.72	243	0	0	0	0	0	0	0	0
50-70	0	0	0	0	0	0	0	0	0	0	0	0
Total	29.69	698	26.96	850	29.28	152	45.97	878	20.37	544	47	619

Table 4
City-Initiated and Private Sector Accomplishments and Remaining Needs

			ACHIEVED						REMAINING	
Density Range (units/acre)	**Proposed in Housing Element**		**Accomplished City-Initiated Tier I and Private Sector**		**City-Initiated Tier 2 In Progress**		**Accomplished + In Progress**		**Current Need**	
	Land Acreage	**Units**	**Land Acreage**	**Units**	**Land Acreage**	**Units**	**Land Acreage**	**Units**	**Land Acreage**	**Units**
5-7	41.32	208	28.28	141	1.5	9	29.78	150	11.54	58
6.5-10	49.37	483	33.23	279	22.8	183	56.03	462	-6.66	21
11-15	21.25	245	13.97	181	9.77	127	23.74	308	-2.49	-63
15-18	29.1	455	19.3	319	5.45	89	24.75	408	4.35	47
18-23	34.06	609	27.62	593	10.4	213	38.02	806	-3.96	-197
23-27	57.89	1212	35.05	872	1.7	42	36.75	914	21.14	298
27-35	41.38	1255	36.1	1113	3.5	108	39.6	1221	1.78	34
35-50	8.72	427	5.72	243	0	0	5.72	243	3	184
50-70	2.43	138	0	0	0	0	2.41	145	0.02	-7
Total	285.52	5032	199.27	3,741	55.12	771	256.8	4,657	28.72	375

The Annual Housing Report (this report) is the subject of Program 24. The report is scheduled for the Planning Commission's August 26, 2004 meeting and the City Council's September 14, 2004 meeting. The report will then be submitted to the Department of Housing and Community Development (HCD) and Office of Planning and Research (OPR) prior to the October 1 deadline.

Housing Policy 3C (Programs 25-29) encourages the development of a diverse housing stock that provides a range of housing projects at a range of affordability levels which are equally distributed throughout the City. Of the five implementation programs, two will be highlighted. Program 25, which was to eliminate discretionary review in the City's Secondary Dwelling Unit application process, as required by State law, was completed in July of 2003. A comprehensive Zoning Text Amendment relative to second unit standards was approved by the City Council on March 2, 2004.

Progress has also been made with Program 27, which encourages the development of larger sized units for households of low and moderate incomes. The City's Redevelopment Agency adopted an "Affordable Housing Investment Strategy" to encourage the development of those units. A total of 51 three-bedroom units were approved to date as part of this strategy, as detailed in Exhibit A. An application for 100 units by a non-profit, scheduled for review by Planning Commission in September or October of 2004, would add 40 three-bedroom units.

Housing Policy 3D (Programs 30-34) emphasizes the development and utilization of funding resources to maximize affordable housing development. Three of the five implementation programs will be described here. As part of Program 32, the Redevelopment Agency supported a 132-unit affordable housing development that was awarded state Multi-Family Housing Program (MHP) funds, California Debt Limit Allocation Committee (CDLAC) bond financing and 4 % federal tax credits. The Agency also supported an 11-unit affordable housing development for the developmentally disabled that was awarded state MHP funding and Housing and Urban Development (HUD) 811 funding.

The Impact Fee Deferral Program was approved by Council in March, 2003 to assist housing developments that receive Affordable Housing Fund financial support. To date, 2 affordable housing developers have taken advantage of the deferral program, saving them thousands in interest costs.

The purpose of Program 34 is to implement the Redevelopment Agency's Affordable Housing Strategy, which includes the directive that 80 percent of the Agency's financial resources reserved for new housing construction be directed to rental housing developments for extremely low, very low and lower income households. During the 2002-04 time frame, 281 units were approved for development or had existing units provided with affordability restrictions.

Housing Policy 3E (Programs 35-37) emphasizes the importance of preserving the existing affordable housing stock. Three implementation programs are associated with Policy 3E and one will be highlighted.

Implementation Program 35 targets the preservation of affordable housing units at risk of converting to market rate units. Staff completed a market rent analysis for Good Shepherd, an affordable housing project located at 1335 Mowry Avenue, and is continuing discussions with Good Shepherd property owners as well as with HUD to discuss extending the affordability period of the 32 developmentally disabled units for up to 20 years.

