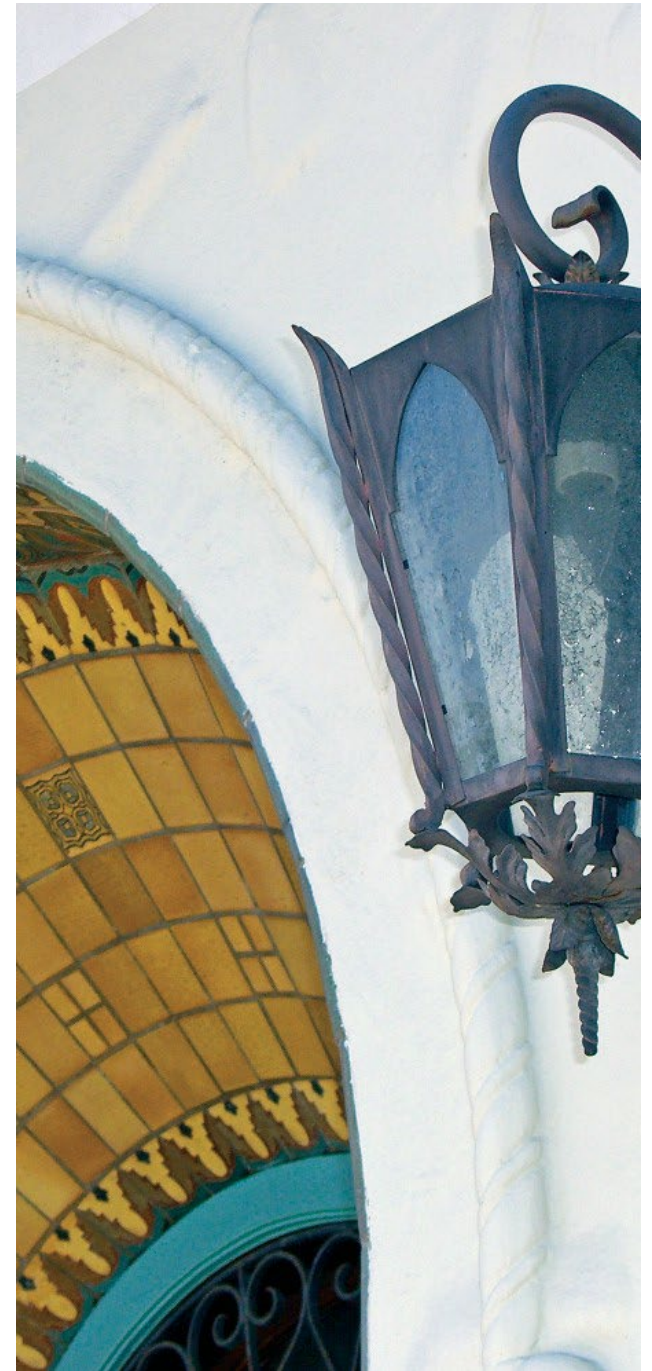


San Carlos 2023-2031 Housing Element

DRAFT AUGUST 30, 2022



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Overview of the Housing Element

All California cities and counties are required to have a Housing Element included in their General Plan, which establishes housing goals, policies, and actions in response to community housing conditions and needs. This Housing Element has been prepared to respond to current and near-term future housing needs in San Carlos and also provide a framework for the community's long term approach to addressing its housing needs. The Housing Element contains goals, updated information, and strategies (policies and implementing actions) that the City is committed to undertaking.

Housing affordability in San Mateo County and in the Bay Area as a whole is a critical issue. San Carlos's housing conditions are reflective of many area-wide and even nation-wide trends. Over the past thirty years, housing costs have skyrocketed out of proportion to many people's ability to pay. In addition, interest rates, construction costs, and high land costs have all increased significantly. This has a number of implications as it becomes more difficult for employers to fill vacant jobs, workers must travel longer distances into and out of San Carlos and surrounding areas to get to work, and many young people, families, longtime residents, and people with specialized housing needs cannot find housing they can afford or that meets their needs.

The Housing Element touches many aspects of community life. This Housing Element builds upon the goals, policies, and implementing programs contained in the City's 2015-2023 Housing Element and other City policies and practices to address

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housing needs in the community. The overall focus of the Housing Element is to enhance community life, character, and vitality through the provision of adequate housing opportunities for people at all income levels.

The Housing Element covers the planning period of January 31, 2023 through January 31, 2031.

Consistency with the San Carlos General Plan

The San Carlos General Plan serves as the ‘constitution’ for development in the city. It is a long-range planning document that describes goals, policies and actions to guide decision-making. All development-related decisions must be consistent with the General Plan, of which the Housing Element is but one part. If a development proposal is not consistent with a city’s General Plan, it must be revised or the plan itself must be amended. State law requires a community’s General Plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall General Plan, with consistency between it and the other General Plan elements.

The 2023-2031 Housing Element was updated as part of a focused General Plan Update to address environmental safety, housing, and land use. All policies and actions in other General Plan elements were prepared to be consistent with the Housing Element. Land Use designations and densities in the Land Use Element were prepared to be consistent with this Housing

Element and to accommodate San Carlos’ housing need for the 2023-2031 planning period.

The intent of the 2015-2023 Housing Element is to maintain the consistency of the Housing Element with the other General Plan Elements over time. Consistency modifications ensure that any potential impediments to implementation of the Housing Element are addressed in the other elements of the General Plan.

State Law Requirements for Housing Elements

State law requires each city and county to adopt a General Plan containing at certain topics (called “elements”), including a Housing Element. California State law provides more detailed requirements for the Housing Element than for any other General Plan element. This Housing Element responds to those requirements, as well as conditions and policy directives unique to San Carlos.

Unlike the other mandatory General Plan elements, the Housing Element requires periodic updating and is subject to detailed statutory requirements and mandatory review by the State of California Department of Housing and Community Development (HCD). According to State law, the Housing Element must:

- Provide goals, policies, quantified objectives and scheduled programs to preserve, improve and develop housing.

- Identify and analyze existing and projected housing needs for all economic segments of the community.
- Identify adequate sites that will be zoned and available within the Housing Element planning period – between 2023 and 2031 – to meet the City’s share of regional housing needs at all income levels.
- Undertake HCD review of the Draft Housing Element and certification of the City’s adopted Housing Element in compliance with State law.

State law establishes detailed content requirements for Housing Elements and a regional “fair share” approach to distributing housing needs throughout all communities in California, including the Bay Area. The law recognizes that in order for the private sector and non-profit housing developers to address housing needs and demand, local governments must adopt land use plans and implement regulations that provide opportunities for, and do not unduly constrain, housing development.

The Housing Element must provide clear policies and direction for making decisions related to zoning, subdivision approval and capital improvements that relate to housing needs. The housing actions (i.e., programs) are intended to: (1) identify adequate residential sites available for a variety of housing types for all income levels; (2) focus on the provision of adequate housing to meet the needs of lower and moderate income households; (3) address potential governmental constraints to the maintenance, improvement and development of housing; (4) preserve and improve the condition of the existing affordable housing stock; and, (5) promote housing opportunities for all persons. Also in

accordance with State law, the Housing Element must be consistent and compatible with other elements (or sections) of the San Carlos 2030 General Plan.

Process of Preparing the Housing Element

San Carlos’s history of extensive community involvement in local decision-making makes the community outreach process for the Housing Element update not only essential and highly desirable, but also a critical component of the work effort. The approach for the Housing Element update described below is consistent with State law contained in Government Code 65583(c)(7) – “The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” At its core, the Housing Element provides an opportunity to have a community conversation about how to collaboratively address local housing challenges, develop policies, and find solutions.

Engagement Process

The City’s housing engagement process was two-fold: a county-wide collaboration between all jurisdictions called Let’s Talk Housing and a city-specific engagement process.

21 Elements / Let’s Talk Housing

21 Elements is a multi-year, multi-phase collaboration between all San Mateo County jurisdictions, along with partner agencies and stakeholder organizations, that aims to support jurisdictions in developing, adopting, and implementing local housing

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policies and programs. Let's Talk Housing is a collaborative effort between all 21 jurisdictions in San Mateo County focused on increasing awareness of and participation in the Housing Element update process.

21 Elements/Let's Talk Housing organized a series of countywide meetings about the Housing Element update and provided community members with an introduction of the Housing Element update and why it matters. These meetings were attended by more than 1,000 community members. San Carlos was part of the April 13, 2021 introductory meeting. Additionally, Let's Talk Housing held an All About RHNA webinar and a countywide four-part webinar series to help educate and inform San Mateo County residents and stakeholders on regional and local housing issues. The four-part series took place on Zoom in fall of 2021, focusing on the following topics and how they intersect with the Bay Area's housing challenges and opportunities:

- Why Affordability Matters
- Housing and Racial Equity
- Housing in a Climate of Change
- Putting it All Together for a Better Future

The series included speaker presentations, audience Q&A, breakout sessions for connection and debrief discussions. The sessions were advertised and offered in Spanish, Mandarin, and Cantonese, though participation in non-English channels was limited.

Key themes that emerged included:

- Housing affordability is a public health issue: Where we live impacts our health, economic equity, environmental and racial justice
- The Three S's: Supply, Stability and Subsidy: Increase housing supply, protect renters and vulnerable households by providing stability, fill the gaps with subsidies
- Implement strategies to promote climate-ready housing

In addition to the discussions above, Let's Talk Housing also sponsored four "listening sessions" with city and county staff and key stakeholders, that convened more than 30 groups. These stakeholders represented organizations that focused on:

- Building market-rate or affordable housing
- Addressing fair housing issues
- Advocating for affordable housing
- Providing housing services

San Carlos Housing-Element Focused Engagement

The Housing Element is being updated in conjunction with the City's Safety Element and amendments to the Land Use Element and other elements in support of the Housing Element. The public engagement program initiated for this consolidated effort sought to use people's time efficiently, so that an outreach activity could inform more than one element. However, the emphasis has been housing and the Housing Element. The program's approach focused on helping people understand how these plans can

impact their community and daily lives, with less emphasis put on explaining the legislative requirements and planning jargon. The engagement program leveraged a variety of outreach and engagement strategies, tools, and methods to inform, educate, and engage stakeholders throughout the planning process. The update was called “San Carlos 2040” to highlight the initiative.

The planning process sought to engage many key audiences: the City Council Housing Subcommittee, Planning Commission, City Council, various other Commissions, a wide variety of stakeholders (local agencies and housing groups, community organizations, housing developers, and student groups, etc.), and the general public (residents of the community).

Hundreds of residents, businesspeople, and other stakeholders participated across a series of activities. Outreach and participation for this Housing Element update was different than previous years because much of the update process occurred during the COVID-19 pandemic. Meetings were promoted through website updates, social media posts, mailers, and flyers posted in public spaces to advertise and invite the community to virtual workshops. Service organizations were directly contacted to solicit participation in the program, and included organizations representing lower- and moderate-income households, seniors, and youth, among others. Through this robust outreach and engagement process, the strategies in the Housing Element were defined.

Stakeholder Interviews

At the outset of the engagement process, the City interviewed participants who represent different constituencies in the community to get input on housing issues and potential engagement strategies to reach the community. Stakeholders included the local Chamber of Commerce, the City’s Recreation Division, the PTA Coordinating Council, and the San Carlos School District.

Community Workshops and Follow-Up Surveys

MIG facilitated multiple virtual interactive community workshops that addressed housing-related issues as part of the Housing Element update process. The workshops included a presentation, live polling, virtual whiteboard recording to collect input from the participants, and an interactive discussion.

City staff conducted robust community outreach to encourage maximum participation in the workshops and surveys that followed workshops. This included social media posts on Facebook, NextDoor, Instagram, and Twitter. Announcements about the project and workshop were made at public meetings including City Council, Planning Commission, Transportation & Circulation Commission, Economic Development Advisory Council, and the Youth Advisory Council. In addition, the workshops were promoted through the City’s Spotlight Newsletter, City Council Newsletter, Adult Community Center Newsletter, Chamber of Commerce Newsletters, and E-notify blasts. Grassroots efforts included booths at the San Carlos Farmer’s Market and flyers throughout the Downtown. Across all

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the workshops and surveys there were 370 stakeholders who participated.

Participants were invited to share housing and environmental safety ideas and concerns at all engagement activities. The first community survey focused on housing and environmental safety issues. The first workshop introduced the planning process for the Housing and Environmental Safety Elements and offered participants the opportunity to discuss housing concerns and ideas for solutions. A second survey launched just before the second workshop, which focused on defining key priorities to consider when defining where and how new housing might be built in San Carlos. The second workshop provided additional background information for the survey and the team introduced possible land use policy changes and strategies that would allow for additional housing to be constructed throughout the community.

The third workshop shared the estimated number of housing units that could be accommodated with existing zoning and policies, identified the anticipated housing shortfalls, and introduced new ideas and strategies to achieve housing targets. The fourth workshop discussed and refined potential changes to accommodate San Carlos' housing needs and collected input on possible zoning strategies for El Camino Real and other higher density residential areas.

Table 4.1-1: Community Workshops and Surveys

Community Workshop	Date / Date Range	Topic	Number of Participants
Survey #1	Mid-October to December 7, 2020	Housing and Environmental Safety	76
Workshop #1	November 30, 2020	Community Values, Issues, and Concerns	65
Survey #2	January 11 – February 12, 2021	Housing Priorities	75
Workshop #2	January 20, 2021	Values and Land Use Strategies	75
Workshop #3	May 26, 2021	Housing Changes and Solutions	37
Workshop #4	August 11, 2021	Housing Changes and Zoning Strategies	42

Community and Focus Group Meetings

To engage the City's active interest groups, the City met with an existing neighborhood group (Greater East San Carlos; January 19, 2021), the Harbor Industrial Association (November 4, 2021), and the Chamber of Commerce (January 18, 2022). City staff also presented an update on the Housing Element to the Economic Development Advisory Commission on September 22, 2020 and August 24, 2021 and presented to the Transportation and Circulation Commission on November 17, 2020 to describe the project, answer questions, and receive feedback.

The City also convened a focus group representing local service providers that represent persons with special needs (June 13, 2022). The focus group meeting included representatives from a variety of community-based organizations. More than 25

organizations were invited to participate. Organizations that participated included:

- Caminar – Project Ninety
- Catholic Charities
- City of San Carlos Adult/Senior Programs
- HIP Housing
- Housing Choices
- Housing Leadership Council of San Mateo County
- Project Sentinel
- Samaritan House
- San Carlos Elms
- Vista Center

At these meetings, the City shared information about the Housing Element Update process and solicited input on housing needs for various special needs groups.

City Council, Planning Commission, and Subcommittee Committee Study Sessions

The City held several study sessions with the City Council, Planning Commission, and City Council Housing Subcommittee to guide the direction of policy development and to provide additional opportunities for public input (Table 4.1-2).

Table 4.1-2: Study Sessions

Study Sessions	Date	Topic
City Council Subcommittee Meetings	August 20, 2020; November 5, 2020; February 10, 2021; September 1, 2021; November 10, 2021; and March 15, 2021	Introduction to the Housing Element, Community Input, Meeting the RHNA and Housing Policies
Planning Commission Study Session	October 19, 2020	Introduction to the Housing Element
City Council Study Session	September 27, 2021	Community Input and RHNA
Planning Commission EIR Scoping Session	January 12, 2022	Process Update and EIR Scoping
City Council Subcommittee Meetings	August 20, 2020; November 5, 2020; February 10, 2021; September 1, 2021; November 10, 2021; March 15, 2021; September 2022	Meeting the RHNA, Housing Policies, and Public Review Draft Housing Element
Planning Commission Study Session	September 19, 2022	Public Review Draft Housing Element
City Council Study Session	September 26, 2022	Public Review Draft Housing Element

Key Themes from Public Engagement

Key themes and recommended strategies that emerged from these engagement activities include:

- **Coordination** – The interdisciplinary nature of housing was a common theme, and the need to coordinate with Caltrain, employers, and entities that provide supportive services and infrastructure for housing.
 - **Financial Partnerships** – Recognizing the high cost associated with affordable housing, partnerships were identified as important, with an emphasis on collaboration with nonprofits and the County to build affordable housing.
 - **Decrease Greenhouse Gas Emissions (GHG)** – Avoid increasing greenhouse gas emissions and ensure that new buildings use energy-efficient appliances and renovate existing structures so that gas-fueled furnaces, water heaters, or stoves are not used.
 - **Meeting the Housing Needs of Different Age Groups** – Create additional housing for seniors and provide additional assisted living facilities, and at the same time recognize the housing needs of younger residents.
 - **Meeting the Housing Needs of Special Needs Groups** – Child care and developmental disabilities advocates contributed information regarding the needs and potential actions to support these special needs groups.
 - **Increase Housing Options** – Provide more housing options (apartments, condominiums, duplex, triplex, etc.), housing characteristics (increase building heights, unit density, and compactness) and increase options for specific groups (essential workers, local low-income residents, seniors, and younger populations).
- **Implications of Single-Family Zoning** – Note the historical injustices and inequities amplified and perpetuated by single-family zoning and consider the equity implications of preserving single-family zoning. Address historic housing injustices with support for diversity and inclusive housing. Include housing as a buffer between single-family homes and large buildings/development.
 - **Increase Accessory Dwelling Units (ADUs)** – Build new ADUs and encourage new development to subsidize ADUs.
 - **Balance Jobs:Housing** - Provide affordable housing in balance with number of local low-income jobs.
 - **Renovate and Update Existing Units** - Upgrade old properties, renovate older apartments into affordable housing, and convert unused office buildings into housing.
 - **Increase Transit Oriented Development** – Build new housing along high-quality transit corridors. Encourage use of public transportation.
 - **Increase Multi-Family Housing** – Support a variety of multi-family housing unit sizes and types such as duplexes, triplexes, high-density multi-family developments, and micro-units. Consider rezoning east of the freeway for multi-unit. Encourage family-sized units. Support for higher building heights if there was more BMR (below market rate) housing in the development.

- **Ownership Opportunity** – Promote diverse ownership by prioritizing smaller development and more opportunities for ownership.
- **Increase Infrastructure Capacity** – Expand and maintain the infrastructure capacity for water, waste, electricity, and transportation to support the new housing.
- **Potential Scenarios** – The planning team presented three potential land use scenarios that would accommodate more housing than the current zoning would allow. The community had a variety of questions regarding the details and desires transparency regarding impact, construction schedules, and design. In general, participants favored six-story buildings at 75 ft. in height (i.e., support for higher heights was associated with the provision of more affordable housing) and transitioning buildings between districts.
- **Diverse Opinions** – While several participants supported the potential scenarios and overall housing growth, participants noted the need for transparency and compromise. Many suggested limiting building heights to 4-stories. Some suggested spreading growth in areas that have high densities and increasing multi-family and mixed-use housing throughout San Carlos.

Comments from community workshops and correspondence received during the update process have helped to identify housing needs and issues of concern in the community and possible strategies for the City to pursue in addressing housing needs.

How Public Comments Were Considered

Comments from community workshops and correspondence received during the update process have helped to identify housing needs and issues of concern in the community and possible strategies for the City to pursue in addressing housing needs.

Public Review Draft Housing Element

The Draft Housing Element was posted on the City's website, made available at City Hall, at the Community Development Department, and at the San Carlos Library. The City advertised the availability of the Draft Housing Element for public review through email notifications to the City's distribution list and on the City's social media outlets. The Draft Housing Element was available on August 30, 2022 for a 30-day comment period. During this time, an online comment form was available for the public to provide feedback on the Draft Element. The City scheduled two study sessions for September 19, 2022 and September 26, 2022 to receive verbal comments from Councilmembers, Commissioners, stakeholders, and the public. Based on comments from the public, the City (consistent with AB 215) will take 10 business days to consider and incorporate public comments prior to submitting the Draft Housing Element to HCD.

The Draft Element, as revised, will remain available on the City's website for additional public review and comment during the HCD review period. As revisions are made to respond to HCD comments, this information will also be posted on the City's website.

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Housing Goals, Policies, and Actions

San Carlos' mission is to provide high-quality services and facilities to its residents in an equitable, sustainable, transparent, responsive, and friendly manner to foster an inclusive, safe, and healthy community now and in the future.

San Carlos takes its mission to heart in developing and implementing its Housing Element. San Carlos is committed to actively encouraging, supporting, and facilitating the creation of a safe, inclusive, diverse, and affordable supply of housing for all income levels. This includes implementing housing policies that expand and preserve its affordable housing stock, encourages greater access to housing, and minimizes the displacement of vulnerable residents. To that end, this Housing Element outlines an implementation plan through goals, policies, and implementing actions. Goals are long-range, broad, and comprehensive targets. They may not necessarily be measurable nor achievable in the lifespan of this General Plan; rather, they describe an intention for the future outcome the community would like to achieve. Policies are focused and specific instructional guidelines and are resources to draw upon during the City's decision-making process. The goals and policies are implemented through a series of housing actions. Actions identify specific programs the City will undertake toward putting each policy into action as a means to achieve goals.

The goals, policies, and actions were intentionally developed and written in response to identified housing needs in the community, constraints confronting the city, and resources

4 2023 HOUSING ELEMENT: HOUSING PLAN



available to address the housing needs. This Housing Element will guide San Carlos housing policy through the 2023-2031 planning period. San Carlos' housing goals, policies, and actions address the major housing needs identified by State law ([Government Code §65583\[c\]](#)):

- Identify adequate sites, with appropriate zoning and development standards and services to accommodate the locality's share of the regional housing needs for each income level;
- Assist in the development of adequate housing to meet the needs of extremely low, very low, low, and moderate-income households;
- Address and, where possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for people at all income levels, as well as housing for people with disabilities;
- Preserve and improve the condition of the existing affordable housing stock and preserve assisted (i.e., subsidized) housing developments at risk of conversion to market-rate housing; and
- Promote equal housing opportunities for all people, regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

In addition, San Carlos' two guiding principles supporting San Carlos' mission statement for housing are:

- Housing in San Carlos supports an economically and socially diverse population.
- Housing in San Carlos creates and supports vibrant neighborhoods and a cohesive sense of community.

GOAL HOU-1: PRESERVATION AND IMPROVEMENT OF THE QUALITY AND LIVABILITY OF EXISTING HOUSING AND NEIGHBORHOODS.

POLICIES

POLICY HOU-1.1

Existing Residential Neighborhoods. Preserve and improve the quality and livability of existing residential neighborhoods through neighborhood improvements and housing rehabilitation programs.

POLICY HOU-1.2

Lower Income Residents Displacement. Minimize potential displacement of existing lower income residents due to increasing housing prices and rents.

ACTIONS**ACTION HOU-1.1**

Rental Inspection Program. Continue the Rental Inspection Program to preserve and improve existing housing stock and neighborhood quality.

Timeframe: Ongoing; annually conduct approximately 240 inspection visits

Responsible Agency: Building Division

Funding Sources: Community Development Department Budget

ACTION HOU-1.2**Residential Rehabilitation Programs.**

- As CDBG funds are available through San Mateo County Consortium, provide grants or loans to low and moderate-income households for the rehabilitation of residences. Examples of eligible repairs and improvements include but are not limited to energy efficiency and water conservation improvements, removal of impediments and material barriers that obstruct accessibility, roofing, plumbing repairs, electrical repairs, exterior painting, window replacement, seismic and flooding safety repairs/adaptations, and climate resiliency adaptations.

- Promote the availability of home repair services for low-income and special needs households available from private agencies in the county.

Timeframe: Continue to participate in the San Mateo County Consortium; add information on home repair organizations to the City's website in 2024, meet with affordable housing developers in 2024 to discuss rehabilitation opportunities.

Responsible Agency: Housing and Planning Divisions

Funding Sources: Community Development Department Budget, CDBG, San Mateo County Consortium

ACTION HOU-1.3

Preservation of At-Risk Housing. Retention of subsidized (i.e., assisted) housing is a critical part of maintaining the supply of affordable housing in San Carlos. San Carlos will continue to monitor the affordability of existing deed-restricted units and coordinate with property owners to encourage the retention of affordability of these units. At this time, San Carlos has no units at-risk of converting to market rate in the next ten years; however, programs are included in the unforeseen event that affordable units become at-risk during or immediately following the Housing Element period.

- Annually monitor the affordability status of at-risk rental units.

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- Maintain and update the City’s list of nonprofit and community-based organizations to contact regarding possible ownership and management of the at-risk units if they are in imminent risk of conversion.
- In the event a project becomes at risk of converting to market-rate housing, work with property owners or other interested non-profit housing providers to preserve the units as affordable housing.

Timeframe: Ongoing

Responsible Agency: Economic Development and Housing Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-1.4

Code Enforcement. San Carlos encourages the maintenance and improvement of housing for all income levels through its Code Enforcement Program. The goal of code enforcement is to minimize deferred maintenance and eliminate health and safety problems.

- Continue to implement the Code Enforcement program to bring substandard housing units into compliance with City building and property maintenance codes.
- Continue to refer eligible households to the available resources provided by nonprofits in the region, and as

feasible connect with local volunteer groups for rehabilitation support.

- Continue to evaluate staffing and funding to ensure adequate resources for the Code Enforcement Program.

Timeframe: Ongoing

Responsible Agency: Building Division

Funding Sources: Community Development Department Budget

GOAL HOU-2: HIGH QUALITY, HIGHER-DENSITY, MULTI-FAMILY HOUSING LOCATED CLOSE TO TRANSIT, IN DOWNTOWN, AND ALONG SAN CARLOS AVENUE AND EL CAMINO REAL

POLICIES

POLICY HOU-2.1

Design Quality. Promote well-designed multi-family housing and mixed-use projects in the Downtown area and along San Carlos Avenue and El Camino Real.

POLICY HOU-2.2

Complete Streets. Promote development that supports the City’s [Complete Streets Policy](#), [Bicycle and Pedestrian Master Plan](#), and a pedestrian- and bicycle-friendly environment.

ACTIONS**ACTION HOU-2.1**

Small Lot Development Incentives – Citywide. As taller and denser housing developments are constructed as a result of the City Density Bonus and revisions to the Zoning Ordinance, determine whether additional incentives are necessary for the development of small and odd-shaped lots and/or lot consolidation.

Timeframe: Ongoing; conduct a review to assess the City Density Bonus and density, height, and parking standards in the Zoning Ordinance in 2025; as needed identify additional incentives and present options to Council in 2026; review this action item on an annual basis to evaluate its effectiveness and make recommendations as needed.

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-2.2

Small Lot Development Incentives – Downtown. As part of the 2022-2024 Downtown Specific Plan project, identify new incentives for small lot development. The program may include incentives for small lots such as:

- Increasing allowable zoning density

- Relaxed development standards (including parking reductions for small lots)
- Streamlined permitting process
- City financial contributions, as well as other density bonuses, incentives and concessions that are otherwise required by State density bonus law for the provision of higher levels of affordable housing.

Timeframe: Adopt a new Downtown Specific Plan with small lot development incentives in 2025; review this action item on an annual basis to evaluate its effectiveness and make recommendations as needed.

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

GOAL HOU-3: ASSIST IN THE DEVELOPMENT OF NEW HOUSING THAT IS AFFORDABLE AT ALL INCOME LEVELS.**POLICIES****POLICY HOU-3.1**

Housing Choices. Encourage a diversity of high-quality housing in various types, locations, and price ranges for present and future residents.

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POLICY HOU-3.2

Affordable Housing. Provide financial and technical assistance or referrals to facilitate the development of affordable housing.

POLICY HOU-3.3

Home Ownership. Encourage home ownership opportunities for households of all income levels.

POLICY HOU-3.4

Rental and Owner Housing Balance. Encourage an even distribution of rental and ownership properties throughout the city and ensure developers are aware of the City Density Bonus provisions that encourage rental housing developments.

POLICY HOU-3.5

Income Distribution of Lower Income Affordable Housing. Encourage housing units affordable to extremely low, very low and low-income households, consistent with the identified regional housing need for San Carlos.

POLICY HOU-3.6

Housing Preferences. Provide housing policies and programs that give preferences, where allowable by law, to households with members who live or work in San Carlos or are employees of the City of San Carlos, and school, fire, and police districts that serve San Carlos.

ACTIONS

ACTION HOU-3.1

Funding Low, Very Low, and Extremely Low-Income and Special Needs Housing. Continue to apply the commercial/housing linkage fee to fund affordable housing and monitor fee amount to ensure it reflects market conditions. Encourage concurrent production of on or off-site affordable housing, in lieu of fee payment. Collaborate with existing and new major employers to encourage the development and funding of more affordable housing. Monitor and pursue county, state, and federal funding programs and sources for the creation of affordable housing. Offer financial and technical assistance for housing development projects for persons with special needs.

Timeframe: Ongoing; re-evaluate opportunities for construction in-lieu of fee payment in 2024; collaborate with city's 10 largest employers at least every other year; monitor funding and pursue opportunities through county, state, and federal funding programs and sources; offer funding and technical assistance to projects as they are proposed.

Responsible Agency: Planning, Economic Development, and Housing Divisions

Funding Sources: Community Development Department Budget, San Carlos Housing Authority, City of San Carlos BMR Funds

ACITON HOU-3.2

Below Market Rate (BMR) Ordinance.

- Continue to implement the City's Below Market Rate (BMR) Ordinance requirements for rental and ownership development.
- Establish a process for granting priority permit processing status for approved housing projects that exceed the City's minimum BMR requirement.
- Evaluate the BMR Ordinance's density bonuses, incentives, and concessions to determine they continue to make the production of affordable housing feasible. As part of this process, consult with local non-profit affordable housing developers to identify potential revisions that would better support development of affordable housing, and especially Low-Income Housing Tax Credit financed housing. Revise as necessary.

Timeframe: Ongoing; establish priority permit processing in 2024; re-evaluate the BMR Ordinance in 2024 and update as needed

Responsible Agency: Planning, Economic Development, and Housing Divisions

Funding Sources: Community Development Department Budget, San Carlos Housing Authority, City of San Carlos BMR Funds

ACITON HOU-3.3

Facilitate the Legalization and Construction of Accessory Dwelling Units (ADUs).

- Support the development of accessory dwelling units during the planning period and as new State laws modify accessory dwelling unit requirements, update the City's ordinance to comply.
- Collaborate with surrounding jurisdictions through the 21 Elements working group to determine best approach for tracking affordability throughout the planning period.
- Encourage the legalization of unpermitted accessory dwelling units to better ensure that they are safe and habitable. As sunset date of [San Carlos Municipal Code Section 18.23.210\(H\)](#) approaches, consider an extension, based on history of use of this provision and anticipated ongoing need.
- Work with other regional/agencies countywide partnerships to identify potential funding sources for ADU construction.
- Meet with three or four ADU builders to discuss needs and best practices. Review best practices from other cities for "pre-approved" ADUs and expedited review. Create submittal materials with documentation to facilitate expedited review. Update the City's website and include

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links to “pre-approved” plans. Conduct ongoing outreach with community.

- Review and as new information is available, update public education materials on accessory dwelling units, including planning and building requirements, streamline processing, funding possibilities, and other resources.
- Encourage local agencies, districts, and utility providers to reduce hook-up or other fees to facilitate the development of accessory dwelling units.

Timeframe: Ongoing; San Carlos Municipal Code Section 18.23.210(H) - 2028; work with 21 Elements - 2023; funding and pre-approved plans - 2024, all others - Ongoing

Responsible Agency: Planning and Building Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-3.4

First-time Homebuyer Programs. Direct prospective first-time homebuyers to HEART or other County programs intended for first time homebuyers. Encourage the use of these programs through outreach and education. Maintain and provide information on local BMR ownership units that are resold.

Timeframe: Ongoing; update information on the City’s website at least annually

Responsible Agency: Economic Development and Housing Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-3.5

Rental Voucher Program.

- Continue to implement the BMR ordinance, which specifies Housing Choice Voucher (Section 8) eligibility in the BMR program.
- Continue to work with the San Mateo County Department of Housing and nonprofit organizations to implement Housing Choice Voucher Rental Assistance programs. Continue to provide information on the Housing Choice Voucher program, including new legal requirements pursuant to SB 329, which prohibits housing discrimination on the basis of source of income (including Housing Choice Vouchers).
- Continue to collaborate with other cities in San Mateo County, regional organizations, and/or nonprofit organizations to evaluate and quantify potential discrimination against Housing Choice Voucher users or other rental assistance voucher programs. Continue to develop and act upon measures to address these issues.

Timeframe: Ongoing; update the City’s website annually

Responsible Agency: Economic Development and Housing Divisions

Funding Sources: HUD

ACTION HOU-3.6

State Density Bonus Law Consistency.

- Monitor State legislation as changes are made to [Government Code §65915](#); update the City's density bonus programs accordingly.

Timeframe: Ongoing; annually monitor State legislation and update the City's ordinances as needed

Responsible Agency: Planning and Economic Development and Housing Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-3.7

No Net Loss. [Government Code §65863](#) states that no jurisdiction shall "reduce, or require, or permit the reduction of, the residential density for any parcel to, or allow development of any parcel at, a lower residential density, or allow development at a lower residential density than projected" for properties identified in the Housing Element sites inventory unless the jurisdiction makes written findings that the reduction is consistent with the General Plan, and that the remaining sites identified in the

Housing Element are adequate to accommodate the jurisdiction's need.

- Develop and maintain a sites inventory throughout the planning period.
- Evaluate residential development proposals for consistency with goals and policies of the General Plan and the 2023-2031 Housing Element sites inventory and make written findings that any density reduction is consistent with the General Plan and that the remaining sites identified in the Housing Element are adequate to accommodate the RHNA by income level.
- If a proposed reduction of residential density will result in the residential sites inventory failing to accommodate the RHNA by income level, identify and make available additional adequate sites to accommodate its share of housing need by income level within 180 days of approving the reduced density project.

Timeframe: Sites Inventory – 2023, All Others - Ongoing

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-3.8

Replacement of Units on Sites. Pursuant to [Government Code §65583.2\(g\)\(3\)](#), require the replacement of units affordable to the same or lower income level as a condition of any development on

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a nonvacant site identified in the Housing Element consistent with those requirements set forth in [Government Code §65915\(c\)\(3\)](#). Replacement requirements shall be required for sites identified in the inventory that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, and:

- Were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low- or very low-income; or
- Subject to any other form of rent or price control through a public entity's valid exercise of its police power; or
- Occupied by low- or very low-income households

For the purpose of this program “previous five years” is based on the date the application for development was submitted.

Pursuant to [Government Code §66300\(d\)](#) (Chapter 654, Statutes of 2019 (SB 330)), the City shall not approve a housing development project that will require the demolition of residential dwelling units regardless of whether the parcel was listed in the inventory unless a) the project will create at least as many residential dwelling units as will be demolished, and b) certain affordability criteria are met.

Timeframe: Ongoing

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-3.9

Development on Nonvacant Sites. Promote residential development on nonvacant sites by:

- Targeting nonvacant sites identified in the Housing Element as priorities for fund allocation as funds are available.
- Proactively outreaching to property owners with a survey on how the city can support redevelopment/new housing efforts.

Timeframe: Consider adaptive reuse standards – 2026, All Others - Ongoing

Responsible Agency: Planning Division

Funding Sources: Departmental Budget

ACTION HOU-3.10

Anti-Displacement Strategies. Explore the following strategies to minimize resident displacement:

- Tenant protection policies
- Community land trust or a housing preservation fund

Timeframe: Complete analysis by 2026 and hold a hearing with City Council to adopt anti-displacement strategies

Responsible Agency: Planning, Economic Development, and Housing Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-3.11

Access to Opportunity. Noting historical inequities amplified/perpetuated by single family zoning, encourage small units in residential neighborhoods through development of ADUs, JADUs, and SB 9 units.

- See Action HOU-3.3 for specific measures to incentivize ADUs in San Carlos.
- Review the City's Zoning Ordinance and Subdivision Ordinance and implement updates as needed to provide clarity and facilitate housing development under SB 9. These include adopting updated definitions, use regulations, development standards, and ministerial processes based on the outcome of a complete SB 9 analysis. Staff anticipates bringing the ordinance to City Council by early 2023.

Timeframe: Bring SB 9 ordinance for consideration by City Council in Fall 2023. Production and affordability will be monitored every two years thereafter and alternative actions will be implemented if necessary to meet the RHNA.

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-3.12

Reduce Costs Associated With The Development Of Affordable and Special Needs Housing. Reduce or waive development impact fees (as needed) to facilitate 100% affordable and special needs housing, including housing for extremely low-income and persons living with disabilities (including persons with developmental disabilities).

Timeframe: Ongoing

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU 3.13

Reevaluate the City Density Bonus Provisions. In 2022, the City amended its City Density Bonus program to allow rental projects to add bonus market rate units at a ratio of 4:1 for each very-low Income unit and 2:1 for each low-income unit that is included in a development project. This City Density Bonus program currently applies citywide to rental housing developments, where multi-units and mixed-use projects are a permitted land use. In conjunction with the Housing Element update to meet the RHNA, modifications to allowable density, building height, and number of stories are proposed (see Action HOU-4.2), and it is understood that the State Density Bonus allows developments to go beyond the City's height limits to fit all the units to which the project is entitled by the bonus. Under this action, staff will evaluate the City Density Bonus biannually to review use and

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implementation of the revised City Density Bonus and, as needed, to identify if the City Density Bonus should be revised to target particular areas rather than apply the Bonus uniformly throughout the City, based on place and in areas that are least impactful.

Timeframe: Ongoing; conduct a review to assess the City Density Bonus based on place and present options to Council in 2024; reevaluate biannually thereafter.

Responsible Agency: Economic Development, Housing, and Planning Divisions

Funding Sources: Community Development Department Budget

GOAL HOU-4: REMOVE OR MITIGATE GOVERNMENTAL CONSTRAINTS INHIBITING THE PROVISION OF ADEQUATE, AFFORDABLE HOUSING THROUGHOUT SAN CARLOS

POLICY

POLICY HOU-4.1

Remove and/or mitigate potential governmental constraints to the provision of housing at all income levels.

ACTIONS

ACTION HOU-4.1

Adequate Sites to Meet Regional Fair Share of Housing Growth. The 2009 General Plan and accompanying 2011 Zoning Ordinance allows a variety of housing types, with densities ranging from one to six units per acre in single-family zoning districts, up to 59 units per acre along San Carlos Avenue, and up to 50 units to the acre in downtown San Carlos. In support of this 6th cycle Housing Element update, the City:

- proposes to create a new multifamily residential zoning category allowing a net density of up to 100 units per acre and proposes to increase mixed use densities up to 120 units per acre, and
- developed a parcel-specific inventory of sites suitable for future residential development

The City will:

- Continue to provide appropriate land use designations and zoning districts consistent with regional housing needs.
- Maintain an inventory of potential sites to provide to developers in conjunction with information on development incentives for affordable units.

- As part of the Housing Element annual reporting process, evaluate project development against the sites inventory to ensure compliance with [Government Code §65863](#).
 - Continue to pursue implementation of the General Plan through completion and adoption of implementing zoning regulations and specific plans.
 - Encourage senior housing and housing suitable for persons with disabilities and other special needs (including assisted living).
- 3) Remove minimum private open space requirement for residential in Mixed Use and Multi-unit zoning districts (retaining only the common/public open space requirement).
 - 4) For residential only development, remove additional required setbacks (i.e., removing requirement to follow RM-59 zoning setbacks) in Mixed Use zones (resulting in no setbacks in most conditions).
 - 5) Remove guest parking in all RM and Mixed-Use zones.
 - 6) Remove side and rear yard setback requirements for mixed use and multi-family housing developments, specifically pertaining to portions of the building wall containing living rooms, primary rooms, sleeping rooms, and walls containing windows.
 - 7) Allow multi-family residential use in the Public (P) zoning district as an accessory use to allowed uses such as onsite religious institutions and schools.

Timeframe: Ongoing

Responsible Party: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-4.2

Zoning Ordinance Revisions. Enact the following zoning changes:

- 1) Create new zones; increase density, heights, number of stories; and provide minimum densities as shown in Table 4.2-1.
- 2) Remove requirement for ground floor nonresidential uses along portions of El Camino Real and Old County Road, south of E. San Carlos Avenue.

Timeframe: January 2023

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

Table 4.2-1: Summary of Proposed Zoning Changes

Zone		Maximum Density (du/ac)		Minimum Density (du/ac)	Building Height (feet)		Building Stories (stories)	
Existing	Proposed	Existing	Proposed	Proposed	Existing	Proposed	Existing	Proposed
MU-N	MU-N-40	20	40	30	30-50 depending on distance from RS zone	50	4	4
MU-N	MU-N-50	20	50	38		50 (40 adjacent to RS zone)	4	4
MU-N	MU-N-120	20	120	90		75	4	6
MU-DC	MU-DC-100	50	100	75		50	4	4
MU-D	MU-D-100	50	100	75		60	4	5
MU-D	MU-D-120	50	120	90		75	4	6
MU-SC	MU-SC-120	59	120	90		75	4	6
MU-NB	MU-NB-120	50	120	90		75	4	6
MU-SB	MU-SB-100	50	100	75	35	60	4	5
MU-SB	MU-SB-120	50	120	90		75	4	6
RM-20	RM-20	20	20	15		35	3	3
RM-59	RM-59	59	59	45	50	50	4	4
--	RM-100	n/a	100	75	n/a	60	n/a	5

*Note: The City of San Carlos Zoning Ordinance does not have a minimum density requirement; with this update, a minimum density threshold is proposed.

ACTION HOU-4.3

Outreach: New Development Standards. Prepare, publicize, and provide applicants and developers with materials highlighting the City's revised zoning standards (Action HOU-4.2) intended to encourage the production of housing at all income levels.

Timeframe: New Zoning Standards' Materials Preparation – 2023

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-4.4

Objectivity and Streamlining in Development Regulations. Reduce the cost of building housing through, streamlining and clear and objective standards in development regulations.

- Review the Zoning Ordinance and craft revisions that support objective design standards consistent with the Housing Accountability Act. Adoption of objective design standards will facilitate high-quality residential development and compliance with State objectives.
- Revisit the Design Review Criteria to provide local guidance on design and standards for by-right projects as allowed by state law, removing subjectivity from findings and approval processes.
- Identify ways to reduce the permitting time for residential projects (especially 100% affordable projects) through

consideration of by-right approvals, reduced number of hearings, and objective design standards.

- To accommodate future SB 35 applications and inquiries, create and make available an informational packet that explains SB 35 streamlining provisions in San Carlos and provides SB 35 eligibility information.

Timeframe: Objective Design Standards - citywide, by end of 2023; Objective Design Standards - within the Downtown Specific Plan boundary, by spring 2024; develop informational materials on SB 35 in 2025

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-4.5

Water and Sewer Service Providers.

Immediately upon adoption, deliver the Housing Element to all providers of sewer and water service serving San Carlos, in accordance with [Government Code §65589.7](#).

- As the local sewer provider, establish procedures to grant priority sewer service to developments with units affordable to lower-income households.

Timeframe: Within one month of the Housing Element adoption deliver the Housing Element to providers; establish priority policy for sewer provision in 2024

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Responsible Agency: Planning and Engineering Divisions

Funding Sources: Community Development Department Budget

GOAL HOU-5: ADEQUATE HOUSING FOR SPECIAL NEEDS POPULATIONS.

POLICIES

POLICY HOU-5.1

Special Needs Population Housing. Promote the development and rehabilitation of housing to meet the needs of special needs groups, including seniors, persons with disabilities, the homeless, people with illnesses, people in need of mental health care, single parent families, large families, and others.

POLICY HOU-5.2

Single-Room Occupancy and Efficiency Apartments. Support the inclusion of Single Room Occupancy (SRO) units and efficiency apartments in higher density neighborhoods and mixed-use areas.

POLICY HOU-5.3

Emergency Shelters, Transitional, and Supportive Housing. Support programs to provide for a continuum of care for persons who are homeless including emergency shelters, transitional housing, and supportive housing.

POLICY HOU-5.4

Universal Design. Encourage the use of universal design principles to develop housing that is accessible to households with special needs.

POLICY HOU-5.5

Senior Housing. Provide for a variety of housing options and affordability levels for seniors, including independent living, assisted living, and nursing home care facilities, especially within walking distance of services and transit routes and in multi-family areas. Encourage senior housing that provides on-site recreational activities, medical care, and personal services that enhance the quality of life for residents.

POLICY HOU-5.6

Home Sharing. Support home sharing as a viable option to make efficient use of existing housing and as an alternative to building more housing in some areas to help address the housing needs of seniors, people living with disabilities, people at risk of homelessness, and homes with a female head of household.

ACTIONS

ACTION HOU-5.1

Emergency Shelters, Supportive and Transitional Housing.

- Implement standards contained in the Zoning Ordinance to accommodate the need for emergency shelters, supportive housing, and transitional housing.
- Review and modify the Zoning Ordinance as needed to comply with AB 101 requirements. AB 101 requires that Low-Barrier Navigation Centers be allowed by right in areas zoned for mixed-use and nonresidential zones permitting (by right or conditionally) multi-family uses.
- Review and modify the Zoning Ordinance as needed to comply with AB 2162 requirements to allow for modifications for required parking for units occupied by supportive housing residents that are located within one-half mile of a public transit stop.

Timeframe: Ongoing; review and amend the Zoning Ordinance in 2024

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-5.2

Large Rental Units and Supportive Services. Discuss with developers the ability to provide larger rental units appropriate

for families with children, including the provision of supportive services.

Timeframe: Ongoing (as projects are proposed)

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-5.3

Residential Care Facilities and Group Homes. San Carlos encourages the development of residential care facilities and group homes. Consistent with State law, the City permits group homes with six or fewer residents in all residential zoning districts by right.

- Amend the Zoning Ordinance code to allow group homes with seven or more residents as a permitted use in all zones that allow multi-unit or single-unit dwellings.
- Facilitate discussions with neighborhoods and adjacent uses so that good neighbor relationships are fostered and impacts to adjacent uses are mitigated.
- Seek opportunities to assist nonprofit housing providers to acquire and/or rehabilitate residential housing for group homes.

Timeframe: Amend the Zoning Ordinance in 2023; coordinate with neighborhoods and nonprofit housing providers on an ongoing basis

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Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-5.4

Special Needs Service Providers Contributions.

- On an annual basis, provide financial contributions to non-profit organizations and outside agencies that serve the housing needs of special needs households in and around San Carlos. These organizations and agencies may include but are not limited to: The Center for Independence of the Disabled (CID), HIP Housing, Shelter Network, Samaritan House, CALL Primrose, San Mateo County Children's Fund, and HEART, among others.
- Evaluate City contributions to outside agencies to assess whether to continue funding and/or adjust funding amounts or to consider other agencies for funding, particularly those organizations and agencies that provide housing with support services for persons with disabilities. As part of the evaluation, require outside agencies receiving City contributions to submit annual reports detailing how funds have been used and how programs have benefited San Carlos residents.

Timeframe: Ongoing; provide contributions on an annual basis through the CDBG funding process

Responsible Agency: Economic Development and Housing Divisions

Funding Sources: Community Development Department Budget, CDBG

ACTION HOU-5.5

Revised Development Standards to Support Special Needs Housing.

- Consider amending the Zoning Ordinance to clarify that development standards that allow for separate cooking and/or bathroom facilities in home sharing programs, and universal design (including "visitability") in all new residential development and significant remodeling projects.
- Encourage the development of well-designed new accessory dwelling units in existing neighborhoods by implementing objective standards for the approval of accessory units. Include an ADA accessible design option in pre-approved ADU plans.
- Encourage unhoused service or navigation centers to be located within or near SROs, transitional, and or/supportive housing.

Timeframe: Ongoing; complete a study on zoning needs for home sharing and universal design and bring to City Council for consideration in 2025

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

ACTION HOU-5.6

Equal Access to City Services. Adopt an accessibility policy establishing standards and procedures for providing equal access to City services and programs to all residents, including persons with limited proficiency in English, and persons with disabilities.

Timeframe: Hold a hearing with City Council to consider the accessibility policy in 2024

Responsible Agency: Administration Division

Funding Sources: Administrative Services Budget

ACTION HOU-5.7

Community Governance. Conduct public meetings at suitable times, accessible to persons with disabilities, and near public transit. Resources will be invested to provide interpretation and translation services when requested at public meetings.

Timeframe: Ongoing

Responsible Agency: City Clerk and Administration Division

Funding Sources: Administrative Services Budget

GOAL HOU-6: ELIMINATE DISCRIMINATION IN THE PROVISION OF HOUSING AND AFFIRMATIVELY FURTHER FAIR HOUSING.

POLICY

POLICY HOU-6.1

Fair Housing Law Enforcement and Discrimination Complaints.

- Enforce fair housing laws to ensure that households seeking housing are not discriminated against on the basis of race, color, religion, sex, disability, age, marital status, family composition, national origin, sexual orientation or other arbitrary factors, consistent with the Fair Housing Act.
- Refer discrimination complaints to the appropriate legal service, County, or State agency.
- Ensure that housing programs maximize choice and avoid unlawful discrimination.

ACTIONS

ACTION HOU-6.1

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Affirmatively Furthering Fair Housing. Fair housing laws prohibit housing discrimination based on race, color, religion, sex, or national origin. San Carlos has identified the following objectives/meaningful actions to affirmatively further fair housing (Table 4.2-2):

Table 4.2-2: Affirmatively Furthering Fair Housing Issues, Contributing Factors, and Actions

Identified Fair Housing Issue and Priority (High, Medium, Low)	Contributing Factors	Meaningful Actions
Insufficient and Inaccessible Housing Options in High Opportunity Area for people who identify with any protected class [High]	<ul style="list-style-type: none"> • Location and type of affordable housing • Lack of access to opportunity due to high housing cost • Lack of fair housing outreach and enforcement • Availability of affordable housing • Availability of affordable units in a range of sizes. 	<p>The three identified fair housing issues are closely related, as such, the meaningful action items address all issues.</p> <ul style="list-style-type: none"> • Continue to support local agencies and organizations that provide fair housing services to San Carlos residents. <i>Timeframe: Annually through the San Mateo County Consortium, which distributes CBDG funding.</i> • Require non-discrimination clauses in rental agreements and deed restrictions for affordable housing. <i>Timeframe: ongoing for each new and continued affordable housing rental agreement/deed restriction</i> • Promote public awareness of federal, State, and local regulations regarding equal access to housing. Provide information to the public on various state and federal housing programs and fair housing law. Maintain referral information on the City's website and at a variety of other locations such as community and senior centers, local social service offices, in City utility bills, and at other public locations including City Hall and the library. Add resources and information in Spanish and make available to the public. Continue to coordinate with other agencies and organizations, including 21 Elements, to identify other means of informing residents about fair housing laws. <i>Timeframe: four times per year as part of fair housing workshops by the Fair Housing Foundation and other housing related events.</i>
Protecting Existing Residents from Displacement [Moderate]	<ul style="list-style-type: none"> • Due to economic pressures • Availability of affordable housing • Availability of affordable units in a range of prices 	<ul style="list-style-type: none"> • Include a fair housing presentation in City Council meetings. Continue to educate and train City staff regarding fair housing laws. As appropriate, partner with organizations such as Project Sentinel to provide resources. <i>Timeframe: at least once every other year.</i>
Provide Access and Inclusion for Persons with Disabilities [Moderate]	<ul style="list-style-type: none"> • Lack of supportive services for persons with disabilities • Lack of access to resources, such as schools, transportation, and other in home or community resources for persons with disabilities 	

Table 4.2-2: Affirmatively Furthering Fair Housing Issues, Contributing Factors, and Actions

Identified Fair Housing Issue and Priority (High, Medium, Low)	Contributing Factors	Meaningful Actions
		<ul style="list-style-type: none"> • Implement an accessibility policy that establishes standards and procedures for providing equal access to City services and programs to all residents, including persons with limited proficiency in English, and persons with disabilities. <i>Timeframe: By 2024</i> • Ensure that all development applications are considered, reviewed, and approved without prejudice to the proposed residents, contingent on the development application's compliance with all entitlement requirements. <i>Timeframe: Ongoing</i> • Continue to use the Rental Inspection Program as a tool to monitor and address fair housing issues. <i>Timeframe: Ongoing</i> • Conduct public meetings at suitable times, accessible to persons with disabilities, and near public transit. Resources will be invested to provide interpretation and translation services when requested at public meetings. <i>Timeframe: Ongoing</i> • Prioritize community and stakeholder engagement during controversial development decisions. <i>Timeframe: Ongoing</i> • Continue to educate landlords on fair housing law, reasonable accommodations and disability rights, including posting reasonable accommodations on the website and at prominent location near the permit counter. <i>Timeframe: Ongoing</i> <p>Related actions in this Housing Plan meet multiple needs, including affirmatively furthering fair housing, including:</p> <ul style="list-style-type: none"> • Action HOU-1.1: Rental Inspection Program • Action HOU-1.2: Residential Rehabilitation Programs • Action HOU-1.3: Preservation of At-Risk Rental Housing • Action HOU-3.1: Funding Low, Very Low-, and Extremely Low-Income and Special Needs Housing • Action HOU-3.2: BMR Ordinance • Action HOU-3.3: Accessory Dwelling Units • Action HOU-3.4: First-Time Homebuyer Programs • Action HOU-3.5: Rental Voucher Program • Action HOU-3.10: Anti-Displacement Strategies

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Table 4.2-2: Affirmatively Furthering Fair Housing Issues, Contributing Factors, and Actions

Identified Fair Housing Issue and Priority (High, Medium, Low)	Contributing Factors	Meaningful Actions
		<ul style="list-style-type: none"> • Action HOU-3.11: Access to Opportunity • Action HOU-3.12: Affordable and Special Needs Incentives • Action HOU-4.1: Adequate Sites to Meet the RHNA • Action HOU-4.2: Zoning Ordinance Revisions • Action HOU-4.3: Outreach: New Development Standards • Action HOU-5.2: Large Rental Units and Supportive Services • Action HOU-5.3: Residential Care Facilities and Group Homes • Action HOU-5.4: Special Needs Service Providers Contributions • Action HOU-5.5: Revised Development Standards to Support Special Needs Housing • Action HOU-5.6: Equal Access to City Services • Action HOU-5.7: Community Governance • Action HOU-6.1: Fair Housing Law Enforcement and Discrimination Complaints • Action HOU-8.1: Partnership Programs

Timeframe: Identified in Table above for each Action

Responsible Agency: Economic Development, Housing, and Planning Divisions

Funding Sources: Community Development Department Budget

GOAL HOU-7: INCREASED ACCESS TO CHILDCARE.

POLICY

Policy HOU-7.1

Access to Childcare. Increase access to childcare by including childcare facility siting opportunities and reducing regulatory and financial barriers to the creation and expansion of childcare facilities in San Carlos.

ACTIONS

ACTION HOU-7.1

Childcare development impact fee. Study and hold a hearing with City Council to consider establishing a childcare development impact fee for new nonresidential developments.

Timeframe: Complete study and hold a hearing with City Council by spring 2023

Responsible Agency: Economic Development and Housing Divisions

Funding Sources: Community Development Department Budget

ACTION HOU-7.2

Childcare Zoning.

- Allow by-right the siting and development of childcare centers and family childcare homes in all residential, mixed-use, and other zones where residences are permitted, for the convenience of families. Consider modified zoning standards, modified review procedures, and other incentives to facilitate childcare centers' development.
- Encourage the inclusion of space for childcare in new housing developments, including affordable housing developments, as feasible.
- Ensure that zoning code and permitting practices are consistent with State law that prohibits use permits, business licenses, etc. for Large Family Child Care Homes.
- In addition to the traffic impact fee exemption already provided, continue the discussion with decision makers to consider potential incentives for developers to provide childcare facilities or services as part of new residential, commercial, and industrial developments, including but

not limited to: density bonuses, increases in floor area ratios, parking reduction, community benefits credit, expedited entitlements, or other modifications to zoning regulations.

Timeframe: Complete study and hold a hearing with City Council in 2025

Responsible Agency: Planning Division

Funding Sources: Community Development Department Budget

GOAL HOU-8: INCREASING COMMUNITY PARTNERSHIPS AND PUBLIC EDUCATION

POLICY

POLICY HOU-8.1

Partnerships. Further housing opportunities, affordability, and access throughout San Carlos and the region by partnering with other jurisdictions, community organizations, and jurisdictions while educating San Carlos residents, business community, and service providers about housing issues and opportunities.

ACTIONS

ACTION HOU-8.1

Partnership Programs

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Continue to work with the following organizations, or other similar organizations, to increase housing opportunities in San Carlos:

- HIP Housing - home sharing programs including potential owners and renters matching;
- 21 Elements - funding sources for low-, very low-, and extremely low- income housing, funding sources for special needs housing; rental voucher discrimination claims, among others; funding sources for ADU construction or remodels and best practices to encourage ADUs
- San Mateo County Consortium
- San Mateo Department of Housing - Section 8 housing assistance
- HEART - first time home buyers programs
- Others as opportunities arise

Explore partnerships with housing operators, non-profit organizations, and developers to rehabilitate and convert existing market rate rental housing into affordable housing for extremely low, very low, low and moderate-income households.

Timeframe: Ongoing; discuss opportunities with developers that contact the City annually

Responsible Agency: Economic Development, Housing, and Planning Divisions

Funding Sources: Community Development Department Budget

Summary of Quantified Objectives

Table 4.2-3 summarizes San Carlos' quantified objectives for the 2023-2031 Housing Element planning period.

- The Construction Objective represents the City's 2023-2031 RHNA.
- The Rehabilitation Objective represents the objective for the Rental Inspection Program over the eight-year planning period; of the 240 annual inspection visits, approximately one-third (80 units) require a correction/rehabilitation annually.
- The Conservation/Preservation objective refers to the preservation of the existing affordable housing stock throughout the planning period (as listed in Table 4.3-8: Below Market Rate Housing Inventory in the Housing Needs Assessment chapter).

Table 4.2-3: Housing Element Quantified Objectives

	Income Level				Total	
	Extremely Low	Very Low	Low	Moderate		Above Moderate
Construction Objective (RHNA)	739		425	438	1,133	2,735
Rehabilitation Objective	640				--	640
At-Risk Affordable Housing Units to Preserve	40		57	32	--	137

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Population and Employment Trends

Housing needs are influenced by population and employment trends. This section provides a summary of current changes to the population size, age, and racial/ethnic composition, as well as current employment conditions of the City of San Carlos.

Current Population and Projected Population Growth

Between 2010 and 2020, as reported by the California Department of Finance, the population of San Carlos grew approximately 6 percent, from 28,406 to 30,145 residents. Compared with the County of San Mateo, which experienced a 7.6 percent increase from 2010 to 2020, San Carlos' growth rate was less. The Association of Bay Area Governments (ABAG) growth forecasts predict a steady increase in population through 2030. From 2020 to 2030, ABAG estimates that San Carlos' population will grow by 12.5 percent, while countywide population is expected to increase by 10.4 percent; however, both are forecasted to grow less from 2030 to 2040 than the previous decade (see Table 4.3-1).

In addition to population projections, several other demographic characteristics and trends inform housing needs. Among these characteristics are composition of age, race and ethnicity, and employment.

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Table 4.3-1: Population and Projected Growth

Area	2010	2020	2030	2040	Change 2010-2020	Projected Change 2020-2030	Projected Change 2030-2040
San Carlos	28,406	30,145	33,915	35,250	6.1%	12.5%	3.9%
San Mateo County	718,451	773,244	853,260	916,590	7.6%	10.4%	7.4%

Source: CA Department of Finance E-5 Population and Housing Estimates, ABAG Growth Forecasts (Plan Bay Area Projections 2040)

Age

Population age distribution serves as an important indicator of housing needs because housing needs and preferences change as individuals or households grow older. Young families tend to focus more on cost and the ability to become first-time homebuyers. Table 4.3-2 shows the age distribution of San Carlos residents. In 2018, the 45-64 age group constituted the largest age group at approximately 30 percent, followed by the 20-44 age group at 28 percent. Compared with 2010, persons between 45-64 age continued to be the largest age group at 31 percent followed by persons between 20-44 at 30 percent maintaining its position as the second largest age group. The median age in the city is 42.2 years. Compared with the County (39.6 years) and the State (36.3 years), San Carlos's population is older. Since the age group 20-44 is the second largest at 28 percent, the need for larger units, at a range of income levels young families grow is likely to increase.

Race and Ethnicity

Table 4.3-2 also shows the racial/ethnic distribution of population in San Carlos. White (75 percent) and Asian/ Pacific Islander (17 percent) residents make up most of the City's population. Compared with the County of San Mateo, San Carlos has a higher percentage of White residents (75 percent compared to the County's 51 percent) and lower percentage of Asian/Pacific Islander residents (16 percent compared to 30 percent). Since 2010, the percentage of White residents and Asian/Pacific Islander residents have both increased by two percentage points, while Black and Hispanic residents have decreased (0.6 and two percent, respectively).

