

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction City of San Bruno
Reporting Period 1-Jan-14 - 31-Dec-14

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information								Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions	
(9) Total of Moderate and Above Moderate from Table A3			0	1	1	1	1				
(10) Total by income Table A/A3						1	1	1			
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

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**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in G

Activity Type	Affordability by Household Incomes				(4) Description of Activity Including Housing Element Program Reference
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	
(2) Preservation of Units At-Risk	0	0	0	0	
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

**Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	
No. of Units Permitted for Above Moderate	1	0	0	0	0	1	1

* Note: This field is voluntary

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Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2007	2008	2009	2010	2011	2012	2013	2014		Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	222	0	0	0	0	0	0	0		16	206
	Non-deed restricted		2	2	2	2	2	3	2	1		
Low	Deed Restricted	160	0	0	0	0	0	0	0		299	-139
	Non-deed restricted		0	145	0	0	154	0	0	0		
Moderate	Deed Restricted	188	0	0	0	0	0	0	0		281	-93
	Non-deed restricted		0	127	0	0	154	0	0	0		
Above Moderate		403	50	83	24	-38	15	20	13	1	168	235
Total RHNA by COG: Enter allocation number:		973										
Total Units			52	357	26	-36	325	23	15	2	764	209
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

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Table C
Program Implementation Status
(Programs with significant activity in 2014)

Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 1-A: Support infrastructure upgrades.	Continue to seek funding to upgrade and maintain infrastructure needed by San Bruno's housing supply.	Ongoing	<ul style="list-style-type: none"> • The City continues to rebuild the infrastructure destroyed in the Glenview explosion and fire on 9/9/10, funded through the \$50 million PG&E trust agreement to rebuild the Crestmoor neighborhood
Program 1-C: Conserve second units in R-1 and R-2 zones.	Continue to legalize second units in R-1 and R-2 zones that were constructed prior to June 30, 1977 and that met the Uniform Building Code at time of construction.	Ongoing	<ul style="list-style-type: none"> • The City approved two applications for second units in 2014. • The City is considering a strategy to legalize second units constructed between 1977 and 2003, as part of the zone code update.
Program 1-F: Ensure replacement housing.	Require replacement of any legal housing unit that is demolished within San Bruno.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> • The City Council approved a streamlined planning and permitting process for rebuilding the Crestmoor neighborhood following the 9/9/10 PG&E explosion and fire, which destroyed 38 homes, severely damaged 17, and left about 50 with minor damage. • 23 homes have been rebuilt. • The City and PG&E acquired ten lots, and will facilitate development of replacement housing on those sites.
Program 2-A: Update the Zoning Ordinance to be consistent with the new General Plan.	Revise the Zoning Ordinance to reflect the San Bruno 2025 General Plan, including land use designations allowing mixed-use development.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> • City continued to work on the zone code update, including updates reflecting the approval of the Transit Corridors Specific Plan (TCP) and passage of Measure N (<i>see description in Program 2-B, below</i>). The zone code update is expected to be completed in 2015. • The updated zoning code will create new Mixed Use and Multi Use–Residential Focus zoning districts that promote high-intensity mixed-use development, including retail, office, services, and housing, consistent with the 2025 General Plan and 2013 TCP. • Prior to adoption of the zoning update, the City is encouraging applicants to follow the new General Plan and Transit Corridors Plan land uses and densities/intensities.
Program 2-B: Complete Downtown and Transit Corridors Plan.	Complete and adopt a Downtown and Transit Corridors Plan with the goal, amongst others, of increasing residential options in Downtown and transit corridors of El Camino Real and San Bruno Avenue in the vicinity of the future Caltrain Station.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> • The TCP was adopted by the City Council in 2013, and the City is now in the implementation phase, including amending the zoning code and designing a pre-submittal review process for larger projects to protect residential neighborhoods. • Measure N is a significant TCP implementation measure that was placed on the November 4, 2014 ballot and approved by San Bruno voters. Measure N amends Ordinance 1284 by allowing increased building heights, increased