Housing Goal 4: A Continuing Leadership Role in Regional Efforts to Maintain and Expand the Range of Housing Alternatives in the San Francisco Bay Area

Housing Goal 4 (Programs 38 and 39) has one policy and two implementing programs. Housing Policy 4A states the following: Workable Local programs to Meet Housing Needs. The development of Adams Avenue Homes resulted in the Fremont Redevelopment Agency being awarded the 2004 California Redevelopment Association Award of Excellence in the Single-Family Home category for Adams Avenue Homes, a 17-unit affordable housing development for first-time homebuyers constructed in the Irvington Redevelopment Project Area in Fremont. The City of Fremont, through its Redevelopment Agency, invested $228,000 and provided an additional $1,500,000 construction loan through state funds the City received. The Adams Avenue street improvements (totalling nearly $1,000,000) were financed by the Agency's non-housing fund. Also sharing in the California Revelopment Association award were Eden Housing and Habitat for Humnaity in recognition of their successful co-development of Adams Avenue Homes.

Implementing Program 38, Support for Non-Profit Affordable Housing Providers, resulted in the presentation of statuettes to Eden Housing and Habitat for Humanity in recognition of their successful co-development of Adams Avenue Homes. This development of Adams Avenue Homes also resulted in the Fremont Redevelopment Agency being awarded the 2004 California Redevelopment Association Award of Excellence in the Single-Family Home category for Adams Avenue Homes, a 17-unit affordable housing development for first-time homebuyers constructed in the Irvington Redevelopment Project Area in Fremont.

Housing Goal 5: Ensure That All Persons Have Equal Access to Housing Opportunities

This goal has two policies and eight implementation programs. Housing Policy 5A's purpose is to enforce regulatory measures to protect individual rights. The two implementation programs (Programs 40 and 41) establish a policy whereby the City will provide rent increase dispute resolution and fair housing counseling services. The City's provider of these services, Fremont Fair Housing Services, investigated 46 housing discrimination cases and responded to over 651 fair housing inquiries during the reporting period.

Housing Policy 5B (Programs 42-47) emphasizes the importance of serving households with special needs, particularly seniors, the disabled and homeless. The six implementation programs provide a variety of services to address these needs and are detailed in Exhibit A on pages 7 and 8. In addition, Niles Grove, a 3-unit development to serve 18 developmentally disabled adults, was approved in 2004 and is in for building permits. Peralta Dreams, a 10-unit project that can accommodate 40 adults with special needs, was approved in 2003 and is now under construction. Over the past year there were three Agency funded developments that are moving forward or are under construction and will soon be completed, including: (1) Lincoln Street apartments (11 units for developmentally disabled adults); (2) Fremont Vista (assisted living for 100 seniors with 20 below market rate units); and (3) Fremont Oak Gardens (50 units with special features to meet the needs of deaf seniors).

III. STATUS OF GENERAL PLAN ACTIVITIES

This section of the report will focus on General Plan Amendments from September 2003 to August 12, 2004. There were fifteen General Plan Amendments (GPAs) from September 2003 through August 12, 2004. Eleven of the GPAs were City-initiated General Plan Amendments, two were private sector initiated General Plan Amendments and one was a City-initiated General Plan Text Amendment.

There were several General Plan Amendments related to residential development during this period. The various City-initiated General Plan Amendments associated with Implementation of Housing Element Implementation Programs 18-23 accounted for eleven of the GPA's. These redesignations occurred on December 9, 2003 and July 13, 2004. The two private sector initiated General Plan Amendments were for a Santa Clara Development project at Walnut and Mission (25 units) approved by the City Council on December 9, 2003 and the Marlais development on Mission Boulevard (3 units) approved by City Council on July 13, 2004.

There was one General Plan Text Amendment approved during this time period. Chapter 10 (Health and Safety) of the General Plan was modified to reflect the revised Fire Department response time standards. The revised response time is five minutes 30 seconds for 90 percent of all emergency calls. Since the Comprehensive General Plan update in 1991, several changes have occurred to strengthen the City of Fremont's fire prevention efforts. In addition to the proposed changes to the response time, changes were made to other portions of the Fire Hazards and Emergency Response section of Chapter 10 to reflect the City's strengthened fire prevention efforts.

The City of Fremont is anticipating an update of the General Plan in the future. To help fund future General Plan updates and Zoning Ordinance revisions, the City Council adopted a Community Planning Fee on February 11, 2003.

Enclosures: HCD Letter of Certification, dated July 17, 2003
Neighborhood Home Improvement Program Brochure
Exhibit A lists the Housing Element's goals, objectives and implementing measures and a commentary on progress towards achieving them during calendar years 2003 through 2004.

Exhibits: Exhibit A lists the Housing Element's goals, objectives and implementing measures and a commentary on progress towards achieving them during calendar years 2003 through 2004.

Recommended Actions:

1. Hold public hearing.

2. Recommend the City Council find the Annual Report is statutorily exempt under CEQA Guidelines, Section 15262, Feasibility and Planning Studies.

3. Recommend the City Council find that the Annual Report of the General Plan and Housing Element accurately depicts the current status of the City of Fremont with respect to the General Plan and Housing Element.

4. Recommend the City Council forward the Annual Report of the General Plan and Housing Element to the California Department of Housing and Community Development and the Office of Planning and Research, as required by Government Code Section 65400 (b).