Table 4.3-2: Age, Race and Ethnicity, and Employment by Industry

Demographic Profile	2010	2018
Age		
0-19	7,070 (25%)	7,754 (26%)
20-44	8,462 (30%)	8,522 (28%)
45-64	8,827 (31%)	9,146 (30%)
65+	4,047 (14%)	4,658 (16%)
Median Age	42.6	42.2
Race/Ethnicity		
White (non-Hispanic)	21,830 (73%)	22,612 (75%)
Hispanic	3,283 (11%)	2,579 (9%)
Black	394 (1.3%)	205 (0.7%)
Asian/Pacific Islander	4,378 (15%)	4,992 (17%)
Other	1,234 (4%)	466 (1.5%)
Employment by Industry		
Educational services, and health care and social assistance	2,852 (20%)	3,344 (21%)
Retail trade	1,282 (9%)	1,001 (6%)
Manufacturing	1,657 (12%)	1,785 (11%)
Professional, scientific, and management, and administrative and waste management services	3,019 (21%)	3,837 (24%)
Construction	593 (4%)	672 (4%)
Arts, entertainment, and recreation, and accommodation and food services	709 (5%)	716 (4%)
Finance and insurance, and real estate and rental and leasing	1,192 (8%)	1,725 (11%)
Other services, except public administration	577 (4%)	510 (3%)
Transportation and warehousing, and utilities	286 (2%)	554 (3%)
Public Administration	589 (4%)	493 (3%)
Wholesale Trade	482 (3%)	303 (2%)
Information	883 (6%)	1,174 (7%)

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Table 4.3-2: Age, Race and Ethnicity, and Employment by Industry

Demographic Profile	2010	2018
Agriculture, forestry, fishing and hunting, and mining	0 (0%)	15 (0.1%)

Source: US Census Bureau 2010, 2018 5-Year Estimates

Employment

Residents in San Carlos are primarily employed in professional, scientific, management, and administrative and waste management services (24 percent), and educational services, health care and social assistance (21 percent). The average salary for professional, scientific, and management, and administrative and waste management services jobs is \$126,060 a year while those in and educational services, and health care and social assistance make, on average, \$66,359. A large salary gap between the two major industries occurs in San Carlos. Employment characteristics are important as they have a direct relationship with income. In San Carlos, the industries in which most residents work have high median earning potential.

According to the 2017 Economic Census prepared by the U.S. Census Bureau, most (92 percent) employed residents work outside of San Carlos. In addition to the estimated 985 residents who live and work in San Carlos, over 13,000 workers commute into San Carlos for their jobs. Major employers in San Carlos are outlined in Table 4.33.

Table 4.3-3: Top 10 Employers in San Carlos

Employer	Number of Employees	Percent of Total City Employment
Natera Inc.	486	2.9%
Pacific Gas & Electric Co.	269	1.6%
The Home Depot #0628	263	1.6%
Recology San Mateo County	240	1.5%
Check Point Software Tech Inc.	210	1.3%
Delta Star Inc.	208	1.3%
Joby Aero Inc.	170	1.0%
Atreca Inc.	162	1.0%
Thought Stream	154	0.9%
Trader Joe's #174	125	0.8%
Top 10 Employers	2,287	13.8%

Source: City of San Carlos Comprehensive Annual Financial Report July 1, 2020 – June 30, 2021

Household Characteristics

San Carlos household characteristics are summarized in Table 4.3-4. According to Census estimates, the number of households in San Carlos increased by 319 between 2010 and 2018. At the same time, the population has increased by an estimated 1,700 people, indicating an overall increase in household size.

Housing tenure refers to the occupancy of a housing unit—whether the unit is owner-occupied or renter-occupied. Housing tenure is influenced by demographic factors (e.g., household income, composition, and age of the householder), as well as housing cost. Nearly three-quarters (72 percent) of San Carlos households own their homes.

Income

The median household income for San Carlos (\$169,694 in 2018) is higher than the county of San Mateo median household income (\$113,776). In San Carlos, on average, owner households have a significantly higher median income (\$208,250) than renter households (\$91,250), a trend that is also reflected in San Mateo County, where owner median income is \$140,665 and renter median income is \$84,298.

The Census estimates that in San Carlos, 3 percent of residents live in poverty. The poverty threshold is set by the U.S. government to indicate the least amount of income a person or family needs to meet their basic needs. Poverty thresholds are established based on family size and are updated annually in relation to the Consumer Price Index, but do not vary

geographically. In San Carlos, certain populations are much more likely to be living in poverty. For example, 24 percent of Black/African American residents, seven percent of Hispanic residents, and 11 percent of residents with less than a high school degree are living in poverty. The proportion of people living in poverty in San Carlos is lower than the county of San Mateo at large, where nearly 6 percent of residents live in poverty.

Because poverty thresholds do not differ based on geographic differences, a better measure to understand income disparities can be to identify various percentages compared to the median income for a particular area. For housing planning and funding purposes, the Department of Housing and Urban Development (HUD) uses five income categories to evaluate housing need based on the Area Median Income (AMI) for the county:

- Extremely Low-Income Households earn 0-30 percent of AMI
- Very Low-Income Households earn 30-50 percent of AMI
- Low-Income Households earn 50-80 percent of AMI
- Moderate-Income Households earn 80-100 percent of AMI (HCD uses 80 to 120 percent)
- Above Moderate-Income Households earn over 100 percent of AMI (HCD uses over 120 percent)

The number and percentage of residents within each of these categories is listed in Table 4.3-4. Nearly half (45 percent) of renter households are in the lower income categories (0-80 percent AMI); 20 percent of owners are lower income.

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Table 4.3-4: Household Characteristic by Tenure

Household Characteristic	Owner Households	Renter Households	All Households
Number of Households ¹	8,148 (72%)	3,179 (28%)	11,327
Median Household Income ¹	\$208,250	\$91,250	\$169,640
Household Income Categories ²			
Extremely Low Income (0-30% AMI)	500 (6%)	400 (12%)	900 (8%)
Very Low Income (30-50% AMI)	470 (6%)	425 (13%)	895 (8%)
Low Income (50-80% AMI)	610 (8%)	650 (20%)	1,260 (11%)
Moderate Income (80-100% AMI)	505 (6%)	395 (12%)	900 (8%)
Above Moderate Income (100%+ AMI)	6030 (74%)	1,380 (42%)	7,410 (65%)
Total number of projected Extremely Low-Income Households (RHNA) ²	N/A	N/A	325
Overpayment			
All Households Overpaying for Housing ²	1,940 (24%)	1,225 (38%)	3,165 (28%)
Lower Income Households Overpaying for Housing ²	970 (61%)	1,080 (73%)	2,050 (67%)

Note 1 Source: U.S. Census Bureau 2018 5-Year Estimates

Note 2 Source: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS)

Tables 2013-2017

Housing Overpayment

State and federal standards specify that households spending more than 30 percent of gross annual income on housing experience a housing cost burden. Housing cost burdens occur when housing costs increase faster than household income. When a household spends more than 30 percent of its income on housing costs, it has less disposable income for other necessities such as health care, childcare, and food.

In the event of unexpected circumstances such as loss of employment or health problems, lower-income households with a housing cost burden are more likely to become homeless or double up with other households. In San Carlos, 28 percent of households are overpaying for housing. The situation is much starker for lower income households, where 67 percent are overpaying for housing. Almost three-quarters (73 percent) of lower income renters are overpaying for housing, and 61 percent of lower income owners are overpaying for housing.

Housing Stock Characteristics

Housing Stock

In 2020, the Department of Finance reported 12,385 housing units in San Carlos. Most of the City's housing stock is made up of single-family attached and detached homes (72 percent) with the remaining 28 percent multi-family. Census data indicates that 0.2 percent of owner units and 3.1 percent of rental units are vacant.

San Carlos was developed as a community of single-family dwelling units and has primarily remained as such. Single-family structures make up 72 percent of the City's housing stock, with multi-family comprising 28 percent.

Overcrowding

Overcrowding occurs when the relatively high cost of housing either forces a household to double-up with another household or live in a smaller housing unit to afford food and other basic needs. The current housing crisis resulting from an inventory shortage and high costs of housing also necessitates many families or individuals to share housing arrangements, leading to potential overcrowding. According to both California and federal standards, a housing unit is considered overcrowded if it is occupied by more than one person per room (excluding kitchens, bathrooms, and halls). A standard of one person per room considers occupancy of the rooms that are generally not intended to be used as sleeping quarters, including living rooms and otherwise common areas). The Census Bureau considers units

with more than 1.5 occupants per room to be severely overcrowded.

Table 4.3-5: Owner and Renter Housing Characteristic

Housing Characteristic	Owner Households	Renter Households	All Housing Units/ Households
Total Housing units			12,385
Single-Family Detached	N/A	N/A	8,394 (68%)
Single-Family Attached			540 (4%)
Multi-Family Units			3,419 (28%)
Mobile Home/Other			32 (.26%)
Median Household Size			2.57
Total Households ¹	69%	27%	
Vacancy Rate ²	0.2%	3.1%	516 (4%)
Overcrowded Units ¹	86	142	228
Units Needing Replacement/Rehabilitation ³	N/A	N/A	2
Median Housing Cost	\$1,624,500 ⁴	\$2,251 ⁵	N/A

Sources:

1. US Census Bureau 2018 5-Year Estimates
2. 2020 CA Department of Finance E-5 Population and Housing Estimates
3. As reported by the San Carlos Building Department
4. CoreLogic June 2022
5. Census Bureau 2019 5-Year Estimates

In San Carlos, 2 percent of occupied housing units are overcrowded. Of these, 37 percent are considered severely overcrowded. Overcrowding is more prevalent in rental units (6 percent) than owner occupied units (1 percent). Overcrowding disproportionately impacts low-income households and severe overcrowding is more likely to be experienced by renter households than it is for homeowner households, which is the case in San Carlos.

- 0%-30% of AMI: 0.0% overcrowded and 0.0% severely overcrowded
- 31%-50% of AMI: 3.3% overcrowded and 0.0% severely overcrowded
- 51%-80% of AMI: 3.2% overcrowded and 0.8% severely overcrowded
- 81%-100% of AMI: 2.6% overcrowded and 3.2% severely overcrowded
- Greater than 100% of AMI: 0.8% overcrowded and 0.4% severely overcrowded

Overcrowding is more likely to affect Hispanic/Latinx (4.9 percent) and residents that identify as “other race” or multiple races (8.4 percent), compared to the citywide average of two percent. The desire for multi-generational living or living with extended family members can also create overcrowded conditions due to a lack of affordable larger units within the City. Multi-generational living tends to be most common in Hispanic and Asian cultures, indicating that it may be a contributing factor in higher rates of overcrowding for these groups. Coupled with lower income levels, constraints related to immigration status, and discrimination can also make it difficult for multi-generational households to find appropriately sized, affordable housing.

Housing Condition

The age and condition of the housing stock in San Carlos is an indicator of potential rehabilitation needs. Commonly, housing over 30 years of age needs some form of major rehabilitation, such

as a new roof, foundation work, plumbing, etc. The housing stock in San Carlos is aging, since a majority of the housing stock was built between 1940 and 1979 (73 percent). Only 27 percent of the City’s housing stock has been built since 1980, indicating a potential need for rehabilitation. Four percent of occupied housing units in San Carlos have been identified as having substandard housing issues, which includes lacking or insufficient amenities including plumbing, a kitchen, or bathroom. Based upon observations and experiences of the San Carlos Building Official, the City estimates that in 2022, fewer than two housing units are in severe need of replacement or substantial rehabilitation due to housing conditions.

While the City does not have funding to directly support home repair services, the City refers individuals to the Rebuilding Together Peninsula organization for renovation and repair services: <http://rebuildingtogetherpeninsula.org>. In addition, the City’s Code Enforcement is proactive in connecting various church groups, Boy Scouts, and other community groups such as the Lions Club and Kiwanis Clubs with homeowners in need. Volunteers remove overgrown vegetation, remove trash and debris, and complete very minor repairs to structures for elderly residents.

Housing Cost

The cost of housing in a community is directly correlated to the number of housing problems and affordability issues. High housing costs can price low-income families out of the market, cause extreme cost burdens, or force households into

overcrowded or substandard conditions. The San Carlos median home price in October 2021 based on information provided by CoreLogic, was \$2,320,000. This was 24.9 percent higher than the median price in October 2020. The October 2021 median home price was \$795,000 higher than the median home price in San Mateo County at large.

More than a quarter (28 percent) of San Carlos households are renters. There are limited sources that provide median or average rents for a specific geography. The Census estimates the median gross rent between 2015 and 2019 in San Carlos was \$2,251 per

month. These estimates appear below current (2022) searches through search engines such as Zillow, Trulia, Zumper, etc. Zumper.com provides a median rent by month for jurisdiction by unit type and reported an average rent of 3,300 in July 2022 for a studio apartment (\$2,339 for one-bedroom units, \$3,152 for two-bedroom units, \$4,920 for three-bedroom units, and \$5,500 for four-bedroom units) in San Carlos. Table 4.3-6 shows that the HUD-determined fair market rents for San Mateo County. Studios and larger units in San Carlos exceed the fair market rents identified by HUD.

Table 4.3-6: Fair Market Rents in San Mateo County

Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2022 FMR	\$2,115	\$2,631	\$3,198	\$4,111	\$4,473

Source: FY2022 Fair Market Rents. U.S Department of Housing and Urban Development (HUD)

Special Housing Needs

Housing Element law requires local governments to include an analysis of housing needs for residents in specific special needs groups and to identify resources available to address these needs.

Table 4.3-7: Special Needs Groups in San Carlos

Special Needs Category	Count	Percent
Persons with Disabilities	1,988 persons	7% of residents
Persons with Developmental Disabilities ¹	123 persons	0.4% of residents
Elderly (65+ years)	4,658 persons 2,773 households	15% of residents 24% of households
Large Households (5+ members)	697 households	6% of households
Farmworkers	15 persons	0.1% of labor force
Female Headed Households	906 households	8% of households
People Experiencing Homelessness	30 persons	0.001%

Note 1: Reflects the consumer count by ZIP Code (94070) as reported by the California Department of Development Services
All Other Rows Source: US Census Bureau 2018 5-Year Estimates, California Department of Developmental Services (DDS)

Persons with Disabilities including Persons with Developmental Disabilities

Persons with disabilities face housing access and safety challenges. Disabled people, in most cases, are of limited incomes and often receive Social Security income only. As such, most of their monthly income is often devoted to housing costs. In addition, disabled persons may face difficulty finding accessible housing (housing that is made accessible to people with disabilities through the positioning of appliances and fixtures, the heights of installations and cabinets, layout of unit to facilitate wheelchair movement, etc.) because of the limited number of

such units. People with developmental disabilities have a disability that emerged before age 18, is expected to be lifelong, and is of sufficient severity to require a coordinated program of services and support in order to live successfully in the community. Developmental disabilities include intellectual disabilities, autism, Down syndrome, epilepsy, cerebral palsy, and other disabling conditions similar in their functional impact to an intellectual disability.

Residents with Disabilities

Many San Carlos residents have disabilities that may prevent them from working, restrict their mobility, or make it difficult to care for themselves. There are 1,988 residents with disabilities in San Carlos, representing 7 percent of total residents. Many residents with disabilities are 75 years and older (41 percent). A total of 689 people with disabilities live in poverty representing (78 percent of those living in poverty, and) 2.3 percent of the total resident population.

Many factors limit the supply of housing available to households of persons with disabilities. In addition to the need for housing that is accessible or ADA-compliant, housing affordability is a key limitation as many persons with disabilities live on disability incomes or fixed income. Location of housing is also an important factor for many persons with disabilities, as they often rely upon public transportation to travel to necessary services and shops.

For those living in single-family homes, residents can benefit from accessibility improvements such as wider doorways and hallways, access ramps and railings, larger bathrooms with grab bars, lowered countertops, and other features common to “barrier free” housing. According to the State Department of Social Services, 3 residential care facilities with capacity to support 52 residents, and 11 residential care facilities for the elderly to support 237 residents, are located in San Carlos.

Residents with Developmental Disabilities

Under California’s Developmental Disabilities Services Act and the U.S. Supreme Court’s 1999 decision in *Olmstead v. L.C.*, people with developmental disabilities are entitled to receive community-based services that allow them to live in the least restrictive community setting. This shift to de-institutionalization has led to the closure of the most restrictive segregated settings and to the requirement that local jurisdictions in their Housing Elements assess and plan specifically for the housing needs of people with developmental disabilities who receive services from the Regional Center to live in their home community.

The State Department of Developmental Services (DDS) currently provides community-based services to persons with developmental disabilities and their families through a statewide system of 21 regional centers. The Golden Gate Regional Center serves residents in San Carlos. The center is a private, non-profit community agency that contracts with local service providers to offer a wide range of services to individuals with developmental disabilities and their families. There are 123 residents with developmental disabilities in San Carlos (as represented by ZIP Code 94070) that receive services from the Golden Gate Regional Center, representing 0.41 percent of total residents. The following trends affect the housing needs of people with developmental disabilities in San Carlos and have been addressed in the Housing Plan:

- **The Developmental Disabilities population in San Carlos is growing faster than the general population.**

The Regional Center reports an increase of 25 percent over the 98 San Carlos residents with developmental disabilities who were reported in the last Housing Element. During that same period, the city's general population grew by less than one percent. Seventy-one (56 percent) of San Carlos's residents with developmental disabilities are adults. Growth in the San Carlos adult population with developmental disabilities correlates with a significant annual increase in the diagnosis of autism that began in the mid-1980s and did not level out until after 2015. Many of the adults may desire housing outside the family home in the coming years.

- Decline in Licensed Care Facilities.** The California Department of Developmental Services reports that between September 2015 and June 2021, San Mateo County lost five percent of its supply of licensed care facilities for people with developmental disabilities (including Community Care Facilities, Intermediate Care Facilities, and Skilled Nursing Facilities). This is reflected in the decline of San Carlos residents living in licensed care facilities since last reported in the 2015-2023 Housing Element. The greatest contributing factor to this loss of supply is the high cost of housing making it more financially beneficial for retiring owners to sell the facilities as residences rather than as a business, thereby increasing the need for affordable housing options coordinated with supportive services
- Longer Life Spans.** Between September 2015 and June 2021, the California Department of Developmental Services reports that the number of San Mateo County residents with developmental disabilities age 62 and older grew by 33 percent. This is not due to migration of senior citizens with developmental disabilities to high-cost San Mateo County, but rather to well-documented gains in life span among people with developmental disabilities. With longer life expectancy, more adults with developmental disabilities will outlive their parents and family members who are the single largest source of housing for adults with developmental disabilities in San Carlos. Longer life spans also slow the pace of resident turnover in the county's shrinking supply of licensed care facilities, which further reduces opportunities for people with developmental disabilities to secure a space in a licensed care facility.
- Displacement.** The California Department of Developmental Services has documented a 12 percent decline in the age group 42 to 51 and a 10 percent decline in the age group 52 to 61 in San Mateo County between September 2015 and June 2021. Considering gains in life expectancy, this loss can reasonably be attributed to displacement from the county because of the lack of residential living options when an elderly parent caregiver passes away or becomes unable to house and care for the adult. Displacement takes a particular toll on adults with developmental disabilities who depend on

familiarity with transit routes, shopping and services, as well as support from community-based services and informal networks built up over years of living in San Carlos.

- **Higher Rates of Physical Disabilities.** People with developmental disabilities are more likely than the general population to have an accompanying physical disability. Twenty-seven percent of San Mateo County residents with developmental disabilities have limited mobility, and 13 percent have a vision or hearing impairment. The need for an accessible unit coupled with the need for coordinated supportive services compounds the housing barriers faced by those with co-occurring intellectual and physical disabilities.
- **Ineligibility for Many Affordable Rental Units.** Some adults with developmental disabilities depend on monthly income of around \$1,000 from the Supplemental Security Income (SSI) program, pricing them out of even the limited number of Extremely Low Income affordable housing units in San Carlos. Those with employment tend to work part-time in the lowest paid jobs and also struggle to income-qualify for many of the affordable housing units for rent in San Carlos.
- **Transit-Dependent.** Many adults with developmental disabilities do not drive or own a car and rely on public transit as a means to integration in the larger community.

Provision of Housing for Persons with Disabilities

Accommodating a sufficient quantity and quality of housing for people with disabilities of any kind is a significant challenge in these times due to the lack of funding and complexity of housing and service needs involved. San Carlos supports the provision of housing for persons with disabilities and has provisions in the Zoning Ordinance to enable group housing through the residential care facility process. The City also prioritizes supportive housing, a mix of unit sizes, locations near public transit, and housing for extremely low-income households to support the needs of persons with disabilities:

- Integration of housing for persons with disabilities in typical affordable housing helps affirmatively further fair housing for a group that has historically experienced no alternative to segregated living.
- Coordination of housing with onsite supportive services provide a supported pathway for people with developmental disabilities to apply for and retain an affordable apartment and are as beneficial to a person with a developmental disability as a physically modified unit is to a person with a mobility impairment.
- A mix of unit sizes at inclusive housing properties help address the needs of those who require live-in aides, want to live with roommates, or have children.
- Location near public transit helps accommodate the transit-dependency of most adults with developmental disabilities.
- Deeply affordable housing, targeting extremely low-income households, also supports housing choices for persons with developmental disabilities.

The City has in place a reasonable accommodation procedure that complies with Section 504 of the Fair Housing Amendments Act and other applicable local, state, and federal laws to ensure equal opportunity and access for people with disabilities. The procedure accommodates physical improvements, program flexibility, and other modifications or adjustments necessary to allow people with disabilities the same opportunity to housing, programs, and services as non-disabled people.

Elderly (65+ years)

Many senior-headed households have special needs due to their relatively low incomes, disabilities or limitations, and dependency needs. Specifically, many people aged 65 years and older live alone and may have difficulty maintaining their homes, are usually retired and living on a limited income, and are more likely to have high health care costs and rely on public transportation, especially those with disabilities. The limited income of many elderly persons often makes it difficult for them to find affordable housing.

There are 4,658 elderly residents in San Carlos, representing 16 percent of the population. Nearly one-quarter (24 percent) of San Carlos households are headed by elderly residents (2,773 households). Four percent of seniors (194 elderly residents) live in poverty. In San Carlos, 878 people of all ages live in poverty (three percent of the total population).

Seniors with limited incomes may have difficulty finding affordable housing. The San Mateo County Housing Authority is responsible for the Housing Choice Voucher (Section 8) program in San Carlos. Priority is given to senior (62 years old or older), or disabled residents that meet the income guideline limits established by the federal government. Many local seniors reside in conventional single-family homes. Senior homeowners who need maintenance assistance can apply to Rebuilding Together Peninsula's Safe at Home Minor Repair or National Rebuilding Day Programs, which provides free home repair and modification to eligible low-income homeowners. Additionally, low-income, senior homeowners or renters who need free accessibility modifications can apply to the Center for Independence of Individuals with Disabilities' Housing Accessibility Modification Program.

Large Households (5+ members)

Large households, defined by HCD as households containing five or more persons, have special housing needs due to the limited availability of adequately sized, affordable housing units. Larger units can be very expensive; as such, large households are often forced to reside in smaller, less expensive units or double-up with other families or extended family to save on housing costs, both of which may result in unit overcrowding.

In San Carlos, there are 697 large households (six percent of total households). The majority (86 percent) of these households own their homes (600 households) while 14 percent are renters. An estimated 1.5 percent of families living in poverty; it is estimated

that none of these are large families. Action HOU-5.2 is included in the Housing Plan to encourage the development of larger rental units.

Farmworkers

Due to the high cost of housing and low wages, a significant number of migrant farm workers have difficulty finding affordable, safe, and sanitary housing. In San Carlos, 15 residents work in agriculture, forestry, fishing and hunting, and mining occupations, and can be assumed to be farmworkers. This represents only 0.09 percent of the workforce. Maps from the State of California Department of Conservation Farmland Mapping and Monitoring Program show no farmland in San Carlos. Due to the low number of agricultural workers in the city, the housing needs of migrant and/or farm worker housing need can be met through general affordable housing programs.

Single-Parent, e.g., Female Headed Households

Single-parent households require special consideration and assistance because of the greater need for childcare, health care, and other services. In particular, female-headed households with children tend to have lower incomes and a greater need for affordable housing and accessible childcare and other supportive services. The relatively low incomes earned by female-headed households, combined with the increased need for supportive services, can severely limit housing options.

In San Carlos, 906 female-headed households represent 8 percent of total households. Of these, 58 percent own their home and 42

percent rent. A greater proportion of female-headed households are renters compared to the city as a whole (42 percent and 28 percent, respectively). Of all households living in poverty, 0.8 percent (67 households) are female-headed households.

Providing housing opportunities for families in San Carlos is a challenging task. The primary need for female-headed households is for more affordable housing and supportive services, including childcare. The City recognizes the importance of high-quality childcare and preschool programs to both residents and workers in our community. Programs HOU-7.1 and 7.2 further address this need.

People Experiencing Homelessness

Population estimates for people experiencing homelessness can be difficult to quantify. Census information is often unreliable due to the difficulty of efficiently counting a population without permanent residences. Given this impediment, a point-in-time count is conducted throughout many jurisdictions in the country every other year during the last week in January. In 2019, 30 unsheltered individuals were identified in San Carlos during the point-in-time count, which is 3.3 percent of the total number of unsheltered individuals in San Mateo County. In 2017, 28 unsheltered individuals were counted in San Carlos.

No homeless count was conducted in 2021 due to the COVID-19 pandemic. Instead, a count was conducted in 2022. While the total unsheltered population of the county went up 21 percent, from 901 to 1,092, during the point-in-time count in January 2022 the

homeless population in San Carlos decreased to 14 unhoused individuals.

There are no homeless shelters in the San Carlos; however, there are shelters and resources in cities nearby. The closest resources are in Redwood City about three miles away. Action HOU-5.1 is included in the Housing Plan to facilitate additional emergency and transitional housing in San Carlos through changes to the Zoning Ordinance.

Energy Conservation Opportunities

Energy-related housing costs can directly impact the affordability of housing. While California Building Code standards contain mandatory energy efficiency requirements for new development, the City and utility providers are also important resources to encourage and facilitate energy conservation and to help residents minimize energy-related expenses. Policies addressing climate change and energy conservation are integrated into the San Carlos General Plan, including ACTION EM-3.1: Implement Climate Action Plan measures to require tree planting. The City adopted a new Climate Mitigation and Adaptation Plan (“CMAP”) on September 27, 2021 that will set greenhouse gas (GHG) reduction targets for 2030 and 2050 and identify strategies to meet the new targets and adapt to the impacts of climate change.

San Carlos residents have access to resources that support energy efficiency and renewable energy. The Bay Area Regional Energy

Network (BAYREN) provides free energy evaluations that connect owners with qualified contractors and rebates for energy upgrades. The HomeIntel program is a part of PG&E; this program provides customers with plans to reduce wasted energy in their homes. The Property Assessed Clean Energy Financing (PACE) program allows residents to borrow loans for energy upgrades, which are then paid back through property taxes. There are also three programs to help residents utilize solar energy: Bay Area SunShares, LetsGoSolar, and PG&E Solar Education Opportunities.

San Mateo County and all 20 of its cities and towns formed Peninsula Clean Energy, a community-controlled, not-for-profit, joint powers agency. Peninsula Clean Energy serves all of San Mateo County with cleaner energy at low rates. Residents may enroll in a program drawing 50 percent of electricity from renewables, or for an additional fee, 100 percent of electricity from renewables.

At-Risk Housing Analysis

State housing law requires an inventory and analysis of government-assisted dwelling units eligible for conversion from lower income housing to market rate housing during the next ten years. Reasons for this conversion may include expiration of subsidies, mortgage pre-payments or pay-offs, and concurrent expiration of affordability restrictions.

Table 4.3-8: Below Market Rate Housing Inventory

Address	Affordable Units	Unit Mix	Building Type	Expiration
San Carlos Elms 707 Elm St	21	21 very low (12 Studio, 9 1BR) seniors	Rent	2039
Trestle Apartments/ Transit Village 333 El Camino Real	20	10 low (4 1BR, 6 2BR), 10 mod (4 1BR, 6 2BR)	Rent	2074
1001 Laurel St	17	5 low (2 Studio, 3 1BR), 12 moderate (7 1BR, 5 2BR)	Own	2054*
Laureola Oaks 907 East San Carlos Ave	16	16 low (4 1 BR, 6 2BR, 6 3BR)	Rent	2040
Pacific Hacienda Elm and Walnut St	13	7 low (7 1BR), 6 moderate (6 1BR)	Own	2049*
Cherry Street Apartments 1244 Cherry St	6	1 very low (1BR), 3 low (3 2BR), 2 mod (2 2BR)	Rent	Expired**
Laurel Theatre Apartments 1500 Laurel St	4	4 low (2 Studio, 1BR, 2BR)	Rent	2057
777 Walnut St	3	1 very low (1 BR), 2 low (2BR, 3BR)	Own	2061*
641 Cedar St	2	1 very low (2BR), 1 low (2BR)	Own	2055*
625 Cedar St	2	1 low (2BR), 1 moderate (2BR)	Own	2043
977 Laurel	1	1 very low (1BR)	Rent	2072
577 Laurel St	1	1 median (2BR)	Rent	2049
1580 Laurel St	1	1 low (1BR)	Rent	2068
409 Walnut St	1	1 low (BR)	Rent	2041
Robbins Nest 717 Cedar St	6	6 low (Shared house)	House	2049
Walnut Studios 817 Walnut St	23	23 very low (23 studio)	Rent	2096
Total	137			

* Affordability expiration date vary by unit. Affordability period restarts as unit is sold to a new BMR household.

** Restrictive Covenant has expired. In process for redevelopment (to be combined with the recently acquired lot next door) for additional affordable units and the introduction of a new Restrictive Covenant.

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Based on City records and information from the California Housing Partnership Corporation, in the next 10 years (2023-2033), no assisted housing developments in San Carlos are at risk of losing affordability. The Cherry Street Apartments covenant has expired; the City is working with HIP Housing who owns the property to develop a new affordable housing development that will combine 1244 Cherry Street with 1232 Cherry Street, which was recently acquired by the City, to create a new housing project with 34 total units, all affordable to low- income and below households.

Pursuant to Government Code Section 65863.11, the state maintains a list of “Entities Interested in Participating in California's First Right of Refusal Program” at <https://www.hcd.ca.gov/policy-research/docs/HPD-00-01.xlsx>. This list includes various entities working in San Mateo County and several entities interested in properties located in any county. If a development becomes at risk of conversion to market-rate housing, the City will maintain contact with local organizations and housing providers who may have an interest in acquiring at-risk units and will assist other organizations in applying for funding to acquire at-risk units.

The City also has a significant number of affordable housing units in the pipeline, which will increase the local inventory by nearly 50 percent. Projects that are currently in the pipeline and are anticipated to be developed during the planning period include those that are in the entitlement process (e.g., 1232 Cherry and 806 Alameda de las Pulgas), or have received a planning approval

(e.g., 626 Walnut), or are under construction but have not received a Certificate of Occupancy/Final Inspection (e.g., 1525 San Carlos Avenue):

- 1501 Cherry (3 very low- and 1 low-income unit)
- 560 El Camino Real (1 low- and 1 moderate-income unit)
- 520 El Camino Real (1 moderate-income unit)
- 806 Alameda De Las Pulgas (3 low-income and 7 moderate-income units)
- 626 Walnut (3 low- and 1 moderate-income unit)
- 1232 Cherry (35 lower-income units)
- 1240 El Camino Real (1 moderate-income unit)
- 1525 San Carlos (1 low- and 2 moderate-income units)

The City will continue to monitor and track the affordability of these units, the majority of which result from the City’s Below Market Rate (BMR) Ordinance. The City requires all buyers of BMR units to sign a Resale Restriction Agreement along with other deed restrictions, as required by Zoning Ordinance Section 18.16.090.B. Deed restrictions are required as a condition of sale for all owner-occupied BMR units and include, but are not limited to, the City’s purchase option, resale restrictions, and procedures and policies regarding changes in title to ensure that owner-occupied BMR units remain affordable in perpetuity.

Projected Housing Need (RHNA)

Housing Element law requires a quantification of each jurisdiction's share of the regional housing need as established in the plan prepared by the jurisdiction's council of governments. The California Department of Housing and Community Development (HCD), in conjunction with the Association of Bay Area Governments (ABAG), determine a projected housing need for the Bay Area, including the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma. This share, known as the Regional Housing Needs Determination (RHND), is 441,176 new housing units for the 2023-2031 planning period throughout the ABAG region. ABAG has, in turn, allocated this share among its constituent jurisdictions, distributing to each a Regional Housing Needs Allocation (RHNA) divided into income levels. The City of San Carlos has a RHNA of 2,735 housing units to accommodate in the housing element period. The income distribution is as shown in Table 4.3-9.

Table 4.3-9: Regional Housing Needs Allocation 2023-2031

Income Group	% of County AMI	Number of Units Allocated	Percent of Total Allocation
Very Low ¹	0-50%	739	27%
Low	>50-80%	425	16%
Moderate	>80-120%	438	16%
Above Moderate	120%+	1,133	41%
Total	---	2,735	

Note 1: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data. Therefore, the City's very low-income RHNA of 739 units can be split into 370 extremely low-income and 369 very low-income units.

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Government policies and regulations impact the price and availability of housing and the provision of affordable housing. Constraints include residential development standards, fees, and permitting procedures. Providing infrastructure and services also increases the cost of producing housing. Not every constraint to housing production is governmental. Other constraints include the housing market and other non-governmental limitations. This chapter addresses governmental and non-governmental constraints as they relate to housing.

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Non-Governmental Constraints

The availability and cost of housing is strongly influenced by market factors over which local government has little or no control. State law requires that the housing element contain a general assessment of these constraints, which can serve as the basis for actions that local governments might take to offset their effects. The primary non-governmental constraints to the development of new housing are land costs, construction costs, and environmental constraints.

Development Costs

Price of Land

Land costs include acquisition and the cost of holding land throughout the development process. These costs can account for as much as half of the final sales prices of new homes in small developments or in areas where land is scarce. Land costs in single-family residential neighborhoods of San Carlos range from

\$340,000 to \$5.9 million per acre.¹ The diminishing supply of land available for residential construction, combined with increasing demand for such development, has served to keep the cost of land high and rising across the Bay Area. Among the variables affecting the cost of land are the size of lots, location and amenities, the availability and proximity of public services, its development potential, and the financing arrangement between the buyer and seller.

On behalf of 21 Elements, Century Urban² conducted an independent countywide study of single-family land sales and multi-family land sales in the last three years, inclusive of both rental apartment and for-sale (condos/townhomes) units. For single-family land sales countywide, of parcels up to one acre in size, the land cost ranged between \$582,000 to \$8 million, with an average of \$1,030,000 per unit. For multi-family land sales in San Mateo County, Century Urban's report shows the average land cost is \$1,000,000 for small multi-family and \$10,000,000 for large multi-family properties, respectively, with an ultimate land cost of approximately \$100,000 per unit for both small and large developments. In San Carlos, the study included four data points

ranging from a land cost of \$33,000 per unit to \$333,000 per unit, with an average land cost of \$222,000 per unit.

Cost of Construction

Construction cost is determined by the combined cost of labor and materials—these are the most significant cost components of developing residential units, and both of these costs have grown dramatically in recent years. According to data from the California Construction Cost Index, hard construction costs in California grew by 44 percent between 2014 and 2018, equivalent to an additional \$80 per square foot.³ Between 2020 and 2021 alone, construction costs increased 13.4 percent.

Construction costs are estimated to account for upwards of 60 percent of the production cost of a new home, especially for multi-unit residential buildings, which can require the use of more expensive materials, like steel, and need additional amenities such as parking structures.⁴ Variations in the quality of materials, type of amenities, labor costs, and the quality of building materials could result in higher or lower construction costs for a new home. Pre-fabricated factory built housing, with variation on the quality of materials and amenities, may also

1 A review of vacant residential land sales on Zillow.com on 8-20-2020 provided two vacant lots for sale within the City. Land costs were estimated from this sample and may not be representative of general land costs in the City.

2 Century Urban's San Mateo and Santa Clara Counties Development Costs & San Mateo County Unit Mix Research, April 2022, <http://www.21elements.com/constraints>

3 Hayley Raetz, Teddy Forscher, Elizabeth Kneebone and Carolina Reid, The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California, The Turner Center for Housing Innovation, University of California Berkeley, March 2020, p.8, http://turnercenter.berkeley.edu/uploads/Hard_Construction_Costs_March_2020.pdf

4 Ibid., Raetz et al, p.4.

affect the final construction cost (per square foot) of a housing project.

The relative importance of labor versus materials is a function of the complexity of the construction job and the desired quality of the finished product. The price paid for material and labor at any one time will reflect short-term considerations of supply and demand. Future costs are difficult to predict given the cyclical fluctuations in demand and supply that in large part are created by fluctuations in the larger state and national economies. Such factors unilaterally impact construction in a region and therefore do not deter housing construction in any specific community more so than another.

An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data is national and does not consider regional differences, nor does the data include the price of the land upon which the buildings are built. The August 2021 national averages for costs per square foot of apartment units and single-family homes are as follows:

- Type I or II, Multi-Family (Steel/Concrete): \$79 to \$203 per sq. ft.
- Type V (Wood Frame), Multi-Family: \$137 to \$142 per sq. ft.

- Type V (Wood Frame), One- and Two-Family Dwelling: \$148 to \$158 per sq. ft.

The City's ability to mitigate high construction costs is limited without direct subsidies. Another factor related to construction cost is development density. With an increase in the number of units built in a project, overall costs generally decrease as builders can benefit from economies of scale. Throughout California, builders have remarked on high construction costs in 2021 and 2022, which are driven both by labor and materials costs.

Availability of Financing

The availability of capital to finance new residential development is a significant factor that can impact both the cost and supply of housing. Two types of capital are involved in the housing market: 1) capital used by developers for initial site preparation and construction and 2) capital for financing the purchase of units by homeowners and investors. Interest rates substantially impact home construction, purchase, and improvement costs. A fluctuation in rates of just a few percentage points can make a dramatic difference in the annual income needed to qualify for a loan. In general, financing for new residential development is available at reasonable rates. However, economic fluctuations due to COVID-19 have caused caution among lenders and may have lasting effects through this Housing Element planning period. And while interest rates are low, lenders are considering applicants much more closely than in the past, leading to credit tightening despite affordable interest rates.

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Competition for affordable housing funding also affects overall housing production. Affordable housing often relies on multiple sources of funding to complete projects. The Turner Center conducted a study on the cost to build low-income housing found that each additional funding source increases the cost to build. Some properties use six or more funding sources to complete a project, each of which is becoming increasingly competitive and difficult to secure.⁵ Low Income Housing Tax Credits (LIHTC) represent the primary funding source for new affordable housing. Historically the 9% tax credit (which is designed to subsidize 70 percent of the project cost) has been extremely competitive. Affordable housing developers are indicating that 4% tax credits (designed to subsidize 30 percent of the project) are becoming increasingly competitive, resulting in a longer project timeline (up to two additional years, as they must apply multiple times before they are able to secure tax credits).

Government Code 65583(a)(6) Development Analysis.

Government Code section 65583(a)(6) requires an analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including requests to develop housing at densities below those allowed and the length of time between receiving approval for housing development and submittal of an application for building permit.

⁵ U.C. Berkeley, The Turner Center for Housing Innovation. The Costs of Affordable Housing Production: Insights from California's 9% Low-Income Housing Tax Credit Program. March 30, 2020.

Requests for Lower Development Densities

San Carlos has an active housing market, with development occurring at a range of densities. For mid-sized projects where the maximum allowed densities would result in between seven units to approximately 12 units, most developers have in recent years opted to stay below seven units, providing six units instead thereby avoiding the City's requirement that all residential developments of seven or more units set aside 15 percent of the units as below market rate housing. An estimated 90 percent of these mid-size projects over recent years were proposed at less than the maximum densities, generally to avoid triggering the requirements of the BMR Ordinance. In some instances, developers also indicated that parking minimums resulted in a reduction in density below the allowed maximum densities because surface parking space was limited, and it was too expensive to construct podium or underground parking.

Larger projects with a maximum allowable density that would yield 15 units or more generally maximize the allowable density and use the City's Density Bonus Ordinance or the State Density Bonus Ordinance options, providing additional affordable units consistent with these Ordinances and the City's BMR Ordinance.

In 2022, the City updated the BMR Ordinance to lower the threshold for constructing affordable units from a minimum of

<https://turnercenter.berkeley.edu/research-and-policy/development-costs-lihtc-9-percent-california/>

seven units to a minimum of five units for all ownership projects; the threshold for rental projects remains at seven units. In addition, through the City's efforts to support more housing in the community, Action HOU-4.2 implements Zoning Ordinance revisions which will include not only an increase in density for higher density residential neighborhoods and mixed-use areas, but also will institute a new minimum density requirement (approximately 75 percent of maximum density) to ensure anticipated housing densities are achieved.

Building Permit Timeframe

In San Carlos, the turnaround time between receiving entitlement approvals for a housing development and submittal of an application for building permit varies widely. Some applicants have plans complete in advance and submit the next day, while others take a few months. The majority of larger projects apply within two to three months after receiving entitlement approval.

A multi-family residential project with complex grading and drainage plans may take longer than usual to submit permits. Also, developers may struggle with feasibility analyses, financing, or negotiations with design professionals which are outside the control of the City.

Local Efforts to Remove Nongovernmental Constraints

Government Code 65583(a)(6) also requires a review of local efforts to remove nongovernmental constraints that create a gap in the jurisdiction's ability to meet the RHNA by income

category. The primary non-governmental constraint is the overall cost of affordable housing development (associated with both high land and development costs) in most parts of California. In general, constructing 100% affordable housing, especially for low and very-low income households, is not profitable to housing developers. Therefore, deed-restricted affordable units require subsidies beyond available density or financial incentives. This places the construction burden on non-profits and similar grant or tax-credit funded housing developers and may result in affordable projects that are not always dispersed throughout the region but are concentrated in limited areas with lower development costs. While the City can offer developer incentives such as expedited permit processing or fee deferrals, local funding sources do not exist to fully mitigate the high cost of development for affordable housing developments.

The City has two Housing Funds that can support affordable housing: the Housing Asset Fund (Housing Successor) and the Housing In-Lieu Fund. The Housing Asset Funds has an approximate cash balance of \$3 million in June 2022, which is fully encumbered to support future housing projects. The Housing In-Lieu Fund has an approximate cash balance of \$12.4 million in June 2022, of which \$3.6 million is encumbered. The main sources of this funding are commercial linkage fees and to a lesser extent Below Market Rate (BMR) in-lieu fees. These funds help support gap financing for affordable housing projects; however, the City's ability to support projects is limited by available funds. For example, the Walnut Studios (817 Walnut) 100% affordable project was made possible by a sizeable

4 2023 HOUSING ELEMENT: HOUSING CONSTRAINTS



investment of \$7.3 Million from the City of San Carlos, and a generous partnership with Charities Housing, the local nonprofit organization that developed the property and will continue to manage the 23-unit building. The City of San Carlos will continue to facilitate housing development by providing funding from both Housing Funds to support additional affordable housing (Action HOU-3.1).

Governmental Constraints

Although local governments have little influence on market factors such as interest rates and availability of funding for development, local governmental policies and regulations can affect both the amount of residential development that occurs and the affordability of housing. Since governmental actions can constrain development and affordability of housing, State law requires the Housing Element to “address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.”

Governmental constraints are policies, development regulations, standards, requirements, or other actions imposed by various

levels of government upon land and housing ownership and development. Land use controls, building codes, processing procedures, and development fees are all factors that may hamper the maintenance, improvement, and/or development of housing. State and federal regulations such as those related to environmental protection, building codes, and other topics can also have significant and often adverse impacts on housing costs and availability. While constraints exist at all levels of government, this section emphasizes policies and regulations that can be mitigated by the City.

Land Use Controls

The City’s primary policies and regulations that affect residential development and housing affordability include the Envision 2030 General Plan (adopted 2009), Title 18 Zoning, and Title 17 Subdivisions. Table 4.4-1 summarizes the General Plan land use designations and the zoning districts that either allow by right or conditionally permit residential development, as of 2022.

Table 4.4-1: Residential General Plan Land Use Designations and Zoning Districts

General Plan Land Use Designations	Density (units/acre)	Corresponding Zoning Districts
Single-Family	3	RS-3
Single-Family	6	RS-6
Multiple-Family, Low Density	20	RM-20
Multiple-Family, Medium Density	59	RM-59
Mixed Use, Medium Density	50	MU-DC Mixed-Use Downtown Core
Mixed Use, Medium Density	50	MU-D Mixed-Use Downtown
Mixed Use, Medium Density	50	MU-SA Mixed-Use Station Area
Mixed Use, Medium High Density	59	MU-SC Mixed-Use San Carlos Avenue
Neighborhood Retail/Mixed Use, Medium Density	50	MU-NB Mixed-Use North Boulevard
Mixed Use, Medium Density	50	MU-SB Mixed-Use South Boulevard
Mixed Use, Low Density	20	MU-N Neighborhood Mixed Use

Sources: San Carlos Envision 2030 General Plan; Title 18 Zoning Ordinance.

Proposed General Plan and Zoning District Changes

In conjunction with the process of updating the Housing Element, the City proposes to increase allowed densities and heights to facilitate housing development in residential and mixed use areas. Table 4.4-2 summarizes the proposed General Plan designations and corresponding zoning districts. As indicated in Action HOU-4.2, these new and revised zoning districts and General Plan designations are scheduled for adoption in January 2023.

Density Bonus

Chapter 18.17 of the Zoning Ordinance provides a variety of affordable housing incentives. Section 18.17.030 provides City incentives for BMR units and Section 18.17.040 provides for density bonuses consistent with State Density Bonus law (Government Code Section 65915). Section 18.17.030 (City Density Bonus) was comprehensively updated in 2022 to provide additional incentives for rental projects to provide affordable housing, exceeding the bonuses provided by the State Density Bonus law. Section 18.17.040 (State Density Bonus) was also updated in 2022 and is consistent with State law.

Table 4.4-2: Proposed General Plan and Zoning Districts

Residential and Mixed Use General Plan Designations	Zoning Districts
Single-Family, 3 du/ac	RS-3
Single-Family, 6 du/ac	RS-6
Multi-Family, 20 du/ac	RM-20
Multi-Family, 59 du/ac	RM-59
Multi-Family, 100 du/ac	RM-100
Mixed Use, 40 du/ac	MU-N-40
Mixed Use, 50 du/ac	MU-N-50
Mixed Use, 100 du/ac	MU-DC-100, MU-D-100, MU-SB-100
Mixed Use, 120 du/ac	MU-D-120, MU-SC-120, MU-NB-120, MU-SB-120, MU-N-120

Action HOU-3.6 is included in the Housing Plan to monitor state legislation as changes are made to the State Density Bonus law and update as needed. Action HOU-3.2 is also included to continue to monitor the effectiveness of the City's BMR Ordinance, including incentives inherent in the Ordinance such as density bonuses and update as needed.

Zoning Ordinance

The San Carlos Zoning Ordinance implements the General Plan by establishing standards and regulations for all development in San Carlos. Table 4.4-3 summarizes the housing types permitted by zoning district. Each use is designated by a letter denoting whether the use is allowed ("P"), permitted with a conditional use permit ("C"), permitted with a minor use permit ("M") or not allowed ("-").

Table 4.4-3 Permitted Land Uses by Zoning District

Land Uses	RS-3	RS-6	RM-20	RM-59/100	MU-DC-100	MU-D-100/120	MU-NB-120	MU-SC-120	MU-MU-SB-100/120	MU-N-40/50/120
Single-unit Dwelling	P	P	-	-	-	-	-	-	-	-
Multi-unit Dwelling	-	-	P	P	P	P	P	P	P	P
Small Lot Single-Unit Development	-	C	P	C	-	-	-	-	-	-
Bungalow Court	-	C	P	C	-	-	-	-	-	-
Duplex	P ¹	P ¹	P	-	-	-	-	-	-	-
Townhouse Development	-	C	P	P	-	-	-	-	-	-
Accessory Dwelling Units	P	P	P	P	P	P	P	P	P	P
Emergency Shelter	-	-	-	-	-	-	P	-	P	-
Transitional/Supportive Housing	P	P	P	P	P	P	P	P	P	P
Single Room Occupancy	-	-	C	C	C	C	C	C	C	C
Residential Care Facilities										
General (+6 persons)	-	-	M	M	-	M	-	M	-	-
Limited (6 or less persons)	P	P	P	P	P	P	P	P	P	P
Senior (for residents 60+ years of age)	-	-	M	M	-	M	-	M	-	-

"P" Permitted Use

"M" Minor Use Permit (Zoning Administrator)

"C" Conditional Use Permit (Planning Commission)

"-" Use is not permitted

Note 1: Per SB 9

Source: San Carlos Zoning Ordinance, 2021.

As of 2022, the Zoning Code provides for four residential zoning districts in San Carlos and six mixed-use zoning districts. The Zoning Ordinance also has a Planned Development (PD) District, which allows for deviation from development standards provided the development is superior than what could be achieved under the zoning and that it be consistent with the General Plan and any applicable specific plan. Planned Developments require a development plan and standards to be reviewed by the Planning Commission and approved by the City Council.

Development Standards

Table 4.4-4 summarizes key development standards for the residential and mixed-use zoning districts. Development standards for housing can affect the ability of property owners to construct and modify housing. Residential development standards established in the Zoning Ordinance are designed to provide orderly development of the city and to protect and promote the health, safety, and welfare of local residents, as well as implement the policies of the General Plan.

Table 4.4-4: Residential Development Standards (2022)

Development Standard	RS-3	RS-6	RM-20	RM-59	MU-DC	MU-D	MU-SA	MU-SC	MU-NB/MU-SB	MU-N
Min. Lot Size (sq. ft.)	10,000	5,000	6,000	10,000	5,000	5,000	5,000	5,000	5,000	5,000
Min. Lot Width	75'	40'	60'	100'	50'	50'	50'	50'	50'	50'
Corner Lots	75'	60'	70'	100'	50'	50'	50'	50'	50'	50'
Density (units per acre)	3	6	20	59	50	50	50	59	50	20
Setbacks (feet)										
Front	20'	1 st Story: 15' 2 nd Story: 19'	15'	15'	Varies depending on street frontage (5'-15' min.) All-residential development in MU districts must conform to RM-59 front setback standards.					
Interior Side	1 st Story: 10' 2 nd Story: 14'	1 st Story: 5' 2 nd Story: 9'	First two stories: 5' 10'; thereafter		0' min; 10' min. abutting to RS district for all MU uses. All-residential development in MU districts must conform to RM-59 front setback standards.					
Street Side	1 st Story: 10' 2 nd Story: 14'	1 st Story: 7.5' 2 nd Story: 11.5'	10'	10'	All-residential development in MU districts must conform to RM-59 front setback standards.					

Table 4.4-4: Residential Development Standards (2022)

Development Standard	RS-3	RS-6	RM-20	RM-59	MU-DC	MU-D	MU-SA	MU-SC	MU-NB/MU-SB	MU-N
Rear	20'	15'	15'	15'	0 min; 30 min adjacent to RS district for all MU districts All-residential development in MU districts must conform to RM-59 front setback standards.					
Height Limit	28'	28'	35' Max. 3 stories	50' Max. 4 stories	Maximum: 50' 30' along East San Carlos Ave in MU-N District, 30' within 40' of an RS District 40' within 50' of and RS District					
Lot Coverage	25% (1) or 35%	50%	65%	75%	N/A	N/A	N/A	N/A	N/A	N/A
Maximum Floor Area Ratio	N/A	N/A	.75	2.0	2.5(2)	2.5(2)	2.5(2)	2.5(2)	2.5(2)	2.5(2)

Source: San Carlos Zoning Ordinance, 2022

Notes:

1. 25% within H Overlay District

2. Max. FAR could be increased by .1 through a conditional use permit under conditions outlined in Zoning Ordinance Section 18.05.030.A

3. Residential-only development in MU districts must conform to RM-59 district setback standards.

Zoning Ordinance Amendments (January 2023)

The City's standards for minimum lot sizes, setbacks, lot coverage, and floor area ratio were not identified as constraints to housing development. However, while the City's zoning regulations are not considered overly excessive and are on par with those being used by surrounding jurisdictions and to a great extent throughout San Mateo County, the City has identified significant changes that will further encourage housing and affordable housing development in the community in response to

the City's 2,735 RHNA requirement. In order to provide additional opportunities to meet the City's regional housing needs, the City initiated a comprehensive update to the Land Use Element and Zoning Ordinance in 2020 (culminating in 2023), instituting new zoning districts and allowing significant increases in density, as well as new required minimum densities. Table 4.4-5 summarizes the changes, including new zoning districts, maximum densities, minimum densities, and height limits.

Table 4.4-5: Proposed Changes to Zoning Densities and Heights (2023)

Zone		Maximum Density (du/ac)		Minimum Density (du/ac)		Building Height (feet)		Building Stories (stories)	
Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed
MU-N	MU-N-40	20	40	n/a	30	30-50 depending on distance from RS zone	50	4	4
MU-N	MU-N-50	20	50	n/a	38		50 (40 adjacent to RS zone)	4	4
MU-N	MU-N-120	20	120	n/a	90		75	4	6
MU-DC	MU-DC-100	50	100	n/a	75		50	4	4
MU-D	MU-D-100	50	100	n/a	75		60	4	5
MU-D	MU-D-120	50	120	n/a	90		75	4	6
MU-SC	MU-SC-120	59	120	n/a	90		75	4	6
MU-NB	MU-NB-120	50	120	n/a	90		75	4	6
MU-SB	MU-SB-100	50	100	n/a	75		60	4	5
MU-SB	MU-SB-120	50	120	n/a	90		75	4	6
RM-20	RM-20	20	20	n/a	15	35	35	3	3
RM-59	RM-59	59	59	n/a	45	50	50	4	4
--	RM-100	n/a	100	n/a	75	n/a	60	n/a	5

Another important change to the Zoning Ordinance is the elimination of the mixed-use requirement along portions of El Camino Real and Old County Road, south of E. San Carlos Avenue. Previously, all projects in mixed-use zoning districts were required to reserve a portion of the ground floor space for nonresidential uses. Eliminating this requirement, along with significant increases in height and density are anticipated to provide a significant incentive for housing development in San

Carlos, where existing land prices are high and vacant land is rare. Action HOU-4.2 in the Housing Plan summarizes the Zoning Ordinance changes and timeline that the City proposes to address the housing crisis.

Parking Requirements

City parking standards for residential development are based on the type of residential land use and vary based upon the zoning

district. Table 4.4-6 summarizes residential parking standards for the residential and mixed-use zoning districts. Less parking is required in mixed-use zoning districts and for affordable housing

developments. These parking standards are generally consistent with other jurisdictions throughout San Mateo County.

Table 4.4-6: Residential Parking Standards (2022)

Mixed-Use Districts	Required Spaces	Additional Regulations
Studio / 1-bedroom units	1 space per unit	One covered space per unit. One additional guest parking space per 4 units in developments greater than 10 units.
Two or more bedrooms	1.5 spaces per unit	
Residential Districts	Required Spaces	Additional Regulations
Single-Unit Residential	2 spaces per unit	RS-6 Districts require two covered parking, or one covered and one on 20 foot-wide driveway.
Accessory Dwelling Unit (ADU)	1 space per for each ADU (unless otherwise exempt per State ADU law)	
Affordable Housing Development (Moderate Income and Below [BMR])		
Studio	.75 spaces per unit	One additional guest parking space per 4 units in developments greater than 10 units. Number of total covered spaces shall equal number of units. Reductions pursuant to Affordable Housing Incentives granted to developments with at least 1 BMR unit
1- or 2-bedrooms	1 space per unit	
3+ bedrooms	2 spaces per unit	
Multi-Unit Residential		
Studio	1 space per unit	1 covered space for each unit; 1 guest parking per two units
1- or 2-bedrooms	1.5 spaces per unit	
3+ bedrooms	2 spaces per unit	
Elderly and Long-Term Care	2 spaces for the owner-manager plus 1 for every 5 beds and 1 for each nonresident employee	
Group Residential	1 per bed plus 1 for every 10 beds	
Residential Care, Limited	None in addition to base requirement	
Residential Care, General and Senior	2 spaces for owner-manager plus 1 for every 5 beds and 1 for each nonresident use	
Single Room Occupancy	0.5 spaces per unit	
Emergency Shelter	1 per 200 sq. ft. of floor area	

Note: As part of the Housing Element update to reduce constraints on development, minimum guest parking requirements are proposed to be removed.

In San Carlos, housing developers may instead pay an in-lieu fee to a parking exception fund for projects within an established parking assessment district. The City also allows for reduced parking, as outlined in Chapter 18.20.050 of the Zoning Ordinance (which can be used cumulatively as applicable). These reduction provisions include:

- **Transportation Demand Management:** The number of required parking spaces for any project subject to Chapter 18.25, Transportation Demand Management (i.e., multi-unit development with 10 or more units), shall be reduced by twenty percent of the normally required number of spaces.
- **Transit Accessibility:** For any land use except residential single-unit and duplex development, if any portion of the lot is located within one-quarter mile of a transit stop with regular, scheduled service during the weekday hours of seven a.m. to nine a.m. and five p.m. to seven p.m., the number of required parking spaces may be reduced by 20 percent of the normally required number of spaces. This parking reduction does not apply in the mixed-use or the industrial arts districts because parking requirements for these districts already reflect transit accessibility.
- **Motorcycle Parking:** Motorcycle parking may substitute for up to five percent of required automobile parking. Each motorcycle space must be at least four feet wide and seven feet deep.
- **Shared Parking:** Where a shared parking facility serving more than one use will be provided, the total number of required parking spaces may be reduced by up to forty percent with Planning Commission approval of a conditional use permit, if the Commission finds that:
 - The peak hours of use will not overlap or coincide to the degree that peak demand for parking spaces from all uses will be greater than the total supply of spaces;
 - The proposed shared parking provided will be adequate to serve each use;
 - A parking demand study prepared by an independent traffic engineering professional approved by the City supports the proposed reduction; and
 - In the case of a shared parking facility that serves more than one property, a parking agreement has been prepared consistent with the provisions of off-site parking facilities.
- **Other Parking Reductions:** Required parking for any use may be reduced through Planning Commission approval of a conditional use permit, accompanied by a parking study showing reduced parking needs.

Parking costs are often absorbed into the sale or rental price of residential and commercial uses, thereby hiding the true cost of parking and encouraging driving. By unbundling parking, property owners can charge residents and tenants separately for leasing a parking space. Unbundled parking saves money for households that do not wish to park a vehicle. Residents recognize the cost of parking and can determine if it is a

worthwhile expense, as opposed to it being incorporated into the overall price of renting or buying a home regardless of whether the resident owns a vehicle. San Carlos has adopted an ordinance that allows for residential projects with 10 or more units to unbundle parking with approval of a Minor Use Permit.

Proposed Parking Changes

While the parking requirements in San Carlos are typical of communities in San Mateo County, developers have indicated that minor modifications to existing standards would facilitate additional housing, including removing guest parking space requirements (Action HOU-4.2). In addition, to further incentivize higher density housing and to ensure impediments are removed if they are identified, Action HOU-2.1 and Action HOU-2.2 is included in the Housing Element to continue to analyze parking standards and as needed pursue reduced parking requirements and other measures such as reductions in parking for small lot projects to ensure feasibility.

Open Space Requirements

To enhance the living environment of multifamily residential and mixed-use neighborhoods, communities typically require housing developments to have a certain amount of open space, comprised of private areas such as patios, fenced yards, or balconies; and common or public outdoor spaces. In San Carlos, both of the multifamily zoning districts and all of the mixed-use zoning districts are subject to a per square foot standard by unit for private open space, and a percentage of the overall development site for common open space. Once the amount of open space is calculated, San Carlos has minimum standards regulating dimensions, usability, and accessibility. These types of standards are fairly general in nature and similar to that required by surrounding communities. Additionally, San Carlos lists a reduction in the usable open space requirement as a type of concession and/or incentive to developments providing affordable housing. Table 4.4-7 identifies the different open space requirements for residential and mixed-use zones.

Table 4.4-7: Open Space Standards for Multifamily Residential and Mixed-Use

Open Space Type by District	RM-20	RM-59	MU-DC, MU-D	MU-SA, MU-SC, MU-NB, MU-SB, MU-N
Minimum Private Open Space (Sq Ft Per Unit)	150	100	100	150
Minimum Common Open Space (Percent of Site Area)	15		10 ¹	

Source: San Carlos Zoning Ordinance, 2021

Notes: 1. Applicable only to mixed-use and nonresidential development on lots > than 15,000 sq ft

Proposed Open Space Changes

Overall, the requirements imposed by San Carlos for open space in multifamily residential and mixed-use neighborhoods are similar to surrounding communities. However, to further reduce constraints on housing development as densities are increased, the City is reducing open space requirements (Action HOU-4.2). Specifically, the City is proposing to eliminate the requirement for private open space and instead require only common/public open space. In mixed-use zoning districts, mixed-use projects that are located on lots of 15,000 square feet or more and all stand-alone residential developments must provide 10 percent of the lot area as open space. This may be provided at grade, at podium levels, or on rooftops. In residential zones, the requirement for private open space in the RM-20 and RM-59 zoning districts will be removed, leaving only the common open space requirement. The new RM-100 zone must provide 10 percent of the site area as common open space.