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 3-C: Monitor compliance with financing terms.	Ensure that units built with long-term affordability requirements are actually occupied by lower-income households. (See also Program 5-E)	Ongoing	residential density, and parking garages in the TCP area. <ul style="list-style-type: none"> 325 affordable units are located within three multifamily residential developments at The Crossing. Each has an Affordable Housing Agreement that require annual certificates of program compliance. Staff monitors compliance on an ongoing basis and reviews the annual certificates of reviewed.
Program 3-F: Facilitate reasonable accommodations.	Facilitate the development, maintenance and improvement of housing for persons with disabilities by establishing a procedure that would reduce processing time for reasonable accommodation requests.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City Council adopted a Reasonable Accommodates program in the zoning code on September 9, 2014.
Program 3-I: Reduce parking requirements.	Reduce parking requirements for new or reuse housing projects along transit corridors and adjacent to transit stations, as well as within the Medium Density (R-3) and High Density (R-4) zones.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City is considering ways to reduce parking requirements as part of the Zoning Ordinance Update unbundled parking, tandem parking for second units, and enforcement for homeowners that use garage space for storage. The TCP recommends reduced parking requirements including tandem and shared parking arrangements for residential uses in the TCP area. The City Council adopted a density bonus ordinance on September 9, 2014, including density bonus law parking standards.
Program 5-A: Support the Below Market Rate Housing (BMR) Ordinance.	Through education and enforcement of the Below Market Rate Housing Ordinance (adopted 2008), provide guidelines for developers to comply with the City's inclusionary housing requirements.	Ongoing	<ul style="list-style-type: none"> No new affordable housing projects were approved in 2014. The Palmer court decision (2009) invalidated the rental inclusionary requirement of San Bruno's BMR ordinance. The City continues to monitor the legal status of the BMR ordinance with respect to challenges. The City is working with 21 Elements on the San Mateo County Grand Nexus Study, and will consider adopting an affordable housing development impact fee and possibly an affordable housing commercial linkage fee. The City has collected approximately \$3.5 million in BMR in-lieu fees, which will be used to facilitate development of new affordable housing.
Program 5-B: Implement State density bonus regulations.	Offer a density bonus of up to 35 percent and incentives or concessions based on the number of affordable units in the development and a flat density bonus of 20 percent for all senior housing in accordance with State density bonus regulations (Government Code 65915).	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> The City Council adopted a Density Bonus ordinance on September 9, 2014. The City encourages developers to review density bonus law at the earliest stages in pre-development review and consultation process.
Program 5-H: Modify regulations to encourage affordable housing.	Modify development regulations in specific zoning districts to encourage housing affordable to very-low, low-, and moderate-income households.	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> The City is updating the zoning code, which will incorporate Measure N and Transit Corridors Plan standards for higher density multifamily housing development that will encourage affordable housing.
Program 6-B: Support organizations that provide housing	Cooperate with and support organizations providing housing information, counseling,	Ongoing	<ul style="list-style-type: none"> City provides \$43,500 in financial assistance annually to support three non-profit housing agencies (HIP Housing, North Peninsula Neighborhood Services

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
services.	and referral services, and handling complaints of housing discrimination.		Center and Shelter Network). Services include: home repair, painting, case management, emergency food and shelter, crisis intervention, and assistance with rent and utility bill payments to low-income homeowners.
Program 6-C: Support shared housing programs.	Continue to support shared housing programs and to promote such programs through the Senior Center and other local agencies.	Ongoing	<ul style="list-style-type: none"> • City provides financial support to HIP Housing which coordinates a shared housing program. The program is very active in San Bruno.
Program 6-D: Accommodate city's share of emergency (homeless) shelter need.	Amend the Zoning Ordinance to identify the Transit Oriented Development Area designated under the San Bruno 2025 General Plan as an appropriate zone or zones within which emergency shelters are permitted by right, in accordance with State law.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> • The City is considering the industrial district as a potential location where emergency shelters would be permitted. • A draft zone code amendment to permit emergency shelter facilities by right (without requiring a conditional use permit) subject to reasonable and objective standards. The industrial area has sufficient and reasonably available acreage (vacant or underutilized) to meet the city's identified need (32 beds), including the potential for reuse or conversion of existing buildings. The City anticipates adopting the ordinance to allow emergency shelters in 2015. • The City supports the 10-bed shelter run by St. Bruno's Church, and will support future faith-based efforts to supply emergency and transitional housing to those in need.
* Program 6-E: Address identified need for extremely-low income and supportive housing.	Amend the Zoning Ordinance to permit transitional and supportive housing by right in residential zones, work with nonprofit builders who specialize in building housing for extremely-low income households, and facilitate the creation of supportive housing units in accordance with the City's share of countywide need identified in the HOPE Plan.	Within 2 years after adoption of the H.E.	<ul style="list-style-type: none"> • On September 9, 2014, the City Council adopted a zoning code amendment to modify the definition of "Special residential Care Facilities", already allowed by right in any residential zone, to include transitional and supportive housing. This ensures that transitional and supportive housing is treated as a residential use of property in accordance with SB2.