On-/Off-Site Improvements

Due to the built-out character of San Carlos, the City typically requires only minimal on-and off-site improvements as a condition of approval for new residential development. Most new housing development occurs on existing lots that are already served by necessary infrastructure. The City of San Carlos requires that developers complete certain minimum site improvements in conjunction with new housing development. Required on-site improvements include grading and installation of water, sewer, storm drainage, storm drainage retention, gas, electricity and cable utilities. Required off-site improvements

include curbs, gutters, sidewalks, sewer lateral, drainage structures, full street sections, and street lighting. The City also requires that developers install landscaping and irrigation systems when necessary.

The on- and off-site improvement standards imposed by the City are typical for most communities and do not pose unusual constraints for housing development. The community is entirely built-out and as such, new development is not required to complete vast infrastructure improvements. Conditions of approval to complete on- and off-site improvements are provided to applicants in a timely manner and do not have a significant impact on project timing. While these improvements may increase the cost of production, adequate sewer, water, and street infrastructure is a necessary component of a healthy and productive city.

Locally Adopted Ordinances

State law requires that cities include an analysis of any locally adopted ordinance that directly impacts the cost and supply of residential development, such as inclusionary housing ordinances and short-term rental ordinances.

Below Market Rate (BMR) Housing Program

To encourage the development of affordable housing throughout the City, San Carlos adopted Chapter 18.16 "Affordable Housing Programs" and Chapter 18.17 "Affordable Housing Incentives" into the San Carlos Zoning Code. Chapter 18.16 is an "inclusionary housing" ordinance, which requires a specified

share of new residential construction be affordable at below market rate (“BMR”) to households at lower- and moderate-income levels.

In 2021, the City Council directed an update to the BMR ordinance to actively encourage the creation of affordable housing at all income levels and to meet regional housing requirements. In 2022, the City adopted an update that supports affordable housing opportunities and is not a constraint to housing development. In sum, this update (1) adjusted the City density bonus to provide an additional incentive for developers, (2) increased inclusionary housing requirements for ownership units, and (3) extended affordability periods in perpetuity (previously 45 years for ownership units and 55 units for rental units). With this recent update, the affordability requirement for ownership projects is triggered for projects of five units or more (instead of seven) and requires 20 percent of the units to be affordable at low income (70% AMI). For rental projects, to retain development feasibility no changes were proposed – projects of seven units or more are required to provide 15 percent of the units as BMR units (with 10% very low and 5% low), or projects can provide 15% very low income units (this alternative allows projects to achieve a greater density bonus through the State Density Bonus law).

These changes were comprehensively analyzed to ensure that they do not unduly constrain housing development. The City hired an economist to prepare financial pro formas reflecting the expected costs of new development, and compared those costs to

the revenues that could be generated from the projects given various mixes of market-rate and affordable housing. These pro formas were then analyzed to find a scenario that resulted in more affordable units and/or units at deeper income levels, while not inhibiting a developer’s return on investment to the point that such projects would no longer be feasible. With regard to ownership projects, the analysis revealed that there is room to both increase the proportion of units required and lower the income level required, while retaining financial feasibility. These changes further incentivize use of the State Density Bonus or the City’s density bonus.

Regarding rental projects, it was discovered that developments are already facing feasibility challenges with the current requirement of 10% at very low income and 5% low income. Rental developments are generally considered feasible when they are projected to achieve greater than a 5% yield on cost. Under the City’s current inclusionary requirements, a medium sized rental development is estimated to achieve a 4.9% yield on cost.

In an effort to determine the impact the City’s inclusionary requirement is having on rental developments, EPS also ran a scenario under which no requirement existed and a developer was not required to build any affordable units. Under this scenario the estimated yield on cost increased to 5.2%, suggesting that the City’s inclusionary requirement plays a smaller impact on project feasibility than broader market conditions such as land, labor, and construction costs.

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As a result, the only change made to rental projects of the inclusionary ordinance is to add an additional option for developers to construct 15 percent of units at the very low-income level. A project that meets this alternative inclusionary standard would be entitled to a 50 percent density bonus under State law, whereas a project that meets the City's current inclusionary standard would only be entitled to a 32.5 percent bonus. The analysis as well as observed developer preferences demonstrate the significant value of density bonus units. Technically this would already be allowed under the City's current requirements, but highlighting the 15 percent very low-income option will help draw attention to the maximum State Density Bonus of 50 percent that projects are entitled to pursue.

The above inclusionary requirements are made much more feasible by the existence of California's State Density Bonus. The State Density Bonus Law mandates that cities provide an increase in the maximum density allowed by local zoning regulations for developments that include certain amounts of affordable housing units. For example, under the inclusionary level for ownership units of 20 percent at low income, a project would be entitled to a 35 percent density bonus, greatly increasing the profitability of the project.

However, even with the State Density Bonus many rental developments in San Carlos face an upward battle in terms of feasibility. For this reason, the City adopted additional incentives through an improved City Density Bonus, specifically for rental developments. San Carlos previously implemented a City

Density Bonus Program, which granted one additional market-rate unit for every unit at low income or lower that is included in a project. This City Density Bonus was generally less favorable than the State Bonus and as a result is rarely utilized. However, the City has elected to increase this City Density Bonus for rental units to help improve their feasibility and produce more affordable units.

This amended City Density Bonus is a fixed bonus rate that exceeds the highest rates provided by the State, equivalent to 4:1 for each very low-income unit and 2:1 for each low income unit, and allowing all of the affordable base units to trigger bonus units rather than requiring the developer to select only one income level to apply. Under this program, a 100-unit rental project meeting the City's current inclusionary ordinance would qualify for 50 bonus units as seen in Table 4.4-8 below:

Table 4.4-8: Example Density Bonus

100-Unit Rental Project	State Density Bonus	City Density Bonus
Base Units	100	100
BMR Units	10 Very Low Income 5 Low Income	10 Very Low Income 5 Low Income
Bonus Units	33	50
Total Units	133	150

Developers that utilize the City Density Bonus would still be able to use certain provisions of the State Density Bonus. As a result, some may choose to utilize the City Bonus to obtain additional units and the State Bonus for concessions on height, parking, or other areas.

In addition to the above changes, the City also decreased the threshold requiring that a BMR unit be built for ownership units from seven to five units. This aligns with the increased requirement that 20 percent of units be designated low income. This was an important change as well, since projects are not always achieving maximum densities by building below this required threshold. Lowering the threshold (in addition to the City's recent change to add minimum required densities) will address this issue. The threshold remains seven units for rental developments.

Building Codes and Enforcement

San Carlos implements the 2019 edition of the California Building Code, and 2019 edition of the California Green Building Standards Code. The City intends to adopt the 2022 California Building Code series (including the 2022 California Green Building Standards Code [CALGreen]) in 2022, which will become effective January 1, 2023.

These codes establish standards and require inspections at various stages of construction to ensure code compliance and minimum health and safety standards. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties, the codes are mandated for all jurisdictions in California and are necessary to ensure the safety of structures.

The City has adopted modifications to both the California Building Code and the California Green Buildings Standards

Code. The California Building Code modifications include administrative and technical modifications that are related to fences and lattice, retaining walls, and construction methods for concrete structures. Modifications to the California Green Buildings Standards Code related to one- and two-family dwellings expand the code's scope to include "Residential Reconstruction projects" in addition to new projects.

The City of San Carlos's Building Division and the San Carlos Fire Department provide inspection and review to ensure all development projects comply with Building Codes. Residents may register suspected code violations to the Building Department for further investigation and inspection. The Building Department also maintains a shared agreement with the County of San Mateo to address these complaints. Additional compliance checks are administered by the City's Apartment Inspection Program to ensure proper maintenance and safety for occupants of residential units in San Carlos.

Zoning for a Variety of Housing Types

State housing element law requires that jurisdictions facilitate and encourage a range of housing types for all economic segments of the community. The following paragraphs describe how the City makes provisions for a variety of housing types.

Multifamily Rental Housing

Multi-family developments are permitted by-right in the Residential Multifamily (RM) and Mixed-Use (MU) zoning districts. Stand-alone multi-family residential developments

located in mixed-use zoning districts are subject to RM-59 development standards for building setbacks and the maximum allowed density permitted by the MU zoning district. Mixed-use developments (the integration of residential and commercial uses on one site) are allowed by-right in all MU zoning districts. As part of the Zoning Ordinance amendments (Action HOU-4.2), stand-alone residential development will no longer require a Conditional Use Permit in some areas along El Camino Real and objective development standards (including modifications to required setbacks) will be crafted to allow developments to achieve maximum densities.

Housing for Agricultural Employees (permanent and seasonal)

The Employee Housing Act (Government Code Section 17021.5 and 17021.6) requires that any employee housing occupied by six or fewer employees shall be considered a single-family structure within a residential land use and must be treated the same as a single-family dwelling of the same type in the same zoning district. In addition, employee housing consisting of no more than 36 beds in a group quarters, or 12 units or separate rooms or spaces designed for use by a single-family or household, must be considered an agricultural land use and be treated the same as any other agricultural activity in the same zoning district.

The urban nature of development in the Bay Area is incongruous to agricultural uses. No zoning districts in San Carlos allow for agricultural uses (beyond community gardens). The City complies with State Health and Safety Code Sections 17021.5,

which concerns employee housing that serves six or fewer employees, which would include farmworkers.

Emergency Shelters

Government Code Section 65583 requires jurisdictions to permit emergency shelters without a Conditional Use Permit (CUP) or other discretionary permit in at least one zoning district with adequate capacity to serve the unsheltered population. Emergency shelters are allowed without discretionary review in the Mixed Use North Boulevard (MU-NB) and Mixed Use South Boulevard (MU-SB) zoning districts. There are 6.2 acres of land designated MU-NB and 17.4 acres of land designated MU-SB. These areas are located at the north and south gateways of the El Camino Real (State Route 82) corridor in San Carlos. Both zoning districts allow for a variety of uses and are located in close proximity to local services and transit. This zoning district has a number of underutilized properties as well as a mix of medium-sized buildings that could transition to reuse as homeless shelters. Based on the size of the zoning districts identified, opportunities for adaptive reuse of existing buildings, and ready access to services and transportation, the zone has sufficient capacity to accommodate the City's homeless need in at least one year-round shelter. (In 2019, there were 30 homeless individuals in San Carlos, as reported by the San Mateo County One Day Homeless County and Survey.) San Carlos supports the distribution of emergency shelters and transitional housing in areas of the city where appropriate support services and facilities are available in close proximity.

The development and management standards for emergency shelters in the Zoning Ordinance (Section 18.23.110) were drafted to be consistent with State law. Specific provisions for emergency shelters in San Carlos specify:

- **Number of Residents.** The number of adult residents, not including staff, who may be housed on a lot that is smaller than one acre shall not exceed the number of persons that may be accommodated in any hospital, elderly and long-term care facility, residential, transient occupancy, or similar facility allowed in the same district.
- **Length of Occupancy.** Occupancy by an individual or family may not exceed one hundred eighty consecutive days unless the management plan provides for longer residency by those enrolled and regularly participating in a training or rehabilitation program.
- **Outdoor Activities.** All functions associated with the shelter, except for children's play areas, outdoor recreation areas, parking, and outdoor waiting must take place within the building proposed to house the shelter. Outdoor waiting for clients, if any, may not be in the public right-of-way, must be physically separated from the public right-of-way, and must be large enough to accommodate the expected number of clients.
- **Minimum Hours of Operation.** At least eight hours every day between seven a.m. and seven p.m.
- **Supervision.** On-site supervision must be provided at all times.
- **Toilets.** At least one toilet must be provided for every fifteen shelter beds.
- **Management Plan.** The operator of the shelter must submit a management plan for approval by the Director. The plan must address issues identified by the Director, including transportation, client supervision, security, client services, staffing, and good neighbor issues.

The standards listed above are common across many cities in California and do not constrain the production of emergency shelters.

Recent State Law (AB 101) requires that Low-Barrier Navigation Centers be allowed as a by right use in areas zoned for mixed-use and nonresidential zoning districts permitting (by right or conditionally) multi-family uses. The City will revise the Zoning Ordinance to ensure that the City meets the requirements of AB 101 (Action HOU-5.1).

Transitional and Supportive Housing

State law requires cities to allow transitional and supportive housing as a residential use in all zoning districts that allow similar residential uses (SB 2). In San Carlos, transitional and supportive housing are considered single-family or multi-family uses and are permitted by right in all residential and mixed-use zoning districts.

Effective January 1, 2019, AB 2162 (Supportive Housing Streamlining Act) requires supportive housing to be considered a use by right in zoning districts where multi-family and mixed uses are permitted, including nonresidential zoning districts permitting multi-family uses, if the proposed housing development meets specified criteria. The law prohibits the local government from imposing any minimum parking requirement for units occupied by supportive housing residents if the development is located within one-half mile of a public transit stop. AB 2162 also require local entities to streamline the approval of housing projects containing a minimum amount of supportive housing by providing a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for a CUP or other similar discretionary entitlements. The City of San Carlos is currently in compliance with this law as it allows by right transitional and supportive housing in all RS, RM and MU districts in San Carlos. Action HOU-5.1 is included in the Housing Plan to ensure compliance with the processing and parking requirements associated with AB 2162.

Single-Room Occupancy (SRO)

Single-room occupancy hotels and/or boarding homes are collectively referred to as SROs. SRO units are one-room units intended for occupancy by a single individual. It is distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other. Buildings that provide SRO dwellings are

conditionally permitted in Residential Multifamily and Mixed-Use zoning districts, but may not be located on the ground floor along Laurel Street and San Carlos Avenue frontages.

Manufactured/Factory-built housing

State law requires that factory built/manufactured homes be considered a single-family dwelling and permitted in all zoning districts that allow single-family housing. Manufactured housing can be subject to design review. The San Carlos Zoning Ordinance includes individual manufactured housing units installed on a foundation system pursuant to Section 18551 of the California Health and Safety Code under the definition of a single-unit dwelling, in compliance with State law.

Accessory Dwelling Units (ADU)

An Accessory Dwelling Unit (ADU) is a residential dwelling unit that is detached from, attached to, or located within the living area of an existing primary dwelling unit on the same site. ADUs provide independent living facilities for one or more persons with a kitchen and bathroom facility and can be an important source of affordable housing since they are smaller than primary units and do not have direct land acquisition costs. ADU development expands housing opportunities for very low-, low-, and moderate-income households by increasing the number of rental units available within existing neighborhoods.

The State Legislature has passed numerous changes to the ADU requirements (previously known as second units) to promote the development of ADUs. These include allowing ADUs to be built

concurrently with a single-family home, opening areas where ADUs can be built to include all multi-family and mixed-use zones, modifying fees from utilities such as special districts and water corporations, and reducing parking requirements. The City updated the ADU ordinance to comply with recent changes to State law in November 2020. In San Carlos, consistent with the Government Code Section 65852.2, ADUs are permitted by right in all single-family, multi-family, and mixed-use zoning districts. Action HOU-3.3 is included in the Housing Element to ensure continued compliance with State laws as they may change over the course of the planning period and identifies additional measures to encourage and incentivize ADUs in the community.

Housing for Persons with Disabilities

Housing element law requires that, in addition to the needs analysis for people with disabilities, the Housing Element must analyze potential governmental constraints to the development, improvement, and maintenance of housing for people with disabilities; demonstrate local efforts to remove any such constraints; and provide for reasonable accommodations for persons with disabilities through programs that remove constraints.

Zoning and Land Use

A residential care facility is a single-family dwelling unit or multi-unit facility licensed or supervised by a Federal, State, or local health/welfare agency that provides 24-hour nonmedical care of unrelated persons who are handicapped and in need of personal services, supervision, or assistance essential for sustaining the

activities of daily living or for the protection of the individual in a family-like environment. Under State Lanterman Developmental Disabilities Services Act (“Lanterman Act”), small State-licensed residential care facilities for six or fewer persons must be permitted in all zoning districts that allow single- or multi-family uses, subject to the same permit processing requirements and development standards; San Carlos is compliant with the Lanterman Act. The Zoning Ordinance subclassifies residential care facilities as follows:

- General – More than six persons
- Limited – Six or less persons
- Senior – Voluntary housing arrangement serving persons aged 60+; includes “continuing care” and “life care” facilities.

Limited Residential Care Facilities are permitted by-right in all residential and mixed-use zoning districts. General and Senior residential care facilities are permitted with a minor use permit in the RM-20, RM-59, MU-D-100 and 120, and MU-SC-120 zoning districts. All residential care facilities are subject to provisions of Section 18.23.200 of the San Carlos Municipal Code:

- Minimum distance between residential care facilities shall be 300 feet
- A six-foot-high fence shall be required to screen outdoor recreational areas
- All residential care facilities must be licensed and certified by the State of California.

- Drug and alcohol use on-site by staff and/or residents shall be prohibited.

Additionally, parking requirements for General and Senior Residential Care Facilities differ from those of single and multi-family residential developments as they are based on the number of employees rather than units. Limited Residential Care Facilities follow the same parking standards as the base requirement.

Requiring a Conditional (or Minor) Use Permit for residential care facilities for seven or more persons is viewed by the State as a potential constraint to housing for persons with disabilities. To address this constraint, the City will remove the requirement for a Minor Use Permit and allow residential care facilities for seven or more persons (both senior and limited) in all zoning districts where multi-family uses are allowed (Action HOU-5.3).

Definition of Family

The definition of “family” may limit access to housing for persons with disabilities when municipalities narrowly define the word, illegally limiting the development of group homes for persons with disabilities, but not for housing similar sized and situated families. “Family”, as defined in the San Carlos Municipal Code, means: one or more persons occupying a dwelling unit and living together as a single nonprofit housekeeping unit and sharing common living, sleeping, cooking and eating facilities. Members of a family need not be related by blood but are distinguished from a group occupying a hotel, club, fraternity, or sorority

house. This definition does not discriminate nor limit access to housing for persons with disabilities or other household types.

Reasonable Accommodation

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to provide reasonable accommodation to rules, policies, practices, and procedures where such accommodation may be necessary to afford individuals with disabilities equal housing opportunities. While fair housing laws intend that all people have equal access to housing, the law also recognizes that people with disabilities may need extra tools for equity. Reasonable accommodation is one of the tools intended to further housing opportunities for people with disabilities. For developers and providers of housing for people with disabilities who are often confronted with siting or use restrictions, reasonable accommodation provides a means of requesting from the local government flexibility in the application of land use and zoning regulations or, in some instances, even a waiver of certain restrictions or requirements because it is necessary to achieve equal access to housing. Cities and counties are required to consider requests for accommodations related to housing for people with disabilities and provide the accommodation when it is determined to be “reasonable” based on fair housing laws and the case law interpreting the statutes.

The City adopted a reasonable accommodation ordinance in 2011 (Chapter 18.33 - Waivers of the San Carlos Municipal Code). This chapter outlines applicability, procedures, required findings,

conditions of approval, and appeals in the process of applicants obtaining a reasonable accommodation. Applications are reviewed for approval by the Planning Director. Required findings include:

- The waiver is necessary due to the physical characteristics of the property and the proposed use or structure or other circumstances, including, but not limited to, topography, noise exposure, irregular property boundaries, or other unusual circumstance.
 - There are no alternatives to the requested waiver that could provide an equivalent level of benefit to the applicant with less potential detriment to surrounding owners and occupants or to the general public.
 - The granting of the requested waiver will not be detrimental to the health or safety of the public or the occupants of the property or result in a change in land use or density that would be inconsistent with the requirements of this title.
 - In the RS districts, the review authority must also make the following findings in addition to any other findings that this chapter requires:
 - There are exceptional or extraordinary circumstances related to the design of the existing house or Uniform Building Code compliance or other code compliance that make it difficult or impossible to enlarge the house within the base requirements, and the addition is of superior design quality and compatible with the existing neighborhood character;
 - The change is only intended to increase the habitability and function of the structure;
 - Granting the waiver is desirable for the preservation of an existing architectural style or neighborhood character which would not otherwise be accomplished through the strict application of the provisions of the regulations; and
 - It can be demonstrated that the design of the proposed addition is of superior quality; compatible with the existing neighborhood character, effective in minimizing the perceived size of the dwelling, not overly intrusive to the privacy of neighboring dwellings and is in substantial compliance with the RS district regulations.
- That the housing or other property which is the subject of the request for reasonable accommodation will be used by an individual or organization entitled to protection;
 - If the request for accommodation is to provide fair access to housing, that the request for accommodation is necessary to make specific housing available to an individual protected under State or Federal law;
 - That the conditions imposed, if any, are necessary to further a compelling public interest and represent the least restrictive means of furthering that interest; and

- That denial of the requested waiver would impose a substantial burden on religious exercise or would conflict with any State or Federal statute requiring reasonable accommodation to provide access to housing.

Fees and Exactions

Housing construction imposes certain short- and long-term costs upon local government, such as the cost of providing planning services and inspections. As a result, the City relies upon various planning and development fees to recoup costs and ensure that

essential services and infrastructure are available when needed. Impact fees are also charged to cover the cost of providing municipal services or mitigating project impacts. These fees are summarized in Table 4.4-9. The total amount of fees varies from project to project based on type, existing infrastructure, and the cost of mitigating environmental impacts. Most cities do not control school and water impact fees. These services are managed by separate districts.

Table 4.4-9: Development Fees

Fee Category	Fee Amount
Planning Application Fees	
Variance	\$11,983 (per project)
Conditional Use Permit – Planning Commission	\$8,987 (per project)
Minor Use Permit – Zoning Administrator	\$4,493 (per project)
Use Permits (Development Standards)	\$3,595 (per project)
Design Review – Single Family	
Single Family, New Home (RDRC)	\$8,216 (per project)
Single Family, First Floor Addition (RDRC)	\$5,689(per project)
Single Family, Second Floor Addition (RDRC)	\$8,216 (per project)
Single Family, First Floor Addition (Staff)	\$1,959 (per project)
Single Family, Second Floor Addition (Staff)	\$3,161 (per project)
Design Review – Multi-Family/Mixed-Use	
New Building – Planning Commission	\$13,483 (per project)
Major Alteration – Planning Commission	\$9,101 (per project)
Minor Alteration – Planning Commission	\$6,573 (per project)

Table 4.4-9: Development Fees

Fee Category	Fee Amount
Below Market Rate Housing Plan or Builder Alternative	\$2,097 (per project)
Below Market Rate Housing Agreement	\$2,696 (per project)
Plan Check for Building Permits	
Major (New Multi-Family/Mixed Use)	\$3,035 (per project)
Moderate (New Single-Family)	\$1,265 (per project)
Minor (Single-Family Additions, ADUs)	\$399 (per project)
Pre-Application Development Review	
Major	\$6,500 (per project)
Minor	\$3,500 (per project)
Architectural Peer Review	\$3,000 initial deposit (per project)
General Plan Amendment	\$11,983 (per project)
Zoning Ordinance Amendment	
Major Rezone/PD/Map and Text	\$23,965 (per project)
Moderate Rezone/PD/Map and Text	\$11,983 (per project)
Minor Rezone/PD/Map and Text	\$5,991 (per project)
Subdivision Fees	
Subdivision, major (5 or more lots)	\$23,965 (per project)
Subdivision, minor (up to 4 lots) or for Condominium Maps	\$3,595 (per project)
Lot Line Adjustment, Parcel Mergers	\$1,198 (per project)
Conditional Exceptions	\$5,991 (per project)
Lot Verification	\$599 (per project)
Map Extension	\$1,198 (per project)
Building Fees	
Building Permit Fee	Based on valuation and square footage
Plan Check Fee	Based on valuation and square footage

Table 4.4-9: Development Fees

Fee Category	Fee Amount	
Electrical Permit – Multiple Family	\$206 plus \$0.08 for each square foot over 1,700	
Plumbing Permit – Multiple Family	\$206 plus \$0.08 for each square foot over 1,700	
Mechanical Permit – Multiple Family	\$206 plus \$0.08 for each square foot over 1,700	
Capital Facilities Fees		
	SFR	MFR
Parks (1)		
Park Facility Development Fee	\$2,651 per bedroom	
In-Lieu Fee	In-lieu fee: Units in proposed subdivision X Acreage req. per dwelling unit within subdivision for park / rec. facilities X Fair market value per acre of land in subdivision	
Sewer Capacity Charges	\$13,242 per dwelling unit	\$6,125 per dwelling unit
Traffic Impact Fee	\$7,243 per dwelling unit	\$4,097 per dwelling unit
Affordable Housing Impact Fee	Incremental and applied only to rental projects with fewer than 7 units and ownership projects with fewer than 5 units	
Technology Fee	0.4% of total permit fee amount	

Notes:

(1): Not divided by single-family or multi-family development types.

Source: City of San Carlos, 2020. Effective 2020-2021

The City's Below Market Rate (BMR) Ordinance requires either the building of affordable housing units or the payment of in-lieu fees. Rental projects with seven or more units and ownership projects with five or more units must build the affordable units on site. Projects smaller than this threshold pay an in-lieu fee.

Projects that result in a fractional unit of less than 0.5 can opt to pay an in-lieu instead of providing an additional unit. Any calculation that results in a fraction greater than 0.5 is required to build the additional unit.

Government Code Section 65940.1(a)(1) requires jurisdictions to post all up-to-date fees on their website. San Carlos' latest fee schedule can be accessed on the City's website at <https://www.cityofsancarlos.org/government/departments/administrative-services/finance/city-fees-cost-of-services>. In addition to fees, all zoning and development standards are posted on the website, along with inclusionary requirements, and

as fee schedules are updated, the City's website is updated as well. To determine fees charged by San Carlos and the other jurisdiction in San Mateo County, the 21 Elements Working Group conducted a survey of all jurisdictions in the county, asking that each provide fee information for various types of residential developments.

Table 4-4.10: Total Fees (Includes Entitlement, Building Permits, and Impact Fees) per Unit

	Single Family	Small Multi-Unit	Large Multi-Unit
Atherton	\$15,941	No Data	No Data
Brisbane	\$24,940	\$11,678	No Data
Burlingame	\$69,425	\$30,345	\$23,229
Colma	\$6,760	\$36,590	\$17,030
Daly City	\$24,202	\$32,558	\$12,271
East Palo Alto	\$104,241	No Data	\$28,699
Foster City	\$67,886	\$47,179	\$11,288
Half Moon Bay	\$52,569	\$16,974	No Data
Hillsborough	\$71,092	No Data	No Data
Millbrae	\$97,756	\$6,824	\$55,186
Pacifica	\$33,725	\$40,151	No Data
Portola Valley	\$52,923	No Data	No Data
Redwood City	\$20,795	\$18,537	\$17,913
San Bruno	\$58,209	\$72,148	\$39,412
San Carlos	\$72,046	\$29,137	\$18,182
San Mateo	\$89,003	\$60,728	\$41,547
South San Francisco	\$81,366	\$76,156	\$32,471
Unincorporated San Mateo	\$36,429	\$15,088	\$3,344
Woodside	\$70,957	\$82,764	No Data

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Jurisdiction-imposed fees represent a small percentage of the overall cost to develop new housing. However, there are situations in which fees or permitting processes may pose a constraint on housing production. If a jurisdiction's fees are significantly higher than neighboring or peer jurisdictions, the fees could have the impact of discouraging projects within the jurisdiction. With construction costs high, it is difficult (near impossible) for moderate- or low-income housing to be profitable. High fees can be a constraint to housing development. This is particularly challenging for deed restricted affordable housing developers.

Most, if not all, developers consider any fee a significant constraint to the development of affordable housing. For 100% affordable housing projects, financing generally includes some form of state or federal assistance, with rents set through the funding program. As such, fees cannot and do not increase the rents. Although the various fees account for a significant portion of the development cost, the fees collected are necessary to pay for much needed infrastructure and to help mitigate new growth throughout the city. San Carlos provides impact fee reductions and waivers to help support 100% affordable housing projects.

For example, all development impact fees were waived for 817 Walnut (unless the fees were collected by an agency other than the City of San Carlos).

Out of the jurisdictions that provided data, San Carlos' fees are fifth highest for single family development (out of 19 jurisdictions), but sixth lowest for small multifamily development (out of 15 jurisdictions) and sixth lowest for large multifamily development (out of 12 jurisdictions). If fees (per dwelling unit) are higher for multi-family construction than for single family construction within a jurisdiction, this could be seen as a constraint on naturally affordable multi-family housing and also a fair housing issue. This is not the case in San Carlos. Fees for both small and large multi-family construction are lower than for single family development. Similarly, a permitting process that is more onerous or uncertain for multi-family units than for single family may present a fair housing concern and could be considered a constraint on multi-family housing. In San Carlos, permitting times for multi-family projects are not significantly longer than for single family projects when accounting for the size and scope of the project.

Table 4-4.11: Total Fees as a Percentage of Total Development Costs

	Single family	Small Multi-Family	Large Multi-Family
Atherton	0%	No Data	No Data
Brisbane	1%	1%	No Data
Burlingame	3%	4%	3%
Colma	0%	4%	2%
Daly City	1%	4%	2%
East Palo Alto	4%	No Data	4%
Foster City	3%	6%	2%
Half Moon Bay	2%	2%	No Data
Hillsborough	3%	No Data	No Data
Millbrae	2%	8%	7%
Pacifica	1%	5%	No Data
Portola Valley	1%	No Data	No Data
Redwood City	1%	2%	2%
San Bruno	2%	8%	5%
San Carlos	3%	4%	3%
San Mateo	3%	7%	5%
South San Francisco	3%	9%	4%
Unincorporated San Mateo	1%	2%	0%
Woodside	2%	9%	No Data

Note: Calculations use average soft costs (including an average of jurisdiction charged fees) and average land costs for the county.

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Compared to other jurisdictions in San Mateo County, San Carlos’ fees were found to be comparable and do not to pose a significant constraint to housing development in the community.

Processing and Permit Procedures

Processing and permit procedures may pose a considerable constraint to the production and improvement of housing. Common constraints include lengthy processing time, unclear permitting procedures, layered reviews, multiple discretionary review requirements, and costly conditions of approval. These constraints increase the final cost of housing, uncertainty in the development of the project, and overall financial risk assumed by the developer.

Processing Timelines

The City of San Carlos’s development review process is designed to accommodate housing development applications of various levels of complexity and requiring different entitlements. Processing times vary with the complexity of the project. The tables below outline the typical timelines for various residential projects in the City of San Carlos. Table 4.4-12 focuses more specifically on the individual entitlement approvals that may be required, providing estimated processing timelines for each as well as identifying the approving body. Table 4.4-13 generally identifies the typical approvals required for single-family and multi-family projects along with the estimated processing times of the planning and building divisions.

Table 4.4-12: Timelines for Permit Procedures

Type of Approval, Permit, or Review	Typical Processing Time
These time periods begin when a complete application is submitted and are extended when additional information is requested by the City. The timeframes below are target issuance date—when the applicant can expect a decision on their application.	
Ministerial Review	30 days
Conditional Use Permit	45-120 days
Zoning Amendment (Zone Change)	9-12 months
General Plan Amendment	9-12 months
Site Plan Review	30 days
Design Review - Single Family	3-5 months
Design Review - Multi-Family (small)	5-8 months
Design Review - Multi-Family (large)	7-12 months
Design Review - Mixed Use	7-12 months
Tract Map	4-6 months
Parcel Map	2-4 months
Initial Environmental Study	2-3 months

Table 4.4-12: Timelines for Permit Procedures

Type of Approval, Permit, or Review	Typical Processing Time
Environmental Impact Report	6-8 months
Building Permits	
New Multi-Family	6-8 weeks
New Single Family Residence	4-6 weeks
Single-Story Addition	2-4 weeks
Second-Story Addition	3-5 weeks

Single-family dwelling unit applications typically take two to six months to receive planning approval for a single residential unit on one lot; and four to six weeks for building permit issuance. Subdivisions to obtain a tentative map are typically processed within six to nine months; building permits are generally issued within three to five months. Review time always varies based

upon response time of the applicant to plan review comments. Most projects typically receive comments within 15 to 20 working days, and rechecks are always performed within 10 to 15 working days. Multi-family development applications generally receive entitlements within six to nine months; followed by building permits which are typically issued within six to eight weeks.

Table 4.4-13: Permitting Requirements per Development Type

	Single-Family Residential	Multi-Family Residential and/or Mixed-Use District
Typical Approval Requirements	Staff Level Design Review	Design Review Permit
	Residential Design Review Committee (RDRC) Review (1)	Residential Design Review Committee (RDRC) or Planning Commission Review
	Planning Commission (2)	Planning Commission (2)
Est. Total Processing Time	Planning = 4-6 weeks Building Permits = 3-6 weeks	Planning = 6-8 months Building Permits = 6-8 weeks

Notes:

1. New homes and projects that result in greater than 3,000 square feet in area and meets or exceeds FAR thresholds identified in Table 18.29.030-A(1)

2. Planning Commission conducts design review for projects requiring Planning Commission approval, such as conditional use permits and variances.

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Projects that exceed the minimum BMR requirements receive priority permit processing status. This means the project is assigned to senior staff and is expedited and placed as a priority on the case planner's workload. These projects are often vetted with a two-member City Council Housing Subcommittee early on for support and program development. City planners then work closely with the applicant and the City's Economic Development and Housing Manager as part of the BMR Housing Agreement Plan to determine levels of affordability and concessions. The Community Development Director is also involved throughout the process to ensure expedited review.

Long permitting processing times and permit processes that have a high degree of uncertainty (i.e., discretionary reviews or processes with multiple public meetings) increase the cost of housing development for developers, either by increasing their carrying costs as they wait for permits, or by increasing the chance that a project will be rejected after significant costs toward design and waiting have been incurred. In either case, a developer working in a jurisdiction with an onerous permitting process will generally demand higher profits to account for the increased risk, thereby increasing the overall development cost. The processing times in San Carlos are comparable to surrounding jurisdictions (Table 4-4.14). The City has worked to establish transparent and streamlined procedures for processing and permitting development applications.

Table 4-4.14: Permit Processing Times (in Months) – San Mateo County Jurisdictions

Jurisdiction	ADU Process	Ministerial By-Right	Discretionary By-Right	Discretionary (Hearing Officer if Applicable)	Discretionary (Planning Commission)	Discretionary (City Council)
Atherton	1 to 2	1 to 3	2 to 4	N/A	2 to 4	2 to 6
Brisbane	1 to 2	2 to 6	N/A	N/A	4 to 12	6 to 14
Burlingame	1 to 2	2 to 3	2 to 3	N/A	3-4; 12 if major	13 months
Colma	1 to 2	1 to 2	1 to 3	2 to 4	N/A	4 to 8
Daly City	1 to 2	2 to 4	N/A	N/A	4 to 8	8 to 12
East Palo Alto	1 to 3	8 to 12	6 to 14	20 to 40	20 to 40	20 to 40
Foster City	1 to 2	1 to 2	1 to 2		3 to 6	6 to 12
Half Moon Bay		1 to 2	2 to 4	3 to 6	4 to 12	6 to 15
Millbrae	0 to 2	3 to 6	1 to 3	3 to 8	3 to 8	4 to 9
Pacifica	1 to 2	2 to 3	4 to 5	5 to 6	5 to 6	7 to 8
Redwood City	2 to 3	3 to 4	N/A	8 to 10	12 to 18	18 to 24
San Bruno	2	3 to 6	N/A	3 to 6	9 to 24	9 to 24
San Carlos	1 to 3	1 to 3	2 to 4	6 to 12	6 to 12	8 to 12
San Mateo	4 to 8	1 to 2	4 to 7	N/A	9 to 12	9 to 13
South San Francisco	1	1	2 to 3	2 to 3	3 to 6	6 to 9
Unincorporated San Mateo	1 to 3	3 to 6	4 to 9	6 to 12	6 to 18	9 to 24
Woodside	1 to 2	1 to 2	N/A	N/A	2 to 6	3 to 8

The permit process only increases in complexity and duration when the circumstances of individual projects warrant extra consideration on the part of local staff and officials. This is especially true of the environmental review component of the process. However, the City has little flexibility to change this, since the California Environmental Quality Act specifies procedures that local jurisdictions must observe in reviewing the impacts of development projects. To extent possible, categorical exemptions or other statutory exemptions and streamlining are prioritized.

Ministerial Review

Planning review of routine over the counter permits includes zoning clearances, interpretations, modifications to existing permits, and accessory dwelling units.

Design Review

Most development projects in San Carlos are subject to Design Review, either by the Director, the Residential Design Review Committee, or the Planning Commission. The Design Review Permit process begins with the submittal of an application that is filed with the Planning Division. The application is checked for completeness within 30 days of submittal and fee payment.

Additions to single-family residences that result in less than 3,000 square feet of total floor area (including garages) are reviewed by the Director. All new homes in the RS zoning district, additions that result in floor area greater than 3,000 square feet on lots less

than 7,500 square feet, projects on sloped lots that pass FAR thresholds, and projects that require additional review at the direction of the Community Development Director require review by the Residential Design Review Committee. The Residential Design Review Committee (RDRC) is comprised of three members: a Planning Commissioner appointed by the Planning Commission; a resident volunteer appointed by the City Council; and an architect or design professional appointed by the City Council. New single-family homes in the RS zoning district involve a public hearing with the RDRC.

Projects in Multi-Family and Mixed-Use districts require a Design Review Permit and are approved by the Planning Commission, including standard public hearing requirements. Projects are reviewed against standards and provisions within the following:

- Title 18, Zoning, of the San Carlos Municipal Code;
- The General Plan and any applicable specific plans the City Council has adopted;
- Any applicable design guidelines adopted by the City Council;
- Any approved tentative map, use permit, variance, or other planning or zoning approval that the project required; and
- Design review criteria (Chapter 18.29.060 of the San Carlos Municipal Code):
 - The overall design of the project including its scale, massing, site plan, exterior design, and landscaping will enhance the appearance and features of the

project site and surrounding natural and built environment.

- The project design is appropriate to the function of the project and will provide an attractive and comfortable environment for occupants, visitors, and the general community.
- Project details, materials, signage and landscaping are internally consistent, fully integrated with one another, and used in a manner that is visually consistent with the proposed architectural design.
- The project has been designed to be compatible with neighboring development by avoiding big differences in building scale and character between developments on adjoining lots in the same zoning district and providing a harmonious transition in scale and character between different districts.
- The project contributes to the creation of an attractive and visually interesting built environment that includes a variety of building styles and designs with well-articulated structures that present varied building facades, roof lines, and building heights within a unifying context that encourages increased pedestrian activity and promotes compatibility among neighboring land uses within the same or different districts.
- The design of streetscapes, including street trees, lighting, and pedestrian furniture, is consistent with

the character of activity centers, commercial districts and nearby residential neighborhoods.

- The proposed design is compatible with the historical or visual character of any area recognized by the City as having such unified character.
- The project design preserves major public views and vistas from major public streets and open spaces and enhances them by providing areas to stroll, benches to rest and enjoy views, and similar amenities.
- Parking areas are designed and developed to buffer surrounding land uses; complement pedestrian-oriented development; enhance the environmental quality of the site, including minimizing stormwater run-off and the heat-island effect; and achieve a safe, efficient, and harmonious development.
- Lighting and lighting fixtures are designed to complement buildings, be of appropriate scale, provide adequate light over walkways and parking areas to create a sense of pedestrian safety, and avoid creating glare.
- The proposed building design and landscaping supports public safety and security by allowing for surveillance of the street by people inside buildings and elsewhere on the site.
- Landscaping is designed to be compatible with and enhance the architectural character and features of

the buildings on site, and help relate the building to the surrounding landscape. Proposed planting materials avoid conflicts with views, lighting, infrastructure, utilities, and signage.

Design review projects may be appealed through the City's standard appeal process.

The Housing Accountability Act (Government Code Section 65589.5) states that local jurisdictions may not deny, reduce the density of, or make infeasible housing development projects, emergency shelters, or farmworker housing that are consistent with objective local development standards and contribute to meeting housing need unless, based on a preponderance of evidence, adverse health or safety impacts exist. In order to ensure compliance with the Housing Accountability Act, Action HOU-4.4 is included to ensure compliance with the Housing Accountability Act requirements, through a study of the City's Design Review process, procedures, and standards.

Conditional Use Permits

The Conditional Use Permit (CUP) review process is intended to apply to uses that are generally consistent with the purposes of the district where they are proposed but require special consideration to ensure that they can be designed, located, and operated in a manner that will not interfere with the use and enjoyment of surrounding properties or adversely affect the city's infrastructure, the built or natural environment, city resources, or the City's ability to provide public services. Residential uses subject to discretionary review that require a Conditional Use

Permit (reviewed by the Planning Commission) and a Minor Use Permit (reviewed by the Director) are outlined in Table 4.4-2 (Permitted Land Uses by Zoning District). Processing for CUP applications normally does not exceed six months. Required findings for approval of Use Permits include:

- The proposed use is allowed within the applicable zoning district and complies with all other applicable provisions of this title and all other titles of the municipal code;
- The proposed use is consistent with the General Plan and any applicable specific plan;
- The proposed use will not be adverse to the public health, safety, or general welfare of the community, nor detrimental to surrounding properties or improvements;
- The proposed use complies with any design or development standards applicable to the zoning district or the use in question unless waived or modified pursuant to the provisions of this title;
- The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and reasonably foreseeable future land uses in the vicinity; and
- The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

Environmental Review

State regulations require environmental review of discretionary project proposals (e.g., subdivision maps, design review, use permits, etc.). Design review of residential projects generally result in exemptions for single-unit dwellings and accessory dwelling units. Most multi-unit and mixed-use projects are found exempt based on the Infill exemption allowed by State law. In rare circumstances for complex projects, an Initial Study (and related Negative Declaration or Mitigated Negative Declaration) or even an Environmental Impact Report may be warranted. The timeframes associated with environmental review are regulated by CEQA. In compliance with the Permit Streamlining Act, City staff ensures that non-legislative proposals are heard at the Planning Commission within 60 days of receipt of an application being deemed complete.

SB 35 Approval Process

SB 35 requires cities and counties to streamline review and approval of eligible affordable housing projects by providing a ministerial approval process and exempting such projects from environmental review under the California Environmental Quality Act (CEQA). When the state determines that jurisdictions have insufficient progress toward their lower-income RHNA (very low and low income), these jurisdictions are subject to the streamlined ministerial approval process (SB 35 [Chapter 366, Statutes of 2017] streamlining) for proposed developments with at least 50 percent affordability. If the jurisdiction also has insufficient progress toward their above-moderate-income RHNA, then they are subject to the more inclusive streamlining

for developments with at least 10 percent affordability. SB 35 will automatically sunset on January 1, 2026.

As of 2022, the City of San Carlos was determined to be subject only to SB 35 streamlining for proposed developments with 50 percent or greater affordability. The City has not received any applications or inquires for SB 35 streamlining. To accommodate any future SB 35 applications or inquiries, Action HOU-4.4 calls for the City to create and make available to interested parties an informational packet that explains the SB 35 streamlining provisions in San Carlos and provides SB 35 eligibility information. The development standards and regulations in the Zoning Ordinance are objective; however, Design Review Criteria are subjective. Action HOU-4.4 also specifies that City will revisit the Design Review Criteria to provide local guidance on design and standards for by-right projects as allowed by state law.

Environmental Constraints

The City of San Carlos is bounded by San Francisco Bay to the east and the coastal range foothills. The hillside areas of San Carlos are subject to special seismic and structural engineering issues, which can raise the cost of housing in those areas. Most of the East Side and Downtown are in a floodplain or have a high water table, which can hinder development, particularly if underground parking is being considered. Areas in the hillsides are in very high fire severity zones.

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San Carlos is a “built-out” city with scarce land available for development. The City of San Carlos has pursued a public investment strategy to create a pedestrian-friendly environment and encourage private residential investment on El Camino Real (the City’s designated Priority Development Area – PDA), in Downtown, and along San Carlos Avenue, within priority infill development areas.

This section analyzes the resources available for the development, rehabilitation, and preservation of housing in San Carlos. This includes an evaluation of the availability of land resources, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support the provision of affordable housing, as well as the administrative resources available to assist in implementing the City's housing programs.

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- 95 Availability of Sites of Housing
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Availability of Sites for Housing

A critical component of the Housing Element is the identification of sites for future housing development, and evaluation of the ability of these sites to accommodate the City's share of regional housing needs as determined by the Association of Bay Area Governments (ABAG). San Carlos is a highly urbanized community that has very little vacant, uncommitted land for new development. Sites along El Camino Real and San Carlos Avenue provide an opportunity to develop high density housing in proximity to high quality transit. The following discussion summarizes the residential growth potential areas along these corridors and concludes with an assessment of how these sites can address the City's share of regional housing needs.

Regional Housing Needs Allocation (RHNA)

California State law requires that each city and county has land zoned to accommodate its fair share of regional housing need. To determine whether a jurisdiction has sufficient land to accommodate its share of regional housing needs for all income

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groups, that jurisdiction must identify “adequate sites.” Under State law (California Government Code §65583[c][1]), adequate sites are those with appropriate zoning and development standards to facilitate and encourage the development of a variety of housing types suitable for all income levels.

The California Department of Housing and Community Development (HCD) is responsible for determining the regional housing needs determination (RHND) (segmented by income levels) for each region’s planning body. ABAG is responsible for adopting a methodology to distribute the RHND to jurisdictions in the Bay Area. This process is referred to as the Regional Housing Needs Allocation (RHNA). The RHNA for the ABAG region covers an 8.5-year projection period (June 30, 2022 – December 15, 2030) and is divided into four income categories: very low, low, moderate, and above moderate. HCD determined that the projected housing need for the Bay Area region is 441,176 new housing units for this Housing Element planning period. ABAG allocated this projected growth to the various cities and unincorporated county areas within the ABAG region, creating the RHNA. San Carlos’ RHNA for the sixth cycle planning period is 2,735 housing units, with the units distributed among the four income categories as shown in Table 4.5-1. As illustrated in this

chapter, San Carlos has sufficient capacity under existing land use policy to meet its 2023-2031 RHNA obligations.

Table 4.5-1 San Carlos RHNA

Income Group	% of County MFI	RHNA (Housing Units)	Percentage of Units
Very Low ¹	0-50%	739	27.0%
Low	51-80%	425	15.5%
Moderate	81-120%	438	16.0%
Above Moderate	120% +	1,133	41.4%
Total		2,735	100%

Progress towards RHNA

The “projection period” is the time period for which the RHNA is calculated (Government Code Section 65588(f)(2)). Projects that have been approved, permitted, or received a certificate of occupancy since the beginning of the RHNA projected period may be credited toward meeting the RHNA allocation based on the affordability and unit count of the development.

Proposed and approved residential development projects credited toward the 2023-2031 include a variety of affordable and market rate projects. Many of these projects are concentrated within and around the City’s Priority Development Area and

¹ Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on

Census data. Therefore, the City’s very low-income RHNA of 650 units can be split into 325 extremely low-income and 325 very low-income units.

Downtown, which provides a high level of opportunity for access to services and transit. As of 2021, the City is in the process of reviewing applications and preliminary plans for over 350 new units in San Carlos (Table 4.5-2).

Projects providing affordable units are either 100-percent affordable housing developments with related deed restrictions or are providing a portion of the units affordable to comply with the City's Below Market Rate (BMR) Ordinance. The BMR Ordinance requires that 15 percent of units in market rate developments are provided at affordable rates (10 percent moderate- and 5 percent low-income for ownership projects; 10 percent very low and 5 percent low-income for rental projects). Projects that include seven or more units must provide these units on site; projects with fewer units may pay in in-lieu fee. Revisions to the BMR Ordinance were adopted in June 2022. Revisions to the Ordinance lower the threshold for constructing units on site for ownership projects to 5 units; the threshold remains at seven for rental developments. The revisions also require ownership projects to provide 20 percent low-income units and provide an option for rental projects to provide 15 percent very low-income units, to correlate with State density bonus law.

Approved Projects

Approved projects have been reviewed for compliance with applicable Codes and regulations and have received planning entitlement approval. Projects will proceed through the building permit application review, issuance, and construction process in 2022.



626 Walnut (approved in 2020) will provide 3 low-income, 1 moderate-income, and 35 market-rate units

Table 4.5-2 Approved and Proposed Projects

Project	Project Status	Extremely/ Very Low- Income (0- 50% AMI)	Low- Income (50- 80% AMI)	Moderate- Income (80-120% AMI)	Above Moderate- Income (+120%)	Total
626 Walnut	Planning Approval	0	3	1	35	39
782 Elm	Planning Approval	0	0	0	4	4
1257 Magnolia	Planning Approval	0	0	0	9	9
616 Cedar	Planning Approval	0	0	0	4	4
560 El Camino Real	Under Construction	0	1	2	21	24
1525 San Carlos Ave	Under Construction	0	1	2	15	18
1240 El Camino Real	Under Construction	0	0	1	7	8
1232 Cherry	City Project/Design Phase	0	35	0	0	35
155-160 Vista Del Grande	Submitted/Under Review	0	11	0	78	89
308 Phelps	Submitted/Under Review	1	2	1	10	14
806 Alameda de las Pulgas	Submitted/Under Review	0	10	0	77	87
1360 Cherry	Submitted/Under Review	0	0	0	6	6
1383 Laurel	Submitted/Under Review	2	0	0	13	15
Total		3	63	7	279	352
Remaining RHNA		736	362	431	854	2,383

626 Walnut

This five-story mixed-use project located in the Mixed-Use Downtown (MU-CD) zone on a .61-acre lot will include 2,303 square feet of commercial space, and 35 units including three low-income and one moderate (as required by the City's BMR Ordinance), resulting in a density of 58 du/ac. The applicant has submitted plans for a building permit, which is under review with the City. Previously, the site was occupied by an 8-unit apartment building, a two-story commercial building, and a one-story commercial building containing a restaurant and office space.



782 Elm

This four-story residential project located in the Medium Density (RM-59) zone on a .16-acre lot will include four units (25 du/ac). The applicant applied for and was issued a building permit in 2020. The property was sold, which resulted in a project delay, but is now moving forward. The property was previously occupied by one single-unit residence.



1257 Magnolia

This four-story residential project located in the RM-59 zone on a .22-acre lot will include nine units (42 du/ac). The applicant submitted plans for a building permit (under review as of June 2022). The property was previously occupied by one single-unit residence and an accessory dwelling unit. This project is conservatively counting only above moderate-income units; however, it will be subject to the BMR ordinance upon conversion to ownership units.



616 Cedar

Approved in 2019, this three-story infill project (0.18 acre) in the RM-59 zone will provide four above moderate condominium units with at grade covered parking (22 du/ac). A building permit was approved, but has not yet been issued as of June 2022. The property was previously occupied by two single-unit residences.



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Under Construction Projects

These projects are under construction, with anticipated completion and building permits finalized after June 30, 2022.

560 El Camino Real

This four-story mixed-use project located in the Mixed-Use Downtown (MU-D) zone on a .43-acre lot will include 2,756 square feet of commercial space, and 24 condominium units, including one low-income and one moderate income unit, consistent with the City's BMR Ordinance (55 du/ac). Building permits were approved, but not issued yet as of June 2022. Property was sold and will move forward with a new owner. The property was previously occupied by two commercial buildings containing restaurant/bar uses.



1525 San Carlos Ave

This four-story mixed-use project located in the Mixed-Use San Carlos Avenue (MU-SC) district on a .3-acre lot will include 740 square feet of commercial space, and 18 residential units, including one low-income and 2 moderate income units consistent with the City's BMR Ordinance (60 du/ac). Under construction as of June 2022, the property was previously occupied by one single-unit residence and an accessory dwelling unit.



1240 El Camino Real

This four-story mixed-use project located in the Mixed-Use South Boulevard (MU-SB) district on a .15-acre lot will include 6,683 square feet of commercial space, and 8 residential units, including one moderate income unit consistent with the City's BMR Ordinance, resulting in a density of 53 du/ac. Under construction as of June 2022, the property was previously occupied by a single-story commercial building containing a bakery/restaurant.



Proposed Projects

Proposed projects listed here are either City-initiated projects or have an active submitted planning entitlement application under review with the Community Development Department.

1232 Cherry

In 2021, the City acquired the property at 1232 Cherry Street through eminent domain. Concept plans are being developed. This project will combine two parcels, one currently owned and operated by HIP Housing with six units of affordable housing and the other underutilized retail, to create a new housing project with 35 total units, all affordable to low- income households. The City's uniform relocation policy will apply for the existing affordable units.



150 - 160 Vista Del Grande

This low density residential development in the RS-6 zone is slated to develop 89 townhomes. Consistent with the City's BMR Ordinance, 11 units will be reserved for low-income households. With a lot size of 12.2 acres, the resulting density will be 7.3 du/ac. As of June 2022, the application was deemed incomplete and City staff is awaiting the applicant's resubmittal. The applicant is working with the City to develop more specifics for the BMR plan. The site was previously vacant.



308 Phelps

This low density residential development in the RS-3 zone is slated to develop nine single family residences and five accessory dwelling units. With a lot size of three acres, the resulting density will be approximately 3 du/ac (not including the accessory dwelling units). The site was previously vacant.



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806 Alameda de las Pulgas

This low density residential development in the RS-6 zone is slated to develop 87 townhomes, including 10 below market rate units. With a lot size of 11.43 acres, the resulting density will be 7.7 du/ac. The site was previously vacant. The application is under review as of June 2022 with release of the EIR anticipated in September and hearings in October and December 2022. The applicant is targeting summer 2023 for construction.



1360 Cherry

This four-story mixed-use project located in the Mixed-Use Downtown (MU-CD) district on a 0.18-acre lot will include 937 square feet of commercial space, and 6 condominium units, resulting in a density of 34 du/ac. The application is under review as of June 2022. The site was previously occupied by a single-unit residence.



1383 Laurel

This four-story mixed-use project replaces a one-story auto-service and parts shop and includes ground-floor retail, a parking garage, and three levels of residential units above (15 units; including two very low-income units in compliance with the City's BMR Ordinance). The planning application is currently (as of June 2022) under review.



Sites Inventory

The Housing Element Sites Inventory consists of accessory dwelling unit (ADU) projections, SB 9 duplex construction projections, and vacant and underutilized sites in residential and mixed-use areas. Together, these sites ensure that the remaining RHNA can adequately be accommodated during the planning

period. The sites have no identified constraints that would prevent development or reuse during the Housing Element period. Table 4.5-3 summarizes the sites inventory, which is graphically represented in Figures 4.5-1 and 4.5-2. Appendix A includes site specific information for each identified site.

Table 4.5-3: Sites to Meet the RHNA

Project	Extremely/ Very Low- Income (0- 50% AMI)	Low-Income (50-80% AMI)	Moderate- Income (80-120% AMI)	Above Moderate- Income (+120%)	Total
RHNA After Approved/Proposed Projects are credited (Table 4.5-2)	736	362	431	854	2,383
Projected ADU construction	61	61	61	20	203
Projected SB 9 duplex construction	--	--	--	160	160
Vacant/Underutilized Residential Sites	82	0	159	184	425
Vacant/Underutilized Mixed-Use Sites	1,482	0	466	507	2,455
Total Sites	1,625	61	686	871	3,243
RHNA Status (+surplus/-deficit)	+889	-301	+255	+17	
Redistributed RHNA Status (+surplus/-deficit)	+588		+255	+17	+860

Notes:

AMI: Area Median Income

Estimated ADU production is credited toward the RHNA consistent with HCD guidelines and ABAG affordability distribution assumptions (ABAG Affordability of Accessory Dwelling Units, 2021)

Sites identified to meet the very low-income RHNA are also qualified to meet the low-income RHNA. As such, the redistributed RHNA is intended to show how the City is meeting the lower income RHNA, inclusive of both the very-low and low-income RHNA.

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ADU Projections

Since 2017, the Legislature has passed a series of new laws that significantly increase the potential for development of new ADUs and Junior ADUs (JADUs) by removing development barriers, allowing ADUs through ministerial permits, and requiring jurisdictions to include programs in their housing element that incentivize their development. Interest in constructing ADUs is high in San Carlos and continues to grow. In 2018, 19 ADUs received building permits; in 2019, 14 ADUs received building permits; in 2020, 29 ADUs received building permits; and in 2021, 33 ADUs received building permits. Although there was a 26 percent decrease between 2018 and 2019, there was a 107 percent increase between 2019 and 2020, and a 13 percent increase between 2020 and 2021. The City estimates that interest will continue to increase over the next few years before leveling off.

San Carlos's diverse built environment includes many single-family neighborhoods; as such there is ample capacity for additional ADUs. As of 2021, there were 8,228 parcels zoned R-3 and R-6, totaling 1,542 acres. In addition, ADUs are permitted in multi-family developments and mixed-use developments, which are allowed within a significant share of San Carlos, including Downtown, the neighborhoods surrounding Downtown, and large portions of the major corridors. The ongoing increase in ADU development experienced in recent years is likely to be

representative of ADU production moving forward, based on trends in San Carlos, new and pending favorable legislation that creates new incentives and streamlined processes to build ADUs, and the pent-up demand for additional housing in San Carlos and the Bay Area region at large. While it is impossible to predict with certainty the exact number of ADUs that will be developed in the planning period (2023-2031), the City conservatively estimates:

- An average of 24 ADUs per year will be constructed throughout the planning period. This reflects the average number of building permits issued for ADUs between 2018 and 2021. Given the anticipated increase in ADUs over the near term, this is a conservative estimate.
- Between July 1, 2022 and December 31, 2022, an estimated 12 units are anticipated (as the RHNA planning period starts July 1, 2022).
- In 2030, an estimated 23 units are anticipated (as the RHNA planning period ends December 15, 2030).
- A total of 203 ADUs can be predicted to be constructed during the planning period.

The affordability assumptions for the ADUs are based on the ABAG Housing Technical Assistance Team ADU affordability analysis for the 6th cycle RHNA, which was pre-certified by HCD². This analysis used a conservative interpretation that assumes more moderate and above moderate ADUs than the

² ABAG estimates an affordability breakdown of ADUs in the Bay Area as follows: 30% extremely low- and very low-income, 30% low-income, 30% moderate-income, and 10% above moderate-income. *ABAG Housing Technical*

Assistance Team: Affordability of Accessory Dwelling Units: A report and recommendations for RHNA 6, September 8, 2021.

research found and as such represent a conservative assumption of affordability for San Carlos.

SB 9 Projections

In September 2021, Governor Newsom signed Senate Bill (SB) 9 into law, with an effective date of January 1, 2022. SB 9 (1) mandates ministerial approval of duplexes on lots zoned for a single-family residence and (2) requires ministerial approval of subdivisions of a single-family lot into two lots, creating the theoretical possibility of four units on each single-family parcel in the state (with some exceptions). The Turner Center for Housing Innovation at UC Berkeley conducted extensive analysis statewide to determine how many parcels could feasibly utilize the provisions of SB 9³ and found that approximately seven percent of single-family parcels throughout the State may redevelop in this way. In San Carlos, the Turner Center identified 8,100 single-family parcels, of which 6,400 are eligible for SB 9 development. The Turner Center eliminated parcels where market feasibility would deter SB 9 use and concluded that approximately 500 new units were market feasible under SB 9 regulations (rounded to nearest 100). The Turner analysis does not set a horizon year for this buildout. A GIS analysis shows that there are 8,229 parcels zoned for single family development (RS-3 and RS-6). Assuming that larger parcels would be easier to develop with additional units or split lots, the City identified

2,136 parcels greater than or equal to 0.2 acres (greater than the average lot size for the RS-3 and RS-6 zones of 0.18 acres). Removing parcels that contain any use other than a single-family home or vacant, and removing parcels located in fire severity zones yields 1,068 remaining parcels, shown on Figure 4.5-2. Conservatively estimating that 15 percent of this ultimate projection could occur in the next eight years, a projection for an additional 160 housing units through SB 9 lot splits and duplex provisions are assumed for the next planning period. Because the affordability of such units is unknown at this time, they are allocated to the above-moderate income category. In 2022, the City adopted an urgency ordinance to align with State law for SB 9 units and lot splits and has initiated the drafting of objective design standards.

Density, Capacity, and Affordability Assumptions

Consistent with HCD guidelines, methodology for determining realistic capacity on each identified site must account for land use controls and site improvements. The Housing Element sites inventory surveyed large-scale residential and mixed-use development projects approved since 2015 to develop estimates related to potential development. Most recent projects have achieved built densities very near maximum densities, particularly those in mixed use areas. Some projects have exceeded maximums due to the use of density bonuses in

³ Ben Metcalf, David Garcia, Ian Carlton, Kate MacFarlane. “Will Allowing Duplexes and Lot Splits on Parcels Zoned for Single-Family Create New

Homes? Assessing the Viability of New Housing Supply Under California’s Senate Bill 9.” A Turner Center Report, July 2021.

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exchange for the provision of affordable housing. Combined, all approved residential and mixed-use projects since 2015 had an average density of 86 percent of the maximum allowable density (Table 4.5-4). Residential zones had a lower average, of 53 percent of allowed capacity. Mixed use zones had an actual density of 107 percent of allowed density, due to extensive use of the State Density Bonus law. In residential zones, many zoning changes will be implemented concurrently with the Housing Element that will encourage higher levels of density in the zones. In particular, the maximum density of multifamily zones is being increased and a minimum density requirement is being implemented. As such, for realistic capacity of future sites, the minimum required density is used for capacity calculations.

In mixed use zones, past precedence in San Carlos shows a density of 107 percent of allowed density. In conjunction with the Housing Element, the zones are also being revised to increase the maximum densities. To be conservative, rather using 107 percent of allowed density, the realistic capacity calculations assume 100 percent of density for mixed use zones. In addition, to account for the potential that a site in a mixed-use zone may develop with nonresidential uses, and an additional multiplier of 85 percent for mixed use sites was applied to determine realistic capacity. The sections that follow provide more detail on these assumptions.

Based on state law (California Government Code Section 65583.2[c][3]), sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA. The Government Code states that if a local government has adopted

density standards consistent with the population-based criteria set by state law (at least 30 units per acre for San Carlos), HCD is obligated to accept sites with those density standards (30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for lower-income households. Sites that can qualify for 100 percent affordable units based on the allowed density but do not meet the size parameters established by AB 1397 (0.5-10 acres) are split evenly between the moderate- and above moderate-income categories.

Opportunities and affordability for renting and ownership differ in San Carlos. Historically, many cities throughout the State have actively discouraged the provision of multi-family or entry-level housing. As a result, San Carlos has disproportionately accommodated single family homeowners and provided fewer opportunities for renters (28 percent of San Carlos households are renters). As noted in Chapter 3 (Needs Assessment), average rents are within the fair market rent for the region, but median home sale prices in San Carlos are \$500,000 more than the median for San Mateo County. Due to the significantly higher housing costs in San Carlos relative to other San Mateo County communities, the City has decided to upzone residential zones in proximity to major corridors up to 100 dwelling units per acre and mixed-use zones up to 120 dwelling units per acre (doubling existing densities) to facilitate the development of affordable housing for all households.

Table 4.5-4: Recent/Active Projects' Density

Year Approved	Project Name	Zone	Units	Acres	Allowed Density	Actual Density	% of Allowed Density
2015	1312 Laurel Street	MU-N	2	0.11	20	18.99	95%
2015	1501 San Carlos Ave	MU-SC	6	0.16	59	36.55	62%
2015	1525 San Carlos Avenue	MU-SC	18	0.30	59	60.31	102%
2015	530 Walnut Street	RM-59	9	0.20	59	46.01	78%
2015	545 Walnut Street	MU-D	9	0.17	50	52.04	104%
2015	657 Walnut Street	PD	109	2.90	N/A	37.59	N/A
2015	977 Laurel Street	MU-D	8	0.14	50	58.08	116%
2016	520 El Camino Real	MU-DC	9	0.19	50	46.73	93%
2017	1667 San Carlos Avenue	MU-SC	6	0.18	59	33.91	57%
2017	500 Walnut Street	RM-59	4	0.12	59	33.19	56%
2018	1040-1052 Laurel Street	MU-N	6	0.28	20	21.78	109%
2018	1257 Magnolia Avenue	RM-59	9	0.22	59	41.79	71%
2018	549 Prospect Avenue	RM-59	4	0.15	59	26.84	45%
2018	575 Prospect Avenue	RM-59	3	0.13	59	23.93	41%
2018	782 Elm Street	RM-59	4	0.16	59	24.89	42%
2019	1240 El Camino Real	MU-SB	8	0.15	50	52.14	104%
2019	560 El Camino Real	MU-DC	24	0.43	50	55.46	111%
2019	616 Cedar Street	RM-59	4	0.18	59	22.50	38%
2019	817 Walnut Street	MU-DC	24	0.24	50	99.15	198%
2020	626 Walnut Street	MU-DC	35	0.61	50	57.52	115%
Approved Projects Total Average:							86%
Approved Projects Residential Zone Average:							53%
Approved Projects Mixed-Use Zone Average:							107%
In Review	1360 Cherry Street	MU-DC	6	0.18	50	33.96	68%

Table 4.5-4: Recent/Active Projects' Density

Year Approved	Project Name	Zone	Units	Acres	Allowed Density	Actual Density	% of Allowed Density
In Review	1383 Laurel Street	MU-SB	15	0.19	50	78.57	157%
In Review	308 Phelps Road	RS-3	14	3.00	3	4.67	156%
In Review	806 Alameda De Las Pulgas	RS-6	68	11.24	6	6.05	101%
In Review	Vista Del Grande	RS-6	89	12.20	6	7.30	122%
Anticipated Project	11 El Camino	PD-17	231	2.20	N/A	105.00	N/A
Anticipated Project	1232 Cherry	MU-DC	34	0.32	50	106.25	213%

Residential Zones - Site Assumptions

The analysis of land for residential sites utilized City Geographic Information System (GIS) data to identify vacant and underutilized parcels in the four residential zones: RS-3, RS-6, RM-59, and RM-100. To calculate realistic potential units in residential areas, potential site constraints and applicable development standards were considered. In residential areas, underutilized parcels generally are occupied by only one or two single-family homes, parking lots, and nonconforming uses. Sites in the RS-6 (maximum density of six units per acre) and RS-3 (maximum density of 3 units per acre) zones are identified to meet the above moderate-income RHNA. Sites in the RM-59 and RM-100 (maximum density of 59 and 100 units per acre respectively) are identified to meet the lower-income RHNA. Small sites (less than one-half acre) are credited toward the moderate- and above-moderate income categories to account for a potential variety of types, sizes, and amenity levels in future higher-density development projects. Action HOU-3.8 is included in the Housing Plan requiring the replacement of units

affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in Government Code section 65915(c)(3).

Due to the predominantly built-out nature of San Carlos, most development occurs as infill development and replaces less intense uses. The scarcity of land makes higher-density development highly cost effective in the RM-59 and RM-100 zones. Recycling to higher intensity uses is expected to continue. Even so, the City acknowledges that small lot development in residential areas may be more difficult and thus has only identified properties that have the potential for sufficient added capacity to make recycling of land economically feasible. In the multifamily zones, 19 of the 26 parcels (73 percent) are currently developed with single family homes and the zoning allows for an increase in units that ranges from 600 percent to 2,600 percent. The calculations presented in Tables 4.5-7 and 4.5-8 do not include potential density bonus units. Many of the sites identified in the RM-59 and RM-100 zone offer opportunities for

lot consolidation. For lower income sites, consolidation is only assumed if the properties are under common ownership.

Existing Uses

Demand for higher density housing in San Carlos is high even for sites developed with residential uses. Table 4.5-5 shows that in residential zones, redevelopment of sites has occurred throughout the city, often replacing single-unit residential, with or without accessory dwelling units already on site. As indicated in Table 4.5-5, several residential projects were developed below the allowable densities in recent years. To encourage higher density construction, the City is implementing multiple mechanisms:

- By January 2023, the Zoning Ordinance will be revised to add a new residential zone that allows up to 100 units per acre.
- Concurrent with the Housing Element, the Zoning Ordinance will be revised to add minimum densities to all residential zones, at approximately 75 percent of maximum density.
- In June 2022, the City revised the Below Market Rate Ordinance to reduce the threshold for providing inclusionary units on site for ownership projects from seven to five units.

Table 4.5-5: Recent/Active Projects on Residential Land

Project Name	Zone	Acres	# of Units	Allowed Density (du/ac)	Developed Density (du/ac)	Year Approved	Affordability Level	Previous Use
530 Walnut Street	RM-59	0.20	9	59	46.0	2015	AM	Single family home
500 Walnut Street	RM-59	0.12	4	59	33.2	2017	AM	Single family home
1257 Magnolia Avenue	RM-59	0.22	9	59	41.8	2018	AM	Single family home and ADU
549 Prospect Avenue	RM-59	0.15	4	59	26.8	2018	AM	Single family home
575 Prospect Avenue	RM-59	0.13	3	59	23.9	2018	AM	1 residential unit, plus 1 commercial office unit
782 Elm Street	RM-59	0.16	4	59	24.9	2018	AM	Single family home
616 Cedar Street	RM-59	0.18	4	59	22.5	2019	AM	2 single family homes
806 Alameda De Las Pulgas	RS-6	11.24	68	6	6.0	In Review	L, AM	Vacant
155-160 Vista Del Grande	RS-6	12.20	74	6	6.1	In Review	L, AM	Vacant
308 Phelps Road	RS-6	3.00	14	3	4.66	In Review	AM	Vacant

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Mixed-Use Zones - Site Assumptions

The potential for development of residential units in mixed-use areas is predicated on the interest from developers and on the limited opportunities for higher-density development elsewhere in the immediate surrounding areas. Most projects in mixed-use areas occur at or near maximum density and several have utilized density bonuses to exceed maximum densities. Demand for housing is high in mixed-use zones; at the same time there is to a lesser degree demand for office and hotel space. To determine realistic capacity in mixed-use zones, two factors are considered: (1) estimated average densities of residential and mixed-use development and (2) the likelihood that nonresidential development may occur rather than residential development.

To determine average densities, a review of all approved projects in mixed use zones since 2015 was conducted. Residential and mixed-use projects in Mixed Use Zones averaged 107 percent of the allowed capacity for the zone, due to extensive use of the State Density Bonus law. (See Table 4.5-4.) To consider the potential for nonresidential development, the City reviewed all projects (residential and nonresidential) in mixed-use zones since 2015. During that time, 23 projects were developed (Table 4.5-6), of which three (13 percent) were nonresidential. The remaining 20 projects (87 percent) were residential or mixed-use. To provide a conservative estimate of realistic capacity for the sites inventory, a 85 percent multiplier is applied in mixed-use zones to account for the potential redevelopment with nonresidential uses.

The City has undertaken a comprehensive zoning update (anticipated adoption in January 2023), whereby the City will increase housing capacity by revising zoning standards for mixed-use areas to allow up to 120 units per acre and minimum densities at approximately 75 percent of maximum. All mixed-use sites are in zones that will have adopted minimum densities that range from 30 units per acre to 90 units per acre. State guidance indicates that if the jurisdiction has adopted a law, policy, procedure, or other regulation that requires the development of a site to contain at least a certain minimum residential density, the jurisdiction can utilize that minimum density to determine the capacity of a site. In this inventory, the capacity calculation used is lower than the minimum as a way to account for the development of non-residential uses on mixed-use sites by creating a very conservative capacity estimate. In addition, a significant surplus of sites has been identified well beyond the City's required RHNA.

Previous and pipeline projects in mixed use areas have accommodated a mix of incomes. For example, 817 Walnut Street (approved in 2019) includes 23 very low-income units and one moderate/caretaker unit. In addition, projects comply with the City's BMR Ordinance to provide a portion of housing affordable to lower-income households throughout the city. These trends indicate that sites in mixed use areas are appropriate for accommodating the very low, low, and moderate-income RHNA. Small sites (less than one-half acre) are credited toward the moderate- and above-moderate income categories to account for

a potential variety of types, sizes, and amenity levels in future higher-density development projects.

The summary of recent projects where residential development is currently occurring (Table 4.5-6) shows that there are a variety of existing uses that are being recycled and replaced with more intense housing, ranging from single-unit residential, small apartment buildings, commercial buildings, offices, and parking lots.

Site Selection

To identify additional sites with potential for new development or recycling opportunities, the following criteria were used:

- Parcel is currently vacant; or
- If parcel is not vacant:
 - Existing uses are multi-family residential (condominiums or apartments) only if the additional potential capacity is at least three times the existing number of uses and no developments with more than 10 units.
 - Characteristics of existing uses such as older or declining uses or uses developed significantly below potential realistic capacity.
 - Land values vs. improvement values. In some cases, a parcel is included with a higher improvement value if the structure is older or shows obvious signs of deferred maintenance or if the site is underutilized (characterized by large surface parking or unused surface area on the site or have a significant increase

in capacity potential). On residential sites, most sites with higher improvement values are developed with single-family homes on properties designated for multi-family uses at densities of 45 to 59 units per acre. These sites have the potential for at least a seven-fold increase in capacity.

- No recent, significant enhancements have been made (exempt enhancements include site cleanup or paint)

Identifying potential sites must balance available information on the site with a visual and contextual assessment. While data pointing at older structures or high improvement value can give a good sense of the redevelopment potential, for many sites visual cues are important. There are a few sites where the data indicates a higher improvement value or a newer structure, but a visual assessment shows that a structure shows signs of disrepair or is underdeveloped in comparison with development nearby. On the other hand, a site with older structures and a very high land value may not be an ideal site due to a new tenant that has invested in façade improvements such as paint and signage or the nature of the use limits the redevelopment potential, such as a convalescent home. While any of these properties can redevelop, this sites inventory presents the City's good faith effort to identify sites that show the most potential for redevelopment.

Table 4.5-6: Recent/Active and Anticipated/Conceptual Projects in Mixed Use Zones

Project Name	Zone	Acres	# of Units	Allowed Density (du/ac)	Developed Density (du/ac)	Year Approved	Affordability Level	Previous Use
545 Walnut Street	MU-D	0.17	9	50	52	2015	AM	Single family home
977 Laurel Street	MU-D	0.14	8	50	58	2015	VL,AM	7-unit multifamily building
1312 Laurel Street	MU-N	0.11	2	20	19	2015	AM	Single-story commercial building; sandwich spot
657 Walnut Street	PD	2.90	109	50	37.6	2015	AM	public parking lot and commercial buildings
1525 San Carlos Avenue	MU-SC	0.30	18	59	60	2015	L,M,AM	Single family home and ADU
1501 San Carlos Avenue	MU-SC	0.16	6	59	37	2015	AM	Single family home and ADU
520 El Camino Real	MU-DC	0.19	9	50	47	2016	M,AM	Vacant
644-685 Laurel Street	MU-DC	0.25	Office	50	--	2016	--	Retail
26 El Camino Real	MU-NB	0.63	Hotel	50	--	2017	--	Hotel
1040-1052 Laurel Street	MU-N	0.28	6	20	21	2018	AM	2 single family homes
1240 El Camino Real	MU-SB	0.15	8	50	52	2019	M,AM	Single-story commercial building with restaurant/bakery
560 El Camino Real	MU-DC	0.43	24	50	55	2019	L,M,AM	2 commercial buildings; 1 bar and 1 restaurant
817 Walnut Street	MU-DC	0.24	24	50	99	2019	VL	7-unit multifamily building
1667 San Carlos Avenue	MU-SC	0.18	6	59	34	2017	AM	3-unit multifamily building
626 Walnut Street	MU-DC	0.61	35	50	58	2020	L,M	2-story commercial building, 1-story commercial building, 2-story residential building (8 units)
993 Laurel	MU-D	0.21	Office	50	--	2020	--	Hair Salon
1360 Cherry Street	MU-DC	0.18	6	50	34	In Review	AM	Single family home
1383 Laurel	MU-SB	0.19	15	50	78.95	In Review		Auto Repair
11 El Camino Real	MU-NB	2.2	231	50	105	Anticipated	TBD	CVS store
1232 Cherry	MU-DC	0.32	34	50	106	Anticipated	L	6-unit affordable multi-family building, 1 story-commercial

Small Sites and Lot Consolidation Potential

The scarcity of land makes higher-density development very cost-effective and development most often occurs on small lots in San Carlos. As indicated in Table 4.5-4, very few projects occur on sites that are over 0.50 acres. Of the 26 major development projects that have occurred in recent years, half occurred on lots that were 0.19 acres or less, with projects occurring on lots as small as 0.11 or 0.12 acres. 100-percent affordable housing developments have also been constructed/are being proposed on small lots, including 817 Walnut (23 affordable units on 0.24 acres) and 1232 Cherry (34 affordable units on 0.32 acres).

Many of the sites identified in the RM-59 and the new RM-100 zone offer opportunities for lot consolidation. As density increases, the likelihood of lot consolidation increases as well. For example, the City has received a request for a lot consolidation for a potential residential project at 240-260 El Camino Real. For

lower income sites, consolidation is only assumed if the properties are under common ownership.

Residential Sites Inventory

State law requires that jurisdictions demonstrate in the Housing Element that the land inventory is adequate to accommodate that jurisdiction's share of the region's projected growth. As a fully built-out community, very little vacant land remains in the city. A total of 14.1 acres of vacant and underutilized parcels in residential zones were identified.

Combined, there is the potential to yield 425 new dwelling units on vacant and underutilized land in residential zones (Table 4.5-7). All but one site zoned for lower density (RS-3 and RS-6) are vacant. In the multifamily zones, 19 of the 26 parcels (73 percent) are currently developed with single family homes and the zoning allows for an increase in units that ranges from 600 to 2,600 percent.

Table 4.5-7: Vacant and Underutilized Residential Land

General Plan Designation	Zoning	Density	# of Parcels	Acres	Potential Dwelling Units	Affordability Level*
Single Family - 3	RS-3	3 du/acre	3	4.14	13	Above Moderate
Single Family - 6	RS-6	6 du/acre	10	4.41	25	Above Moderate
Multiple Family - 59	RM-59	45 to 59 du/acre	5	0.91	42	Above Moderate/ Moderate/Very Low
Multiple Family - 100	RM-100	4.	21	4.61	345	Above Moderate/ Moderate/Very Low
Total			39	14.08	425	

*Note: Based on state law (Government Code Section 65583.2(c)(3)), sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA. Sites that can qualify for 100 percent affordable units based on the allowed density but do not meet the size parameters established by AB 1397 (0.5-10 acres) are split evenly between the moderate- and above moderate-income RHNA categories.

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Given the scarcity of developable land in San Carlos and the continuing demand for housing in the Bay Area, nearly all of the recent residential construction in the city has involved infill development on underutilized properties. The analysis of residential capacity on recyclable land included in this section includes underutilized parcels in the RS-6, RM-59, and the newly upzoned RM-100 residential zones. One of the parcels identified in the RS-6 zone has a nonconforming commercial uses and is a large site. Parcels identified in the RM-59 and RM-100 zones are underutilized based on presence of single-family homes and are able to significantly increase the number of units on the site.

Thirteen of the residential parcels are vacant. For the remaining 47 non-vacant sites with available land and improvement value data, 56 percent have land values that exceed site improvement values. In most cases these are sites with single family homes on properties designated for multi-family uses at densities of 45 to 59 units per acre.

Mixed-Use Sites Inventory

Nearly all of San Carlos is developed; there is an extremely limited amount of vacant land within City limits. The City's Mixed Use zoning districts facilitate the redevelopment of underutilized properties to create vibrant, walkable centers and corridors. New housing in these areas is an integral part of the vision for San Carlos; a balance of housing opportunities for both affordable and market-rate housing is essential to meet this goal. A survey of land was conducted in areas that permit mixed-use development, and a total of 32.2 acres of underutilized parcels in mixed-use zones was identified, with the potential to yield 2,455 new dwelling units (Table 4.5-8).

There are a number of underutilized properties along the major corridors that allow mixed use. The sites chosen are significantly underutilized given their size and given the development potential under the mixed-use development standards. All the sites with existing residential uses provide the opportunity to more than double the unit capacity. Over 67 percent of sites have land values that exceed site improvement values.

Most of the mixed-use sites are located within one block of El Camino Real (State Route 82), San Carlos Avenue, and/or the San Carlos Caltrain station. The rail line connects San Carlos to San Francisco and the Silicon Valley region. Several new and under construction projects in this area demonstrate the interest in developing housing in proximity to these major transportation corridors (see Table 4.5-6).

Table 4.5-8: Mixed-Use Sites by Zone (see Figure H-4.5-1 Sites Inventory Map)

General Plan Designation	Zoning	Density	# of Parcels	Acres	Potential Dwelling Units	Affordability Level*
Mixed Use – 100	MU-D-100	75 to 100 du/acre	1	0.1	6	Above Moderate/ Moderate
Mixed Use – 120	MU-D-120	90 to 120 du/acre	14	3.0	305	Above Moderate/ Moderate/Very Low
Mixed Use – 100	MU-DC-100	75 to 100 du/acre	10	3.0	256	Above Moderate/ Moderate/Very Low
Mixed Use – 50	MU-N-40	30 to 40 du/acre	36	9.8	335	Above Moderate/ Moderate/Very Low
Mixed Use – 50	MU-N-50	38 to 50 du/acre	5	1.5	63	Above Moderate/ Moderate/Very Low
Mixed Use – 120	MU-N-120	90 to 120 du/acre	5	2.1	217	Above Moderate/ Moderate/Very Low
Mixed Use – 120	MU-NB-120	90 to 120 du/acre	6	6.1	619	Very Low
Mixed Use – 100	MU-SB-100	75 to 100 du/acre	11	1.7	142	Above Moderate/ Moderate/Very Low
Mixed Use – 120	MU-SB-120	90 to 120 du/acre	23	3.2	330	Above Moderate/ Moderate
Mixed Use – 120	MU-SC-120	90 to 120 du/acre	5	1.8	182	Above Moderate/ Moderate/Very Low
Total			116	32.2	2,455	

***Note:** Based on state law (Government Code Section 65583.2(c)(3)), sites that allow development densities of at least 30 units per acre are credited toward the lower-income RHNA. Sites that can qualify for 100 percent affordable units based on the allowed density but do not meet the size parameters established by AB 1397 (0.5-10 acres) are split evenly between the moderate- and above moderate-income RHNA categories.

Site Suitability, Realistic Capacity and Re-use of Sites (Assembly Bill [AB] 1397)

Consistent with updated Housing Element law (Assembly Bill 1397) related to the suitability of small and large sites, the lower-income sites inventory presented in this section is limited to sites of between 0.5 and 10 acres in size, as HCD has indicated these size parameters best accommodate lower-income housing. In this inventory, several sites include multiple parcels that are less than one-half acre in size, however when consolidated with adjacent parcels are more than 0.5 acres. Small lot development is very common in San Carlos, and Actions HOU-2.1 and HOU-2.2 are included to identify additional incentives as needed. Small sites (less than one-half acre) are credited toward the moderate- and above-moderate income categories to account for a potential variety of types, sizes, and amenity levels in future higher-density development projects. For very low-income sites, all but two of the 23 parcels in the inventory are at least 0.5 acres in size. The two parcels that are smaller are included only because they have the potential for lot consolidation with an adjoining parcel that is under common ownership and make up a site over 0.5 acres in size.

AB 1397 also adds specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the Housing Element must present “substantial evidence” that the existing use does not constitute an impediment for additional residential use on the site. Due to the built-out nature of San Carlos, most sites have existing uses. Non-vacant sites

included in the inventory have been chosen due to their location, existing uses, and potential for intensification. To ensure that appropriate sites have been chosen, properties that show recent investments or updates or that contain uses of local importance are not included, and clear criteria were used to evaluate all sites within San Carlos, as described above.

AB 1397 also requires that specific parameters be placed on sites that were used in previous planning cycles but did not develop and are now used in the current Housing Element to meet the lower income RHNA. However, as noted in HCD guidance documents, due to updates in the prior planning period to the general plan or other planning activities, such as the creation of a specific plan, some sites previously identified in the housing element may have been rezoned allowing a higher density, and therefore increasing the potential housing capacity of the site. Because the zoning characteristics of this site have changed, it can be considered a new site for the purposes of the housing element inventory. All of the lower-income sites in the Housing Element have been rezoned to significantly increase densities and thus none are subject to the reuse provisions of AB 1397.

No Net Loss Provision

Government Code Section 65863 stipulates that a jurisdiction must ensure that its Housing Element inventory can accommodate its share of the RHNA by income level throughout the planning period. If a jurisdiction approves a housing project at a lower density or with fewer units by income category than identified in the Housing Element, it must quantify at the time of

approval the remaining unmet housing need at each income level and determine whether there is sufficient capacity to meet that need. If not, the city must “identify and make available” additional adequate sites to accommodate the jurisdiction’s share of housing need by income level within 180 days of approving the reduced-density project. Program HOU-3.7 is included in the Housing Element to set up a process for compliance.

Comparison of Sites Inventory and RHNA

Approved and proposed project credits and the sites inventory identified in this chapter total 3,595 units, 1,752 of which are in the lower-income RHNA categories. Overall, the City can adequately accommodate—and have excess capacity for—the RHNA. Table 4.5-9 shows a shortfall of low-income units but those can be addressed with the surplus of site capacity in the very low-income category.

The identified sites and the densities allowed will provide opportunities to achieve remaining RHNA goals for all income categories as well as provide surplus of units, which help support no net loss provisions consistent with State law.

The identified sites can realistically be redeveloped with residential units during the planning period. These areas are considered highly likely to experience recycling for two key reasons: 1) the high demand for more affordable housing throughout San Mateo County, and 2) the availability of underutilized land in areas designated for mixed-use, with the potential for high-density residential development. The sites chosen are significantly underutilized given their size and location and recent development trends. Interest is especially high in areas identified in this Housing Element, including mixed-use areas. San Carlos makes every effort to support development that contributes to the city and facilitates a walkable, pedestrian-oriented community, consistent with land use policy. Developers continue bring forward new projects in San Carlos, due to the city’s convenient location, available transit, maximum allowable densities, and livable community. As market forces continue to push toward higher densities, recycling of underutilized land is expected to occur at an increasing rate. Given the newly increased densities associated with new zones in residential and mixed-use areas, the City can anticipate increased recycling of land, particularly in higher-density areas where economies of scale can be realized.

Table 4.5-9: Comparison of Sites, Pipeline Projects, and RHNA

Project	Extremely/ Very Low- Income (0- 50% AMI)	Low- Income (50-80% AMI)	Moderate- Income (80- 120% AMI)	Above Moderate- Income (+120%)	Total
2023-2031 RHNA	739	425	438	1,133	2,735
Approved and Proposed Projects	3	63	7	279	352
Projected ADU construction	61	61	61	20	203
Projected SB 9 duplex construction	--	--	--	160	160
Vacant/Underutilized Residential Sites	82	0	159	184	425
Vacant/Underutilized Mixed-Use Sites	1,482	0	466	507	2,455
Total	1,628	124	693	1,150	3,595
RHNA Status (+surplus/-deficit)	+889	-301	+255	+17	+1,860
Redistributed RHNA Status (+surplus/-deficit)	+588		+255	+17	+860

Sites identified to meet the very low-income RHNA are also qualified to meet the low-income RHNA. As such, the redistributed RHNA is intended to show how the City is meeting the lower income RHNA, inclusive of both the very-low and low-income RHNA.

Figure 4.5-1
Sites Inventory
Map

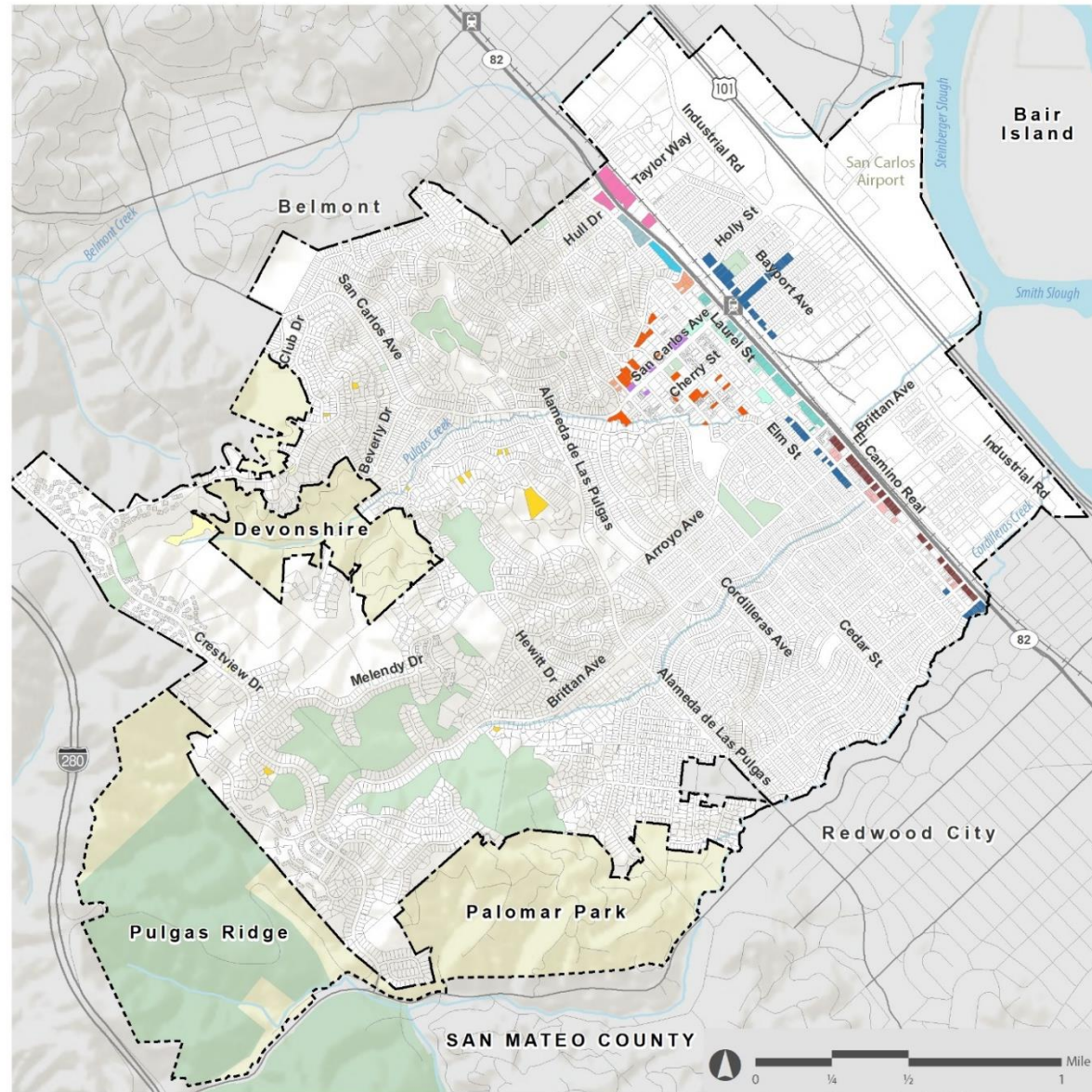
Legend

Residential Sites

- Residential - Single Family, RS-3
- Residential - Single Family, RS-6
- Residential - Multi-Family, RM-59
- Residential - Multi-Family, RM-100

Mixed Use Sites

- Mixed Use, MU-D-100
- Mixed Use, MU-D-120
- Mixed Use, MU-DC-100
- Mixed Use, MU-N-40
- Mixed Use, MU-N-50
- Mixed Use, MU-N-120
- Mixed Use, MU-NB-120
- Mixed Use, MU-SB-100
- Mixed Use, MU-SB-120
- Mixed Use, MU-SC-120
- City of San Carlos Boundary
- SOL_line
- Caltrain Railroad and Stations
- Waterbodies
- Parks and Open Space
- Surrounding Jurisdictions



June 2022
Sources: United States Census Bureau, 2019. City of San Carlos,
County of San Mateo, Urban Footprint, 2020.

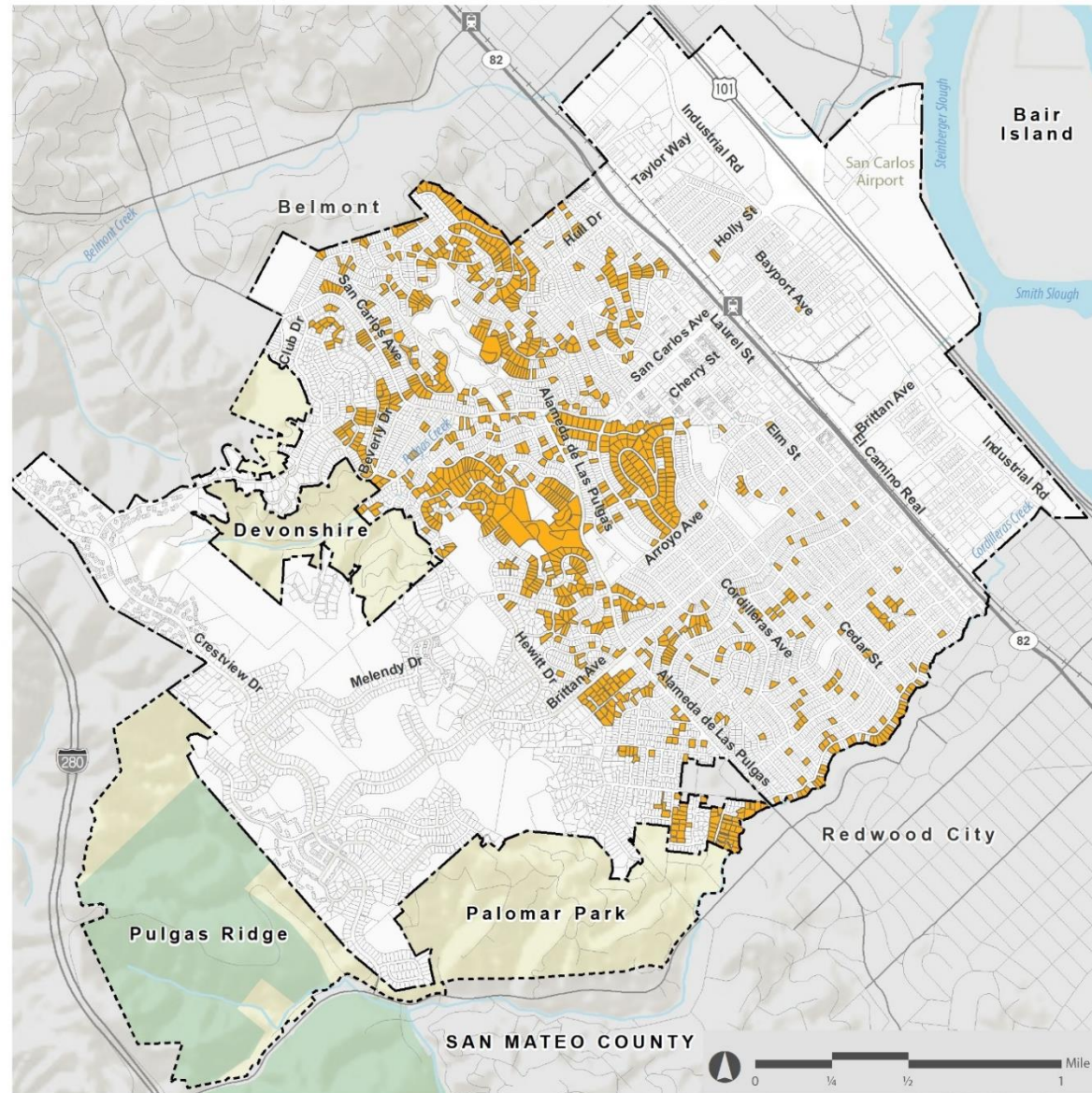
Figure 4.5-2
SB9 - Potentially
Eligible Parcels

Legend

- SB 9 - Potentially Eligible Parcels*
- City of San Carlos Boundary
- SOL_line
- Caltrain Railroad and Stations
- Waterbodies
- Parks and Open Space
- Surrounding Jurisdictions

Note:

To establish a realistic estimate of the number of parcels that could be eligible for an additional unit under the provisions of Senate Bill 9 (SB 9), the City identified parcels zoned for single family development (RS-3 and RS-6) larger than or equal to 0.2 acres (above the average lot size for the RS-3 and RS-6 zones) and located outside any fire severity zones. This is just a general estimate and no new units are proposed at this time. The City will establish detailed eligibility criteria as part of an interim SB 9 urgency ordinance and objective design standards to facilitate SB 9 compliance.



May 2022

Sources: United States Census Bureau, 2019. City of San Carlos, County of San Mateo, Urban Footprint, 2020.

Consistency with Affirmatively Furthering Fair Housing (AFFH)

State law requires that sites to meet the RHNA must be identified throughout the community in a manner that affirmatively furthers fair housing opportunities (Government Code Section 65583(c)(10)). Affirmatively furthering fair housing means taking meaningful actions that address significant disparities in housing needs and in access to opportunity. For purposes of the Housing Element sites inventory, this means that sites identified to accommodate the lower-income need are not concentrated in low-resourced areas (for example, with a lack of access to high performing schools, proximity to jobs, location disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty.

HCD and the California Tax Credit Allocation Committee (TCAC) coordinated efforts to produce opportunity maps that evaluate specific economic, environmental, and educational characteristics that have been shown by research to support positive economic, educational, and health outcomes for low-income families. Figure 4.5-3 shows the TCAC opportunity areas in San Carlos, with the exception of a small area in the northeast corner of the city, all of the city categorized as highest and high resource.

Racially or ethnically concentrated areas of poverty (R/ECAPs) are HUD-designated Census tracts with relatively high concentrations of non-white residents living in poverty. There are no R/ECAPs within San Carlos. The distribution of identified

sites improves fair housing and equal opportunity conditions because sites are mostly distributed in highest and high resources areas.

A thorough AFFH analysis based on the City's most current Analysis of Impediments to Fair Housing Choice is included in the Housing Constraints section of this Housing Element.

Infrastructure Capacity

The sites inventoried in this Housing Element all lie within urban areas well served by street and utility infrastructure. Drinking water in San Carlos is provided by Cal-Water. Wastewater originating in San Carlos is treated by the South Bayside System Authority (SBSA). As part of the environmental analysis completed for the Housing Element update, the availability of sufficient water supply and wastewater treatment capacity to meet the demand for San Carlos' General Plan projections and the current RHNA will be analyzed. Aside from the non-governmental and governmental constraints discussed in Chapter 4 (Constraints), no additional constraints would impede the development of new housing units in the future on the identified sites.

San Carlos is fully developed, and full urban-level services are available to each site in the inventory. Specifically, water, sewer, and dry utility services are available for all the sites included in the inventory. To ensure that infrastructure needs of specific projects are addressed, the City requires that project applications for new development be reviewed for adequate infrastructure.

4 2023 HOUSING ELEMENT: HOUSING RESOURCES

Figure 4.5-3
Opportunity
Areas and Sites
Inventory Map

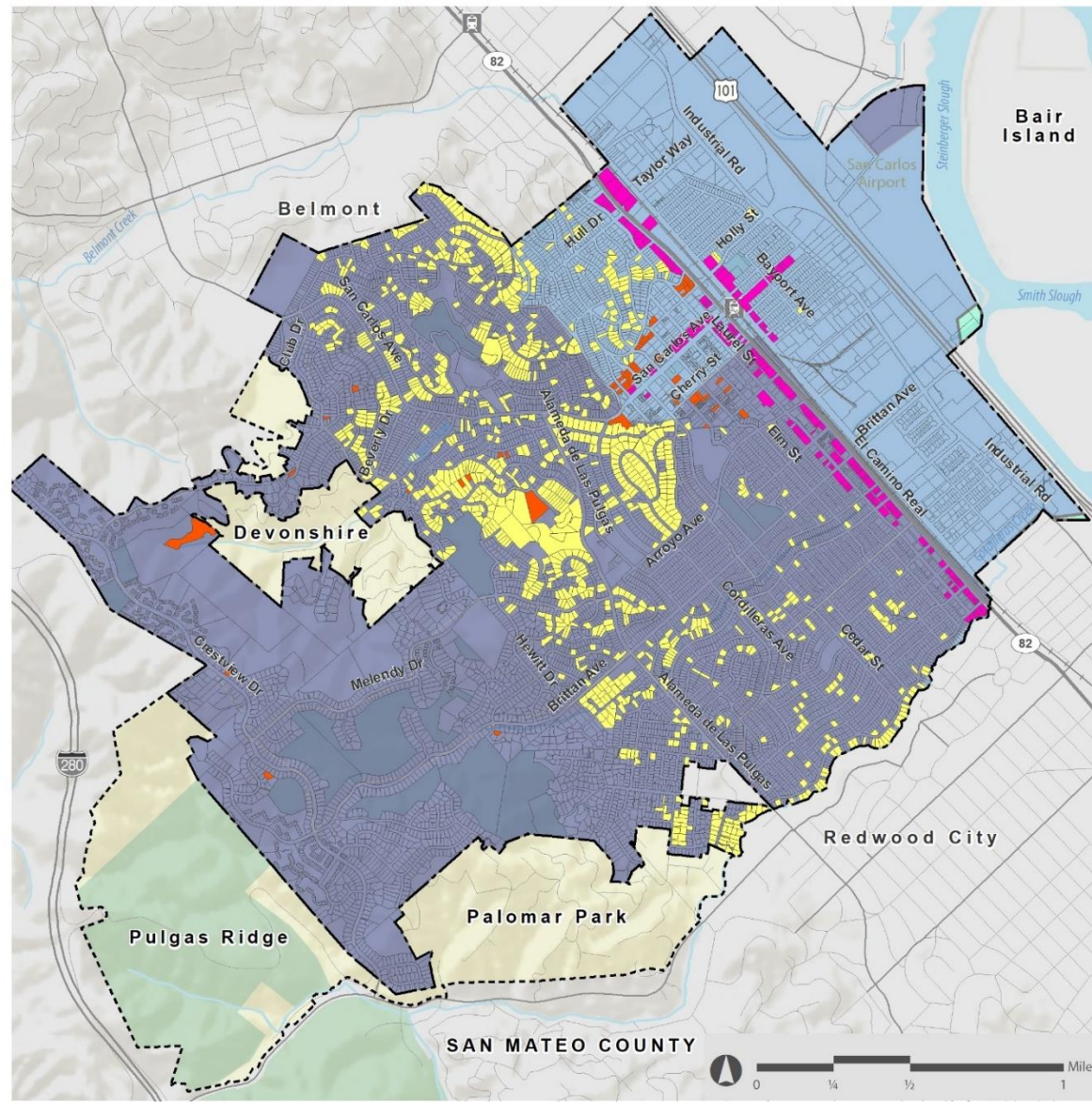
Legend

6th Cycle RHNA Sites

- Residential Sites
- Mixed Use Sites
- Parcels with SB9 unit potential

TCAC Opportunity Areas (2021)

- Highest Resource
- High Resource
- Moderate and Low Resource
- City of San Carlos Boundary
- SOL_line
- +—+—+— Caltrain Railroad and Stations
- Waterbodies
- Parks and Open Space
- Surrounding Jurisdictions



May 2022

Sources: United States Census Bureau, 2019. City of San Carlos,
County of San Mateo, Urban Footprint, 2020.

Applications are evaluated on a case-by-case basis to ensure the capacity exists to service new developments.

Administrative and Financial Resources

Financial Resources

Most projects that are exclusively affordable housing (especially for extremely low- and very low-income households) cannot be developed without financing and other subsidies required to write down the cost of land or other development incentives necessary to reduce construction costs. Funding sources include U.S. Department of Housing and Urban Development (HUD) funds, Tax Credits, and other loans and grants.

Federal Resources

CDBG/HOME: Through the Community Development Block Grant (CDBG) program, HUD provides funds to local governments for a wide range of community development activities. These funds can be used for the acquisition of land for affordable housing units, rehabilitation through a nonprofit organization for housing, development of infrastructure and facilities, and public service activities. Another source of HUD funds is available under the HOME Investment Partnerships Program (HOME). These funds can be used to assist tenants or homeowners through acquisition, construction, reconstruction, or the rehabilitation of affordable housing. A federal priority for use of these funds is preservation of the at-risk housing stock. The City is a participating jurisdiction in the San Mateo County Consortium to receive CDBG and HOME funds

Housing Choice Voucher Program: The Housing Authority of the County of San Mateo administers the HUD Section 8 Housing

Choice Voucher Program for San Carlos residents. The program provides rental subsidies to low-income families who spend more than 30 percent of their gross income on housing costs. The program pays the difference between 30 percent of the recipients' monthly income and the federally approved payment standard. The voucher allows a tenant to choose housing that may cost above the payment standard, but the tenant must pay the extra cost.

State Resources

Low Income Housing Tax Credits (LIHTC): Created by the 1986 Tax Reform Act, the LIHTC program encourages the construction and rehabilitation of rental housing for lower-income households. The program allows investors an annual tax credit over a 10-year period, provided that the housing meets the following minimum low-income occupancy requirements: 20 percent of the units must be affordable to households at 50 percent of AMI or 40 percent of the units must be affordable to those at 60 percent of AMI. The total credit over the 10-year period has a present value equal to 70 percent of the qualified construction and rehabilitation expenditure. The tax credit is typically sold to large investors at a syndication value.

Additional State housing resources include:

- Affordable Housing and Sustainable Communities (AHSC)
- CalHFA Single and Multi-Family Program
- CalHome Program
- Homekey
- Housing-Related Parks Grant

- Infill Infrastructure Grant (IIG)
- Local Housing Trust Fund (LHTF)
- Multifamily Housing Program (MHP)
- No Place Like Home
- Permanent Local Housing Allocation (PLHA)

Local Resources

Housing Endowment and Regional Trust of San Mateo County (HEART): HEART was formed in 2003 as a public/private partnership among the San Mateo cities and county, and the business, nonprofit, education, and labor communities. HEART raises funds from public and private sources to meet critical housing needs in San Mateo County.

Affordable Housing (BMR) Ordinance: The City's Below Market Rate (BMR) Housing Ordinance requires that 15 percent of units in market rate developments are provided at affordable rates (10 percent moderate- and 5 percent low-income for ownership projects; 10 percent very low- and 5 percent low-income for rental projects). Projects that include seven or more units must provide these units on site; projects with fewer units may pay in in-lieu fee. Revisions to the BMR Ordinance were adopted in June 2022. Revisions to the Ordinance lowered the threshold for constructing units on site for ownership projects to 5 units; the threshold remains seven for rental developments. The revisions also require ownership projects to provide 20 percent low-income units and provide an option for rental projects to provide 15 percent very low-income units, to correlate with State density bonus law. Projects smaller than this threshold pay an in-lieu fee. Projects that result in a fractional unit of less than 0.5

can opt to pay an in-lieu instead of providing an additional unit. Any calculation that results in a fraction greater than 0.5 is required to build the additional unit.

The City of San Carlos has also adopted a Commercial Development BMR Housing Program that requires developers of commercial projects to mitigate their impact on affordable housing by paying a Commercial Linkage Fee. The Linkage Fee applies to commercial projects including changes in use, additions in floor area and new development as follows:

- Restaurant, & Personal Service \$5.00 per square foot
- Hotel: \$10.00 per square foot
- Office, Medical Office, Research & Development: \$20.00 per square foot

San Mateo County Affordable Housing Fund: To date, the San Mateo County Affordable Housing Fund, together with its Preservation sub-fund, has allocated over \$120 million to assist 2,761 units in San Mateo County—supporting development of 2,403 new affordable rental and homeownership units, and preservation as affordable housing of 358 multifamily rental units.

Redevelopment Agency: When the City's Redevelopment Agency was dissolved on Feb. 1, 2012, in accordance with California State law, the city formed a Successor Agency to handle the unfinished business of the former Redevelopment Agency. The former Redevelopment Agency had a geographically defined Project Area where a portion of the

property taxes from the properties within the area went to support the activities of the Agency, including capital projects, economic development and affordable housing. The City adopted a last and final Recognized Obligation Payment Schedule (ROPS) filed for July 1, 2019 through June 30, 2035, totaling in approximately \$18 million.

Administrative Resources

The following agencies and organizations contribute to the goal of preserving and increasing affordable housing in San Carlos. Both government agencies and partnerships with nonprofit agencies and for-profit developers are necessary to implement many housing programs.

San Carlos

Community Development Department: The Community Development Department is home to the Building, Economic Development and Housing, and Planning Divisions which help advance the city's housing needs. The Economic Development and Housing Division manages the City's housing efforts, participating in both local and regional housing efforts as well as evaluation of housing opportunities as they become available, programs to increase the supply of workforce housing, and funding support for key housing programs. The Planning Division is responsible for advance planning, current planning (ensuring that development projects are consistent with the General Plan, the Development Code, and State codes), and land use regulation.

San Mateo County

The Housing Authority of the County of San Mateo administers the HUD Section 8 Housing Choice Voucher Program for San Carlos residents. In addition, the San Mateo County Housing & Community Development (HCD) Division coordinates homelessness response for the County and serves as the organizing agency for local jurisdictions.

Partnerships

Creative approaches and partnerships are often necessary in order to finance and build affordable housing. Nonprofit and for-profit organizations provide housing, including affordable housing, and a wide range of supportive services for residents with special housing needs throughout the county. Partners also help manage homeownership programs and assist in other housing and community development activities. Some of these local partners include:

- **Bridge Housing** (designs, develops, and manages affordable housing)
- **Center for Independence of the Disabled** (provides support services, community awareness, and advocacy for people with disabilities)
- **Eden Housing** (designs, develops, and manages affordable housing)
- **First Community Housing** (designs, develops, and manages affordable housing)
- **HIP Housing: Human Investment Project** (supports home sharing, self-sufficiency, and property development/housing rehabilitation)

- **Habitat for Humanity Greater San Francisco** (builds and rehabilitates homes for affordable purchase)
- **Lesley Senior Communities** (senior living provider)
- **LifeMoves** (homeless services provider)
- **Mercy Housing** (designs, develops, and manages affordable housing)
- **MidPen Housing** (designs, develops, and manages affordable housing)
- **Mental Health Association of San Mateo County** (housing and services provider)
- **PARCA** (services provider for people with developmental disabilities)
- **Rebuilding Together Peninsula** (housing renovation and repair services)
- **Samaritan House** (homeless services provider)

constraints to housing development and housing access, and to form partnerships to meet housing needs.

For-profit developers also provide affordable units in larger-scale projects in San Carlos, both through density bonuses and the City's BMR Ordinance requirements.

The Housing Element Goals, Policies, and Implementation Programs outline the City's plan to continue to work with a network of nonprofit and for-profit organizations to build affordable housing, rehabilitate and preserve housing, and provide an extensive menu of supportive services to San Carlos residents, families, and persons with special needs. Moreover, the Housing Element sets forth policies and programs to continue to facilitate the development and maintenance of housing, remove

Fair Housing Assessment

Fair housing is a condition in which individuals of similar income levels in the same housing market have like ranges of choice available to them regardless of race, color, national origin, religion, sex, disability, familial status, ancestry, age, marital status, gender, gender identity, gender expression, genetic information, sexual orientation, source of income, or any other arbitrary factor. The State of California's 2018 Assembly Bill (AB 686) requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take "meaningful actions" to address segregation and related barriers to fair housing choice.

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AB 686 requires all public agencies to “administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing and take no action inconsistent with this obligation.”¹ AB 686 also makes changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

¹ California Department of Housing and Community Development Guidance, 2021, page 9.

4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING



Affirmatively Furthering Fair Housing

“Affirmatively furthering fair housing” means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency’s activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)”

Primary Findings

This section summarizes the primary findings from the Fair Housing Assessment for San Carlos.

- San Carlos residents filed only two fair housing complaints and made four fair housing inquiries to the state in the past 5 to 7 years (Figure 4.6-2).
- The City’s Housing Resources & Information webpage includes guidance on housing discrimination and how to file a fair housing complaint, intended to help current and

prospective residents who have fair housing concerns find needed resources more quickly.

- San Carlos’ demographics do not represent the demographics of the county or Bay area overall (Figure 4.6-3): 68 percent of San Carlos residents are White (compared to 39 percent in the county and Bay area); 16 percent are Asian (compared to 30 percent in the county and 27 in the Bay area); one percent are Black/African American (versus 6 percent in the Bay area); and 9 percent are Hispanic/Latinx (versus 24 percent in the county and Bay area). The city is on par with the county and Bay area for other and mixed-race residents.
- Mapping conducted by HCD shows the city is nearly entirely predominantly White, an unusual pattern for cities in San Mateo County, as most have some pockets of diversity.
- Like most of the county, San Carlos is aging—although the city’s youth are also increasing. The largest drop between 2000 and 2019 is in residents aged 35 to 44,

This history of segregation in the region is important not only to understand how residential settlement patterns came about—but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

followed by 25 to 34. This could indicate that the city has trouble retaining working age residents.

Sixteen percent of San Carlos households earn less than 50 percent of the area median income (AMI) compared to 24 percent in the county. All but one block group in the city has a median income of greater than \$125,000, and no areas of the city have concentrated poverty.

- The city has few disparities in housing access among racial and ethnic groups, likely due to the high barriers to entry in the housing market. Lower income households have few opportunities to rent and buy in San Carlos.
- The largest disparities that exist are in education. Proficiency gaps exist by race and ethnicity: Black/African American students attending both San Carlos Elementary and Sequoia High have some of the lowest rates of mathematics proficiency in the county. Black/African American students represent one percent of the San Carlos Elementary District and two percent of the Sequoia High district. Hispanic students also have proficiency gaps, but they are not as pronounced. Only three percent of English language learners and nine percent of students with disabilities in the Sequoia Union High School District meet or exceed math standards—some of the lowest proficiency among schools in the county.

- In the regional context, San Carlos represents a high opportunity area with relatively low accessibility to low- and moderate-income households, which are more likely to be racial/ethnic minorities. The City should continue to look for opportunities to increase affordable housing supply in the community.

History of segregation in the region. The United States' oldest cities have a history of mandating segregated living patterns—and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as “structural inequities” in society, and “self segregation” (i.e., preferences to live near similar people).

Researcher Richard Rothstein's 2017 book *The Color of Law: A Forgotten History of How Our Government Segregated America* chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay Area region that played a large role in where the region's non-White residents settled. Rothstein's research—and other sources of past discriminatory acts in Peninsula—are featured in the 21 Day Social & Racial Equity Challenge sponsored by the Community Foundation of San Carlos.² Examples of these discriminatory behaviors are summarized below.

² <https://cfsancarlos.org/21-day-11>

4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING



Pre-civil rights San Mateo County faced resistance to racial integration, yet it was reportedly less direct than in some Northern California communities, taking the form of “blockbusting” and “steering” or intervention by public officials. These local discriminatory practices were exacerbated by actions of the Federal Housing Administration which excluded low-income neighborhoods, where the majority of people of color lived, from its mortgage loan program.

According to the San Mateo County Historical Association, San Mateo County’s early African Americans worked in a variety of industries, from logging, to agriculture, to restaurants and entertainment. Expansion of jobs, particularly related to shipbuilding during and after World War II attracted many new residents into the Peninsula, including the first sizable migration of African Americans. Enforcement of racial covenants after the war forced the migration of the county’s African Americans into neighborhoods where they were allowed to occupy housing—housing segregated into less desirable areas, next to highways, and concentrated in public housing and urban renewal developments.

The private sector contributed to segregation through activities that discouraged (blockbusting) or prohibited (restrictive covenants) integrated neighborhoods. In the City of San Mateo, builders of the Hillsdale neighborhood in the mid-1900s recorded deeds that specified that only “members of the Caucasian or White race shall be permitted” to occupy sold homes—the

exception being “domestics in the employ[ment] on the premises.”³ This developer went on to develop many race-restricted neighborhoods in the Bay Area, became president of the National Association of Home Builders (NAHB), became national president of the Urban Land Institute (ULI), and was inducted into California’s Homebuilding Foundation Hall of Fame.

The segregatory effect of blockbusting activities is well-documented in East Palo Alto. In 1954, after a White family in East Palo Alto sold their home to an African American family, the then-president of the California Real Estate Association set up an office in East Palo Alto to scare White families into selling their homes (“for fear of declining property values”) to agents and speculators. These agents then sold these homes at over-inflated prices to African American buyers, some of whom had trouble making their payments. Within six years, East Palo Alto—initially established with “whites only” neighborhoods—became 82 percent African American. The FHA prevented re-integration by refusing to insure mortgages held by White buyers residing in East Palo Alto.

Throughout the county, neighborhood associations and city leaders attempted to thwart integration of communities. Although some neighborhood residents supported integration, most did not, and it was not unusual for neighborhood associations to require acceptance of all new buyers. Builders with intentions to develop for all types of buyers (regardless of

³ <https://www.nytimes.com/2020/08/14/opinion/sunday/blm-residential-segregation.html>

race) found that their development sites were rezoned by planning councils, required very large minimum lot sizes, and/or were denied public infrastructure to support their developments or charged prohibitively high amounts for infrastructure.

As shown in the timeline of major federal Acts and court decisions related to fair housing choice and zoning and land use (Figure 4.6-1), exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory, and allowed those that would be considered today to have a “disparate impact” on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Ambler Realty Co.* (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as “mere parasite(s)” with the potential to “utterly destroy” the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies)—the latter of which is only effective when adequate affordable rental units are available.

Fair Housing Enforcement and Capacity

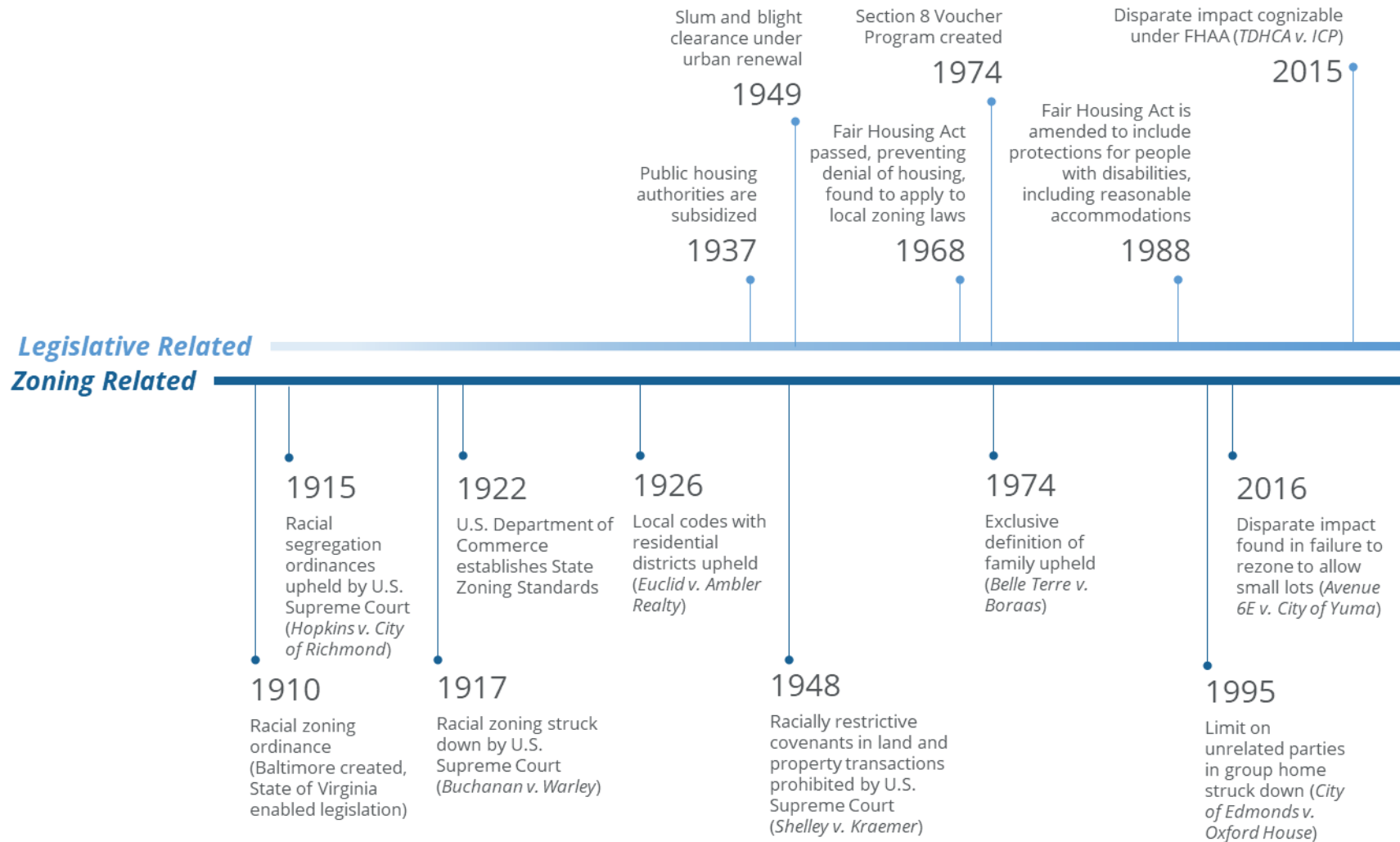
Fair Housing Legal Cases and Inquiries

The San Mateo County Regional Assessment of Fair Housing (AFH) serves as the fair housing planning document for the San Mateo County region. The AFH is completed on behalf of the county and local cities that receive U.S. Department of Housing and Urban Development (HUD) funds directly from HUD. HUD provides annual funding allocations through the Community Development Block Grant (CDBG); HOME Investment Partnerships (HOME); and Emergency Shelter Grant (ESG). The four largest cities in San Mateo County (Daly City, South San Francisco, San Mateo, and Redwood City) meet HUD’s definition of “entitlement” cities, and each receive their own separate CDBG grant from HUD. HOME funds are received by the County as a “HOME Consortium,” which consists of the Urban County and the City of South San Francisco and San Mateo, which are entitlement cities and could receive their own HOME allocations but have chosen to remain with the Urban County in the HOME Consortium. San Carlos is part of the Urban County and receives CDBG and HOME funds through the County as the entitlement jurisdiction.

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FIGURE 4.6-1
Major Public and Legal Actions that Influence Fair Access to Housing



The purpose of the AFH is to help communities analyze challenges to fair housing choice and establish their own goals and priorities to address fair housing barriers in their communities. Additionally, the report aims to help communities move toward an “access to opportunity philosophy” when making planning and housing policy decisions. The “access to opportunity” focus of the AFH is rooted in the text of the 1968 Fair Housing Act (FHA). According to the July 2015 Final Rule establishing the AFH, “The Fair Housing Act not only prohibits discrimination, but, in conjunction with other statutes, directs HUD’s program participants to take significant actions to overcome historical patterns of segregation, achieve truly balanced and integrated living patterns, promote fair housing choice, and foster inclusive communities that are free from discrimination.” Many court decisions have supported this interpretation of the FHA.