General Comments. The San Bruno Housing Element 2007-2014 was adopted on March 23, 2010, and certified by HCD on June 15, 2010. San Bruno is currently completing the Housing Element Update for 2015-2023. The draft Housing Element Update was submitted to HCD on November 22, 2014. On January 30, 2015, HCD issued a letter stating that San Bruno's Draft 2015-2023 Housing Element, with previously proposed revisions, would comply with State law when adopted by the Council and after the City adopts zoning for emergency shelter(s), the last uncompleted implementation action required for the prior 2009-2014 Housing Element. The Planning Commission reviewed the draft Housing Element Update on March 17, 2015 and adopted Resolution No. 2015-02 recommending that the City Council adopt the 2015-2023 Housing Element. The City Council is scheduled to consider adoption of the Housing Element in April 2015. The Emergency Shelter zoning is expected to be considered by the Planning Commission and City Council in April and May 2015.

Local Efforts To Remove Governmental Constraints. The greatest constraints to the maintenance, improvement, and development of affordable housing include the following:

- Ordinance 1284 Constraints. In June 1977, the City of San Bruno adopted Ordinance No. 1284 placing restrictions on certain development standards, which constrains higher density residential development in the City. Ordinance 1284 requires approval by a majority of the voters

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Attachment 1
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of the City in order to allow: 1) buildings or other structures that exceeding fifty (50) feet or three (3) stories in height, whichever is less, 2) projects in residential districts at a density above what was permitted by the city's zoning code and map in 1974, and 3) multi-story parking structures. The City adopted the Transit Corridors Specific Plan in order to encourage mixed use and transit oriented development, including higher density residential uses along commercial corridors within proximity of a new Caltrain Station in the core area of the City. The Plan recommends allowing development projects that exceed Ordinance 1284 limits, including building heights between 4 and 7 stories, depending on the location, increasing the density of 111 low density residential parcels along the edges of commercial corridors, and multistory parking garages. The Plan encourages new or different housing types (e.g., housing for younger workers and for seniors) that better meet future housing needs. Adoption of the Transit Corridors Plan will also help to streamline the project review process (including a program level Environmental Impact Report). The Transit Corridors Plan was approved in February 2013. The City is in the process of updating the zoning ordinance to incorporate development standards proposed in the Transit Corridors Plan. The City placed a initiative in the November 2014 ballot to amend Ordinance 1284 to allow the heights and development intensities envisioned in the Transit Corridors Plan. San Bruno voters approved Measure N with a two thirds majority.

- SFO Constraints. Northeastern portions of San Bruno lie beneath flight paths for arrivals and departures of San Francisco International Airport (SFO), including areas within the 65 Community Noise Equivalent Level (CNEL) and 70 CNEL aircraft noise contours. The SFO Airport Land Use Compatibility Plan (ALUCP) identifies areas within the 65 CNEL and 70 CNEL noise contours as conditionally compatible or incompatible with SFO noise compatibility policies. New residential uses are permitted within the 65 CNEL noise contour, provided that sound insulation is provided to reduce interior noise levels from exterior sources to 45 CNEL or lower and that an aviation easement is granted to the City and County of San Francisco as operator of SFO. New residential uses are not compatible in areas exposed to noise above 70 CNEL and are not allowed in these high noise areas.

The City promotes noise mitigation from SFO to the fullest extent possible through the SFO/Community roundtable and ongoing coordination with the County Airport Land Use Commission. The City seeks to reduce the area in San Bruno impacted by airport noise in order to meet its housing responsibilities while complying with the SFO noise and land use requirements of the Airport Land Use Compatibility Plan. The Transit Corridors Plan and zoning code update will allow new residential development within the 65 decibel CNEL noise contour and define standards as outlined in the 2025 General Plan and in accordance with the 2012 ALUCP.

- Palmer v. City of Los Angeles (1999). The California Court decision in Palmer v City of Los Angeles hinders San Bruno's ability to require affordable rental housing through the City's Below Market Rate Housing Program. The court ruled that local inclusionary housing programs cannot mandate rent restrictions in new rental housing developments or require payment of in-lieu fees as an alternative. City staff is monitoring the results of the Palmer decision to determine what actions, if any, the City should consider.
- Loss of Redevelopment. The enactment of AB-26 dissolved all redevelopment agencies in California on February 1, 2012. Low and Moderate Income Housing (LMIH) tax increment generated from the San Bruno Redevelopment Project Area was the City's main source of funding for affordable housing. San Bruno had one Redevelopment Project Area, which was established in July 1999. During its 13 years of operation, the Redevelopment Agency facilitated the development of 325 units affordable to very low income households. The City monitors new initiatives to generate funding for affordable housing and economic development at the state level.