The California Department of Fair Employment and Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, the DFEH’s mission is, “to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act”.⁴

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in federal legislation and therefore not investigated by HUD. DFEH’s website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions.⁵ Fair housing complaints can also be submitted to HUD for investigation.

Additionally, San Carlos residents have access to several local organizations active in fair housing law. These include Project Sentinel, Legal Aid Society of San Mateo County, and Community Legal Services of East Palo Alto, all of which receive funding from the County and participating jurisdictions. The San Francisco Fair Housing and Equal Opportunity (FHEO) office of HUD and in the State of California Department of Fair Employment and Housing also investigate fair housing violations and allegations of discrimination based on a person’s status as a member of one of the State or Federally protected categories.

These organizations investigate allegations of discrimination based on a person’s status as a member of one of the State or Federally protected categories.

From 2017 to 2021, 57 fair housing complaints in San Mateo County were filed with the U.S. Department of Housing and

⁴ <https://www.dfeh.ca.gov/aboutdfeh/>

⁵ <https://www.dfeh.ca.gov/complaintprocess/>

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Urban Development (HUD), two of which were from San Carlos residents. Most complaints countywide cited disability status as the bias (56 percent) followed by race (19 percent), and familial status (14 percent). In San Carlos, the two complaints were based on disability and familial status. Countywide, no cause determination was found in 27 complaints followed by successful conciliation or settlement with 22 complaints.

Fair housing complaints filed with HUD by San Mateo County residents have been on a declining trend since 2018, when 18 complaints were filed. In 2019, complaints dropped to five, increased to 11 in 2020, and had reached six by mid-2021.

Fair housing inquiries made to the state in 2020 were primarily submitted to HCD from the City of San Mateo, Redwood City, Daly City, and Menlo Park.

Nationally, the National Fair Housing Alliance (NFHA) reported a “negligible” decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally were nearly identical to San Mateo County’s: disability (55 percent) and race (17 percent). Familial status represented eight percent of complaints nationally, whereas this basis comprised 14 percent of cases in the county.

NFHA identifies three significant trends in 2020 that are relevant for San Mateo County:

- First, fair lending cases referred to the Department of Justice from federal banking regulators has been declining, indicating that state and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment—1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than state, local, and federal government agencies—reinforcing the need for local, active fair housing organizations and increased funding for such organizations.⁶

In 2018, the Department of Fair Employment and Housing (DFEH) settled a disability discrimination lawsuit against a San Carlos apartment landlord who refused to grant their tenant’s request for a reasonable accommodation for an exception to the property’s no-pets policy for an emotional support animal unless they paid a pet deposit and signed a pet addendum. The complaint was filed in 2016 and DFEH filed a civil complaint in 2017 in San Mateo Superior Court alleging violations of California’s Fair Employment and Housing Act and the Unruh Civil Rights Act. The settlement requires the landlords to pay \$27,500 to the tenants. The

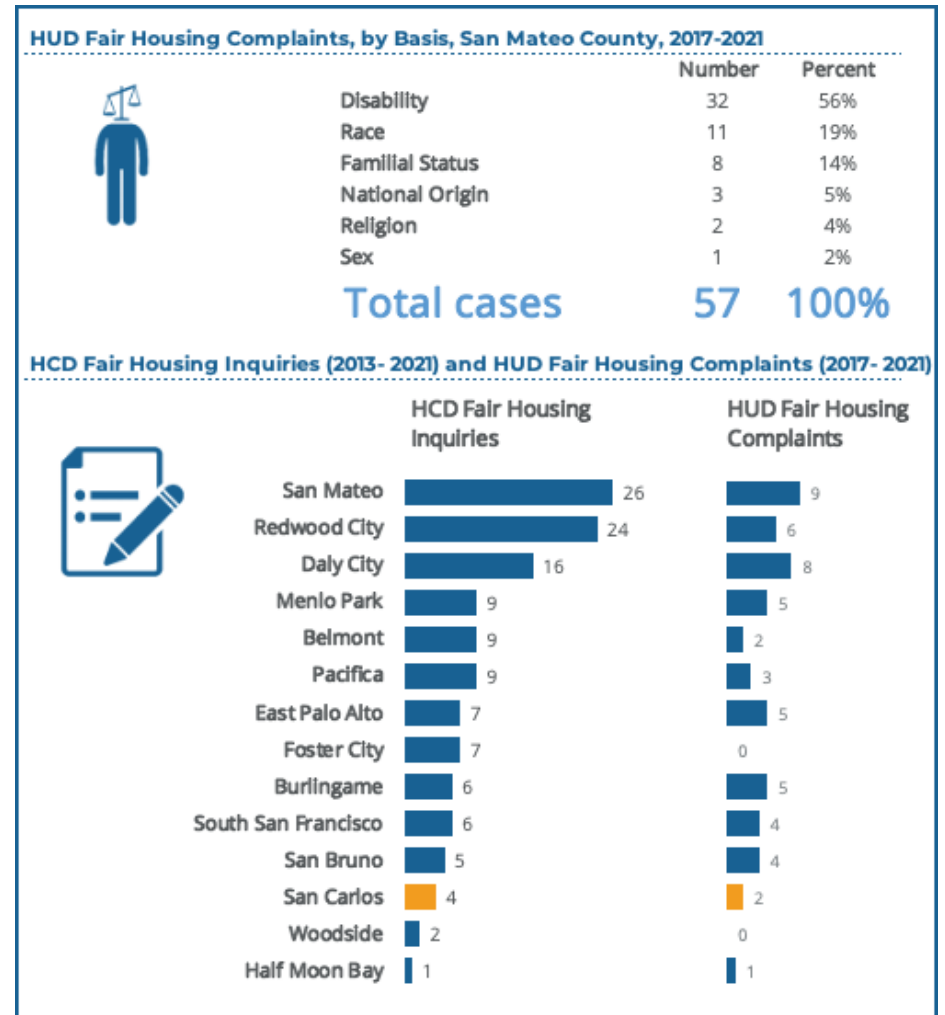
⁶ <https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/>

landlords are also required to undergo annual fair housing training, post materials, and submit compliance reports to DFEH.

Outreach and Capacity

San Carlos has information about how to find affordable housing in the city on its website but there is not specific information or resources for residents experiencing discrimination in housing or the Fair Housing Act. Program HOU-6.1 is included in the Housing Plan to improve access to fair housing information by providing contact information for local fair housing organizations, legal assistance, and general information about the Fair Housing Act and discrimination.

FIGURE 4.6-2
Fair Housing Complaints/Inquiries



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Housing Specific Policies Enacted Locally

San Carlos has implemented the following housing policies that promote housing production, funding for housing affordability, and stabilizing neighborhoods:

<p>Reduced parking requirements. Parking requirements in mixed use and residential zones are low and do not increase based on the number of bedrooms (one space per unit plus guest parking is required). Affordable housing projects can request the jurisdiction reduce parking requirements for projects near qualifying transit areas that are applying for a density bonus.</p>	<p>Inclusionary housing ordinance. The City has a Below Market Rate Housing Ordinance that requires developers to set aside a share of units in new housing developments for affordable housing. The ordinance was updated in 2022 to encourage the development of more affordable housing.</p>
<p>Condominium Conversion. Regulates conversion of apartment buildings into condominiums and generally provides tenant protections.</p>	<p>City Density Bonus. The City Density Bonus was updated in 2022 to provide additional incentives for affordable rental housing with density bonuses that exceed the State Density Bonus.</p>
<p>Uniform Relocation Policy. The City requires a minimum one-to-one replacement of any housing units demolished due to public action.</p>	<p>Objective Design Standards. The City has initiated the process to complete objective design and development standards for all multi-family residential and mixed-use development, to streamline review and provide certainty in the development process.</p>
<p>Financial Assistance. Funds from the Housing in-lieu fee and the Commercial Linkage fee are pooled to support affordable housing construction in the city.</p>	<p>Commercial development impact fee. Levies a per square foot development fee levied on non-residential development that is used to develop or preserve affordable housing.</p>
<p>Reduced fees of waivers. Reduces fees or permit waivers for 100% affordable housing development.</p>	<p>Acquisition/Preservation. The City has acquired existing affordable housing to preserve long-term affordability.</p>

According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), San Carlos does not have any public housing buildings. However, the city does have one census tract with a moderate share of households using housing vouchers (5 percent to 15 percent). Most other areas of the city have no data on voucher usage.

Integration and Segregation

This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence.

Integration generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

Segregation generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area.”

Source: California Department of Housing and Community Development Guidance, 2021, page 31.

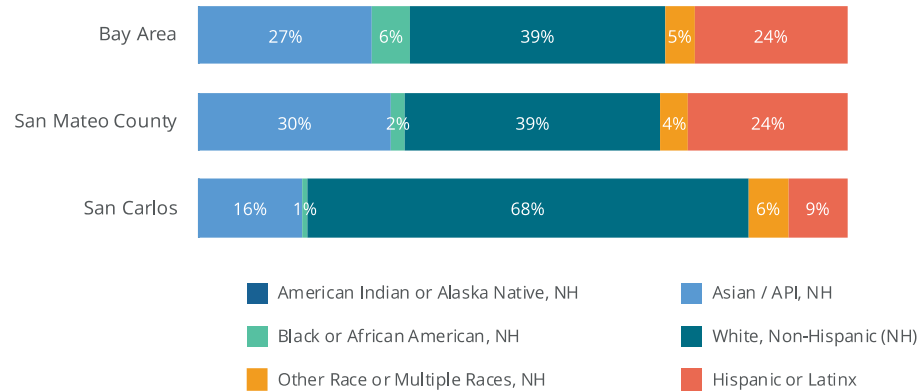
Race and Ethnicity

The ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences, and mobility. San Carlos’ demographics do not represent the demographics of the county or Bay area overall (Figure 4.6-3). More than two thirds (68 percent) of San Carlos residents are White (compared to 39 percent in the county and Bay area); 16 percent are Asian (versus 30 percent in the county and 27 percent in the Bay area); one percent are Black/African American (versus 6 percent in the Bay area); and 9 percent are Hispanic/Latinx (compared to 24 percent in the county and Bay area). The city is on par with the county and Bay area for other and mixed-race residents. Since 2000, however, San Carlos has grown more diverse (Figure 4.6-4), primarily due to the growth of Asian and other and mixed-race residents.

Figure 4.6-5 shows the distribution of non-White residents in San Carlos. Most of the City block groups show a population that is 20 percent or less non-White. Overall, concentrations of non-White residents in San Carlos are minimal. Block groups northwest of El Camino Real, and along San Carlos Ave. and Cherry St. have non-White populations that are in the 41 to 60 percent. Compared to neighboring jurisdictions, San Carlos has less concentrations of non-White residents than cities of Redwood City, Belmont, San Mateo, and Foster City.

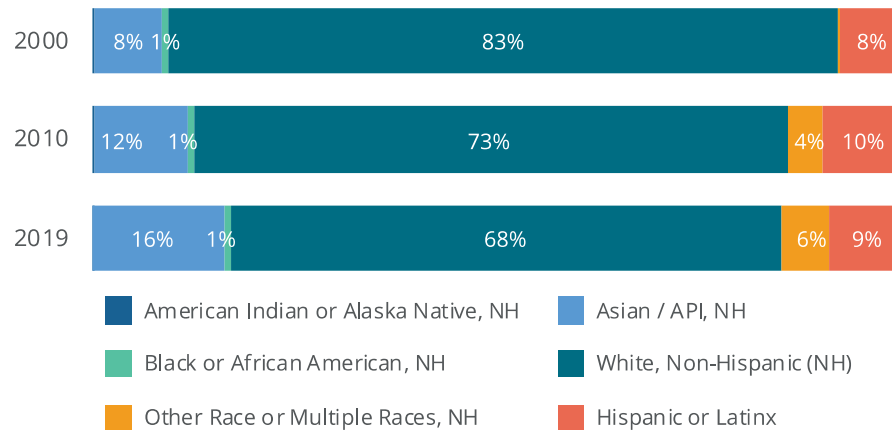
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FIGURE 4.6-3
Population by Race and Ethnicity, 2019



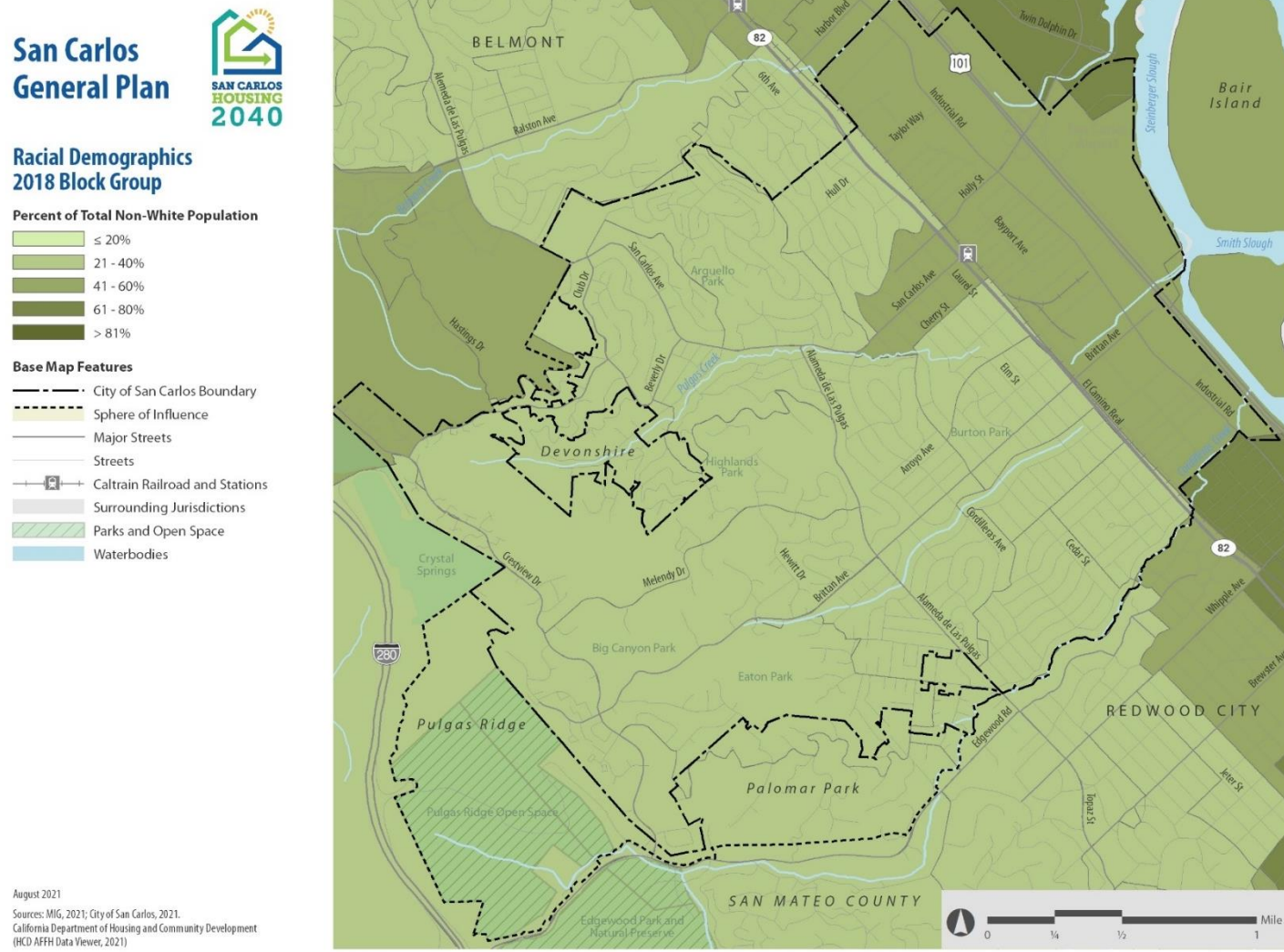
Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-4
Population by Race and Ethnicity, San Carlos 2000-2019



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-5
Non-White Population



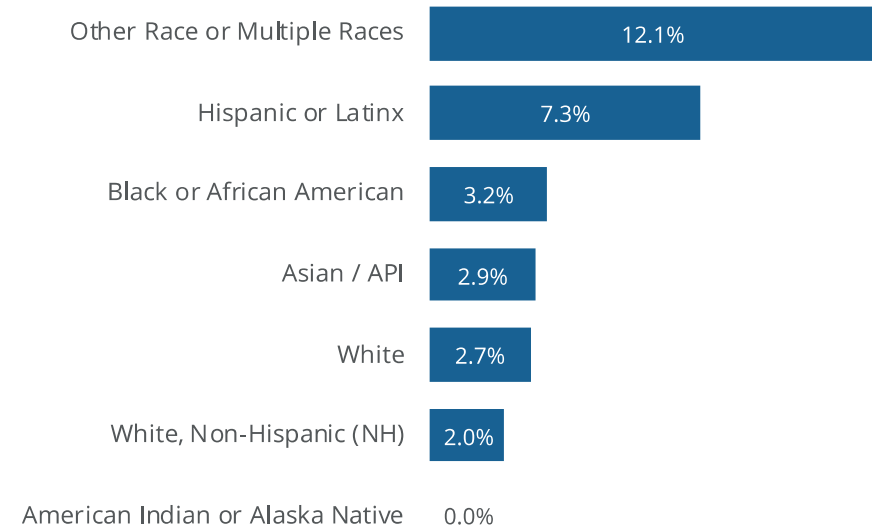
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Poverty rates are fairly consistent across races and ethnicities except for Hispanic/Latinx residents (7.3 percent live in poverty versus 2.7 percent for White residents) and other and mixed race residents (12 percent poverty rate).

San Carlos has much less racial diversity than surrounding communities. Mapping conducted by HCD shows the city is nearly entirely predominantly White (Figure 4.6-7). This is an unusual pattern for cities in San Mateo County. HCD maps also show much of San Carlos' neighborhoods with Asian/White segregation (Figure 4.6-8). The city is one of the least diverse, as measured by the HCD diversity index (Figure 4.6-9 and 4.6-10)—less so than Belmont, Hillsborough, and Burlingame.

FIGURE 4.6-6
Poverty Rate by Race and Ethnicity,
2019



Source: ABAG Housing Needs Data Workbook




FIGURE 4.6-7
White Majority Census Tracts

**San Carlos
General Plan**











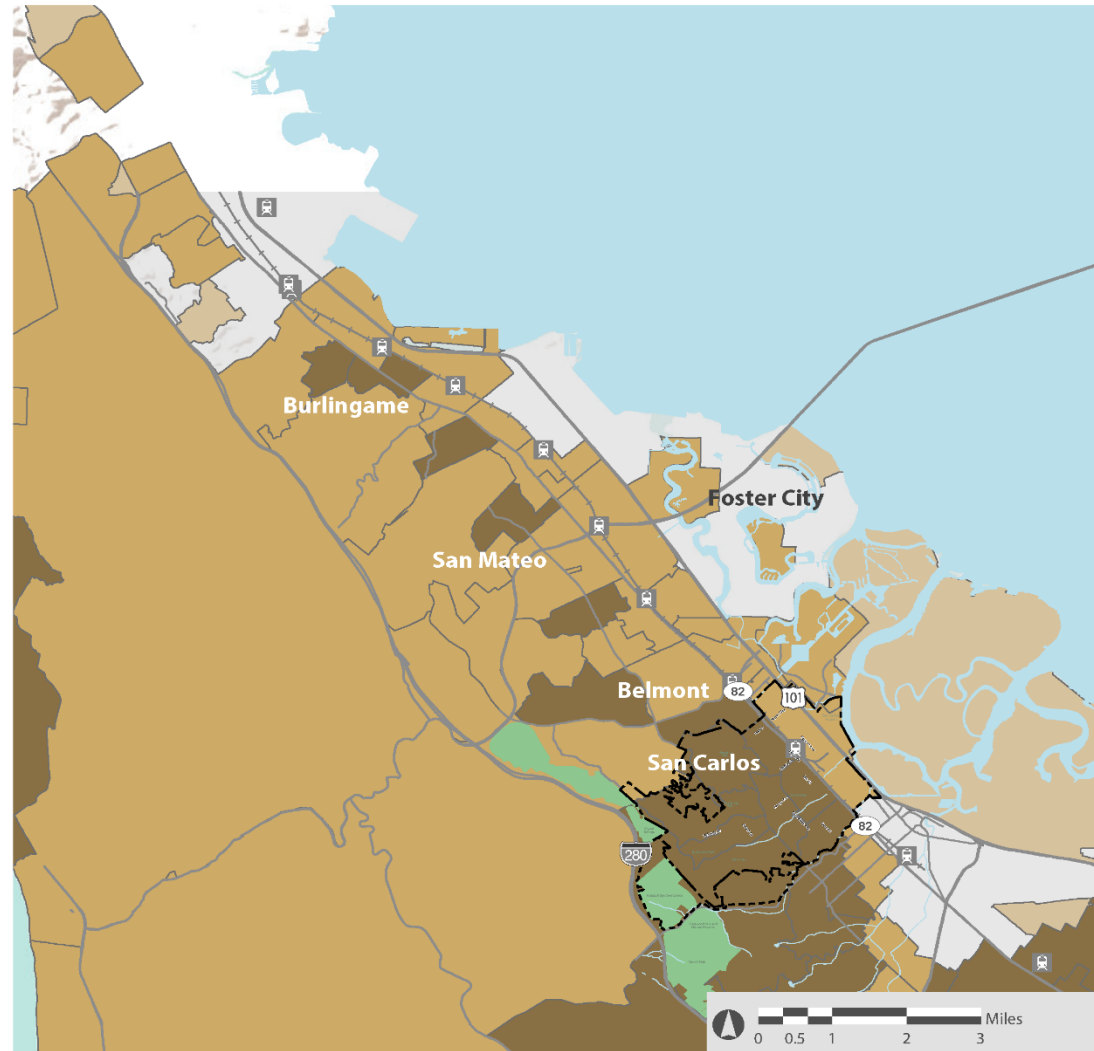
White Majority Census Tracts

Predominant Population - White Majority Tracts

-  Predominant (gap > 50%)
-  Sizeable (gap 10% - 50%)
-  Slim (gap < 10%)

Base Map Features

-  City of San Carlos Boundary
-  Sphere of Influence
-  Major Streets
-  Streets
-  Caltrain Railroad and Stations
-  Surrounding Jurisdictions
-  Parks and Open Space
-  Waterbodies



August 2021

Sources: MIG, 2021; City of San Carlos, 2021.
California Department of Housing and Community Development
(HCD AFFH Data Viewer, 2021)

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FIGURE 4.6-8
Neighborhood Segregation by Census Tract

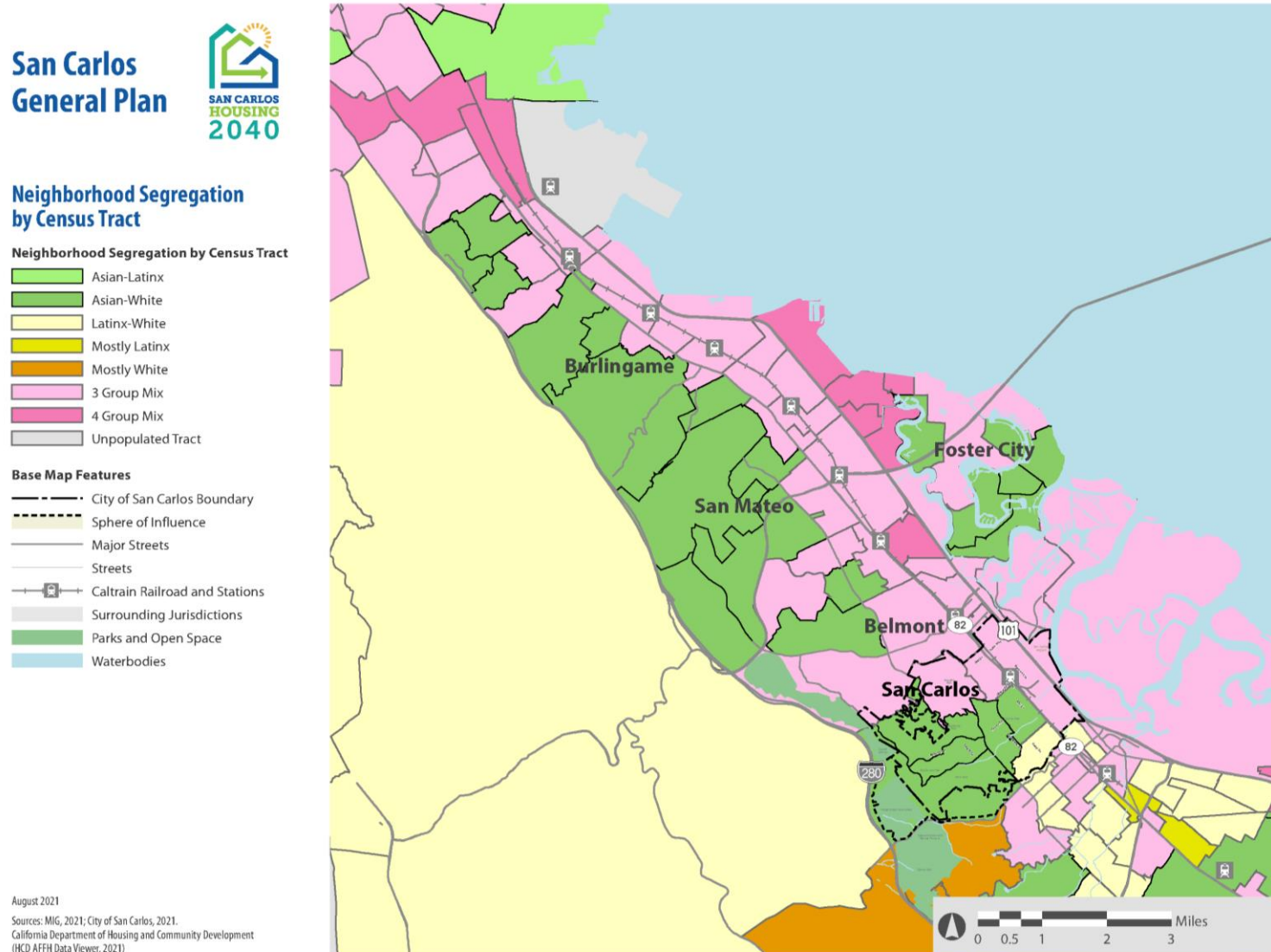
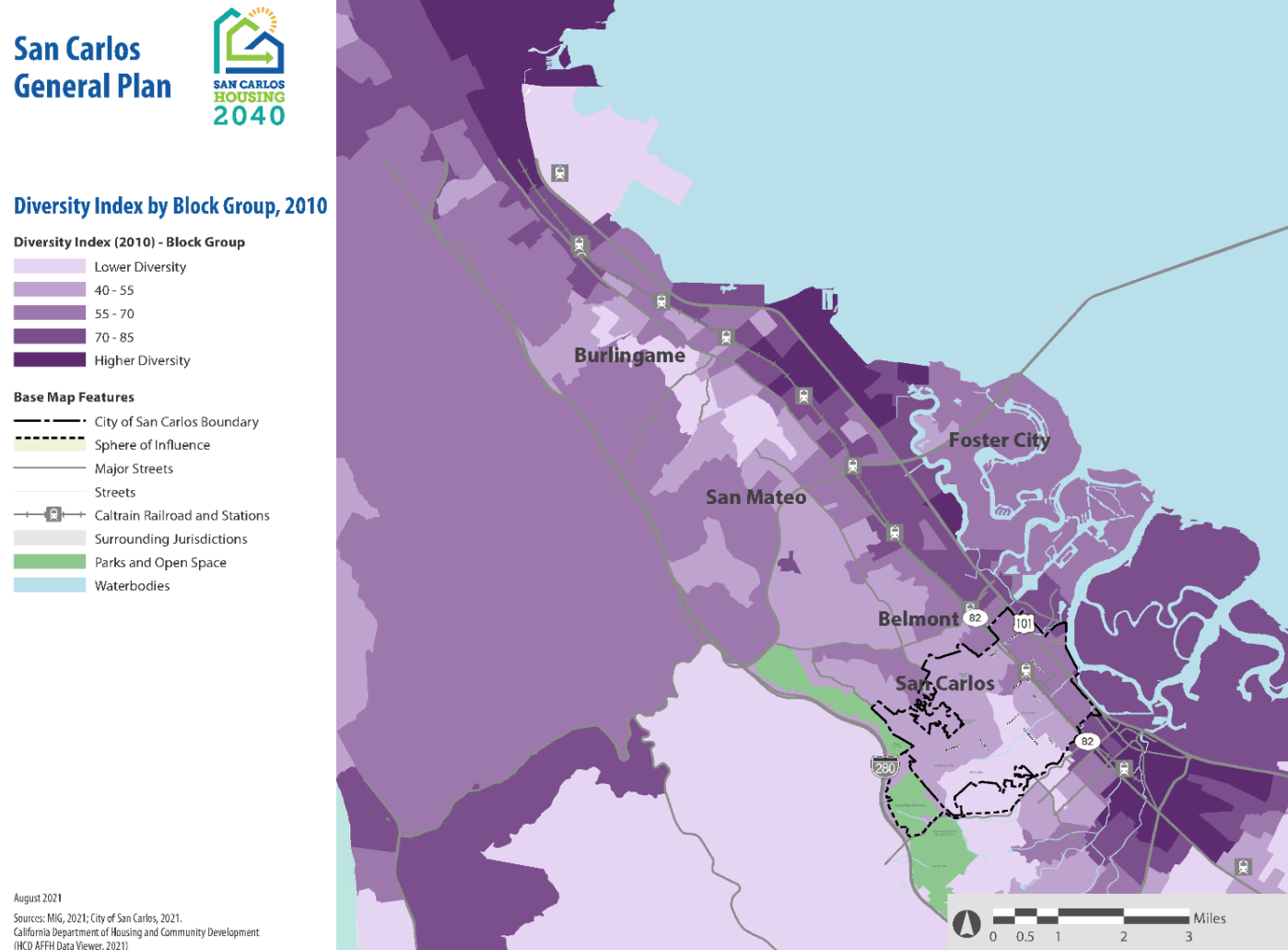
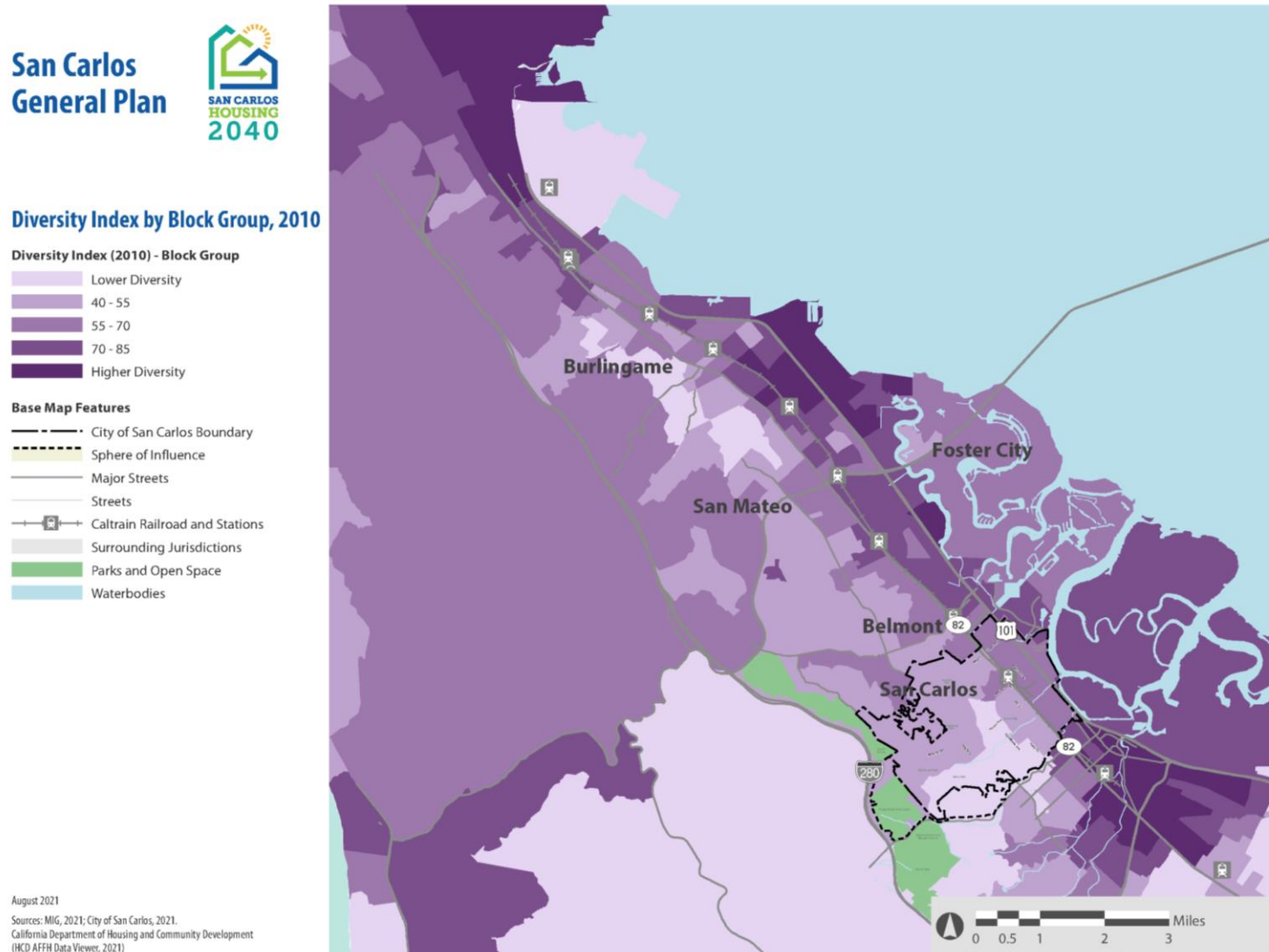


FIGURE 4.6-9
Diversity Index by Block Group, 2010



4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

FIGURE 4.6-10
Diversity Index by Block Group, 2018



Dissimilarity Index

According to HUD, “The dissimilarity index (or the index of dissimilarity) is a commonly used measure of community-level segregation. The dissimilarity index represents the extent to which the distribution of any two groups (frequently racial or ethnic groups) differs across census tracts or block groups. The values of the dissimilarity index range from 0 to 100, with a value of zero representing perfect integration between the racial groups in question, and a value of 100 representing perfect segregation between the racial groups.” Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation. The dissimilarity index compares a particular racial group’s distribution in the county against the distribution of White, non-Hispanic residents.

While data is not available at the city level, the San Mateo County Regional Assessment of Fair Housing (AFH) provides countywide information. As reported in the 2017 AFH, African Americans are the only racial group facing consistently high segregation in the county. This segregation, as measured by the dissimilarity index, has decreased over time and was approaching a moderate level in 2017. African American/White segregation decreased or was stable in all participating jurisdictions. In contrast, Hispanic and Asian residents are more segregated (relative to White, non-Hispanic residents) today than

in 1990. These groups have also experienced the strongest growth in the county. Residential settlement patterns of these two groups during the past 25 years appear to have influenced segregation. In general, San Mateo County is relatively well integrated—particularly given its racial and ethnic diversity.⁷ Compared to the San Francisco/Oakland/Hayward regional dissimilarity index (see Table 4.6-1), San Mateo County has lower or similar levels of segregation.

Table 4.6-1: Racial/Ethnic Dissimilarity Trends-San Mateo County Consortia Jurisdictions, 2017

Racial/Ethnic Dissimilarity Index	San Mateo County Consortia Jurisdictions (Urban County)				San Francisco- Oakland- Hayward Region
	1990 Trend	2000 Trend	2010 Trend	Current	
Non-White/White	42.06	42.27	40.66	43.86	45.89
Black/White	64.58	58.70	49.75	56.78	63.49
Hispanic/White	44.44	51.30	49.36	53.36	51.24
Asian or Pacific Islander/White	38.73	38.80	39.70	42.17	48.21

The Bay area is one of the least affordable housing markets in the country. All types of households, except for very high-income households and households who have owned property in the area for decades, have difficulty finding affordable housing. A variety of factors present even greater challenges in securing

⁷ More diverse communities usually have higher dissimilarity indices—and less diverse communities, lower indices. This is due to a number of factors, including settlement

patterns and formation of ethnic enclaves, historical practices and policies leading to segregation, and limited housing choices.

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affordable housing, such as households with very low incomes or needing to secure housing in certain locations to accommodate jobs or schools and/or housing with special features. As employment continues to expand in the region, larger households and households with special needs are likely to experience greater housing pressures than households with fewer housing needs. This could lead to greater segregation of certain households if housing accommodating a variety of residents is not available.

In sum, in the county and the greater region, continued growth and demand for housing – especially naturally occurring affordable rental housing – could lead to increased segregation. This segregation is mostly likely to occur in areas where affordable housing can still be found, such as Redwood City or East Palo Alto. It is also logical to assume that residents with the lowest incomes, special needs households, and larger household sizes will be most affected.

Persons with Disabilities

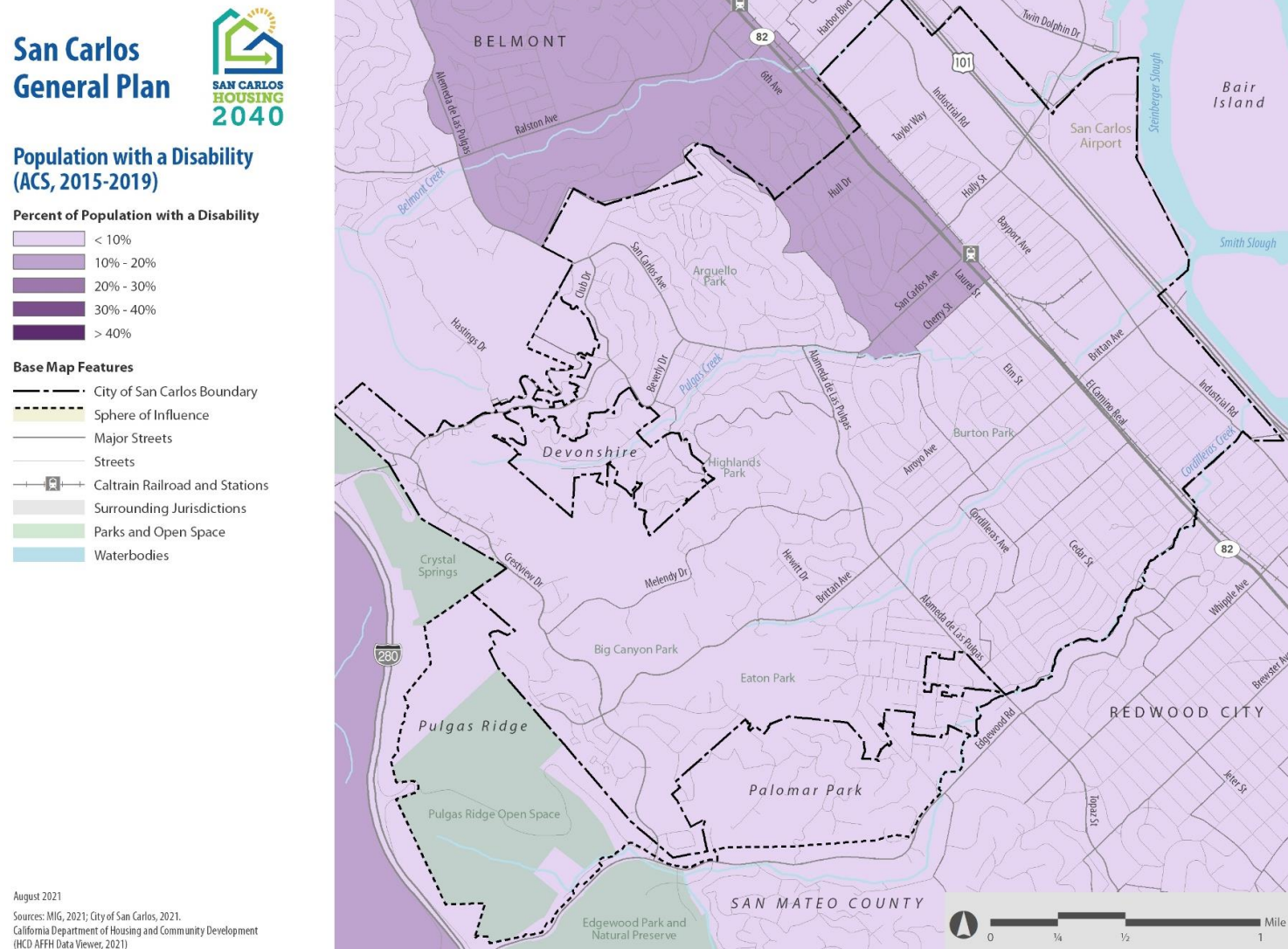
In San Carlos, 1,988 residents (7 percent) are living with a disability. Many of these residents with disabilities are 75 years and older (41 percent). Figure 4.6-11 shows the population of persons with a disability by census tract (2015-2019). At a regional level, San Carlos is generally similar to neighboring cities and the county as a whole where eight percent of residents have disabilities. In the Bay area at large, 10 percent of residents have a disability. Overall concentration of residents living with disabilities in San Carlos is minimal. In the area north of Cherry St and along El Camino Real, there is a higher percentage of residents with disabilities (10 to 20 percent of residents).

Familial Status

Familial status can indicate specific housing needs and preferences. A larger number of nonfamily or single person households could indicate a higher share of people living alone and an increased need for one- and two-bedroom units. Figure 4.6-12 shows that most households in San Carlos are made up of married couples (61 percent), which is moderately higher than for the county (55 percent) and Bay area overall (51 percent). The city's distribution of residents by household size resembles the county and Bay area (Figure 4.6-13). Figure 4.6-14 shows the percentage of children in married couple households is fairly consistent throughout the city, and Figure 4.6-15 parallels this, instead showing the percentage of children in female-headed (no spouse) households. Single-parent households require special consideration and assistance because of the greater need for daycare, health care, and other services. In particular, female-headed households with children tend to have lower incomes and greater need for affordable housing and accessible daycare, and other supportive services. Within San Carlos, there is no one census tract that has a concentration of children living in married or single female headed households.

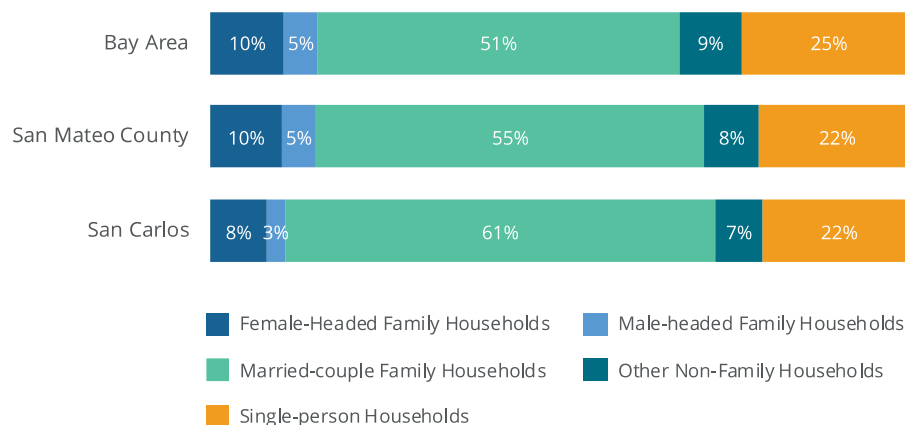
San Carlos' renters are mostly split between being married-couples and living alone (Figure 4.6-16). While owners most commonly occupy homes with 2 to 4 bedrooms (Figure 4.6-17), renters typically live in 1 and 2 bedroom homes. The city's household sizes and types and bedroom distributions appear to be consistent.

FIGURE 4.6-11
Population with a Disability, 2019



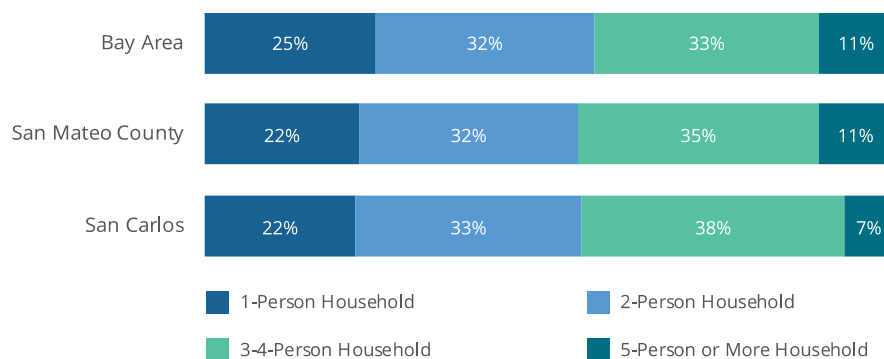
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FIGURE 4.6-12
Share of Households by Type, 2019



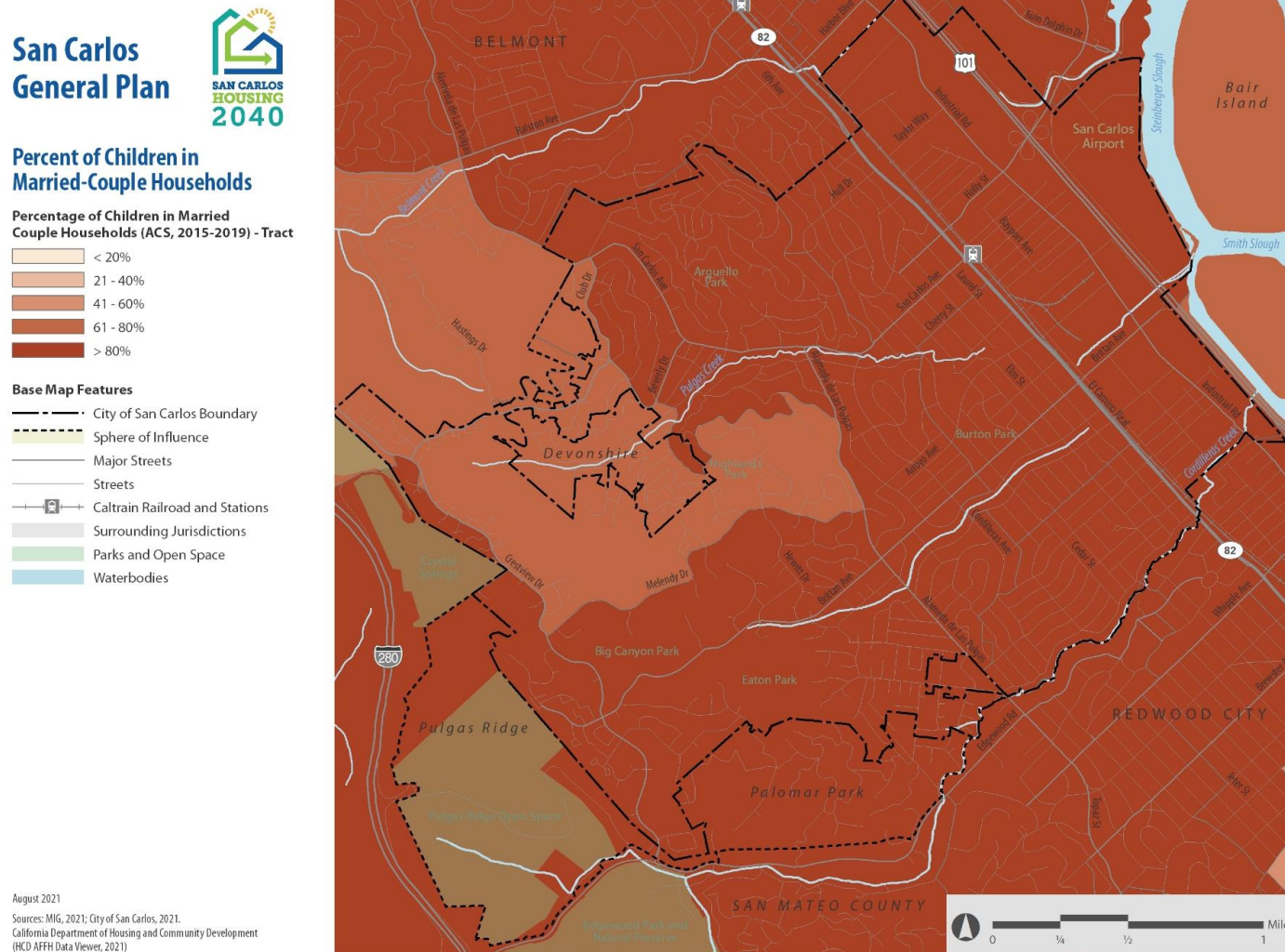
Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-13
Share of Households by Size, 2019



Source: ABAG Housing Needs Data Workbook

FIGURE H-4.6-14
Percent of Children in Married-Couple Households, 2019



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FIGURE 4.6-15
Percent of Children in Female Headed Households (No Spouse/Partner), 2019

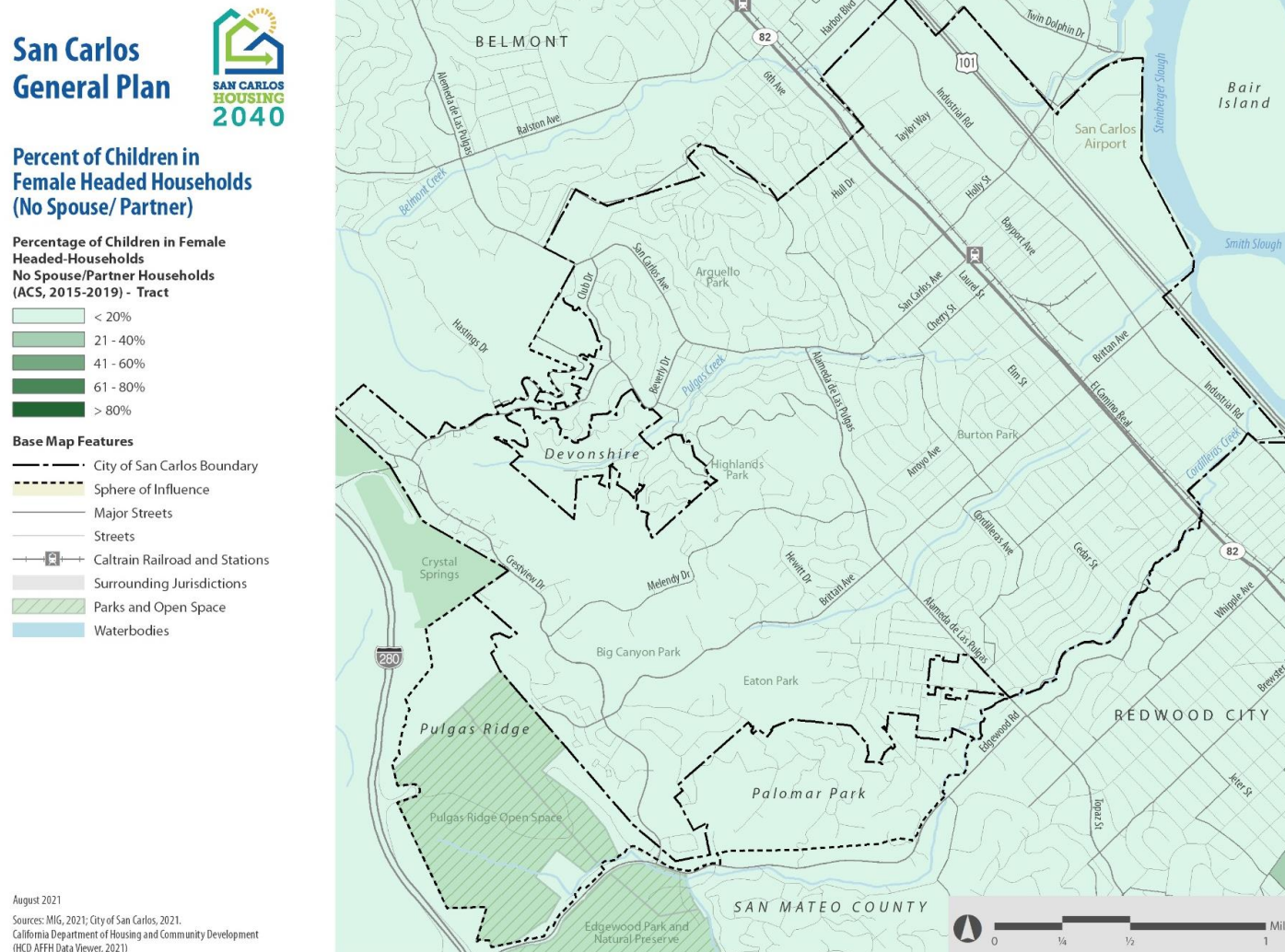
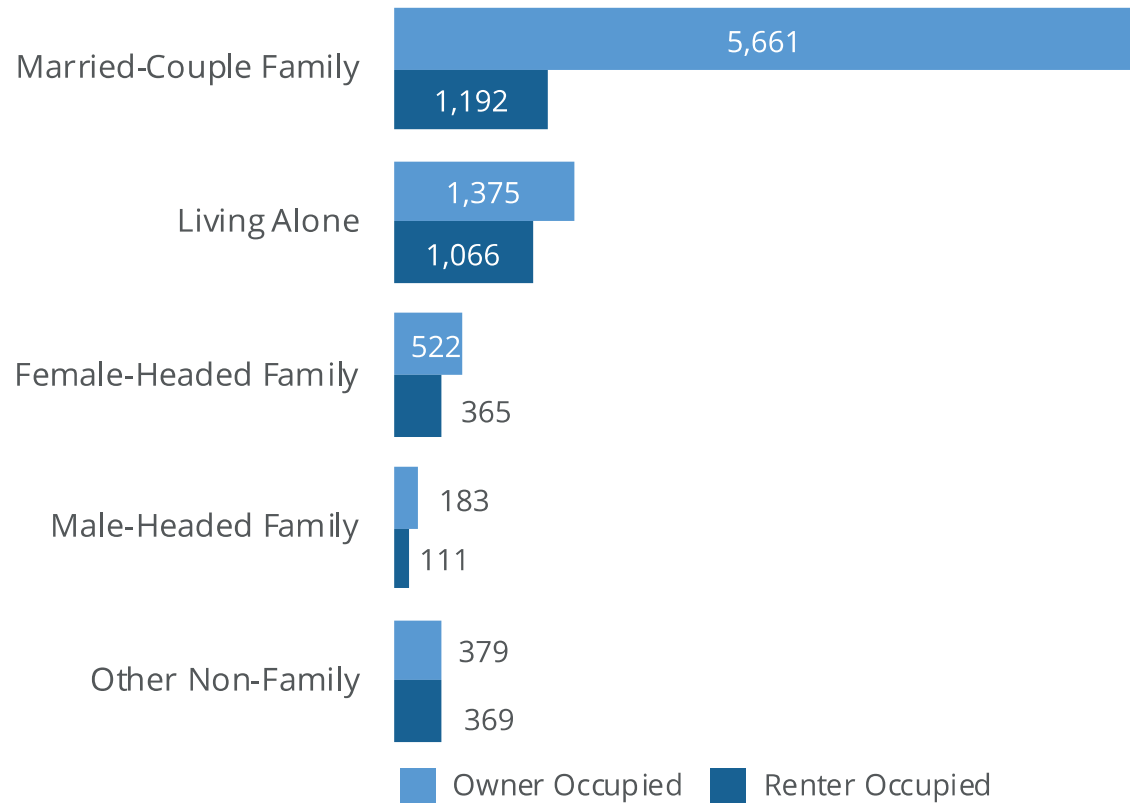


FIGURE 4.6-16
Housing Type by Tenure, San Carlos, 2019



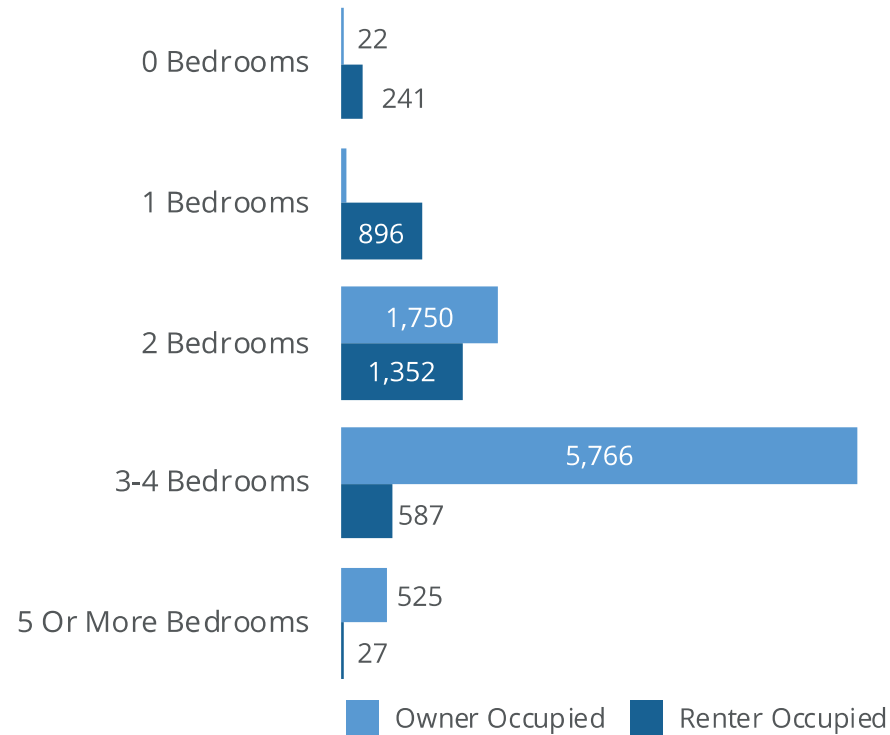
Source: ABAG Housing Needs Data Workbook

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FIGURE 4.6-17

Housing Units by Number of Bedrooms and Tenure, San Carlos, 2019



Source: ABAG Housing Needs Data Workbook

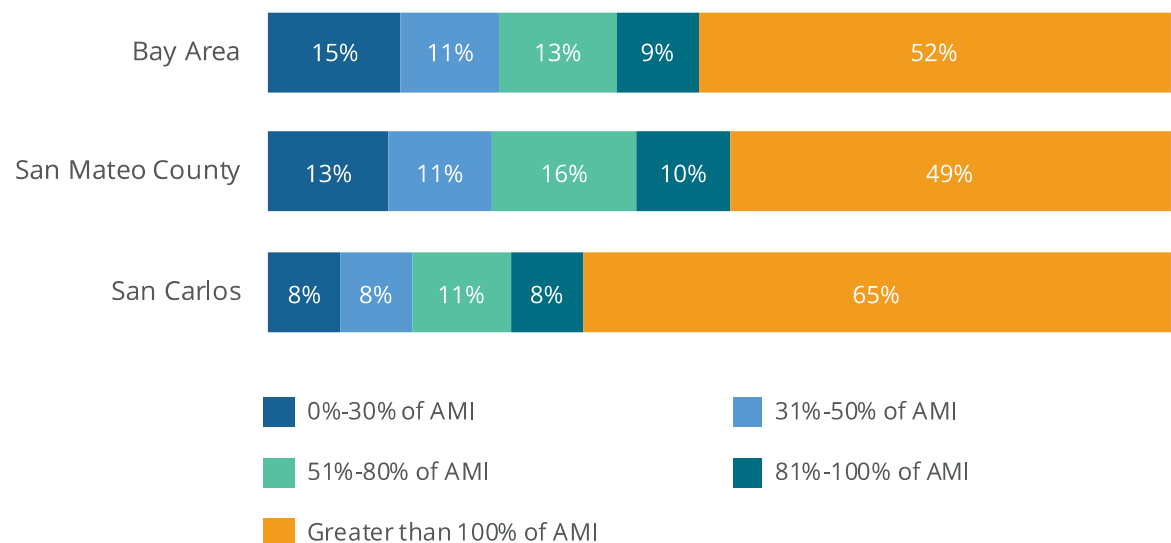
Household Income

The household income distribution by percent of area median income (AMI) skews higher in San Carlos than in the county. Sixteen percent of San Carlos households earn less than 50 percent AMI compared to 24 percent in the county (Figure 4.6-18). All but one block group in the city has a median income of less than \$125,000 (Figure 4.6-19 and Figure 4.6-20). That block group, located in the central part of the city, has a concentration of low and moderate (LMI) residents, with between 75 and 100 percent LMI. Still, no areas of the city have concentrated poverty (Figure 4.6-21).

The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—particularly children.

The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment, as well as a composite map. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

FIGURE 4.6-18
Share of Households by Area
Median Income (AMI), 2019



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FIGURE 4.6-19
Median Income by Census Block Group, 2019

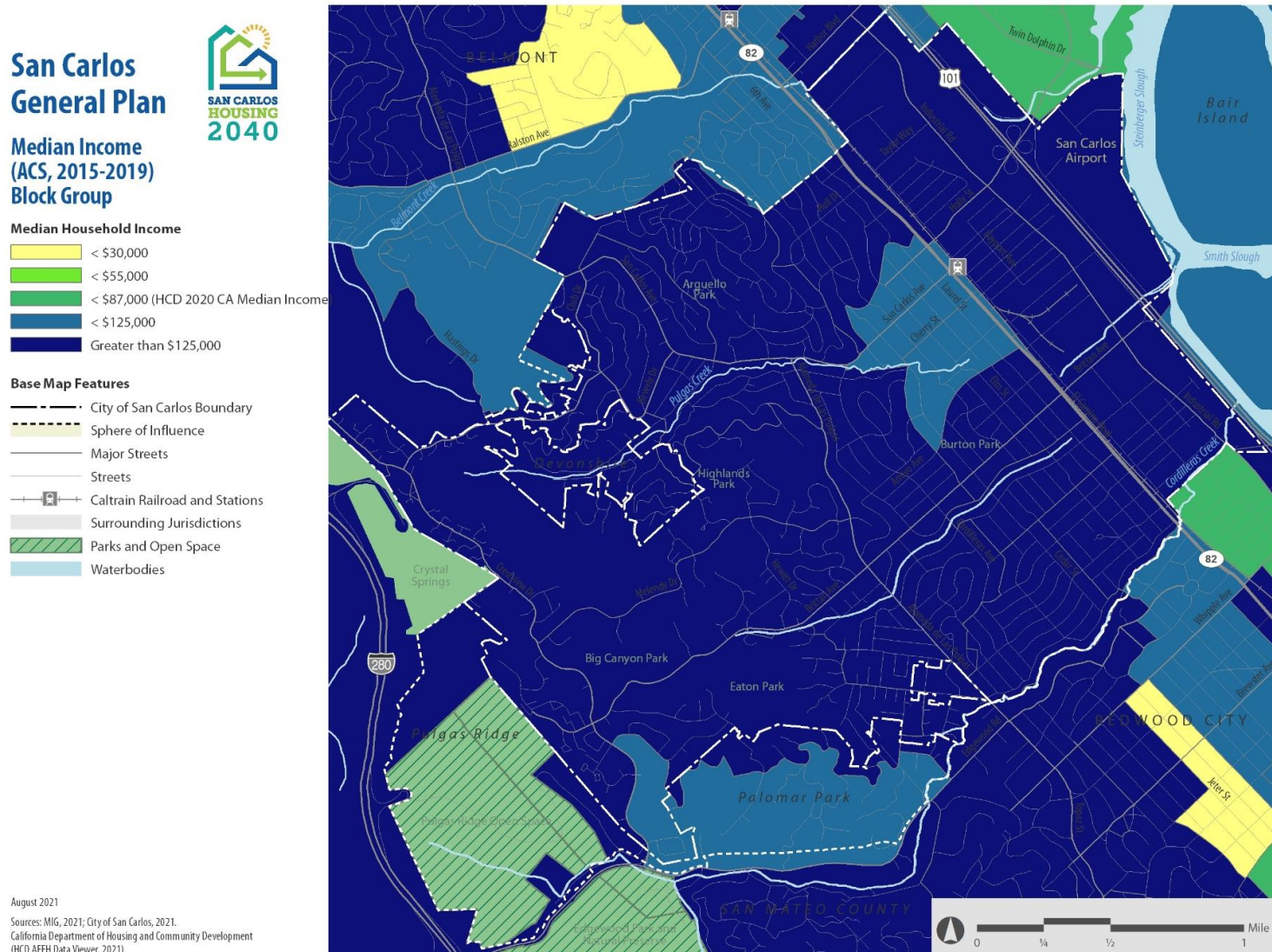
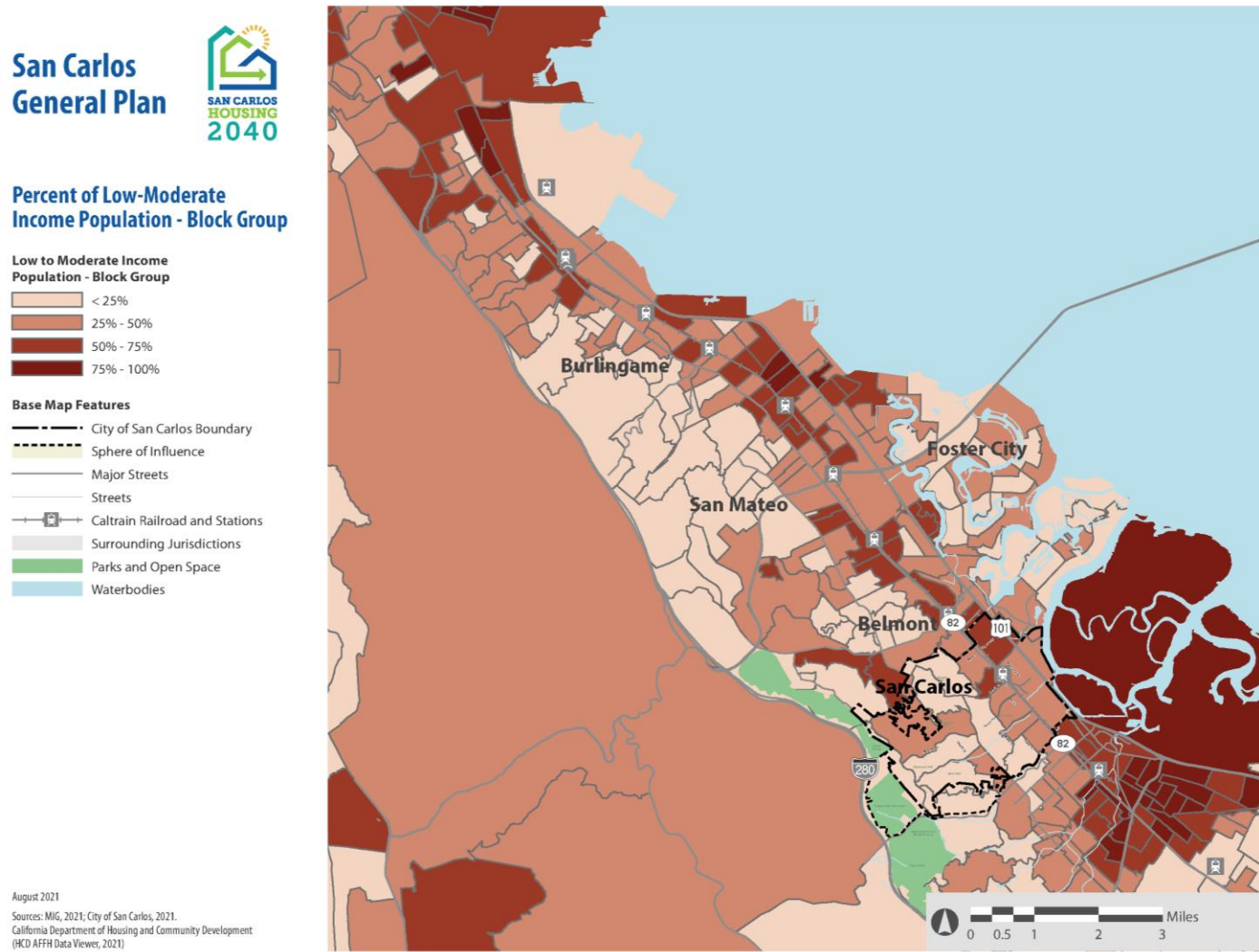


FIGURE 4.6-20
Low to Moderate Income Population by Block Group, 2019



4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

FIGURE 4.6-21
Poverty Status by Census Tract, 2019

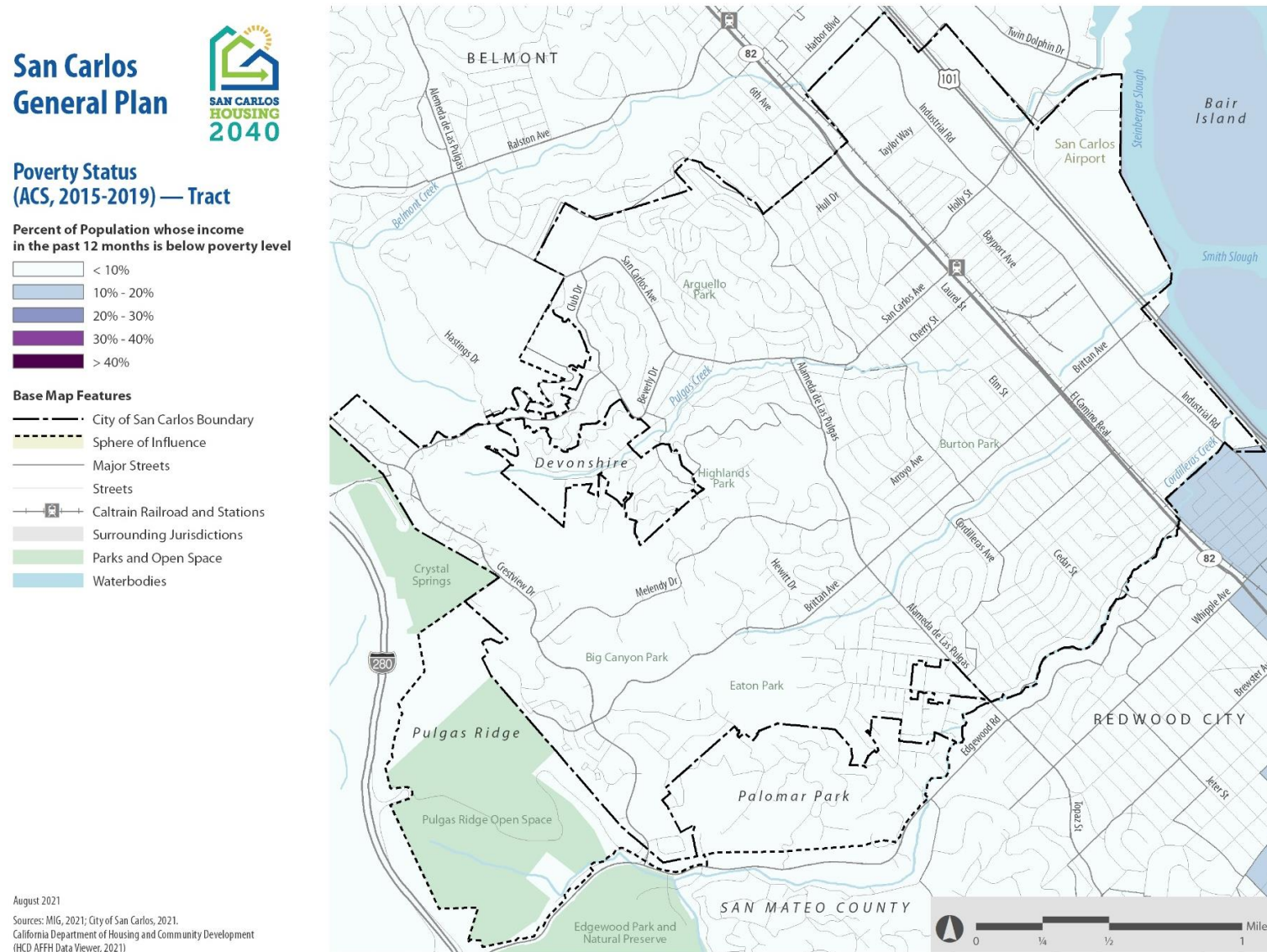
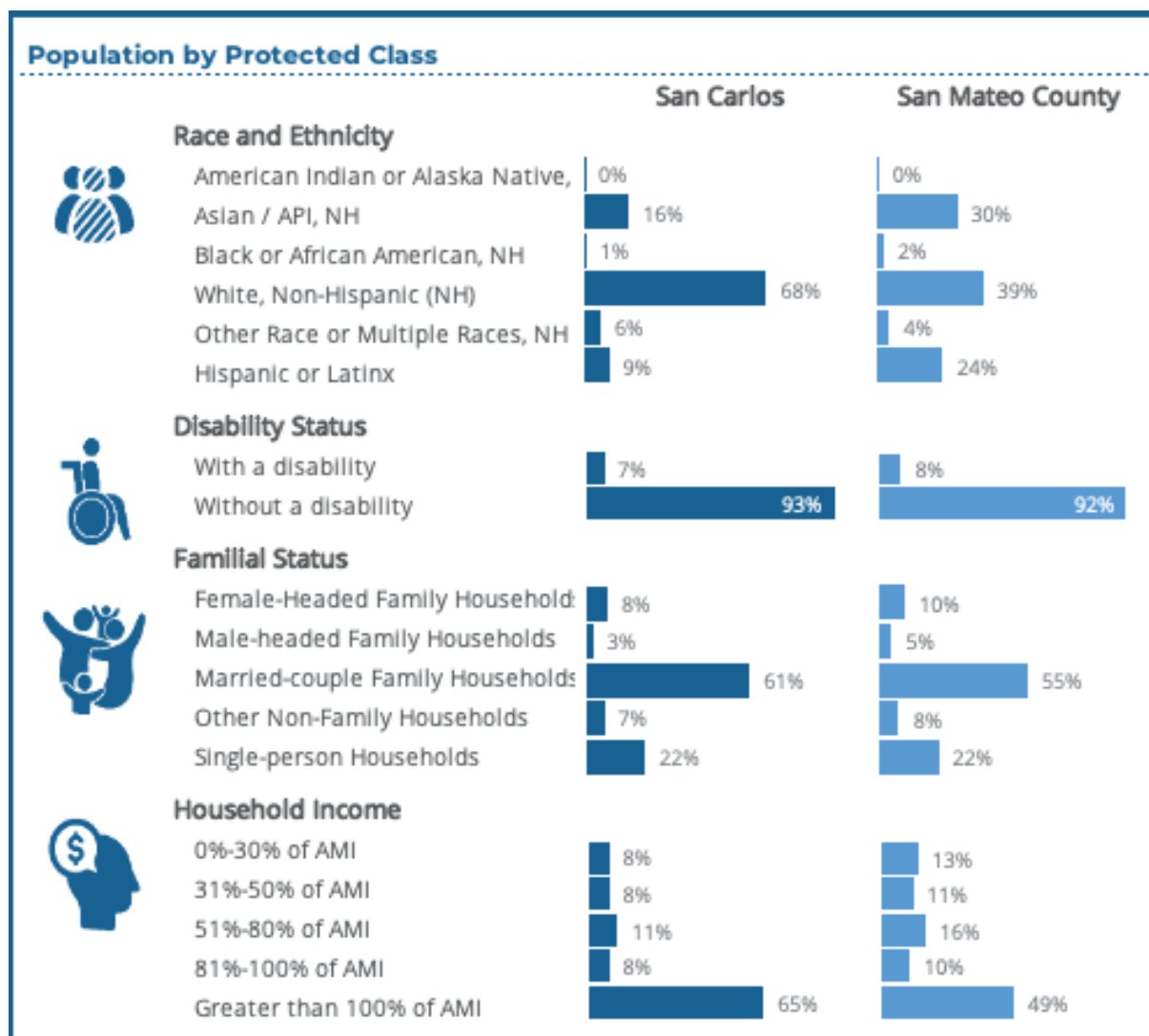
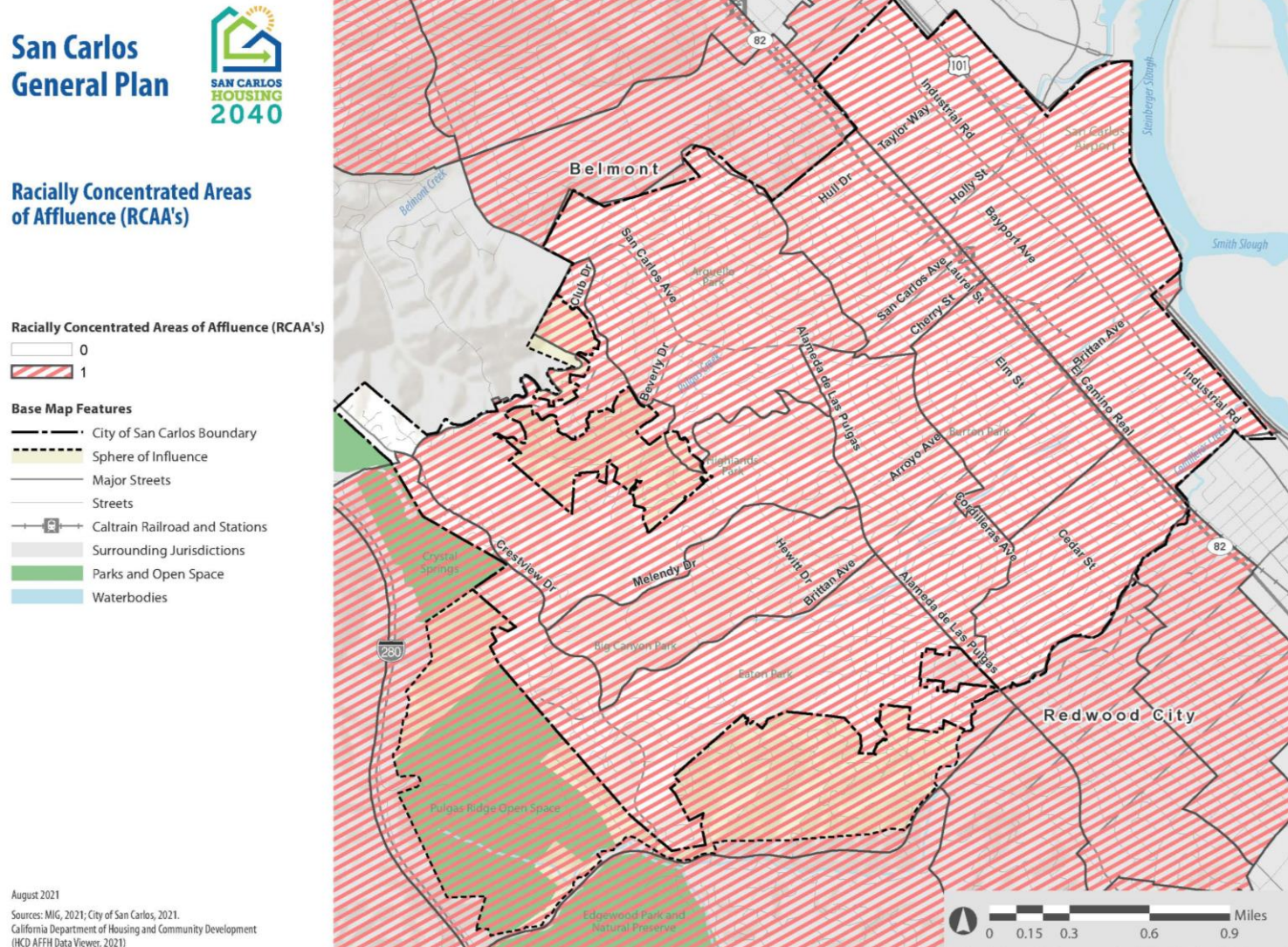


FIGURE 4.6-22
Segregation and Integration Summary



4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

FIGURE 4.6-23
Racially Concentrated Areas of Affluence (RCAA's), 2015-2019



Education. TCAC's education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. According to TCAC's educational opportunity map (Figure 4.6-24), all census tracts in San Carlos score higher than 0.75—indicating strong educational environments. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

San Carlos is served by the Sequoia Union High School District; San Carlos Elementary School is the local elementary school. Sequoia Union gained students between the 2010-2011 and 2020-2021 period, and had the largest increase in student body among schools serving the county. San Carlos Elementary's enrollment was stable. During the pandemic, the high school enrollment was stable; San Carlos Elementary declined by four percentage points.

The Sequoia Union district enrollment by race and ethnicity is less likely to be Asian and more likely to be Hispanic and White than all students in the county (Table 4.6-2). San Carlos Elementary school differs from the high school district in that it is more likely to be Asian and White, and less likely to be Hispanic. Compared to the county overall, both Sequoia Union and San Carlos Elementary have fewer English Language Learners. San Carlos Elementary has far fewer students qualifying for free and reduced lunch (six percent in the elementary district compared to 30 percent for the high school district and 29 percent countywide).

Educational proficiency among Sequoia Union High School students and San Carlos Elementary School students exceeds or

matches countywide proficiency except for English language arts for boys. San Carlos Elementary students have high rates of proficiency across the board (Table 4.6-3). Yet proficiency gaps exist by race and ethnicity: Black/African American students attending both San Carlos Elementary and Sequoia High have some of the lowest rates of mathematics proficiency in the county: just 11 percent (elementary) and 18 percent (high school) of Black/African American students are proficient in math, compared to 22 percent in Redwood Elementary, 36 percent in Las Lomitas Elementary, and 40 percent in Menlo Park Elementary (Table 4.6-4). The same differences occur for English language proficiency: In San Carlos Elementary School District, 80 percent of the student body met or exceeded English testing standards, but only 19 percent of Black/African American students met or exceeded testing standards—a 61 percentage point gap (Table 4.6-5). Hispanic students also have proficiency gaps, but they are not as severe. Only three percent of English language learners and 9 percent of students with disabilities in the Sequoia Union High School District meet or exceed math standards—some of the lowest proficiency among schools in the county (Table 4.6-6).

Employment. San Carlos' job opportunities have changed significantly since 2002 due to a large decline in Manufacturing jobs and a rapid increase in Professional & Managerial Service jobs (Figure 4.6-25). The city's jobs to household ratio mirrors the county and Bay area (Figure 4.6-26) and the unemployment rate is slightly lower (4.9 percent in San Carlos compared to 5.9 percent in the county and 6.6 percent in the Bay area).

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FIGURE 4.6-24
TCAC Opportunity Areas Education Score by Census Tract, 2021

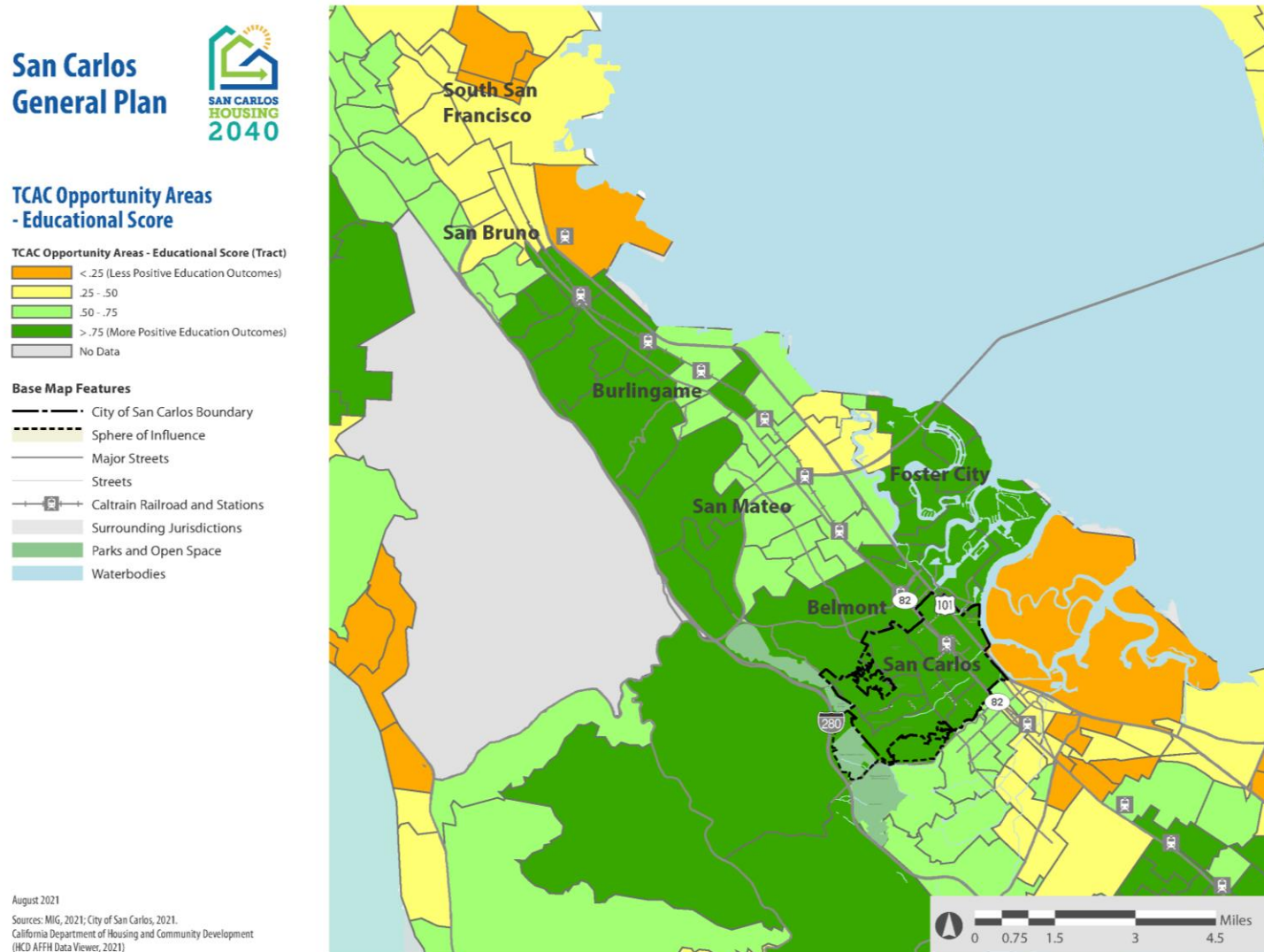


Table 4.6-2: Student body by Race and Ethnicity, 2020-2021

School District	Asian	Black	Filipino	Hispanic	Pacific Islander	White	Two or more races
Unified School Districts							
Cabrillo Unified	1%	0%	1%	52%	0%	40%	5%
La Honda-Pescadero	0%	0%	1%	63%	0%	35%	1%
South San Francisco	14%	1%	23%	48%	2%	6%	6%
High & Elementary School Districts							
Jefferson Union High School	15%	1%	29%	31%	1%	14%	7%
Bayshore Elementary	19%	3%	21%	41%	4%	3%	8%
Brisbane Elementary	20%	1%	12%	28%	0%	24%	11%
Jefferson Elementary	19%	2%	25%	36%	1%	11%	5%
Pacifica	8%	1%	9%	26%	0%	39%	16%
San Mateo Union High School	23%	1%	5%	32%	2%	28%	10%
Burlingame Elementary	27%	0%	3%	16%	0%	41%	9%
Hillsborough Elementary	32%	0%	2%	5%	0%	48%	12%
Millbrae Elementary	46%	1%	6%	20%	2%	16%	8%
San Bruno Park Elementary	16%	1%	10%	41%	5%	15%	1%
San Mateo-Foster City	26%	1%	3%	37%	2%	21%	9%
Sequoia Union High School	9%	2%	1%	45%	2%	35%	5%
Belmont-Redwood Shores	32%	1%	3%	12%	1%	34%	14%
Las Lomas Elementary	18%	1%	1%	13%	0%	53%	14%
Menlo Park City Elementary	13%	1%	1%	17%	1%	55%	11%
Portola Valley Elementary	6%	0%	0%	14%	0%	66%	13%
Ravenswood City Elementary	0%	5%	0%	84%	7%	1%	2%
Redwood City Elementary	4%	1%	1%	70%	1%	19%	4%
San Carlos Elementary	18%	1%	1%	14%	0%	49%	13%
Woodside Elementary	4%	2%	0%	16%	1%	64%	11%
Total	17%	1%	8%	38%	2%	26%	8%

Note: In almost all school districts, less than 1% of students were Native American, so they are not included in this table.

Source: California Department of Education and Root Policy Research

Table 4.6-3: Students who Met or Exceeded Testing Standards, by Gender and District, 2018-2019

District	English Language Arts/Literacy			Mathematics		
	Total	Boys	Girls	Total	Boys	Girls
Unified School Districts						
Cabrillo Unified	48%	41%	55%	34%	31%	38%
La Honda-Pescadero	43%	36%	49%	31%	34%	28%
South San Francisco	52%	45%	60%	44%	42%	45%
High & Elementary School Districts						
Jefferson Union High School	57%	52%	63%	37%	38%	35%
Bayshore Elementary	27%	24%	31%	27%	27%	28%
Brisbane Elementary	64%	56%	72%	54%	56%	53%
Jefferson Elementary	48%	43%	54%	37%	39%	35%
Pacifica	60%	55%	65%	57%	57%	57%
San Mateo Union High School	70%	66%	76%	50%	50%	50%
Burlingame Elementary	80%	75%	84%	78%	78%	78%
Hillsborough Elementary	85%	81%	89%	85%	86%	84%
Millbrae Elementary	63%	57%	70%	58%	58%	58%
San Bruno Park Elementary	50%	47%	53%	41%	43%	38%
San Mateo-Foster City	62%	58%	67%	56%	56%	56%
Sequoia Union High School	68%	64%	72%	50%	50%	50%
Belmont-Redwood Shores	82%	78%	86%	79%	78%	80%
Las Lomas Elementary	86%	84%	88%	82%	84%	80%
Menlo Park City Elementary	84%	81%	87%	83%	82%	83%
Portola Valley Elementary	87%	83%	91%	83%	84%	82%
Ravenswood City Elementary	22%	20%	23%	15%	16%	13%
Redwood City Elementary	54%	49%	59%	46%	46%	46%
San Carlos Elementary	80%	77%	83%	75%	76%	74%
Woodside Elementary	88%	85%	91%	84%	85%	83%
Total	62%	57%	67%	52%	52%	52%

Source: California Department of Education, California Assessment of Student Performance and Progress, and Root Policy Research

Table 4.6-4: Students who Met or Exceeded Mathematics Testing Standards, by Race/Ethnicity and District, 2018-2019

School District	Overall	Asian	Black	Filipino	Hispanic	Pacific Islander	White
Unified School Districts							
Cabrillo Unified	34%	65%	(no data)	38%	16%	(no data)	54%
La Honda-Pescadero	31%	(no data)	(no data)	(no data)	20%	(no data)	46%
South San Francisco	44%	75%	19%	60%	29%	33%	46%
High & Elementary School Districts							
Jefferson Union High School	37%	75%	(no data)	36%	17%	(no data)	42%
Bayshore Elementary	27%	44%	(no data)	38%	17%	14%	(no data)
Brisbane Elementary	54%	67%	(no data)	65%	38%	(no data)	60%
Jefferson Elementary	37%	61%	15%	42%	23%	20%	30%
Pacifica	57%	74%	38%	48%	38%	(no data)	66%
San Mateo Union High School	50%	84%	(no data)	46%	22%	20%	63%
Burlingame Elementary	78%	92%	53%	66%	50%	(no data)	81%
Hillsborough Elementary	85%	92%	(no data)	(no data)	76%	(no data)	82%
Millbrae Elementary	58%	75%	31%	63%	27%	11%	51%
San Bruno Park Elementary	41%	69%	23%	64%	25%	27%	50%
San Mateo-Foster City	56%	87%	30%	61%	23%	27%	69%
Sequoia Union High School	50%	81%	18%	53%	22%	11%	76%
Belmont-Redwood Shores	79%	92%	37%	77%	52%	43%	79%
Las Lomas Elementary	82%	93%	36%	(no data)	44%	(no data)	87%
Menlo Park City Elementary	83%	94%	40%	(no data)	55%	35%	88%
Portola Valley Elementary	83%	89%	(no data)	(no data)	56%	(no data)	89%
Ravenswood City Elementary	15%	(no data)	9%	(no data)	15%	11%	(no data)
Redwood City Elementary	46%	92%	22%	76%	34%	44%	75%
San Carlos Elementary	75%	91%	11%	85%	51%	(no data)	78%
Woodside Elementary	84%	92%	(no data)	(no data)	52%	(no data)	89%
Total	52%	82%	18%	50%	27%	21%	71%

Source: California Department of Education, California Assessment of Student Performance and Progress, and Root Policy Research

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Table 4.6-5: Students who Met or Exceeded English Testing Standards, by Race/Ethnicity and District, 2018-2019

School District	Overall	Asian	Black	Filipino	Hispanic	Pacific Islander	White
Unified School Districts							
Cabrillo Unified	48%	78%	(no data)	54%	28%	(no data)	71%
La Honda-Pescadero	43%	(no data)	(no data)	(no data)	27%	(no data)	61%
South San Francisco	52%	76%	36%	66%	38%	44%	56%
High & Elementary School Districts							
Jefferson Union High School	57%	81%	(no data)	60%	43%	(no data)	59%
Bayshore Elementary	27%	49%	(no data)	33%	20%	14%	(no data)
Brisbane Elementary	64%	63%	(no data)	75%	51%	(no data)	79%
Jefferson Elementary	48%	62%	28%	59%	34%	33%	43%
Pacifica	60%	65%	32%	52%	45%	(no data)	68%
San Mateo Union High School	70%	88%	55%	79%	50%	34%	81%
Burlingame Elementary	80%	88%	61%	73%	55%	(no data)	83%
Hillsborough Elementary	85%	89%	(no data)	(no data)	77%	(no data)	83%
Millbrae Elementary	63%	74%	46%	68%	42%	23%	61%
San Bruno Park Elementary	50%	72%	39%	76%	36%	31%	56%
San Mateo-Foster City	62%	85%	41%	68%	34%	37%	77%
Sequoia Union High School	68%	87%	44%	92%	47%	31%	88%
Belmont-Redwood Shores	82%	91%	44%	81%	64%	61%	83%
Las Lomas Elementary	86%	91%	45%	(no data)	65%	(no data)	89%
Menlo Park City Elementary	84%	92%	60%	(no data)	62%	40%	88%
Portola Valley Elementary	87%	92%	(no data)	(no data)	58%	(no data)	93%
Ravenswood City Elementary	22%	(no data)	24%	(no data)	21%	18%	(no data)
Redwood City Elementary	54%	91%	35%	73%	43%	47%	83%
San Carlos Elementary	80%	90%	19%	76%	60%	(no data)	83%
Woodside Elementary	88%	92%	(no data)	(no data)	58%	(no data)	92%
Total	62%	82%	34%	64%	40%	31%	79%

Source: California Department of Education, California Assessment of Student Performance and Progress, and Root Policy Research

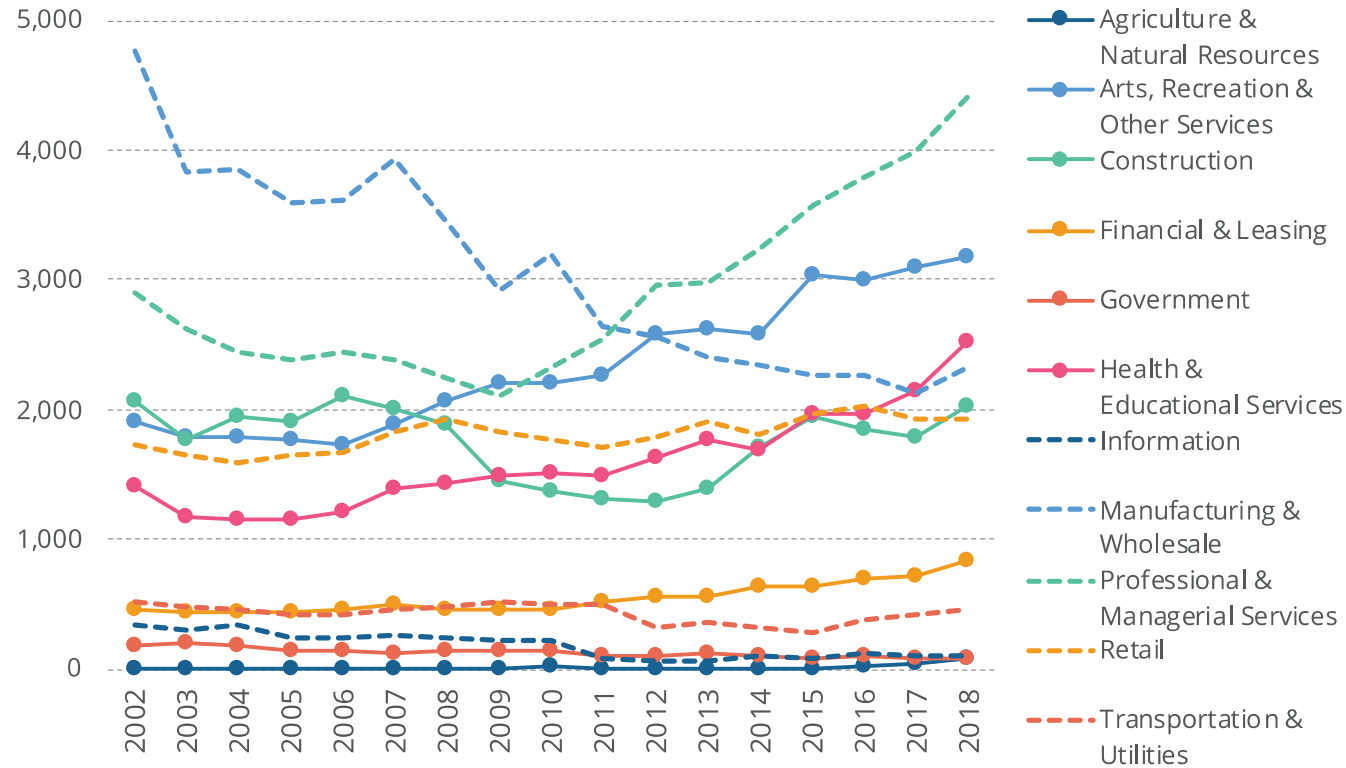
Table 4.6-6: Students who Met or Exceeded Math Testing Standards, by Special Case and District, 2018-2019

School District	Overall	English Learners	Experiencing homelessness	Migrant	With Disabilities
Unified School Districts					
Cabrillo Unified	34%	4%	5%	4%	9%
La Honda-Pescadero	31%	4%	(no data)	(no data)	2%
South San Francisco	44%	20%	25%	4%	18%
High & Elementary School Districts					
Jefferson Union High School	37%	5%	(no data)	(no data)	6%
Bayshore Elementary	27%	11%	(no data)	(no data)	9%
Brisbane Elementary	54%	4%	(no data)	(no data)	12%
Jefferson Elementary	37%	15%	36%	(no data)	11%
Pacifica	57%	22%	(no data)	(no data)	17%
San Mateo Union High School	50%	10%	(no data)	(no data)	13%
Burlingame Elementary	78%	40%	(no data)	(no data)	29%
Hillsborough Elementary	85%	(no data)	(no data)	(no data)	48%
Millbrae Elementary	58%	26%	16%	(no data)	25%
San Bruno Park Elementary	41%	12%	(no data)	(no data)	9%
San Mateo-Foster City	56%	11%	15%	(no data)	14%
Sequoia Union High School	50%	3%	33%	(no data)	9%
Belmont-Redwood Shores	79%	42%	(no data)	(no data)	43%
Las Lomas Elementary	82%	54%	(no data)	(no data)	28%
Menlo Park City Elementary	83%	31%	(no data)	(no data)	38%
Portola Valley Elementary	83%	14%	(no data)	(no data)	39%
Ravenswood City Elementary	15%	5%	11%	(no data)	2%
Redwood City Elementary	46%	14%	(no data)	29%	14%
San Carlos Elementary	75%	24%	(no data)	(no data)	21%
Woodside Elementary	84%	27%	(no data)	(no data)	41%

Source: California Department of Education, California Assessment of Student Performance and Progress, and Root Policy Research

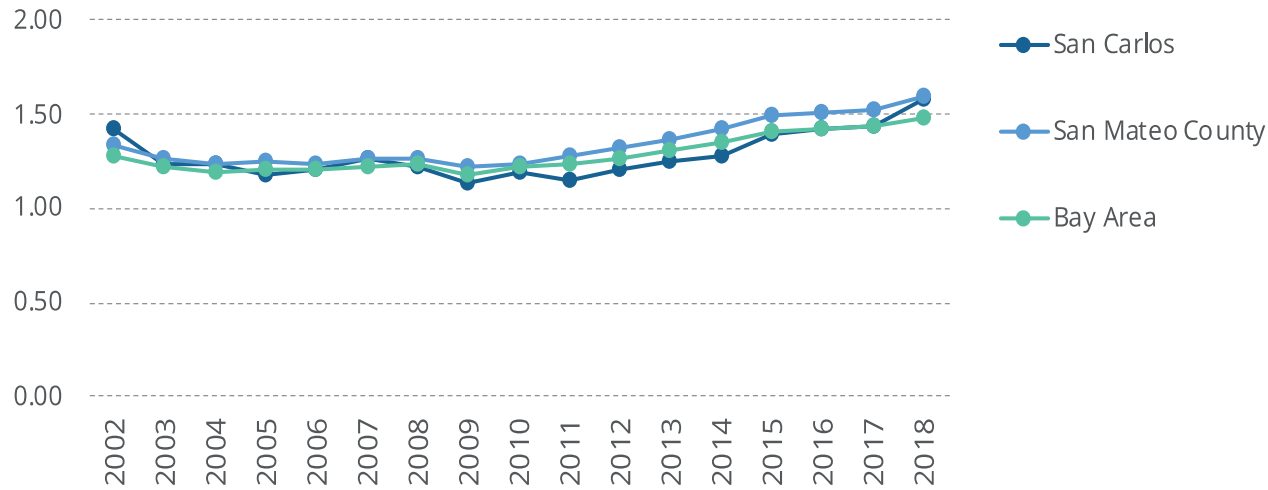
4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

FIGURE 4.6-25
Jobs by Industry, San Carlos, 2002-2018



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-26
Jobs to Household Ratio, San Carlos, 2002-2018



Source: ABAG Housing Needs Data Workbook

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TCAC's economic opportunity score is comprised of poverty, adult educational attainment, employment, job proximity, and median home value. The vast majority of the city ranks very high on economic opportunity, with the areas around Highway 101 offering moderate opportunity (Figure 4.6-27). The areas abutting Highway 101, however, offer the best job proximity (Figure 4.6-28).

Transportation. This section provides a summary of the transportation system that serves the broader region including emerging trends and data relevant to transportation access. The San Mateo County Transit District acts as the administrative body for transit and transportation programs in the county including SamTrans and the Caltrain commuter rail. SamTrans provides bus services in San Mateo County, including Redi-Wheels paratransit service.

In 2018, the Metropolitan Transportation Commission (MTC), which covers the entire Bay Area, adopted a coordinated public transit and human services transportation plan. While developing the coordinated plan, the MTC conducted extensive community outreach about transportation within the area. That plan—which was developed by assessing the effectiveness of how well seniors, persons with disabilities, veterans, and people with low incomes are served—was reviewed to determine gaps in services in San Mateo County. Pertinent feedback in that plan included:

“San Mateo’s [Paratransit Coordinating Council] PCC and County Health System, as well as the Peninsula Family Service Agency provided feedback. The most common themes expressed had to do with pedestrian and bicycle needs at specific locations throughout the county, though some covered more general comments such as parked cars blocking sidewalk right-of-way and a desire for bike lanes to accommodate motorized scooters and wheelchairs. Transportation information, emerging mobility providers, and transit fares were other common themes.

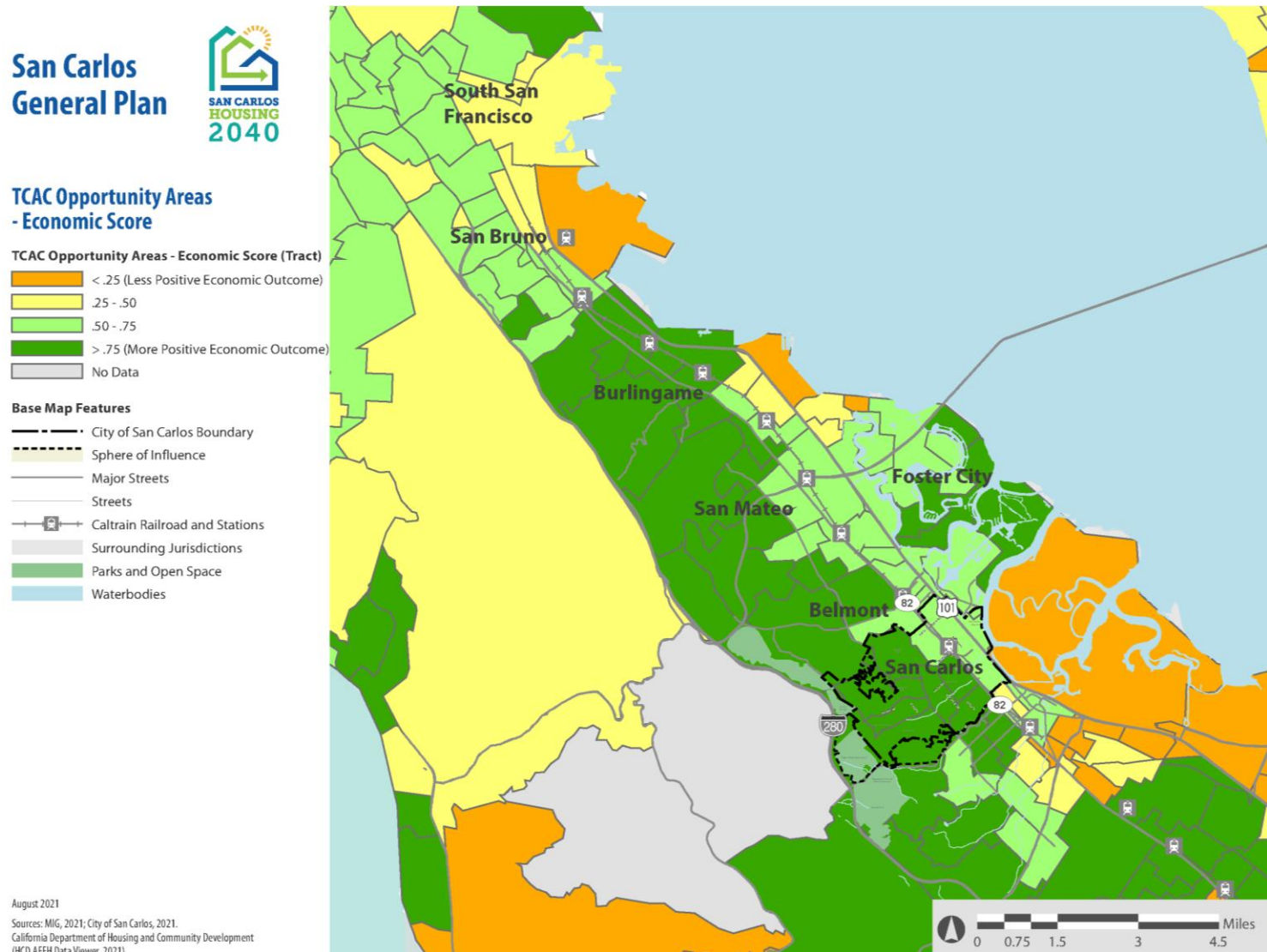
While some comments related to the use of car share, transportation network companies (TNCs), or autonomous vehicles as potential solutions, other comments called for the increased accessibility and affordability of these services in the meantime.”⁸

A partnership between the World Institute on Disability and the MTC created the research and community engagement project TRACS (Transportation Resilience, Accessibility & Climate Sustainability). The project’s overall goal is to, “stimulate connection and communication between the community of seniors and people with disabilities together with the transportation system— the agencies in the region local to the San Francisco bay, served by MTC.”⁹

⁸ https://mtc.ca.gov/sites/default/files/MTC_Coordinated_Plan.pdf

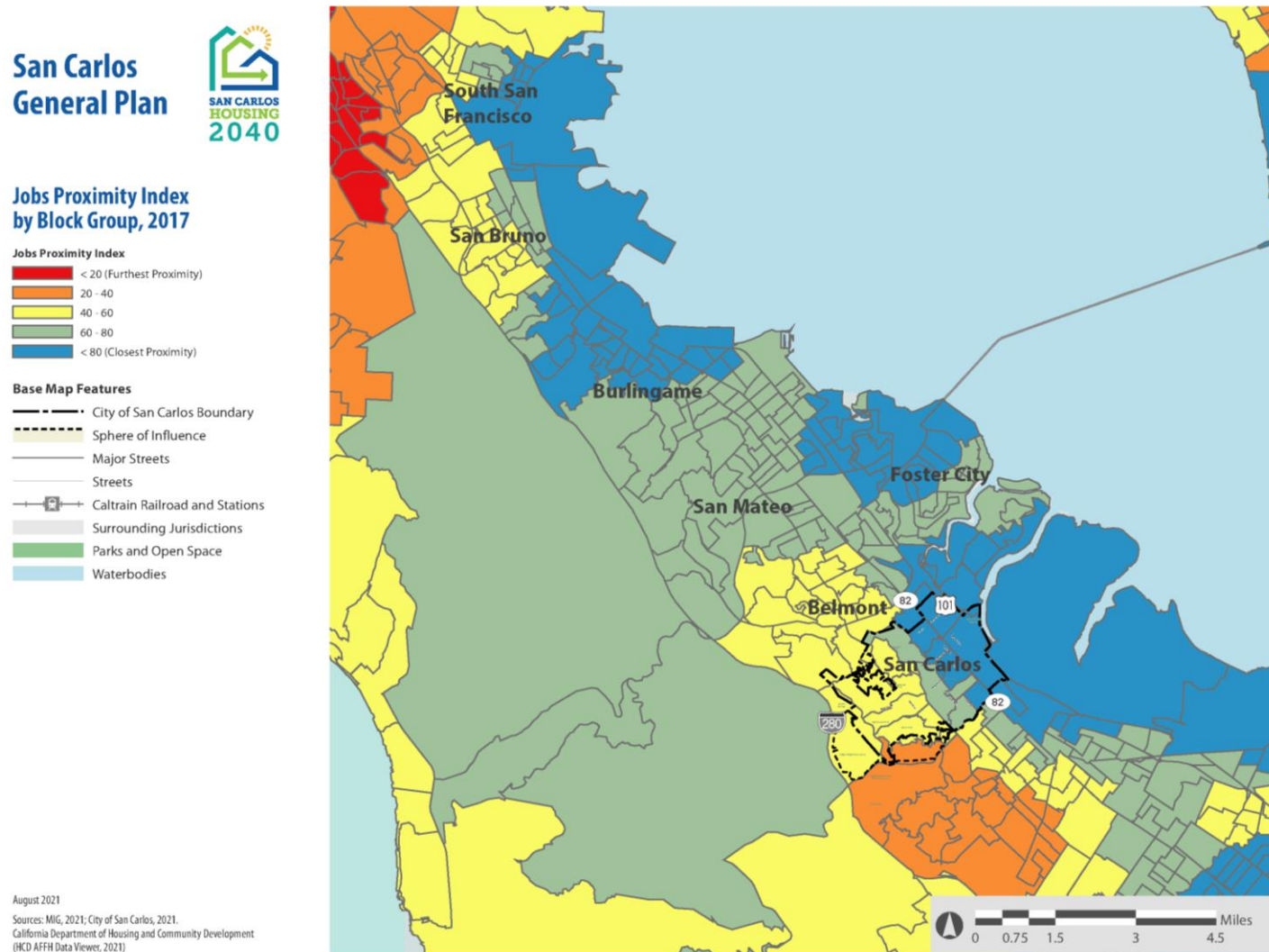
⁹ <https://wid.org/transportation-accessibility/>

FIGURE 4.6-27
TCAC Opportunity Areas Economic Score by Census Tract, 2021



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FIGURE 4.6-28
Jobs Proximity Index by Block Group



As part of the TRACS outreach process, respondents were asked to share their compliments or good experiences with MTC transit. One respondent who had used multiple services said, “it is my sense that SamTrans is the best Bay Area transit provider in terms of overall disability accommodation.”

The San Mateo County Transit District updated their Mobility Plan for Older Adults and People with Disabilities in 2018. According to the district, the county’s senior population is expected to grow more than 70% over the next 20 years and the district is experiencing unprecedented increases in paratransit ridership. The plan is targeted at developing effective mobility programs for residents with disabilities and older adults including viable alternatives to paratransit, partnerships, and leveraging funding sources.¹⁰ MTC also launched Clipper START—an 18-month pilot project—in 2020 which provides fare discounts on single transit rides for riders whose household income is no more than double the federal poverty level.¹¹

Environment. TCAC’s opportunity areas environmental scores are based on the CalEnviroScreen 3.0 indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites. In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and

hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviroScreen also takes into consideration socioeconomic factors. These factors include educational attainment, linguistic isolation, poverty, and unemployment. Research has shown a heightened vulnerability of people of certain ethnicities and lower socioeconomic status to environmental pollutants. In San Carlos, there are more significant disparities in environmental outcomes than in other opportunity indicators (Figure 4.6-29). The neighborhoods aligning Highway 101 have low to moderate outcomes, while the balance of the city has moderate outcomes (but for two census tracts with more positive outcomes).

Disparities in access to opportunity

TCAC’s composite opportunity score for San Carlos shows census tracts along Highway 101 fall within high resource areas while the rest of the city is within the highest resource areas (Figure 4.6-30). The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC)—ranks census tracts based on their ability to respond to a disaster—includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. Nearly all of the city has the lowest vulnerability, with one tract, in the northeast part of the city abutting Belmont, as low to moderate vulnerability (Figure 4.6-31).

¹⁰ https://www.samtrans.com/Planning/Planning_and_Research/Mobility_Plan_for_Older_Adults_and_People_with_Disabilities.html

¹¹ <https://mtc.ca.gov/planning/transportation/access-equity-mobility/clipperr-startsm>

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FIGURE 4.6-29
TCAC Opportunity Areas Environmental Score by Census Tract, 2021

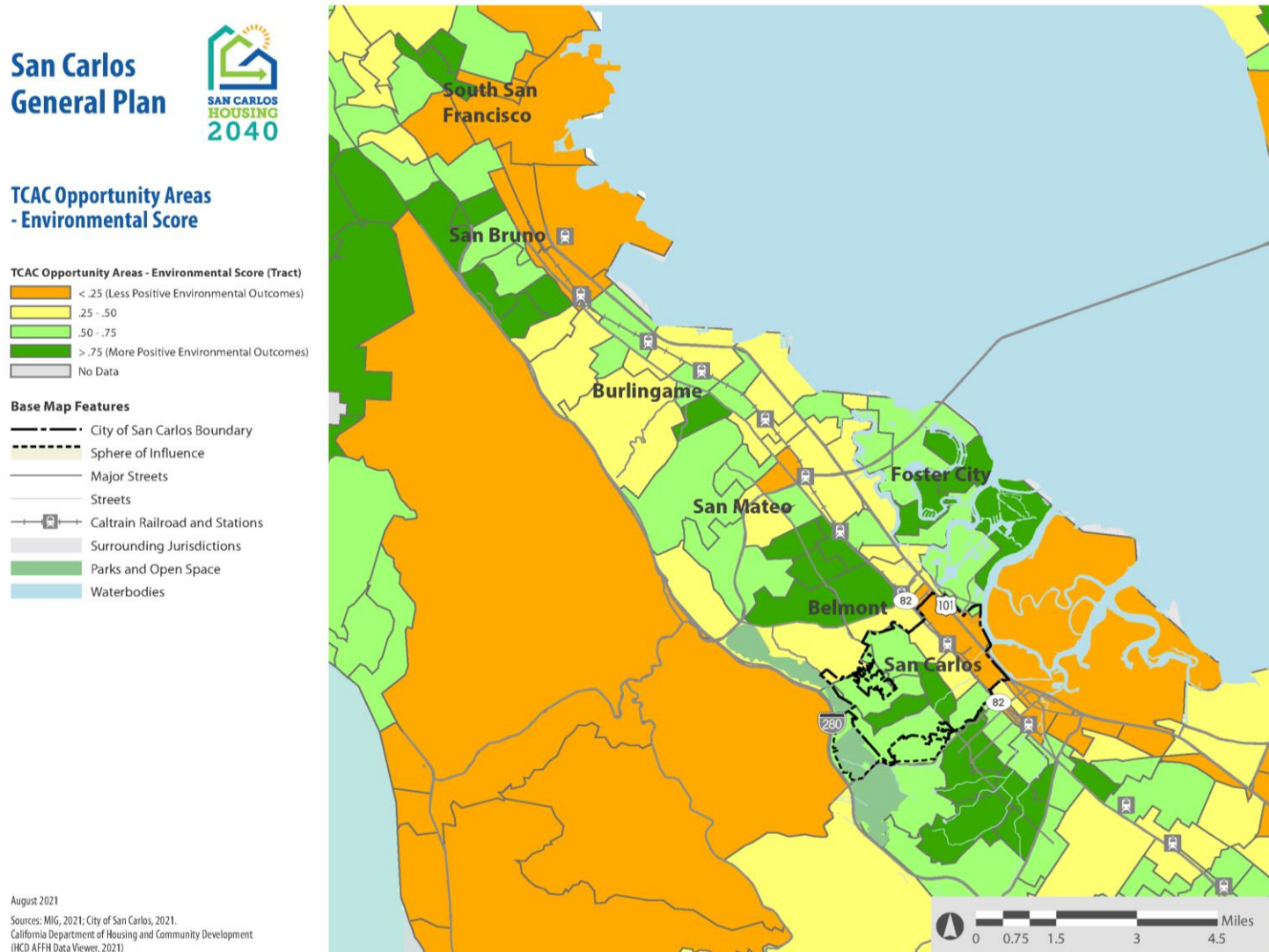
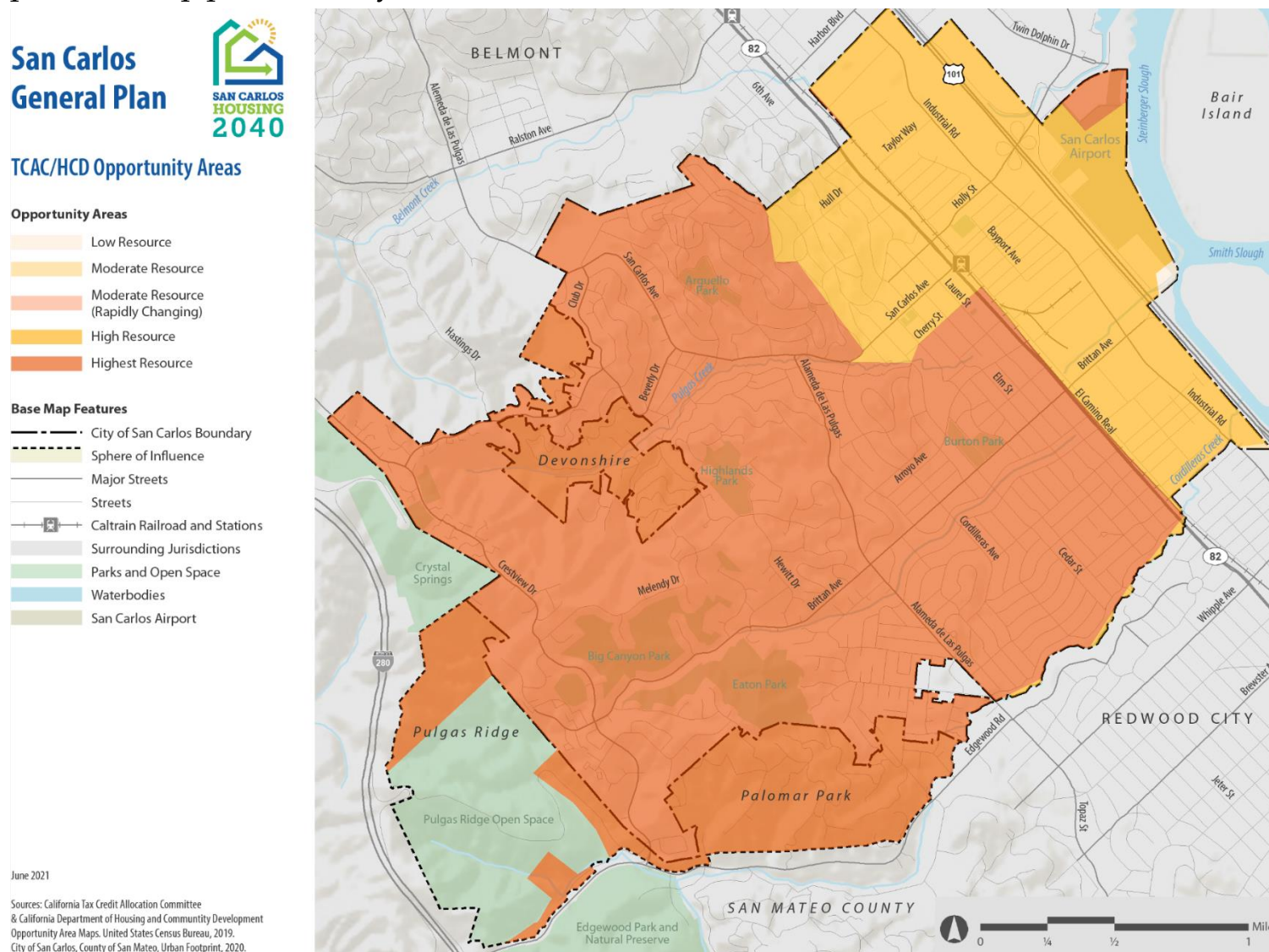
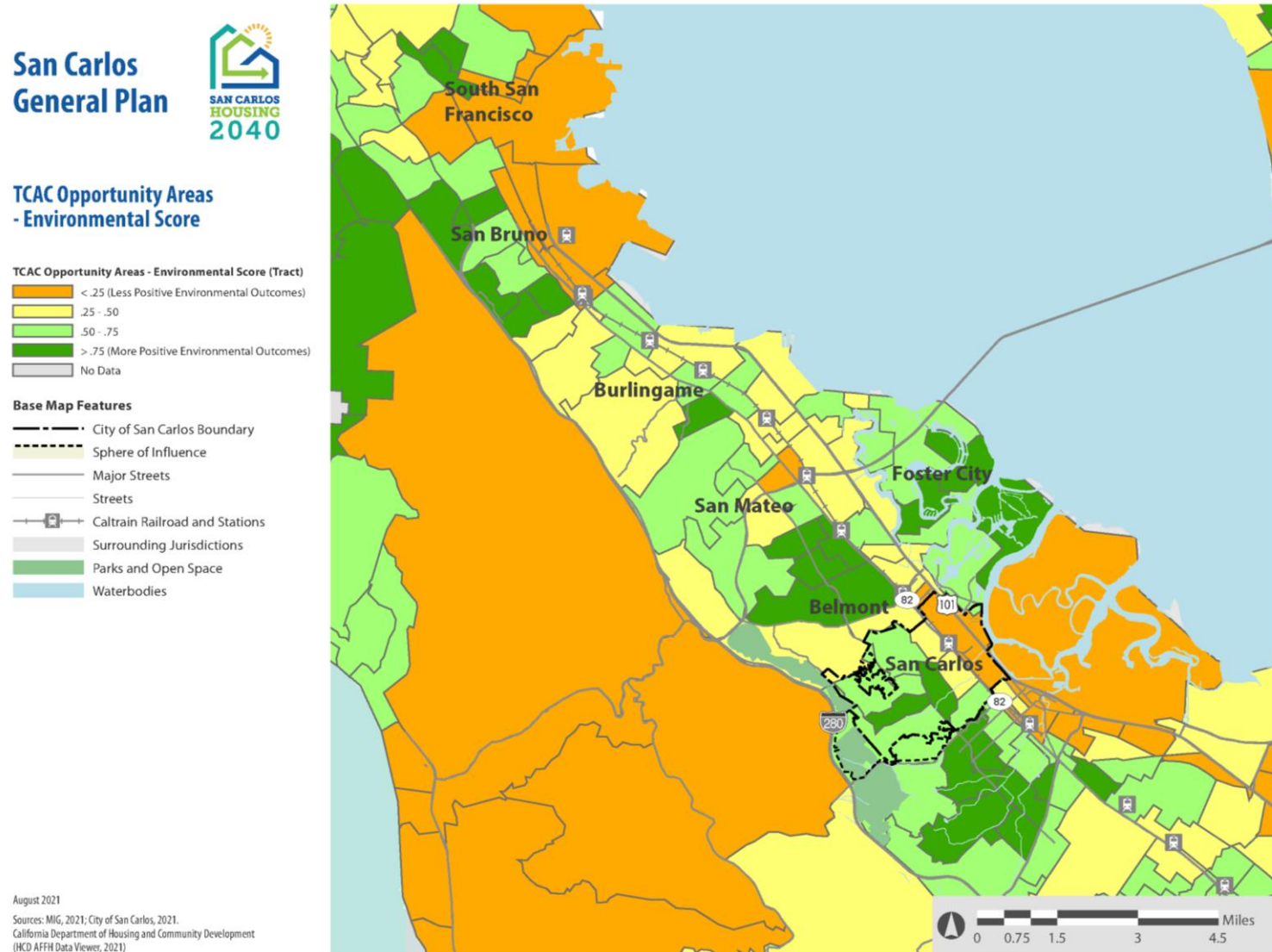


FIGURE 4.6-30
Composite Opportunity Score, 2021



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FIGURE 4.6-31
Social Vulnerability Index by Census Tract, 2018



San Carlos does not have any disadvantaged communities as defined under SB 535 as, “the top 25 percent scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations.”¹²

State law requires that for housing elements due on or after January 1, 2021, sites must be identified throughout the community in a manner that affirmatively furthers fair housing opportunities (Government Code Section 65583(c)(10)). Figure H-5.3 in Chapter 4.5 (Housing Resources) shows that capacity for multi-family residential development is fairly evenly distributed among the high and highest resources areas and that no concentration of lower income sites exists.

Disparities Specific to the Population Living with a Disability

Seven percent of the population in San Carlos is living with at least one disability, compared to eight percent in the county. The most common disabilities in the city are ambulatory (3.3 percent), independent living (2.7 percent), and cognitive (also 2.7 percent).

For the population 65 and over, the share of the population with a disability: 15.6 percent of seniors have an ambulatory disability, 12.1 percent have an independent living disability, and 12 percent have hearing difficulty. As mentioned above under access to transportation, San Mateo County is rapidly aging; therefore, this population with a disability is likely to increase.

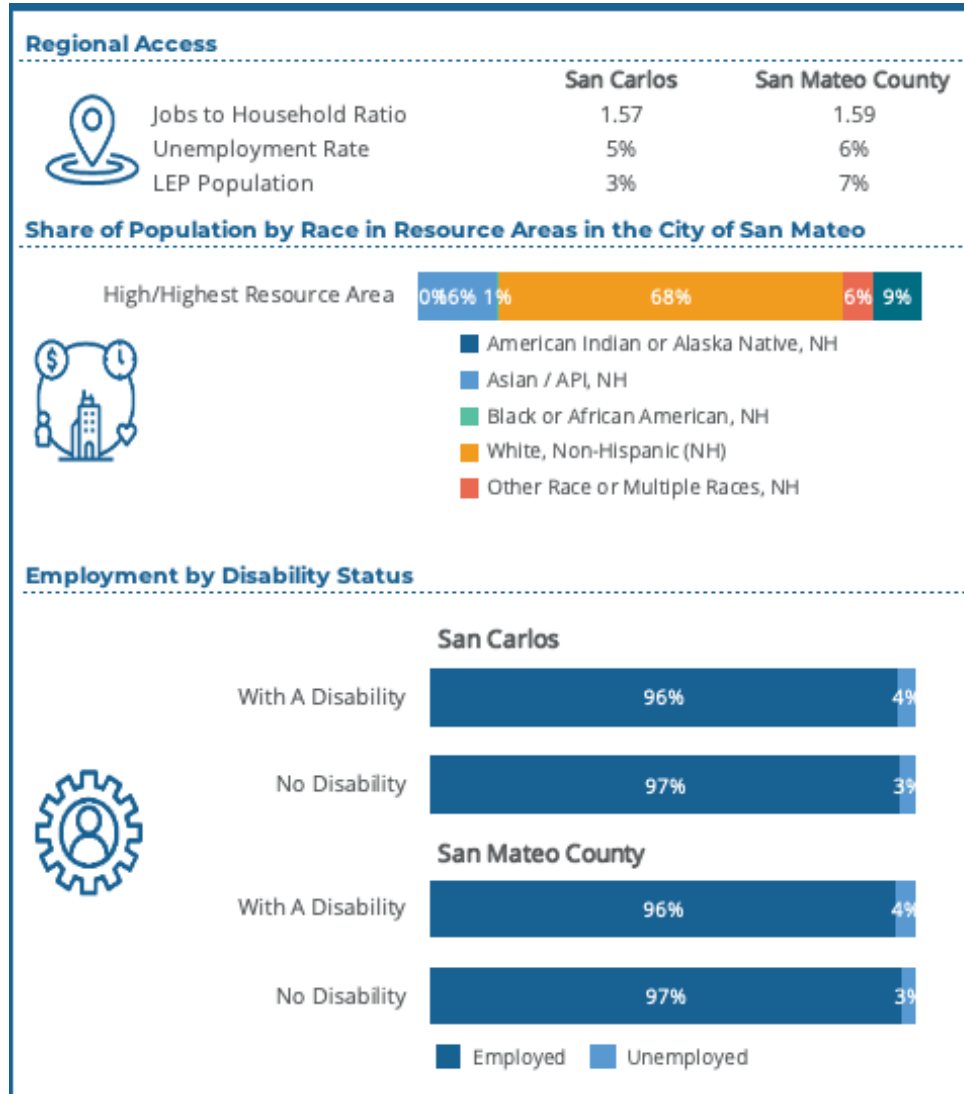
Disability

“Disability types include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty.”

¹² <https://oehha.ca.gov/calenviroscreen/sb535>

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FIGURE 4.6-32
Summary of Access to Opportunity



Displacement Risk

Displacement refers to instances where a household is forced or pressured to move from their home against their wishes. Areas with high demand for homes drive up housing costs and increases pressure for redevelopment, resulting in the potential for displacement. A report produced by the University of Berkeley (UC Berkeley)'s Institute of Government Studies "Displacement in San Mateo County, California" in 2017 indicated that there are a variety of outcomes of displacement. Key findings included:

- Displacement can take many forms. Formal eviction is not the only way households become displaced. Landlords may refuse to make improvements and engage in negative behavior to discourage tenants from staying. About 14 percent of survey respondents reported this type of experience. Sometimes tenants are "code enforced" out of their units, a result of neighbors repeatedly complaining about conditions in the unit or complex.
- Displaced households commonly end up in substandard or overcrowded housing conditions.
- Displaced households are five times more likely to become homeless than non-displaced households.
- After being displaced, just 20 percent of households remained in their neighborhoods (defined by the study as within one mile of their former home). Thirty-three percent left the county, generally moving to the Central Valley or East Bay communities.
- Two out of three children in displaced households changed schools.
- These moves resulted in displaced households residing in neighborhoods with fewer job opportunities on average, leading to lengthened commutes. These neighborhoods also had more environmental challenges and lower access to health care.

UC Berkeley's Urban Displacement Project also examines patterns of gentrification in the region. In 2015, the project released a tool that provides an early warning sign for displacement. The tool combines current signs of displacement with indicators that are part of past neighborhood transformations to "paint a comprehensive picture of the extent and nature of displacement" in the Bay Area. As of 2017, the Urban Displacement Project found that more than half of low-income households in the region live in neighborhoods at risk or already experiencing displacement and gentrification. At that time, displacement was occurring for moderate to high-income neighborhoods, as well as traditionally lower-income neighborhoods (Figure 4.6-33). In San Carlos at the time, much of the city was either in the very early stages of displacement or undergoing displacement. However, as of 2021, the city is mostly experiencing stages of advanced exclusion, as a result of rapidly increasing housing costs. Today housing is mostly affordable to high or mixed high-income households (Figure 4.6-34). The areas near Big Canyon Park and east of El Camino Real are stable and have a mix of moderate and high-income households.

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Given the changing diversity in the region, employment expansion, and rapidly increasing home prices, it can be difficult to determine which populations are most affected by displacement pressures. The Urban Displacement Project compared the racial and ethnic makeup of residents in 2010 and 2015 by neighborhood and revealed that in the region:

- The largest loss of African American residents by neighborhood occurred in two Census tracts in East Palo Alto. This was offset by growth in White and Hispanic households.
- Patterns in the loss of Hispanic residents by neighborhood are far less distinct. Many neighborhoods show declines in Hispanic households – and many show increases.
- Neighborhoods that lost Asian residents sometimes gained White and Hispanic residents, although there is no clear pattern of displacement.
- Neighborhoods with losses in families were commonly those that experienced losses in Hispanic residents.

According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
 - Share of very low income residents is above 20%, 2017, and

➤ The tract meets two of the following criteria:

- Share of renters is above 40%, 2017
- Share of people of color is above 50%, 2017
- Share of very low-income households (50% AMI or below) that are severely rent burdened households is above the county median, 2017
- They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as percent change in rent above county median for rent increases, 2012-2017.

OR

- Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017

No census tract in the city are vulnerable to displacement.

The State of California has some of the strongest residential housing and fair housing regulations in the country. These regulations are intended to mitigate the negative effects that land use, zoning, and siting of housing can have on affordability and access to opportunity. In general, because of these laws, California cities generally have more in their “affordability toolkit” than comparably sized communities in other western states. Yet citizen opposition, lack of political will, and the lag between identifying housing affordability challenges and implementing housing policy can reduce the effectiveness of the best-intentioned regulations.

One frequently criticized policy is the limited enforcement (in lieu of advocacy pressure or legal action) of Housing Elements, which require that communities identify and plan for affordability gaps. In San Mateo County, Housing Elements are produced collaboratively. This approach not only provides transparency, it facilitates coordinated planning and regional affordability goal-setting.

Disproportionate Housing Needs

Disproportionate housing need generally refers to a condition in which there are significant disparities in certain groups of residents experiencing a category of housing need when compared to the total population experiencing that category of housing need in the applicable geographic area. This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, and other considerations.

Disproportionate Housing Needs

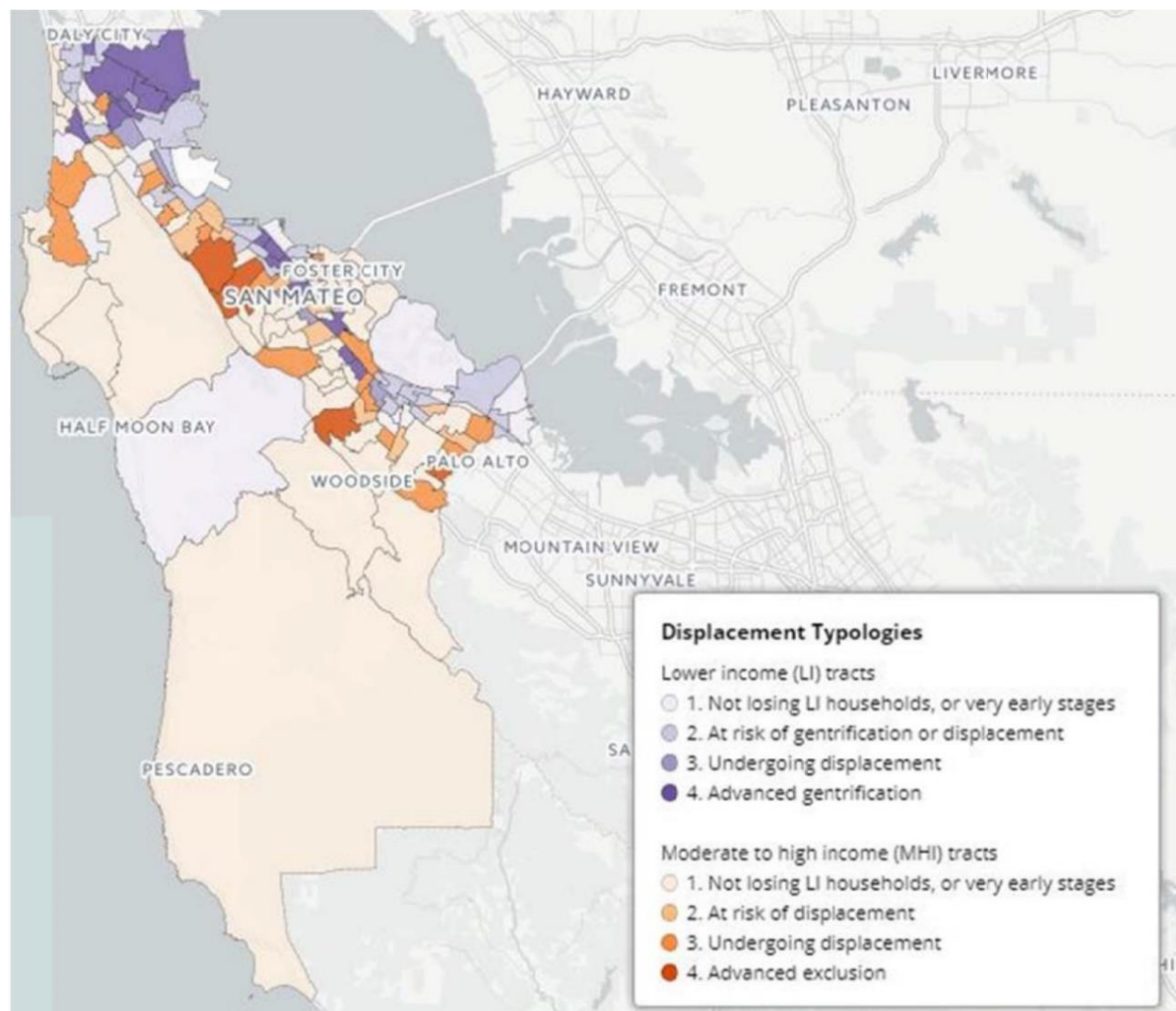
“Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.”

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

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FIGURE 4.6-33

Displacement Risk in San Mateo County and City of San Carlos, 2017



Source: San Mateo County Regional Assessment of Fair Housing

FIGURE H-4.6-34
Displacement Risk, San Carlos, 2021

**San Carlos
General Plan**



**Displacement Risk
City of San Carlos, 2021**

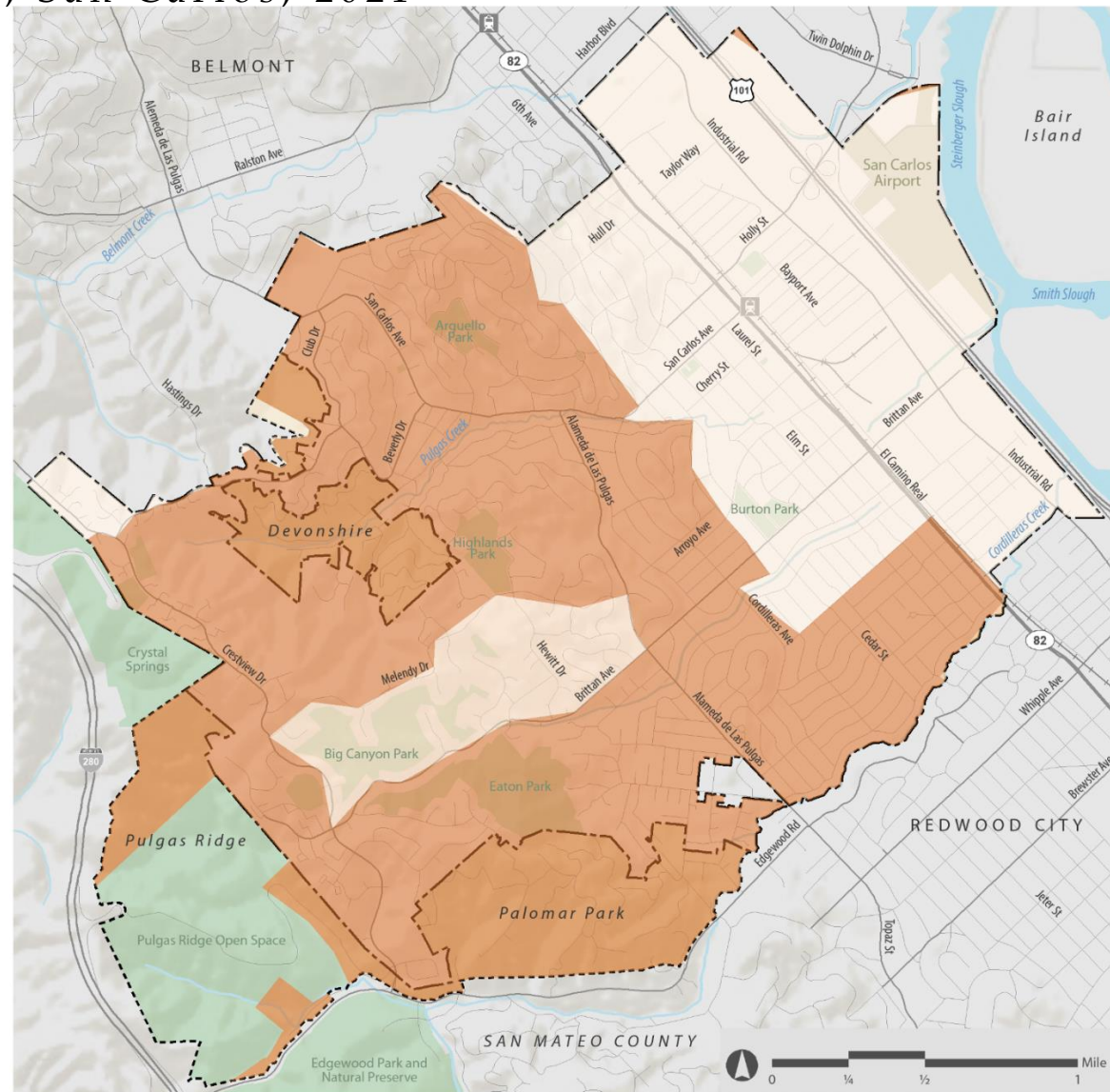
Displacement Typology

- Low-Income/Susceptible to Displacement
- Ongoing Displacement
- At Risk of Gentrification
- Early/Ongoing Gentrification
- Advanced Gentrification
- Stable Moderate/Mixed Income
- At Risk of Becoming Exclusive
- Becoming Exclusive
- Stable/Advanced Exclusive
- High Student Population
- Unavailable or Unreliable Data

Base Map Features

- City of San Carlos Boundary
- Sphere of Influence
- Major Streets
- Streets
- Caltrain Railroad and Stations
- Surrounding Jurisdictions
- Parks and Open Space
- Waterbodies
- San Carlos Airport

June 2021
Sources: UC Berkeley Urban Displacement Project, 2021
United States Census Bureau, 2019.
City of San Carlos, County of San Mateo, Urban Footprint, 2020.



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Cost Burden (Overpayment)

State and federal programs define whether a household experiences a housing cost burden (or is considered overpaying) as any household spending more than 30 percent of its gross annual income on housing. When a household spends more than 30 percent of its income on housing costs, it has less disposable income for other necessities such as health care or education. In the event of unexpected circumstances such as loss of employment or health problems, lower-income households with a housing cost burden are more likely to become homeless or double up with other households. Cost burden is an issue that is seen throughout the region.

In San Carlos, 28 percent of households are overpaying for housing. The situation is exacerbated for lower income households, where 67 percent are overpaying for housing. Almost three-quarters (73 percent) of lower income renters are overpaying for housing, and 61 percent of lower income owners are overpaying for housing. Figure H-4.34 show the distribution of housing overpayment by homeowners, and Figure H-4.35 shows the distribution of housing overpayment by renters in the city. San Carlos homeowners generally experience lower levels of cost burden than renters. The map indicates that the levels of housing overpayment fall in the 20 to 40 percent range, while there is one tract that has a range less than 20 percent, which means that these households experience even less cost burden than majority of the city. As for renters in the city, the map demonstrates that there are higher levels of cost burden throughout the tracts, some tracts reach levels in the range of 40-60 percent of homeowners.

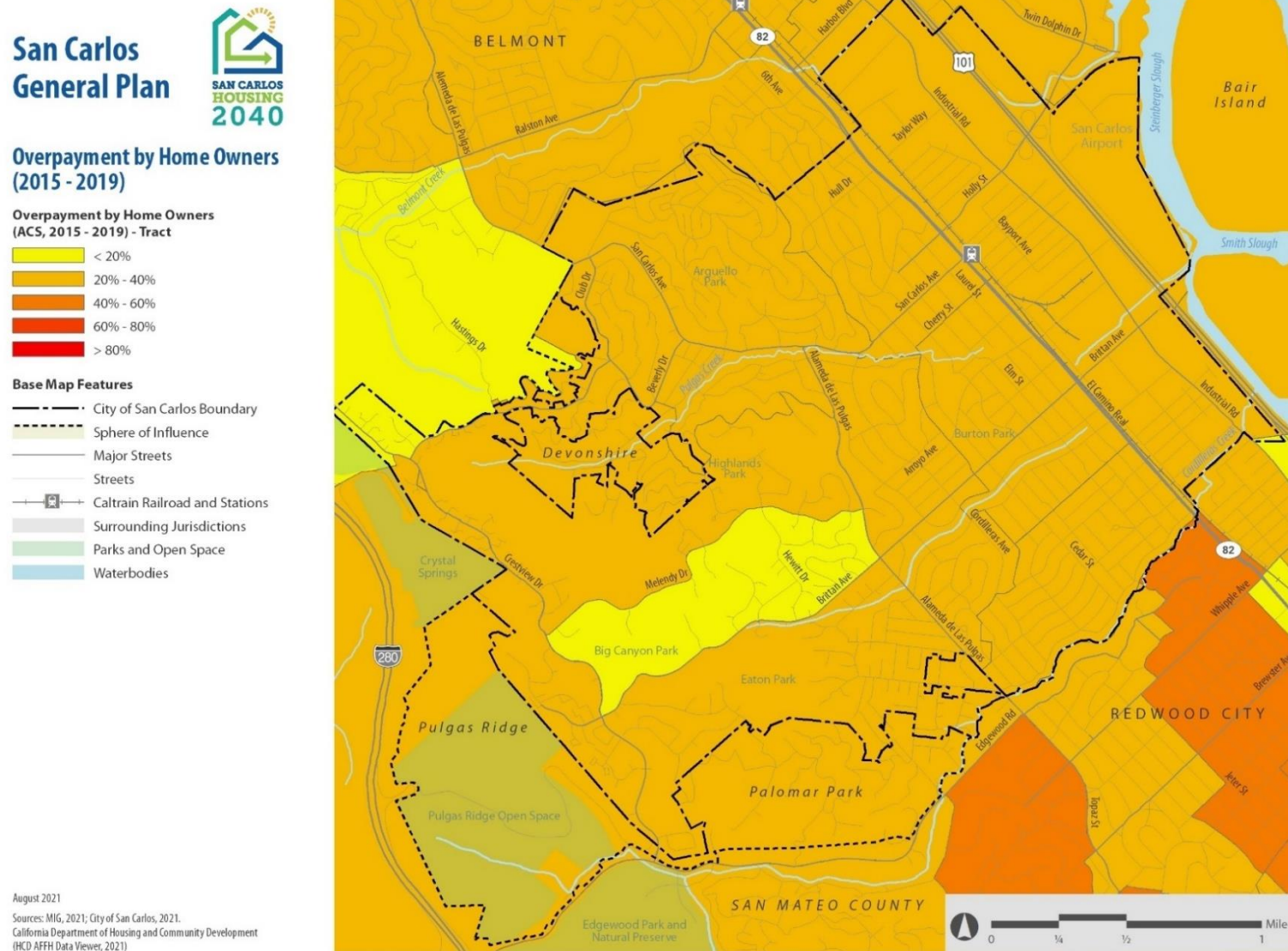
Cost burden in San Carlos is lower than in the County and the Bay area overall, largely due to the high barriers to entry in the City's market (Figure 4.6-37). Lower income households—who generally have the highest levels of burden—have few opportunities to rent and buy in San Carlos.

There are few disparities in housing cost burden in San Carlos by race and ethnicity and family size. Hispanic/Latinx households face the highest level of burden at 35%--which is still relatively low compared for the county. Large family households—considered households with five or more persons—face lower levels of burden than other household types.

Overcrowding

In response to a mismatch between household income and housing costs in a community, some households may not be able to buy or rent housing that provides a reasonable level of privacy and space. Overcrowding can occur when housing costs are so high relative to income that families double up or reside in smaller units, which tend to be more affordable, to devote income to other basic living needs. Households with more than one person per room are considered overcrowded. According to both California and federal standards, a housing unit is considered overcrowded if it is occupied by more than one person per room (excluding kitchens, bathrooms, and halls). Overcrowding of residential units, in which there is more than one person per room, can be a potential indicator that households are experiencing economic hardship and are struggling to afford housing.

FIGURE 4.6-35
Overpayment by Homeowners, 2019



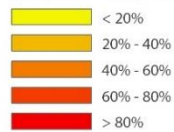
4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

FIGURE 4.6-36
Overpayment by Renters, 2019



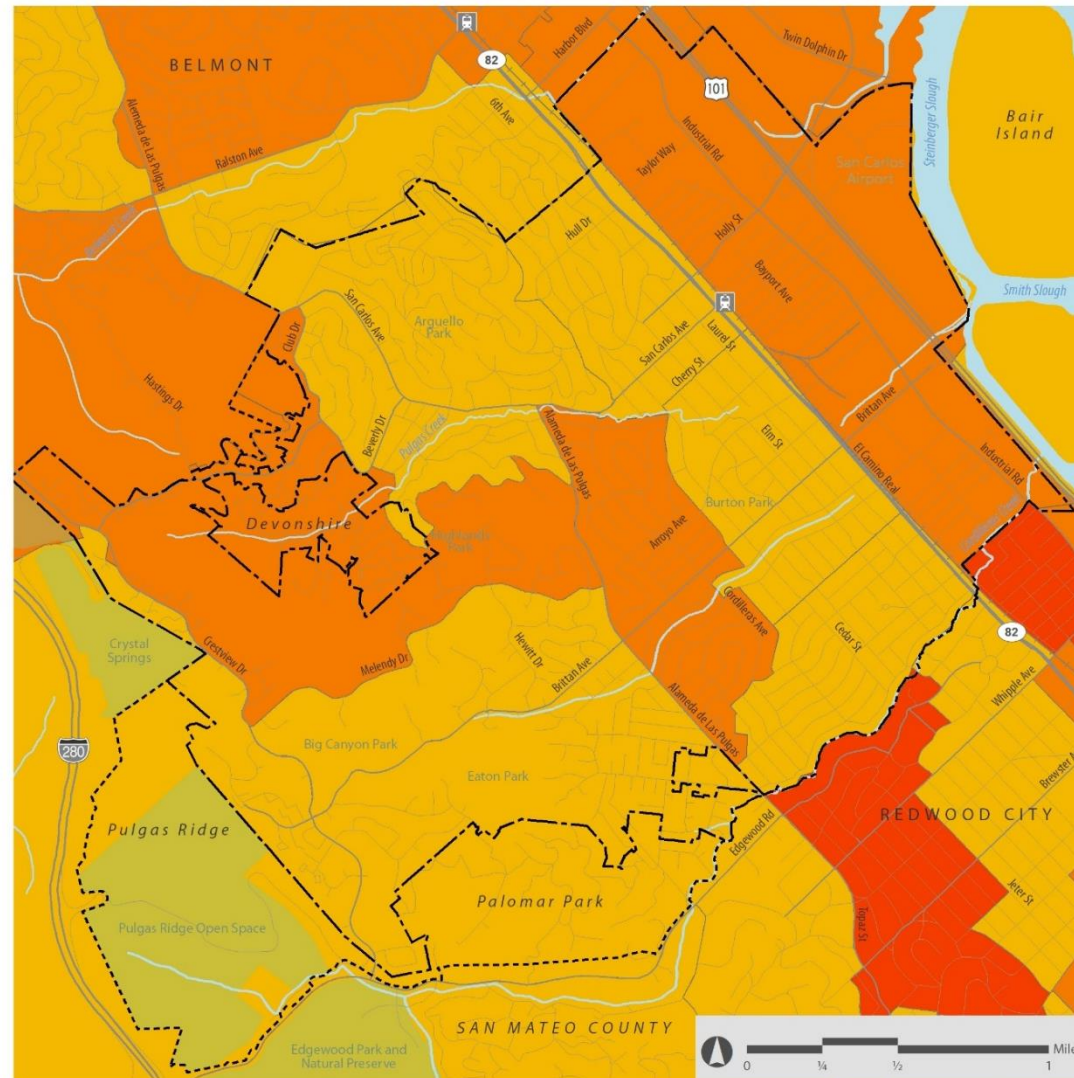
Overpayment by Renters (2015 - 2019)

Overpayment by Renters
(ACS, 2015 - 2019) - Tract



Base Map Features

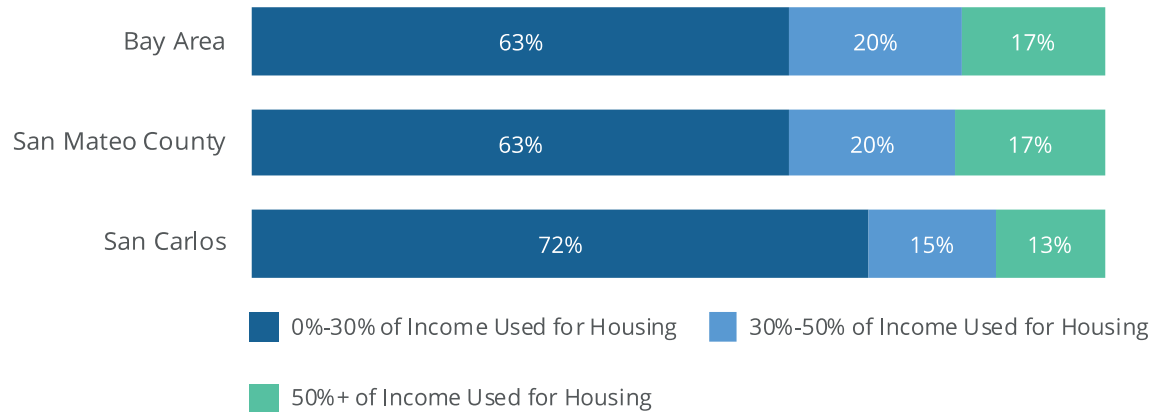
- City of San Carlos Boundary
- Sphere of Influence
- Major Streets
- Streets
- Caltrain Railroad and Stations
- Surrounding Jurisdictions
- Parks and Open Space
- Waterbodies



August 2021

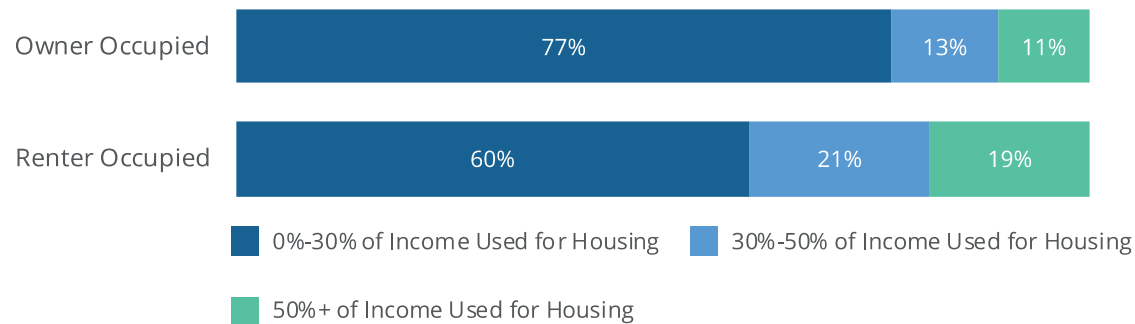
Sources: MIG, 2021; City of San Carlos, 2021.
California Department of Housing and Community Development
(HCD AFFH Data Viewer, 2021)

FIGURE 4.6-37
Overpayment (Cost Burden) by Jurisdiction, 2019



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-38
Overpayment (Cost Burden) by Tenure, San Carlos, 2019

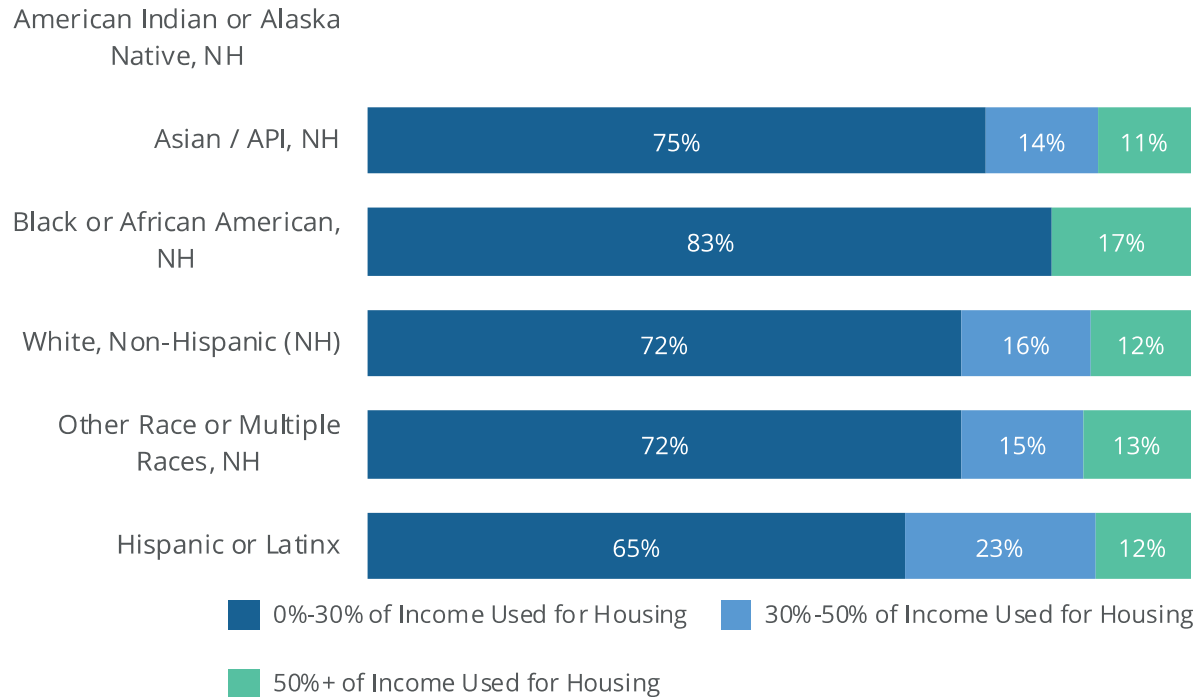


Source: ABAG Housing Needs Data Workbook

4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

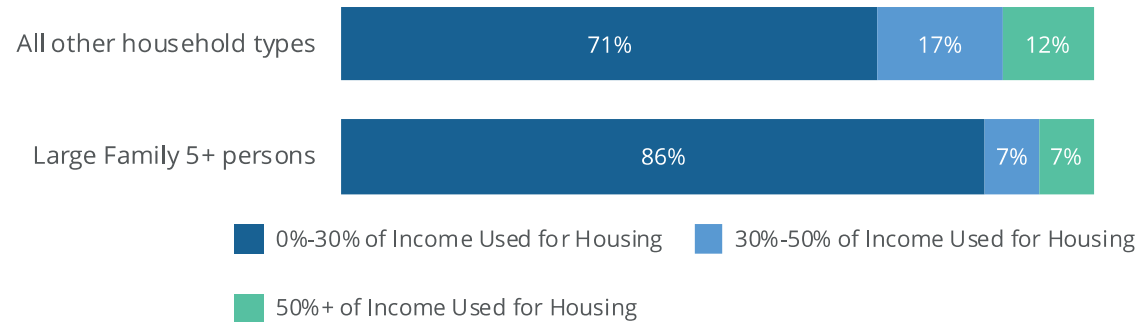


FIGURE 4.6-39
Overpayment (Cost Burden) by Race and Ethnicity, San Carlos, 2019



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-40
Overpayment (Cost Burden) by Family Size, San Carlos, 2019



Source: ABAG Housing Needs Data Workbook

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Figure H-4.37 identifies the levels of overcrowding across census tracts in the city, and it demonstrates that households across the city experience very low levels of overcrowding. Areas southwest of El Camino Real are generally below 8.2 percent overcrowded, while tracts east of El Camino Real experience more overcrowding with levels between 8.2 and 12 percent. The vast majority of households (98 percent) in San Carlos are not overcrowded—indicated by more than one occupant per room. However, renter households are more likely to be overcrowded than owner households. Hispanic households (4.9%) and households with other or mixed races (8.4%) have the highest levels of overcrowding. San Carlos households are less likely to experience overcrowding than the county and Bay area as a whole.

Substandard Housing

Data on housing condition are very limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS)—which captures units in substandard condition as self-reported in Census surveys. In San Carlos, renter households are also more likely to have substandard kitchen and plumbing facilities compared to owner households. Generally, a low share of households are lacking kitchen or plumbing. For renters, 0.2 percent are lacking kitchen facilities while 2.9 percent are lacking plumbing. For owners, less than one percent are lacking either kitchen or plumbing facilities.

Homelessness

In 2019, 1,512 people were experiencing homelessness in the county during the One-Day Count, with 40% of people in emergency or transitional shelter while the remaining 60% were

unsheltered. Throughout the county, the majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children.

People who identify as American Indian or Alaskan Native (six percent of the homeless population compared to less than one percent of the total population), Black (13 percent, 2 percent), White (67 percent, 51 percent), and Hispanic (38 percent, 28 percent) are overrepresented in the homeless population compared to their share of the general population. People struggling with chronic substance abuse (112 people), severe mental illness (305), and domestic violence (127) represented a substantial share of the homeless population in 2019. In San Carlos, 30 persons experiencing homelessness were identified as unsheltered in 2019. Demographic information on these persons is not available.

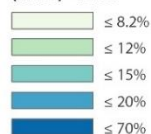
The 2022 One-Day Count reported a 21 percent increase in the number of unsheltered persons experiencing homelessness (1,092 persons) as compared to the 2019 One-Day Count and an increase in 17 percent in the number of individuals living in group shelters and hotels that have been converted to interim housing (716 persons) for a total of 1,808 persons. Additional geographic and demographic information is not yet available for 2022.

FIGURE 4.6-41
Overcrowded Households, 2019



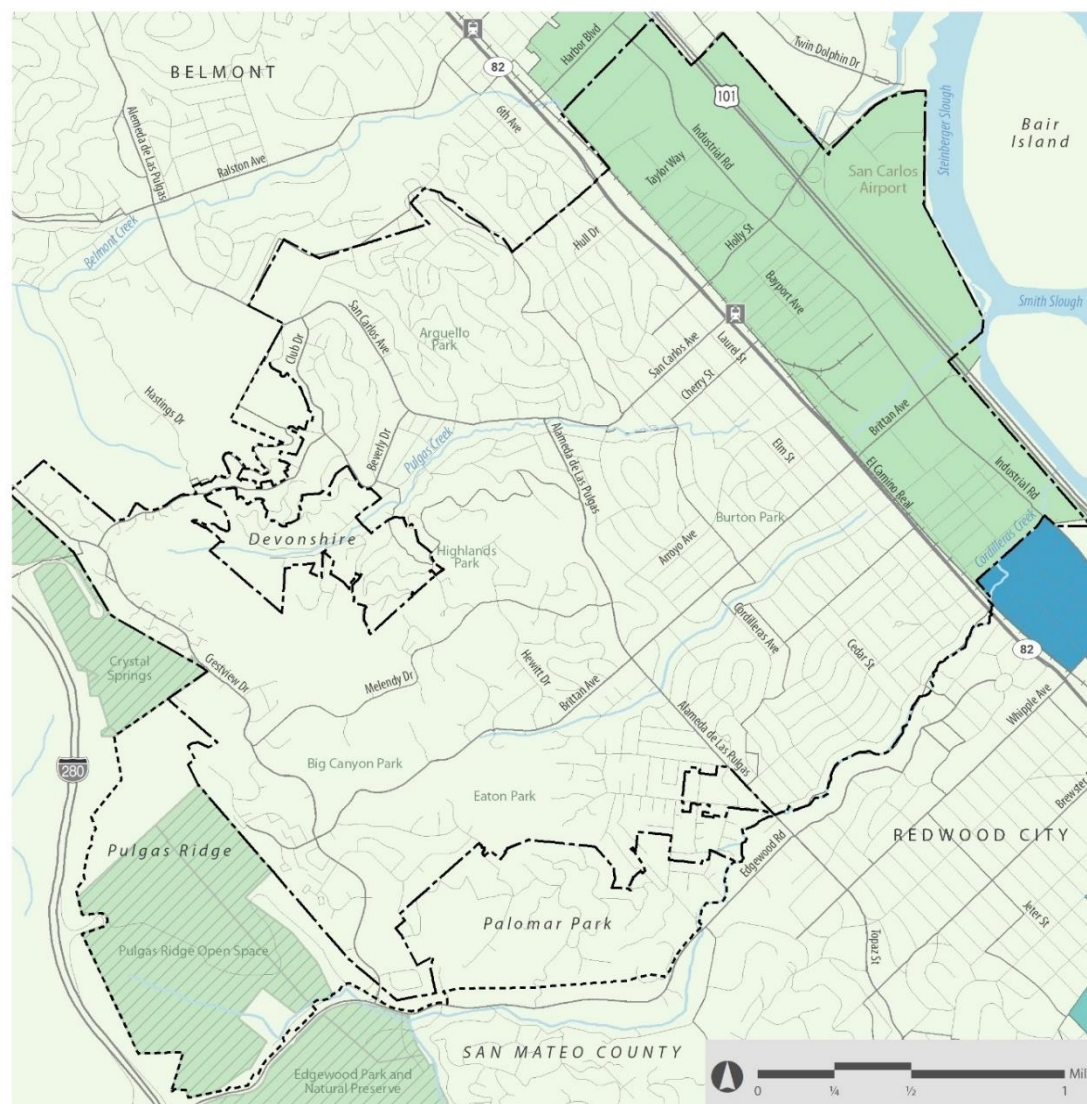
Concentration of Overcrowded Households

Overcrowded Households (CHHS) - Tracts



Base Map Features

- City of San Carlos Boundary
- Sphere of Influence
- Major Streets
- Streets
- Caltrain Railroad and Stations
- Surrounding Jurisdictions
- Parks and Open Space
- Waterbodies

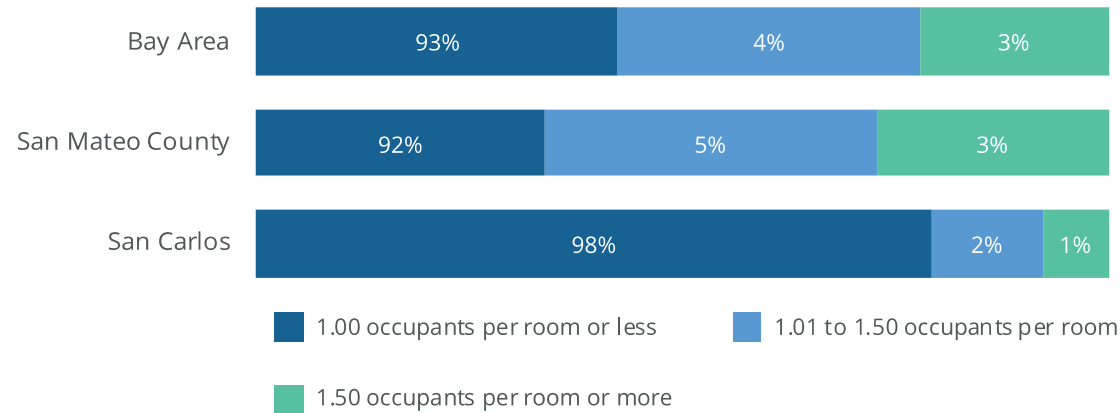


August 2021
Sources: MIG, 2021; City of San Carlos, 2021.
California Department of Housing and Community Development
(HCD AFFH Data Viewer, 2021)

4 2023 HOUSING ELEMENT: AFFIRMATIVELY FURTHERING FAIR HOUSING

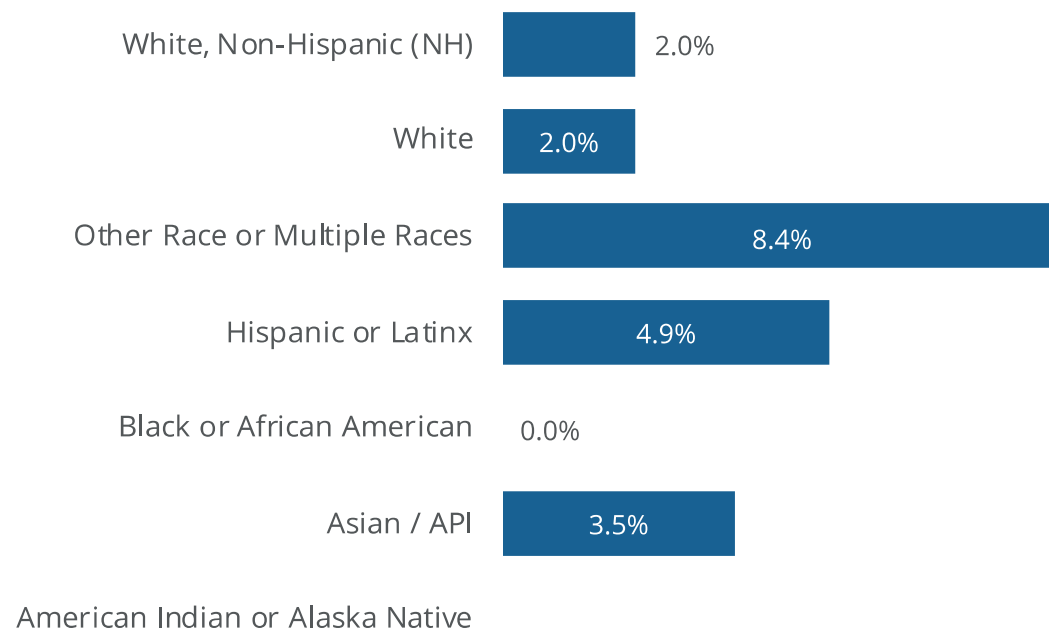


FIGURE 4.6-42
Occupants per Room by Jurisdiction, 2019



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-43
Overcrowding by Race and Ethnicity, San Carlos, 2019



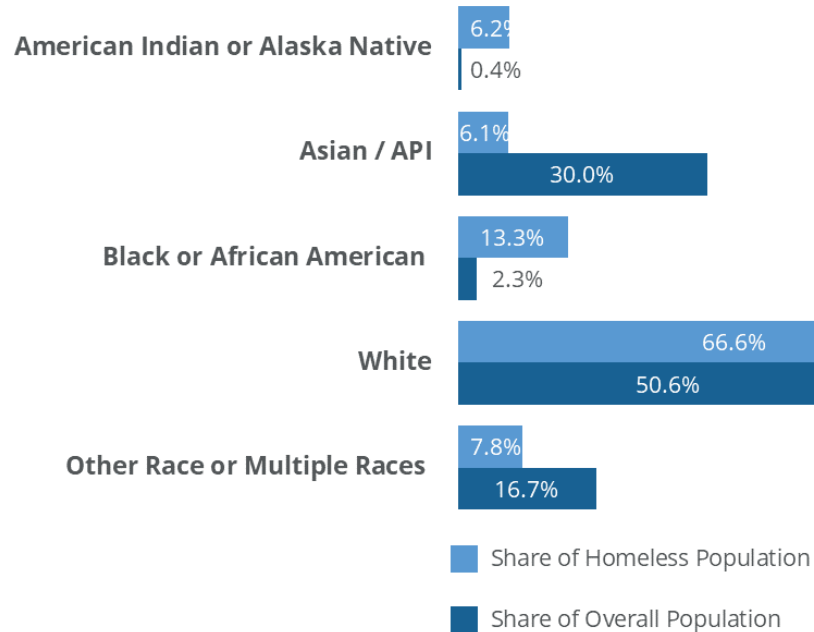
Note: Overcrowding is indicated by more than 1 person per room.

Source: ABAG Housing Needs Data Workbook

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FIGURE 4.6-44
Share of General and Homeless Populations by Race, San Mateo
County, 2019

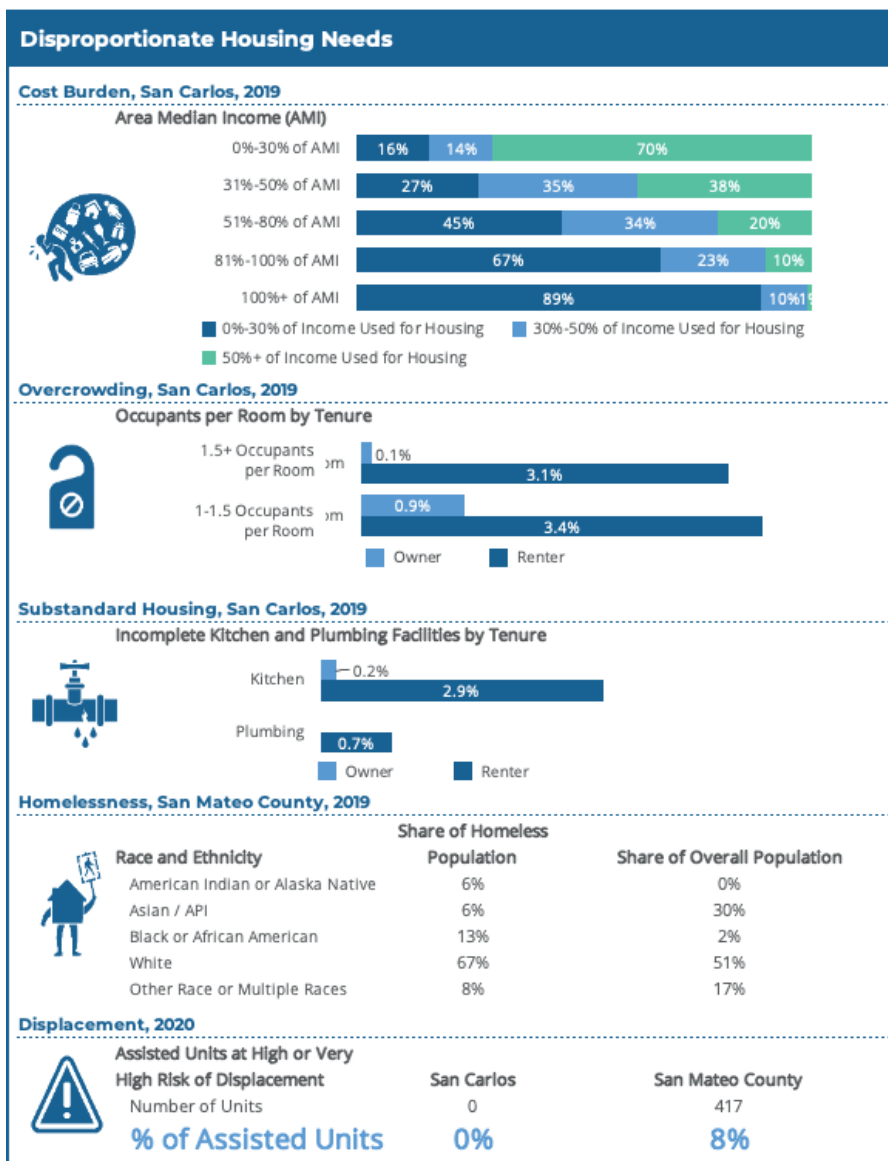


Source: ABAG Housing Needs Data Workbook

Displacement

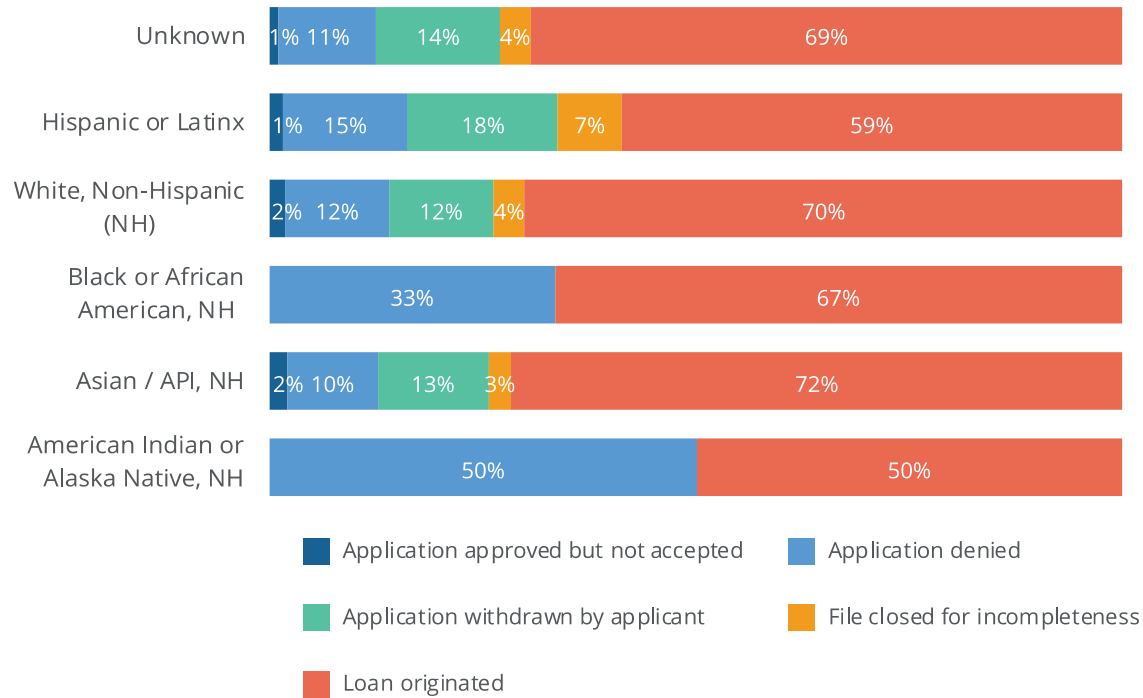
In San Carlos, no assisted rental units are at risk for displacement due to expiring affordability covenants during the next 10 years. Access to Mortgage Loans

Disparities by race and ethnicity are also prevalent for home mortgage applications to buy in San Carlos, particularly in denial rates. Except for American Indian/Alaskan Native applicants and Black/African American applicants, denial rates are similar across races and ethnicities (Figure 4.6-46).



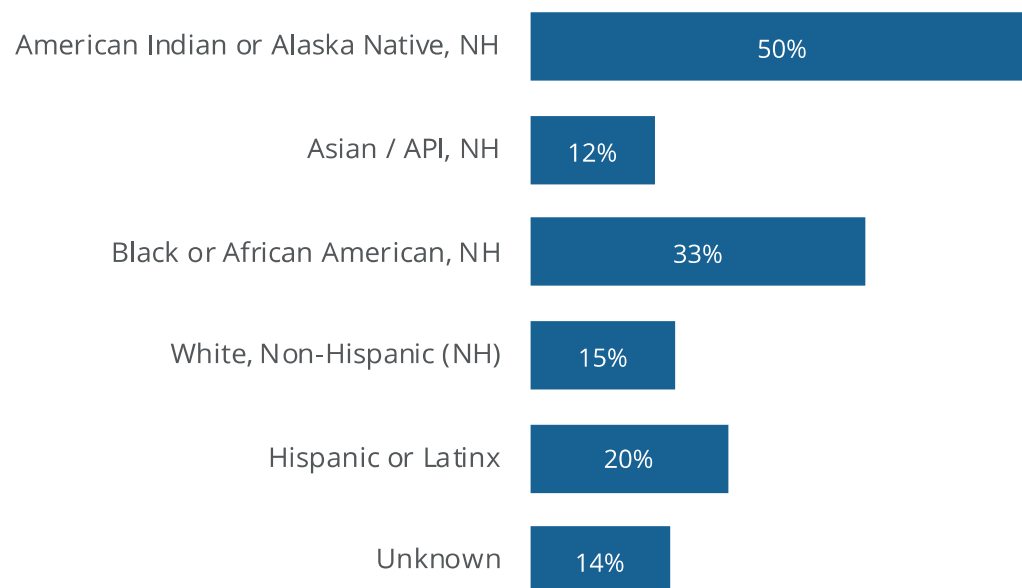
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FIGURE 4.6-45
Mortgage Applications by Race and Ethnicity, 2018-2019



Source: ABAG Housing Needs Data Workbook

FIGURE 4.6-46
Mortgage Application Denial Rate by Race and Ethnicity, San Carlos, 2018-2019



Source: ABAG Housing Needs Data Workbook

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Fair Housing Issues, Contributing Factors and Fair Housing Action Plan

The disparities in housing choice and access to opportunity discussed above stem from historical actions, the inability of the broader region to respond to housing demand, regional barriers to open housing choice, and limited resources to respond to needs. Three fair housing issues have been identified in San Carlos. The contributing factors to each are discussed below.

In prioritizing contributing factors, San Carlos gave highest priority to factors that:

- Limit or deny fair housing choice,
- Limit or deny access to opportunity, or
- Negatively impact fair housing or civil rights compliance.

The City also gave consideration to how much influence/ability to change a factor the City has, in order to identify priorities that are feasible and meaningful.

- High Priority items will be prioritized for more near-term investments and City policy changes.
- Moderate Priority items are generally issues of concern but where the City's impact may not be as broad.
- Low priority items remain issues of concern, but over which the City has limited power to address directly. Items in the high priority and moderate priority categories are intended to address these items as well, although indirectly.

As such, the following issues of concern, priority contributing factors, and actions are established:

Insufficient and Inaccessible Housing Options in High Opportunity Area

The County's 2020 AI and the Fair Housing Assessment found there was a need to expand access to opportunity for people who identify with any protected classes. Contributing factors affecting the lack of sufficient and accessible housing options in high opportunity areas include:

- Location and type of affordable housing [High]
- Lack of access to opportunity due to high housing cost [High]
- Lack of fair housing outreach and enforcement [High]
- Availability of affordable housing [High]
- Availability of affordable units in a range of sizes [High]

The City of San Carlos is nearly entirely an area of opportunity. In order to address historic growth patterns and allow additional access to areas of opportunity for people of color and other protected classes, the City identified a multi-faceted approach to provide additional opportunities. The Housing Plan contains 12 program actions specifically targeted to encourage and facilitate the development of affordable housing units in the city, including a significant upzoning of higher density neighborhoods and corridors. This effort will increase the number of affordable housing units thereby alleviating the lack of housing choice. These programs include the following:

ACTION HOU-4.1 Adequate Sites to Meet Regional Fair Share of Housing Growth.

The City will:

- Continue to provide appropriate land use designations and zoning districts consistent with regional housing needs for mixed-use and infill development near transit and other amenities.
 - Maintain an inventory of potential sites to provide to developers in conjunction with information on development incentives for affordable units.
 - As part of the Housing Element annual reporting process, evaluate project development against the sites inventory to ensure compliance with Government Code Section 65863.
 - Continue to pursue implementation of the General Plan through completion and adoption of implementing zoning regulations and specific plans.
 - Encourage senior housing and housing suitable for persons with disabilities and other special needs (including assisted living).
- Collaborate with existing and new major employers to encourage the development of more affordable housing to balance the jobs:housing ratio.
 - Monitor and pursue funding for housing that meets the needs of low-, very low-, and extremely low- income households. Monitoring of funding availability will be done on an ongoing basis through coordination with 21 Elements and by City staff.
 - Offer financial and technical assistance for housing development projects for persons with special needs.

ACTION HOU-3.1: Funding Low-, Very Low-, and Extremely Low- Income; and Special Needs Housing.

- Continue to apply the commercial/housing linkage fee to fund affordable housing. Identify ways to encourage on- or off-site production of affordable housing, in lieu of fee payment.

ACTION HOU-3.2: Below Market Rate (BMR) Ordinance.

- Continue to implement the City's Below Market Rate (BMR) Ordinance requirements for rental and ownership development.
- Establish a process for granting priority permit processing status for approved housing projects that exceed the City's minimum BMR requirement.
- Evaluate the BMR Ordinance's density bonuses, incentives, and concessions to determine they continue to make the production of affordable housing feasible. As part of this process, consult with local non-profit affordable housing developers to identify potential revisions that would better support development of affordable housing, and especially Low-Income Housing Tax Credit financed housing. Revise as necessary.

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ACTION HOU-3.3: Accessory Dwelling Units Construction Facilitation.

- Support the development of 203 accessory dwelling units during the planning period and as new State laws modify accessory dwelling unit requirements, update the City's ordinance to comply.
- Collaborate with surrounding jurisdictions through the 21 Elements working group to determine best approach for tracking affordability throughout the planning period.
- Encourage the legalization of unpermitted accessory dwelling units to better ensure that they are safe and habitable. As sunset date of Section 18.23.210(H) approaches, consider an extension, based on history of use of this provision and anticipated ongoing need.
- Work with 21 Elements to identify potential funding sources for ADU construction and offer pre-approved construction plans.
- Review and as new information is available, update public education materials on accessory dwelling units, including planning and building requirements, streamline processing, funding possibilities, and other resources.
- Encourage local agencies, districts, and utility providers to reduce hook-up or other fees to facilitate the development of accessory dwelling units.

ACTION HOU-3.4: First-time Homebuyer Programs. Direct prospective first-time homebuyers to HEART or other County programs intended for first time homebuyers. Encourage the use of these programs through outreach and education. Maintain and

provide information on local BMR ownership units that are resold.

ACTION HOU-3.5: Rental Voucher Program.

- Continue to implement the BMR ordinance, which specifies Housing Choice Voucher (Section 8) eligibility in the BMR program.
- Continue to work with the San Mateo County Department of Housing and nonprofit organizations to implement Housing Choice Voucher Rental Assistance programs. Continue to provide information on the Housing Choice Voucher program, including new legal requirements pursuant to SB 329, which prohibits housing discrimination on the basis of source of income (including Housing Choice Vouchers).
- Continue to work with 21 Elements, other regional organizations, and/or nonprofit organizations to evaluate and quantify potential discrimination against Housing Choice Voucher users or other rental assistance voucher programs. Continue to develop and act upon measures to address these issues.

ACTION HOU-3.9: Development on Nonvacant Sites. Promote residential development on nonvacant sites by:

- Targeting nonvacant sites identified in the Housing Element as priorities for fund allocation as funds are available.
- Proactively outreaching to property owners with a survey on how the city can support redevelopment/new housing efforts.

ACTION HOU-3.11: Access to Opportunity. Noting historical inequities amplified/perpetuated by single family zoning, encourage small units in residential neighborhoods through development of ADUs, JADUs, and SB 9 units.

- See Action HOU-3.3 for specific measures to incentivize ADUs in San Carlos.
- Review the City's Zoning Ordinance and Subdivision Ordinance and implement updates as needed to provide clarity and facilitate housing development under SB 9. These include adopting updated definitions, use regulations, development standards, and ministerial processes based on the outcome of a complete SB 9 analysis. Staff anticipates bringing the ordinance to City Council by early 2023.

ACTION HOU-3.12: Reduce Costs Associated With The Development Of Affordable and Special Needs Housing. Reduce or waive development impact fees (as needed) to facilitate 100% affordable and special needs housing, including housing for extremely low-income and persons living with disabilities (including persons with developmental disabilities).

ACTION HOU-4.2: Zoning Ordinance Revisions. Enact the following zoning changes:

- 1) Create new zones; increase density, heights, number of stories; and provide minimum densities as shown in Table 4.6-7.

- 2) Remove requirement for ground floor nonresidential uses along portions of El Camino Real and Old County Road, south of E. San Carlos Avenue.
- 3) Remove minimum private open space requirement for residential in Mixed Use and Multi-unit zoning districts (retaining only the common/public open space requirement).
- 4) For residential only development, remove additional required setbacks (i.e., removing requirement to follow RM-59 zoning setbacks) in Mixed Use zones (resulting in no setbacks in most conditions).
- 5) Remove guest parking in all RM and Mixed-Use zones.
- 6) Remove side and rear yard setback requirements for mixed use and multi-family housing developments, specifically pertaining to portions of the building wall containing living rooms, primary rooms, sleeping rooms, and walls containing windows.
- 7) Allow multi-family residential use in the Public (P) zoning district as an accessory use to allowed uses such as onsite religious institutions and schools.

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Table 4.6-7: Summary of Proposed Zoning Changes

Zone		Maximum Density (du/ac)		Minimum Density (du/ac)	Building Height (feet)		Building Stories (stories)	
Existing	Proposed	Existing	Proposed	Proposed	Existing	Proposed	Existing	Proposed
MU-N	MU-N-40	20	40	30	30-50 depending on distance from RS zone	50	4	4
MU-N	MU-N-50	20	50	38		50 (40 adjacent to RS zone)	4	4
MU-N	MU-N-120	20	120	90		75	4	6
MU-DC	MU-DC-100	50	100	75		50	4	4
MU-D	MU-D-100	50	100	75		60	4	5
MU-D	MU-D-120	50	120	90		75	4	6
MU-SC	MU-SC-120	59	120	90		75	4	6
MU-NB	MU-NB-120	50	120	90		75	4	6
MU-SB	MU-SB-100	50	100	75		60	4	5
MU-SB	MU-SB-120	50	120	90		75	4	6
RM-20	RM-20	20	20	15	35	35	3	3
RM-59	RM-59	59	59	45	50	50	4	4
--	RM-100	n/a	100	75	n/a	60	n/a	5

*Note: The City of San Carlos Zoning Ordinance does not have a minimum density requirement; with this update, a minimum density threshold is proposed.

ACTION HOU-4.2: Outreach: New Development Standards.

Prepare, publicize, and provide applicants and developers with materials highlighting the City's revised zoning standards (Action HOU-4.2) intended to encourage the production of housing at all income levels.

ACTION HOU-4.3: Objectivity and Streamlining in Development Regulations. Reduce the cost of building housing through, streamlining and clear and objective standards in development regulations.

- Review the Zoning Ordinance and craft revisions that support objective design standards consistent with the Housing Accountability Act. Adoption of objective design standards will facilitate high-quality residential development and compliance with State objectives.
- Revisit the Design Review Criteria to provide local guidance on design and standards for by-right projects as allowed by state law, removing subjectivity from findings and approval processes.
- Identify ways to reduce the permitting time for residential projects (especially 100% affordable projects) through consideration of by-right approvals, reduced number of hearings, and objective design standards.
- To accommodate future SB 35 applications and inquiries, create and make available an informational packet that explains SB 35 streamlining provisions in San Carlos and provides SB 35 eligibility information.

Protecting Existing Residents from Displacement

San Carlos has become a town that is largely affluent and has limited existing affordable housing. As of 2021, the city is mostly experiencing stages of advanced exclusion, as a result of rapidly increasing housing costs. Efforts listed above to provide more affordable housing in San Carlos are intended to increase access to opportunity. The analysis found no Census tracts in the city with concentrations of households vulnerable to displacement. However, households that are most vulnerable to displacement are where more rental housing is located. Overpayment by renters is identified in areas north of U.S. 101 and in the southeastern portion of the city. Contributing factors affecting potential displacement include:

- Displacement of residents due to economic pressures [Moderate]
- Availability of affordable housing [High]
- Availability of affordable units in a range of sizes [Moderate]

In order to address the potential displacement of existing lower income households, the City identified 12 program actions to provide additional housing opportunities and further encourage more affordable housing in the community, as described above. The Housing Plan also contains Program HOU-3.10 specifically targeted to identify anti-displacement strategies for San Carlos:

ACTION HOU-3.10: Anti-Displacement Strategies. Explore the following strategies to minimize resident displacement:

- Tenant protection policies

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- Community land trust or a housing preservation fund

Access and Inclusion for Persons with Disabilities

In San Mateo County, the most common fair housing complaint cited disability status as the bias (56 percent of complaints). Contributing factors affecting access and inclusion for persons with disabilities include:

- Lack of supportive services for persons with disabilities [Moderate]
- Lack of access to resources, such as schools, transportation, and other in-home or community resources, for persons with disabilities [Low]

In 2011, the City adopted a Reasonable Accommodation Ordinance to provide persons with disabilities equal access to housing opportunities. The City identified six implementation programs in the Housing Plan to increase services, housing, and support for persons with disabilities, including:

ACTION HOU-5.2: Large Rental Units and Supportive Services. Discuss with developers the ability to provide larger rental units appropriate for families with children, including the provision of supportive services.

ACTION HOU-5.3: Residential Care Facilities and Group Homes. San Carlos encourages the development of residential care facilities and group homes. Consistent with State law, the City permits group homes with six or fewer residents in all residential zoning districts by right.

- Amend the Zoning Ordinance code to allow group homes with seven or more residents as a permitted use in all zones that allow multi-unit or single-unit dwellings.
- Facilitate discussions with neighborhoods and adjacent uses so that good neighbor relationships are fostered and impacts to adjacent uses are mitigated.
- Seek opportunities to assist nonprofit housing providers to acquire and/or rehabilitate residential housing for group homes.

ACTION HOU-5.4: Special Needs Service Providers Contributions.

- On an annual basis, provide financial contributions to non-profit organizations and outside agencies that serve the housing needs of special needs households in and around San Carlos. These organizations and agencies may include but are not limited to: The Center for Independence of the Disabled (CID), HIP Housing, Shelter Network, Samaritan House, CALL Primrose, San Mateo County Children's Fund, and HEART, among others.
- Evaluate City contributions to outside agencies to assess whether to continue funding and/or adjust funding amounts or to consider other agencies for funding, particularly those organizations and agencies that provide housing with support services for persons with disabilities. As part of the evaluation, require outside agencies receiving City contributions to submit annual reports detailing how funds have been used and how programs have benefited San Carlos residents.

ACTION HOU-5.5: Revised Development Standards to Support Special Needs Housing.

- Consider amending the Zoning Ordinance to clarify that development standards that allow for separate cooking and/or bathroom facilities in home sharing programs, and universal design (including “visitability”) in all new residential development and significant remodeling projects.
- Encourage the development of well-designed new accessory dwelling units in existing neighborhoods by implementing objective standards for the approval of accessory units. Include an ADA accessible design option in pre-approved ADU plans.
- Encourage unhoused service or navigation centers to be located within or near SROs, transitional, and or/supportive housing.

ACTION HOU-5.6: Equal Access to City Services. Adopt an accessibility policy establishing standards and procedures for providing equal access to City services and programs to all residents, including persons with limited proficiency in English, and persons with disabilities.

ACTION HOU-5.7: Community Governance. Conduct public meetings at suitable times, accessible to persons with disabilities, and near public transit. Resources will be invested to provide interpretation and translation services when requested at public meetings.

In addition, Housing Action HOU-6.1 outlines the City’s Fair Housing Plan. The City has identified multiple actions to implement that will increase affordable housing in the community, curtail displacement, and provide opportunities for special needs households, achieving multiple goals and simultaneously affirmatively furthering fair housing.

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Housing Element Program Accomplishments

State housing element law requires communities to assess their achievements under adopted housing programs as part of the update of an existing housing element. These results should be quantified where possible but may be qualitative where necessary. Past accomplishments are compared with what was projected or planned as part of the earlier housing element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

This evaluation helps San Carlos identify the extent to which adopted programs have been successful in achieving stated objectives and addressing local needs, and how such programs continue to be relevant in addressing current and future housing needs. The evaluation provides the basis for recommended modifications to policies and programs in the updated element and provides meaningful guidance for establishing new objectives.

The 2015-2023 Housing Element contains a series of Implementation Programs. Table 4.7-1 provides a program-by-program review considering progress to date in implementation of these program actions, and the continued appropriateness of identified programs. The results of this analysis form the basis for developing the comprehensive housing program strategy presented in the Housing Plan.

San Carlos made great strides in efforts to create more affordable housing, including implementing the Below Market Rate (BMR) housing ordinance, affordable housing impact fee, and linkage fee for new job-generating uses to support affordable housing during the 2015-2022 planning period. San Carlos continues to support land use and development standards that facilitate housing and has, as part of the efforts toward the 2023 Housing Element, identified significant areas in multi-family and mixed-use zones to increase allowable densities significantly, to further encourage housing and especially affordable housing.

The City has also made considerable progress in addressing the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers, and persons experiencing homelessness), guided by the goals, policies, and related actions of the 2015-2022 Housing Element. In particular:

- The City coordinated with HIP Housing to promote home sharing with local seniors.
- The City provided funding to two group homes for persons with disabilities during the planning period, through PARCA (Partners & Advocates for Remarkable Children & Adults) and HIP Housing.
- The City contributed \$7.3 million to support the construction of Walnut Studios, a 4-story 100% affordable housing development, consisting of 23 studio units and 2-bedroom staff unit. Of the 23 studios, six are restricted for

tenants at or below 30% AMI, six at 40% AMI, six at 50% AMI, five at 60% AMI, and two for formerly homeless tenants. Catholic Charities will provide service coordination for the residents and case management for the formerly homeless tenants.

- The City acquired property at 1232 Cherry Street through eminent domain to support affordable housing development at this site. This project is expected to include 34 affordable units, 9 of which will be 3-bedroom units.

The City provided funding to LifeMoves and Samaritan House for the purpose of supporting overnight shelter, case management, transitional housing, and other homelessness prevention services.

- In 2020, the City established a Tenant Assistance Program to provide direct assistance to renters at risk of eviction with initial funding of \$112,000. In 2021, the City appropriated an additional \$151,000 to this program.
- Annually, the City typically receives one or two reasonable accommodation requests for accessibility for persons with disabilities (often ramps for wheelchair access) which are prioritized for approval.
- As of 2022, City staff is working with PARCA/HIP to entitle two additional units on an existing housing site.
- The City updated the BMR ordinance in 2022 to further encourage more affordable housing, especially at very

low-income levels, which supports housing development for special needs populations. Changes included increasing the affordable housing requirement for ownership projects to 20% low-income; including an option for rental projects to provide 15% very low-income units; decreasing the threshold requiring a BMR unit be built (rather than payment of an in-lieu fee) from seven to five units for ownership projects; changing affordability

periods to run in perpetuity; and increasing incentives associated with the City Density Bonus for rental projects to exceed those provided by the State Density Bonus.

Table 4.7-1 outlines the City's progress toward meeting objectives identified in the 2015-2022 Housing Element. Following Table 4.7-1, Table 4.7-2 summarizes quantified objective performance.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-1.1: Continue the Rental Inspection Program. Continue the Rental Inspection Program as provided in San Carlos Municipal Code Chapter 15.34, as implemented by the Building Division.

Program H-1.2: Promote Home Repair Assistance. Promote the availability of free or inexpensive home repair services for low-income households, including households with special needs, provided by the most suitable organizations. Organizations providing such services may include but are not limited to:

- North Peninsula Neighborhood Services Center, Inc.
- Community Action Agency of San Mateo County, Inc. (CAA)
- Center for the Independence of the Disabled (CID)
- Rebuilding Together Peninsula
- Generating Renewable Ideas for Development Alternatives (GRID Alternatives)
- Promote the preservation and improvement of the quality of existing housing and neighborhoods.

Progress and Continued Appropriateness

The City's Rental Inspection Program supports ongoing property maintenance of critical rental housing stock and provides a process to address tenant complaints of Code violations. Approximately 110 housing units are inspected annually. The Building Division oversees and implements this program, including the mandatory deck inspection. The program remains important and is updated and continued in the updated Housing Element.

While the City does not have funding to directly support home repair services, the City refers individuals to the Rebuilding Together Peninsula organization for renovation and repair services: <http://rebuildingtogetherpeninsula.org>. In addition, the City's Code Enforcement is proactive in connecting various church groups, Boy Scouts, and other community groups such as the Lions Club and Kiwanis Clubs with homeowners in need. Volunteers remove overgrown vegetation, remove trash and debris, and complete very minor repairs to structures for elderly residents.

Continued residential rehabilitation ensures the longevity of the local housing stock. This program will be consolidated with existing Program H-1.3 and H-1.4 and continued in the Housing Element, with a focus on identification of new funding sources and providing clear information to the public about regionally available resources.

Table 4.7-1: 2015-2022 Program Accomplishments**2015-2021 Housing Element Program**

Program H-1.3: Identify and Implement Residential Improvement Programs. Evaluate residential improvement programs that are or could be made available and consider re-establishing and expanding the City's Life Safety Home Repair Grant program.

Program H-1.4: Publicize Rehabilitation Loan Programs. Promote the availability of any city, county, State or federal housing rehabilitation loan programs for San Carlos residents, including San Mateo County's Housing Rehabilitation Loan Programs. As part of this outreach program, the City will identify rehabilitation opportunities linked to improving seismic safety in older multi-family housing developments in San Carlos.

Program H-1.5: Require Replacement Housing. Require the adoption of a minimum one-to-one replacement requirement of any housing units demolished due to public action.

Program H-1.6: Publicize Weatherization and Water Conservation Programs. Promote low-income weatherization assistance and water reduction programs.

Progress and Continued Appropriateness

The City will continue to evaluate opportunities as they arise; during the planning period, no additional funding sources were identified to support this program. This program will be consolidated with existing Program H-1.2 and H-1.4 and continued in the Housing Element, with a focus on identification of new funding sources and providing clear information to the public about regionally available resources.

San Carlos is a participating city within the San Mateo County Consortium Consolidated Plan. The 2018-2022 Consolidated Plan identified a goal to explore a multifamily rehabilitation and accessibility improvement program using CDBG revolving loan or other public funds to provide an incentive for landlords to participate in the Housing Choice Voucher program; however, CAPERs indicate this has not yet been completed. This program will be consolidated with existing Program H-1.2 and H-1.4 and continued in the Housing Element, with a focus on identification of new funding sources and providing clear information to the public about regionally available resources.

The City adopted a Uniform Relocation Policy in 2017. This program is complete and removed from the Housing Element; replaced with a program to comply with Government Code Section 65583.2(g)(3), requiring the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site identified in the Housing Element.

The City provides links and information on the City website pertaining to water conservation and housing rehabilitation. Water conservation is an important goal for the City and is directed by the City's Sustainability Office and Climate Mitigation and Adaptation Plan (CMAP). This program is complete and will be removed from the updated Housing Element.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-1.7: Undertake Actions to Reduce the Potential for Displacement of Lower Income Residents. Quantify, develop and evaluate potential strategies to address displacement of lower income residents. Based on this evaluation, measures will be developed and the City will implement programs, as appropriate, to address the risk of displacement of existing lower income residents. Once actions are identified and actions taken by the City, the City will monitor such programs annually for effectiveness and make adjustments as necessary. If possible, the City will coordinate with other jurisdictions in San Mateo County, under the umbrella of work to be undertaken by 21 Elements.

Program H-2.1: Implement the California Green Building Standards Code. Implement and promote incentive programs that encourage the use of green-building techniques in the development of all new housing and remodels, especially in affordable housing. This includes implementation of the California Green Building Standards (CALGreen) Code for new residential buildings, additions or alterations.

Program H-2.2: Funding for Green Building. Leverage federal, State and regional funding sources to subsidize incentive programs for green building.

Program H-2.3: Implement Energy Conservation. Continue to implement, suggest and promote up-to- date energy conservation policies, energy-efficient materials and devices as part of housing development projects and remodels of existing housing stock.

Progress and Continued Appropriateness

The City collaborates with 21 Elements, which prepared a report on displacement strategies most effective for San Mateo County jurisdictions in 2017. To address potential displacement of lower income residents, the City adopted a Uniform Relocation Policy in 2017. In 2019, the City adopted Ordinance No. 1556 to approve cause eviction protections in the interim before the California Tenant Protection Act of 2019 went into place. This program is removed and replaced with programs to continue to identify special circumstances where existing affordable housing can be acquired and preserved and to continue collaboration with 21 Elements to enhance the exchange of information and identification of solutions to regional housing issues.

The City implements green-building techniques through implementation of CALGreen, consistent with State requirements. In 2021, San Carlos adopted an all-electric Reach Code Ordinance. A reach code is a local building energy code that “reaches” beyond the state minimum requirements for energy use in building design and construction, creating opportunities for local governments to lead the way on clean air, climate solutions, and the renewable energy economy. This program is complete and be implemented as a matter of regular business; as such it will be removed from the Housing Element.

Funding for green building opportunities remains limited. The City has focused the limited available funding to support affordable housing development, and encourages projects to implement sustainable features, seeking additional sources as opportunities are available. This program is removed from the Housing Element.

The City's Zoning Ordinance offers an increase in FAR for mixed use projects that include car share, electric car facilities, green roofs, solar panels, and other green building measures. Several mixed-use projects have incorporated one or more of these in recently approved projects. In addition, the City continues to implement CALGreen and in 2021, San Carlos adopted an all-electric Reach Code Ordinance. This program is complete and will be removed from the updated Housing Element.

Table 4.7-1: 2015-2022 Program Accomplishments**2015-2021 Housing Element Program**

Program H-3.1: Implement Complete Streets Policies and Programs. Continue to implement the Complete Streets Policy of the City of San Carlos (Resolution 2012-066), including infrastructure up-grades such as streetscape improvements, and “Complete Streets” programs, to create a pedestrian-friendly environment and encourage private residential investment in Planning Areas 1, 2, and 3, including El Camino Real (Grand Boulevard Initiative).

Program H-3.2: Provide Incentives for Higher-Density, Mixed-Use Development That Include Affordable and Special Needs Units. Reduce or waive development impact fees where necessary and appropriate to make infill higher-density, mixed-use development that includes affordable and special needs housing, including housing for extremely low income and persons living with disabilities (including persons with developmental disabilities) to be feasible in the Downtown area and along El Camino Real. The City will strive to incentivize development, such as allowing height limit bonuses, for projects that exceed the affordability levels or number of BMR units required by the BMR Program, (2) accommodate BMR units for special needs households, or (3) include Single Room Occupancy units.

Program H-3.3: Develop Incentives for Lot Consolidation. Develop a lot consolidation program for owners of small and odd-shaped lots in Planning Areas 1, 2, and 3. The program may include incentives for lot consolidation such as:

- Relaxed development standards
- Streamlined permitting process
- City financial contributions, as well as other density bonuses, incentives and concessions that are otherwise required by State density bonus law for the provision of higher levels of affordable housing.

The City will review the program on an annual basis to evaluate its effectiveness and revise as needed.

Progress and Continued Appropriateness

The City adopted a complete streets policy in 2012. Successful, completed projects include El Camino Real Grand Boulevard Initiative, East Side Connect, El Camino Real Landscaping and Lighting. Ongoing projects include removal of Eucalyptus trees along San Carlos Avenue and installation of new sidewalks to facilitate safe, walkability into the downtown and Caltrain. Projects underway are contributing towards sidewalk and pedestrian enhancements. In addition, San Carlos completed and adopted on June 9, 2020 its first pedestrian plan, the Bicycle and Pedestrian Master Plan. This program is complete and will be removed from the updated Housing Element.

The City provides Financial Assistance for qualifying projects through the BMR ordinance (SCMC 18.17.030, F.). In addition, funds from the Housing in-lieu fee and the Commercial Linkage fee are pooled to support affordable housing construction in the city. Cumulatively, for fiscal year 19/20 and 20/21, \$4.37M and \$2.37M in revenues were collected, respectively. The City also provides density bonuses and concessions to projects that include affordable housing units. For example, the affordable housing project at 817 Walnut received a density bonus and concession and the City waived all impact and processing fees. The City has also provided funding to support services for a group home for persons with disabilities.

This program is updated and continued in the updated Housing Element.

The City continues to evaluate the ability to consolidate lots in the downtown and best practices and incentives for consolidation of small lots, as well as ways to support development on small lots. As part of the 2023 Housing Element update, the City increased the allowable density on parcels throughout the multi-family and mixed use zones, which is a key mechanism to encouraging/facilitating housing on small lots. This program is continued in the updated Housing Element and modified to address the removal of constraints for small lot development and the City's upcoming Downtown Specific Plan.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-4.1: Develop Second Unit (Accessory Dwelling Unit) Information Materials. Develop informational materials to educate the public on second accessory dwelling units, including alternatives to the affordable housing impact fee as compared to the construction of a second unit.

Program H-4.2: Modify Second Unit Development Standards. Eliminate the 400-foot distance standard currently required between secondary dwelling units and continue to review the effectiveness of second unit development standards on a periodic basis.

Program H-4.3: Identify Possible Sources of Funding for Secondary Dwelling Units. Identify potential funding sources for remodels of existing homes to create an autonomous second unit within the existing structure.

Program H-4.4: Legalize Existing Unpermitted Secondary Dwelling Units. Extend and promote the amnesty program to legalize existing unpermitted second units. Encourage the legalization of unpermitted second units to better ensure that they are safe and habitable.

Program H-4.5: Undertake Design Review of Secondary Dwelling Units. Continue to evaluate the design of second unit applications through the minor design review process, which establishes objective standards for application review and approval of secondary dwelling units.

Progress and Continued Appropriateness

The Planning and Building Divisions provide information to the public regarding the provisions for accessory dwelling units. During this Housing Element cycle, there has been significant change to State laws and resulting growth in the number of applications for ADUs. For example, in 2015 only 5 ADUs were approved; in 2016, there were 6; in 2017 there were 8; and in 2018 the numbers more than doubled to 19 ADUs permitted in San Carlos. In 2019, 14 ADUs were permitted and in 2020, 29 ADUs received building permits. Accessory dwelling units remain an important component of the housing stock in San Carlos; this program will be consolidated with other ADU programs and continued in the updated Housing Element.

The 400-ft distance standard has been eliminated. In 2020, San Carlos adopted an Accessory Dwelling Unit Ordinance, permitting ADUs and JADUs consistent with State law. This program is complete and will be removed from the updated Housing Element.

In 2020, San Carlos adopted an Accessory Dwelling Unit Ordinance, permitting ADUs and JADUs consistent with State law. The City participates in regional efforts to encourage and facilitate accessory dwelling units; this program is modified accordingly and consolidated with other ADU programs in the updated Housing Element.

In 2020, San Carlos adopted an Accessory Dwelling Unit Ordinance, allowing for previously constructed ADU property owners to apply for a delay of correction to building standard violations for five years, if the building standard violation is not necessary to protect health and safety (Section 18.23.210, H.) This program is complete and will be consolidated with other ADU programs in the updated Housing Element.

In 2020, San Carlos adopted an Accessory Dwelling Unit Ordinance, establishing a ministerial review process for ADUs. This program is obsolete and will be removed from the updated Housing Element.

Table 4.7-1: 2015-2022 Program Accomplishments**2015-2021 Housing Element Program**

Program H-4.6: Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit. Allow converted accessory buildings/structures that do not comply with the current secondary dwelling unit ordinance to be reviewed through a new process that establishes an allowance for one or more exceptions from the secondary dwelling unit development regulations. Modify the existing development regulations of accessory buildings/structures to more clearly distinguish how accessory buildings/structures can be used (such as modifying the regulations to prohibit living areas without main dwelling unit setbacks and/or the number of plumbing fixtures) and consider reduction or waiver of fees. Reevaluate the effectiveness of this program in producing secondary dwelling units and consider other options after one year from adoption of the ordinance.

Program H-5.1: Implement Below Market Rate (BMR) Requirements. Continue to implement the City's Below Market Rate (BMR) Ordinance and revise the ordinance to change the length of time for very low and low-income unit affordability from 30 to 55 years, as is standard practice in most BMR ordinances.

Program H-5.2: Implement First-time Homebuyer Programs. Direct prospective first-time homebuyers to County programs intended for first time homebuyers. Encourage the use of these programs through outreach and education.

Program H-5.3: Encourage the Use of the HUD Section 8 and Other Rental Voucher Programs. Encourage the use of federal, state and local rental housing programs and encourage nonprofit service providers to refer eligible clients, especially those with extremely low incomes, to the Section 8 program for assistance.

Progress and Continued Appropriateness

In 2020, San Carlos adopted an Accessory Dwelling Unit Ordinance, permitting ADUs and JADUs conversions consistent with State law. This program is obsolete and will be removed from the updated Housing Element.

The City's BMR Ordinance requires deed restrictions of 45 years for for-sale units and 55 years for rentals. In 2022, the City updated the BMR Ordinance to encourage more affordable housing in the community. The BMR Ordinance remains an important component of the City's affordable housing strategy and is included in the updated Housing Element as an ongoing program.

The City continues to refer interested homeowners to HEART, which provides first-time homebuyer programs and loans. As a condition of sale for all owner-occupied below market rate units, deed restrictions are required and include the City's purchase option, resale restrictions, and procedures and policies regarding changes in title to ensure that owner-occupied below market rate units remain affordable for not less than 45 years. This program will be updated and include information on local BMR ownership units that are resold, and included in the updated Housing Element.

The City refers eligible clients to appropriate resources and continues to implement its BMR Ordinance, which specifies Section 8 eligibility in BMR projects. This program will be continued in the updated Housing Element and consolidated with existing Program H-5.4 and H-5.5.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-5.4: Work with the San Mateo County Department of Housing to Publicize Available Rental Assistance and Other Programs. Continue to publicize the availability of rental assistance and other assistance programs and work with the San Mateo County Department of Housing to implement the Section 8 Rental Assistance Programs effectively in San Carlos and, as appropriate, assist non-profit housing rental assistance efforts.

Program H-5.5: Study and Consider Measures to Address Potential Discrimination Against Section 8 Voucher Recipients. Conduct an evaluation to quantify, develop and evaluate potential strategies to address the potential for discrimination against Section 8 or other rental assistance voucher programs. Based on this evaluation, measures will be developed and the City may implement programs, as appropriate, to address this issue. If possible, the City will coordinate with other jurisdictions in San Mateo County, under the umbrella of work to be undertaken by 21 Elements.

Program H-5.6: Work with the Business Community to Address Workforce Housing Needs. Publicize and promote affordable workforce housing programs to the business community and to City, school and other local government employees and recruits.

Program H-5.7: Explore Opportunities to Rehabilitate and Convert Existing Housing to Affordable Housing. Explore partnerships with housing operators, non-profit organizations and developers to rehabilitate and convert existing market rate rental housing into affordable housing for extremely low, very low, low and moderate income households.

Progress and Continued Appropriateness

The City publicizes information on its website and partners with the County and local nonprofit housing providers. This program is consolidated with existing Program H-5.3 and H-5.5 and included in the updated Housing Element.

During the planning period, the City participated in the regional collaboration with 21 Elements. During this time, new Statewide legal requirements were enacted pursuant to SB 329, which prohibit housing discrimination on the basis of source of income (including Housing Choice Vouchers). This program will be consolidated with existing Program H-5.3 and H-5.4 and included in the updated Housing Element.

On the City's website, local affordable housing resources are publicized. San Carlos also has in place a commercial linkage fee to support affordable housing in tandem with new nonresidential construction projects. The Linkage Fee applies to commercial projects including changes in use, additions in floor area and new development with variations in cost based on use:

Retail, Restaurant, & Personal Service: \$5/SF; Hotel: \$10/SF; Office, Medical Office, R&D: \$20/SF.

This program is consolidated with programs pertaining to affordable housing funding sources and City's commercial linkage fee, and continued in the updated Housing Element.

The City continues to engage developers and affordable housing providers on this issue. The upcoming program at 1232 Cherry Street will redevelop six existing affordable units and, in combination with the adjacent lot housing a retail building, result in 34 affordable units. This program is consolidated with programs pertaining to partnerships and collaboration and continued in the updated Housing Element.

Table 4.7-1: 2015-2022 Program Accomplishments**2015-2021 Housing Element Program**

Program H-5.8: Establish Priority Processing Procedures. Establish a process for granting priority permit processing status for approved housing projects that exceed the City's minimum BMR requirement.

Program H-5.9: Maintain an Inventory of Sites Eligible for LIHTC Funding. Identify locations and encourage projects that will score well based on the criteria set forth for Low Income Housing Tax Credit funding.

Program H-5.10: Update for Consistency with State Density Bonus Law. Update the Zoning Ordinance to be consistent with the latest changes to State Density Bonus Law, including modifications to comply with AB 2222, which requires replacement of pre-existing affordable units to be eligible for the bonuses, incentives and waivers provided under State Density Bonus Law.

Program H-5.11: Pursue Funding for Lower Income Housing. Monitor and pursue funding for housing that meets the needs of lower income households. Monitoring of funding availability will be done on an ongoing basis through coordination with 21 Elements and by City staff. At least annually, the City will take actions to pursue specific funding sources for lower income housing either alone or in coordination with other jurisdictions or entities involved in the provision of lower income housing.

Program H-6.1: Evaluate Incentives for BMR Housing. Periodically evaluate the density bonuses, incentives and concessions in the BMR Ordinance to determine whether they are adequate to make the production of affordable housing feasible.

Progress and Continued Appropriateness

The Planning Division continues to work with applicants who propose affordable housing at deeper levels for fast tracking. This program will be consolidated with a program to pursue review streamlining, especially through adoption of objective design standards, and continued in the updated Housing Element.

During the planning period, the City maintained an inventory of sites to meet the RHNA. Sites in the previous Housing Element were identified in transit and service rich areas, consistent with LIHTC funding criteria. During the planning period, 817 Walnut which includes 23 affordable studio units, received LIHTC funding and was constructed. This program will be modified to indicate that the City will maintain the inventory of sites throughout the planning period, and address no-net loss provisions of State Housing Element law.

While the Density Bonus portion of the City's Zoning Ordinance was not updated, the City complied with State Density Bonus law throughout the planning period. In 2022, the City updated Chapter 18.16 (Affordable Housing Programs) and Chapter 18.17 (Affordable Housing Incentives) to encourage more affordable housing in the community, including an update to provide additional incentives through the City's density bonus ordinance. A program to update the City's Density Bonus Ordinance to reflect State law is included in the updated Housing Element.

The City has implemented a commercial linkage fee and an in-lieu fee for smaller affordable housing projects to comply with the BMR Ordinance. These funding sources are important to provide a local match for projects seeking other affordable housing funds. This program will be updated and consolidated with other programs pertaining to affordable housing funding sources.

The City updated the BMR Ordinance in 2022 to comprehensively evaluate its effectiveness and parameters. This program will be continued in the updated Housing Element, with a focus on implementation and tracking of the BMR Ordinance.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-6.2: Adopt Priority Procedures for Providing Water and Sewer Service to Affordable Housing Developments. Consistent with SB 1087 (Government Code Section 65589.7), the City will provide a copy of the adopted Housing Element to water and sewer providers immediately upon adoption and will work with water and sewer providers to adopt written policies and procedures that grant priority for service allocations to proposed developments that include housing units affordable to lower income households.

Program H-7.1: Contribute to Special Needs Service Providers. On an annual basis, provide financial contributions to non-profit organizations and outside agencies that serve the housing needs of special needs households in and around San Carlos. These organizations and agencies may include but are not limited to:

- The Center for Independence of the Disabled (CID)
- HIP Housing
- Shelter Network
- Samaritan House
- CALL Primrose
- San Mateo County Children's Fund
- HEART

Program H-7.2: Evaluate the Effectiveness of City Contributions to Special Needs Service Providers. Evaluate City contributions to outside agencies to assess whether to continue funding and/or adjust funding amounts or to consider other agencies for funding, particularly those organizations and agencies that provide housing with support services for persons with disabilities.

Program H-7.3: Require Annual Reports from Special Needs Service Providers. Require outside agencies receiving contributions from the City to submit annual reports detailing how funds have been used and how programs have benefited San Carlos residents.

Program H-7.4: Maintain an Inventory of Sites for Senior and Other Special Needs Housing. Identify locations and encourage senior housing, including assisted living facilities, in multi-family areas, and maintain an inventory of suitable sites for senior housing and for persons with disabilities or other special needs.

Progress and Continued Appropriateness

The City delivered a copy of the adopted Housing Element to water and sewer providers after adoption. This program remains a requirement of State law and will be included in the updated Housing Element.

The City supports organizations that serve special needs persons through the allocation of Housing In-Lieu Fees. Grants to seven organizations totaled:

FY 18/19: \$105,000
FY 19/20 \$105,000
FY 20/21: \$154,500
FY 21/22: \$157,600

This program is an important resource and will be continued in the updated Housing Element.

The City tracks funding by cost/household served and units preserved/assisted. This program will be updated and consolidated with Programs H-7.1 and H-7.3 and continued in the updated Housing Element.

The City requires annual reports for grants issued. This program will be updated and consolidated with Programs H-7.1 and H-7.3 and continued in the updated Housing Element.

The Housing Element included ample sites to accommodate the RHNA and provide for a variety of housing options for special needs groups, seniors, and those with disabilities. This program is consolidated with the Adequate Sites program (Program 5.9) and included in the updated Housing Element.

Table 4.7-1: 2015-2022 Program Accomplishments**2015-2021 Housing Element Program**

Program H-7.5: Provide Assistance to Projects for Persons with Special Needs Housing. Offer financial and technical assistance for housing development projects for persons with special needs. Financial support may come in the form of redevelopment housing set-aside funds, Community Development Block Grant (CDBG) funds, and other State and federal sources that the City will continue to pursue in partnership with local developers and agencies. On an annual basis, contact developers and agencies to discuss the City's ability to support special needs housing development projects. Evaluate the effectiveness of this program twice within the planning period.

Program H-7.6: Facilitate Home Sharing and Tenant Matching Opportunities. Work with non-profit groups (including HIP Housing — hiphousing.org/programs/home-sharing-program) to create home sharing/matching opportunities for renters as a means of efficiently using the existing housing stock. Tasks would include:

- Assist in outreach in identifying potential owners, such as seniors who wish to remain in their home or new buyers who could afford single-family homes with the extra income potential.
- Assist in publicizing and helping to identify potential renters interested in home sharing opportunities.
- Consider opportunities for renters who do not have vehicles to be matched at locations that have limited parking available.
- Coordinate with HIP Housing and develop standards that would allow separate cooking facilities if tied to a home sharing program.

Program H-8.1: Ensure Fair Housing in City Policies and Procedures. Continue to review City policies and procedures to ensure that the City is promoting fair housing goals to the fullest extent possible.

Program H-8.2: Provide Public Handouts on Fair Housing. Provide information to residents about service providers that assist with fair housing complaints and violations, including, but not limited to, providing materials at City Hall and the San Carlos Library, as well as links on the City's website.

Program H-8.3: Provide Education and Training on Fair Housing Laws. Provide education and training on fair housing laws to City staff who interact with residents on housing matters.

Progress and Continued Appropriateness

The City no longer has redevelopment housing set-aside funds to support local projects. The City participates in the San Mateo County Consolidated Plan and is distributed CDBG funds through the County Consortium. This program will be consolidated within a funding program in the updated Housing Element.

The City continues to work with HIP Housing and promotes its home sharing program with flyers and information to the public. This program is combined with other partnership programs and updated/continued in the updated Housing Element.

The City continues to explore opportunities to promote fair housing. This program is consolidated with Programs H-8.2 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

The City provides information and has links on the City's website pertaining to affordable housing and staff makes referrals to Project Sentinel. This program is updated to provide additional information on the City's website about fair housing and consolidated with Programs H-8.1 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

Staff is educated and trained on fair housing and uses Project Sentinel as a resource to those in need. This program is consolidated with Programs H-8.1 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

Table 4.7-1: 2015-2022 Program Accomplishments

2015-2021 Housing Element Program

Program H-8.4: Conduct Community Outreach on Fair Housing Laws. Broaden public knowledge of fair housing laws through outreach efforts by including information in City newsletters and on the City's website. The City will also coordinate annually with other agencies and organizations, including 21 Elements, to identify other means of informing residents about fair housing laws. The City will also provide non-English language translation of all fair housing information provided to the public on an as-needed basis.

Program H-8.5: Refer Discrimination Complaints. Refer discrimination complaints to the appropriate legal service, County or State agency.

Program H-8.6: Provide Funding for Fair Housing Counseling Agencies. Continue to provide funding to agencies that provide free counseling to San Carlos residents on issues relating to fair housing.

Program H-8.7: Implement Employee Housing Requirements. On an ongoing basis, ensure that the City is in compliance with State Health and Safety Code Sections 17021.5, which concerns employee housing that serves six or fewer employees.

Progress and Continued Appropriateness

The City provides information and has links on the City's website pertaining to affordable housing and makes referrals to Project Sentinel. This program is consolidated with Programs H-8.2 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

The City provides information and has links on the City's website pertaining to affordable housing and makes referrals to Project Sentinel. This program is consolidated with Programs H-8.2 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

The City participates in the San Mateo County Consortium, which distributes CDBG funds. Through this mechanism, Project Sentinel is provided grant funds for operation. This program is consolidated with Programs H-8.2 – 8.6 and continued in the updated Housing Element under an Affirmatively Furthering Fair Housing program.

The City treats employee housing located in single-family homes and occupied by six or fewer employees as a single-family use, consistent with State law. This program is implemented and removed from the Housing Element.

Quantified Objectives

Table 4.7-2 summarizes San Carlos's quantified objectives for the 2015-2022 Housing Element planning period and the progress the City has made, including progress meeting the City's fifth cycle RHNA. Through 2021, although total construction exceeded the full RHNA allocation, this was largely due to the development of above-moderate income units. Only 11 percent of very low-income units, 13 percent of low-income units, and 13 percent of moderate-income units were built during this period.

The City established rehabilitation objectives for 36 units during the planning period. While funding was more limited than anticipated, each year the City funded maintenance and repairs at the 100%-affordable Laureola Oaks property (16 units). In addition, the City refers individuals to the Rebuilding Together Peninsula organization and Code Enforcement has proactively connected homeowners in need with community groups to support minor repair work.

4 2023 HOUSING ELEMENT: PREVIOUS ACCOMPLISHMENTS



The conservation goal was to preserve existing affordable housing projects; no units were at risk of converting to market rate due to expiration of deed restrictions. No deed restricted affordable units converted to market rate during the planning period.

Table 4.7-2: Summary of 2015-2023 Housing Element Quantified Objectives

Objectives	Income Level					Total
	Extremely Low	Very Low	Low	Moderate	Above Moderate	
Construction Objectives (RHNA)						
Goal	195		107	111	183	596
Progress (through 2021)	22		14	14	572	622
Rehabilitation Objectives						
Goal	16		8	10	10	36
Progress	--		16	--	--	16
Conservation and Preservation Objectives						
Goal	90		50	20	20	140
Progress*	90		50	20	20	140

*No affordable housing was converted to market rate during the planning period.

Table 4.A-I: San Carlos Housing Element 2023-2031 Sites Inventory

APN	Address	General Plan	New Zoning	Old Zoning	Size (acres)	Max. Density (du/ac)	Lot Consolidation Potential	Existing Land Use	Very Low	Low	Mod	Above Mod	Total Units
045316130	240 EL CAMINO REAL	MU-L	MU-N-120	MU-N	0.35816291005	120	Yes	retail	37	0	0	0	37
045316140	260 EL CAMINO REAL	MU-L	MU-N-120	MU-N	0.72986151373	120		retail	74	0	0	0	74
050054320	366 EL CAMINO REAL	MU-L	MU-N-50	MU-N	0.21775731992	50	Yes	retail	0	0	4	5	9
050054330	356 EL CAMINO REAL	MU-L	MU-N-50	MU-N	0.15040583942	50		office/commercial	0	0	3	3	6
050074130	1148 SAN CARLOS AVE	MU-M	MU-DC-100	MU-DC	0.11006724477	100	Yes	office/commercial	0	0	4	5	9
050074140	1156 SAN CARLOS AVE	MU-M	MU-DC-100	MU-DC	0.04614011285	100		retail	0	0	2	2	4
050074150	1178 SAN CARLOS AVE	MU-M	MU-DC-100	MU-DC	0.07393201292	100		retail	0	0	3	3	6
050074160	1188 SAN CARLOS AVE	MU-M	MU-DC-100	MU-DC	0.07693864108	100		retail	0	0	3	4	7
050074170	577 LAUREL ST	MU-M	MU-DC-100	MU-DC	0.08856562650	100		commercial	0	0	4	4	8
046114100	575 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.30662549202	40	Yes	mixed use	0	0	5	5	10
046114110	1059 MC CUE AVE	MU-L	MU-N-40	MU-N	0.08642487515	40		warehousing	0	0	1	2	3
046124110	1064 CHERRY ST	MU-L	MU-N-40	MU-N	0.11931539237	40	Yes	industrial	0	0	2	2	4
046124280	663 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.23168642064	40		warehousing	0	0	4	4	8
046124290	681 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.11824554300	40		retail	0	0	2	2	4
046126290	701 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.17845497158	40	Yes	warehousing	0	0	3	3	6
046126300	1070 HALL ST	MU-L	MU-N-40	MU-N	0.08613398935	40		single family residential	0	0	1	2	3
046126320	713 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.12097634511	40	Yes	warehousing	0	0	2	2	4
046128240	749 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.17565192090	40		retail	0	0	3	3	6
046128280		MU-L	MU-N-40	MU-N	0.18993049362	40		vacant	0	0	3	3	6
050034080	1620 SAN CARLOS AVE	MU-MH	MU-SC-120	MU-SC	0.11364707300	120	Yes	office/commercial	0	0	6	6	12
050034090	1622 SAN CARLOS AVE	MU-MH	MU-SC-120	MU-SC	0.11483114102	120		office/commercial	0	0	6	6	12
050034230	1660 SAN CARLOS AVE	MU-MH	MU-SC-120	MU-SC	0.12653867271	120		office/commercial	0	0	6	7	13
050033130	525 SYCAMORE ST	MU-M	RM-59	RM-59	0.12963884137	59	Yes	single family residential	0	0	3	3	6
050033140	529 SYCAMORE ST	MU-M	RM-59	RM-59	0.12865995591	59		single family residential	0	0	3	3	6
050034120	575 PROSPECT ST	MU-M	RM-100	RM-59	0.13093538224	100	Yes	office/commercial	0	0	5	5	10
050034130	565 PROSPECT ST	MU-M	RM-100	RM-59	0.14019658422	100		single family residential	0	0	6	5	11
050034140	557 PROSPECT ST	MU-M	RM-100	RM-59	0.14465043612	100		single family residential	0	0	6	5	11
050062070	508 ELM ST	MU-M	RM-100	RM-59	0.13214334969	100	Yes	single family residential	0	0	5	5	10
050062090	510 ELM ST	MU-M	RM-100	RM-59	0.12445253902	100		single family residential	0	0	5	4	9
050133310	620 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.13031135444	120	Yes	retail	0	0	6	7	13
050133420	628 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.16254681598	120		mixed use	0	0	8	9	17
050133320	630 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.05680766157	120	Yes	retail	0	0	3	3	6
050133330	634 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.05346730209	120		retail	0	0	2	3	5
050133450	638 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.08054951935	120		retail	0	0	4	4	8
050133170	648 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.07977545714	120	Yes	retail	0	0	4	4	8
050133440	640 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.08410986270	120		commercial	0	0	4	5	9

Table 4.A-I: San Carlos Housing Element 2023-2031 Sites Inventory

APN	Address	General Plan	New Zoning	Old Zoning	Size (acres)	Max. Density (du/ac)	Lot Consolidation Potential	Existing Land Use	Very Low	Low	Mod	Above Mod	Total Units
050154130	777 LAUREL ST	MU-M	MU-DC-100	MU-DC	0.16287882480	100	Yes	retail	0	0	7	7	14
050154140	769 LAUREL ST	MU-M	MU-DC-100	MU-DC	0.16316384766	100		retail	0	0	7	7	14
050164350	850 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.63648715767	120		retail	65	0	0	0	65
051358200	964 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.07944911106	120	Yes	office/commercial	0	0	4	4	8
051358310	980 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.28364155667	120		retail	0	0	14	15	29
051357160	920 LAUREL ST	MU-L	MU-N-40	MU-N	0.11730424897	40	Yes	single family residential	0	0	2	2	4
051357170	926 LAUREL ST	MU-L	MU-N-40	MU-N	0.12265748231	40		single family residential	0	0	2	2	4
051347080	1036 LAUREL ST	MU-L	MU-N-40	MU-N	0.13599380936	40	Yes	office/commercial	0	0	2	3	5
051353070	1028 LAUREL ST	MU-L	MU-N-40	MU-N	0.13753459896	40		office/commercial	0	0	2	3	5
051347130	1074 LAUREL ST	MU-L	MU-N-40	MU-N	0.08939331030	40	Yes	single family residential	0	0	1	2	3
051347140	1200 BRITTAN AVE	MU-L	MU-N-40	MU-N	0.07730965807	40		office/commercial	0	0	1	2	3
051343130	1100 LAUREL ST	MU-L	MU-N-40	MU-N	0.57784103798	40	Yes	office/commercial	20	0	0	0	20
051343140	1140 LAUREL ST	MU-L	MU-N-40	MU-N	0.22215556492	40		office/commercial	8	0	0	0	8
051343150	1158 LAUREL ST	MU-L	MU-N-40	MU-N	0.11220420326	40	Yes	mixed use	0	0	2	2	4
051343160		MU-L	MU-N-40	MU-N	0.10977571821	40		office/commercial	0	0	2	2	4
051343170	1176 LAUREL ST	MU-L	MU-N-40	MU-N	0.10917855285	40		mixed use	0	0	2	2	4
051336110	1200 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.17179385481	120	Yes	retail	0	0	9	9	18
051336120	1216 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.07625969487	120		retail	0	0	4	4	8
051336130	1224 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.07798897623	120		mixed use	0	0	4	4	8
051344350	1168 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.22753242311	120	Yes	retail	0	0	11	12	23
051344480	1188 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.26535820992	120		retail	0	0	13	14	27
051364060	1494 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.06628962093	120	Yes	retail	0	0	3	4	7
051364170	1482 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.34280143716	120		retail	0	0	17	18	35
051368010	1500 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.10881521668	120	Yes	mixed use	0	0	5	6	11
051368020	1510 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.05800081503	120		mixed use	0	0	3	3	6
051368030	1524 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.06013901995	120		office/commercial	0	0	3	3	6
051373090	1682 LAUREL ST	MU-L	MU-N-40	MU-N	0.06203487484	40	Yes	office/commercial	0	0	1	1	2
051373250	1696 LAUREL ST	MU-L	MU-N-40	MU-N	0.17400473719	40		retail	0	0	3	3	6
051372170	1665 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.05770881596	100	Yes	mixed use	0	0	2	3	5
051372180	1659 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.05581004951	100		mixed use	0	0	2	3	5
051372120		NR+MU-M	MU-SB-100	MU-SB	0.11916272378	100	Yes	parking	0	0	5	5	10
051372130	1689 LAUREL AVE	NR+MU-M	MU-SB-100	MU-SB	0.05733369341	100		office/commercial	0	0	2	3	5
051372140	1683 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.05607233533	100		retail	0	0	2	3	5
051372080	1668 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.05830324217	120	Yes	office/commercial	0	0	3	3	6
051372090	1670 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.05822187273	120		retail	0	0	3	3	6
051372110	1692 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.17372427226	120		mixed use	0	0	9	9	18

Table 4.A-I: San Carlos Housing Element 2023-2031 Sites Inventory

APN	Address	General Plan	New Zoning	Old Zoning	Size (acres)	Max. Density (du/ac)	Lot Consolidation Potential	Existing Land Use	Very Low	Low	Mod	Above Mod	Total Units
051372280		NR+MU-M	MU-SB-120	MU-SB	0.05899350989	120		retail	0	0	3	3	6
051372290	1682 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.05722549956	120		retail	0	0	3	3	6
051375040	1776 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.06190015423	120		mixed use	0	0	3	3	6
051375050	1784 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.06553236499	120	Yes	office/commercial	0	0	3	4	7
051375060	1792 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.07775514950	120		retail	0	0	4	4	8
051379100	1209 EATON AVE	MU-L	MU-N-40	MU-N	0.26724803255	40		office/commercial	0	0	4	5	9
051379220		MU-L	MU-N-40	MU-N	0.19293201450	40	Yes	office/commercial	0	0	3	4	7
051379040		MU-L	MU-N-40	MU-N	0.07996560878	40		retail	0	0	1	2	3
051379050	1131 EATON AVE	MU-L	MU-N-40	MU-N	0.07399725697	40	Yes	office/commercial	0	0	1	2	3
051379060		MU-L	MU-N-40	MU-N	0.07227468274	40		office/commercial	0	0	1	1	2
051375020	1748 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.28984000000	120		retail	0	0	15	15	30
051375030	1768 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.05719200000	120	Yes	retail	0	0	3	3	6
051358020	987 LAUREL ST	MU-M	MU-D-100	MU-D	0.07045755980	100		office/commercial	0	0	3	3	6
050133350	676 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.11264416158	120		mixed use	0	0	5	6	11
050133410	656 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.11226488903	120		office/commercial	0	0	5	6	11
050154280	796 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.66749067310	120		retail	68	0	0	0	68
051358190	950 EL CAMINO REAL	MU-M	MU-D-120	MU-D	0.46383690514	120		retail	0	0	23	24	47
050072380	1250 SAN CARLOS AVE	MU-M	MU-DC-100	MU-DC	1.12910759078	100		office/commercial	96	0	0	0	96
050154190	745 LAUREL ST	MU-M	MU-DC-100	MU-DC	0.08094603967	100		retail	0	0	3	4	7
050163450	810 LAUREL ST	MU-M	MU-DC-100	MU-DC	1.07607547073	100		retail	91	0	0	0	91
045316050	129 LAUREL ST	MU-L	MU-N-120	MU-N	0.06620055565	120		retail	0	0	3	4	7
045316060	180 EL CAMINO REAL	MU-L	MU-N-120	MU-N	0.67376495019	120		retail	69	0	0	0	69
045316080	100 EL CAMINO REAL	MU-L	MU-N-120	MU-N	0.29754873451	120		office/commercial	0	0	15	15	30
046111250	495 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.86495051928	40		retail	29	0	0	0	29
046112260	555 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.37564745392	40		warehousing	0	0	6	7	13
046112530	535 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.83680700161	40		warehousing	28	0	0	0	28
046112950	501 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.49898184210	40		warehousing	17	0	0	0	17
046122140	1031 SAN CARLOS AVE	MU-L	MU-N-40	MU-N	1.93692938390	40		industrial	66	0	0	0	66
046122150	615 OLD COUNTY RD	MU-L	MU-N-40	MU-N	0.28591229156	40		warehousing	0	0	5	5	10
051347110	1058 LAUREL ST	MU-L	MU-N-40	MU-N	0.14217134171	40		single family residential	0	0	2	3	5
051357280	990 LAUREL ST	MU-L	MU-N-40	MU-N	0.48585233347	40		office/commercial	0	0	8	9	17
050054290	380 EL CAMINO REAL	MU-L	MU-N-50	MU-N	0.37904519785	50		office/commercial	0	0	8	8	16
050054310	378 EL CAMINO REAL	MU-L	MU-N-50	MU-N	0.18908750821	50		office/commercial	0	0	4	4	8
050054370	300 EL CAMINO REAL	MU-L	MU-N-50	MU-N	0.55336544302	50		office/commercial	24	0	0	0	24
045315200	40 EL CAMINO REAL	MU-M	MU-NB-120	MU-NB	0.60553104727	120		retail	62	0	0	0	62
045320170	11 EL CAMINO REAL	MU-M	MU-NB-120	PD-17	1.08610931529	120		retail	111	0	0	0	111

Table 4.A-I: San Carlos Housing Element 2023-2031 Sites Inventory

APN	Address	General Plan	New Zoning	Old Zoning	Size (acres)	Max. Density (du/ac)	Lot Consolidation Potential	Existing Land Use	Very Low	Low	Mod	Above Mod	Total Units
045320200	81 EL CAMINO REAL	MU-M	MU-NB-120	PD-17	0.87965084610	120		retail	90	0	0	0	90
045320220	11 EL CAMINO REAL	MU-M	MU-NB-120	PD-17	1.17358196843	120		retail	120	0	0	0	120
045320230	21 EL CAMINO REAL	MU-M	MU-NB-120	PD-17	1.39536266237	120		retail	142	0	0	0	142
045320240	259 EL CAMINO REAL	MU-M	MU-NB-120	MU-NB	0.92624675374	120		retail	94	0	0	0	94
051334010	1365 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.17216329427	100		retail	0	0	7	8	15
051334200	1313 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.50256979989	100		office/commercial	43	0	0	0	43
051348010	1178 BRITTAN AVE	NR+MU-M	MU-SB-100	MU-SB	0.11654706325	100		office/commercial	0	0	5	5	10
051348050	1055 LAUREL ST	NR+MU-M	MU-SB-100	MU-SB	0.14479091164	100		office/commercial	0	0	6	6	12
051348190		NR+MU-M	MU-SB-100	MU-SB	0.08982440513	100		office/commercial	0	0	4	4	8
051348260		NR+MU-M	MU-SB-100	MU-SB	0.28435825483	100		parking	0	0	12	12	24
051336200	1264 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.32281270600	120		retail	0	0	16	17	33
051368050	1580 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.25234417308	120		retail	0	0	13	13	26
051375010	1700 EL CAMINO REAL	NR+MU-M	MU-SB-120	MU-SB	0.22401932788	120		retail	0	0	11	12	23
050064290	1324 SAN CARLOS AVE	MU-MH	MU-SC-120	MU-SC	1.25354447276	120		retail	128	0	0	0	128
050122060	606 CEDAR ST	MU-MH	MU-SC-120	MU-SC	0.16866199945	120		single family residential	0	0	8	9	17
050034150	549 PROSPECT ST	MU-M	RM-100	RM-59	0.15086636813	100		single family residential	0	0	6	5	11
050034160	543 PROSPECT ST	MU-M	RM-100	RM-59	0.14731472653	100		single family residential	0	0	6	5	11
050062180	575 CHESTNUT ST	MU-M	RM-100	RM-59	0.14451620670	100		single family residential	0	0	6	5	11
050063090	1338 HOLLY ST	MU-M	RM-100	RM-59	0.24062124865	100		multifamily residential 2 units	0	0	9	9	18
050063100	1360 HOLLY ST	MU-M	RM-100	RM-59	0.11806205738	100		single family residential and duplex	0	0	5	4	9
050121100	1785 SAN CARLOS AVE	MU-M	RM-100	RM-59	1.09713179928	100		office/commercial	82	0	0	0	82
050123070	664 CHESTNUT ST	MU-M	RM-100	RM-59	0.17253852104	100		single family residential	0	0	7	6	13
050123090	1524 CHERRY ST	MU-M	RM-100	RM-59	0.16320989847	100		single family residential	0	0	6	6	12
050124080	621 CHESTNUT ST	MU-M	RM-100	RM-59	0.35371416029	100		multifamily residential 8 or more units	0	0	14	13	27
050141290	774 CHESTNUT ST	MU-M	RM-100	RM-59	0.11114440658	100		single family residential	0	0	4	4	8
050151030	722 ELM ST	MU-M	RM-100	RM-59	0.17846960963	100		single family residential	0	0	7	6	13
050151060	768 ELM ST	MU-M	RM-100	RM-59	0.17993580611	100		single family residential	0	0	7	6	13
050151260	1427 CHERRY ST	MU-M	RM-100	RM-59	0.17088399522	100		single family residential	0	0	7	6	13
050152060	720 WALNUT ST	MU-M	RM-100	RM-59	0.17775224806	100		single family residential	0	0	7	6	13
050152100	750 WALNUT ST	MU-M	RM-100	RM-59	0.18696918514	100		multifamily residential 3 to 4 units	0	0	7	7	14
050163050	1341 OLIVE ST	MU-M	RM-100	RM-59	0.34517934014	100		single family residential	0	0	13	13	26
050033160	560 PROSPECT ST	MU-M	RM-59	RM-59	0.13488381823	59		single family residential	0	0	3	3	6
050073110	491 LAUREL ST	MU-L	RM-59	MU-N	0.12242452213	59		retail	0	0	3	3	6
050073180	1159 BUSH ST	MU-L	RM-59	MU-N	0.39400286381	59		institutional	0	0	9	9	18
049080290		SF-L	RS-3	RS-3	3.74612490831	3		vacant	0	0	0	11	11
049101080		SF-L	RS-3	RS-3	0.17079387955	3		vacant	0	0	0	1	1

Table 4.A-I: San Carlos Housing Element 2023-2031 Sites Inventory

APN	Address	General Plan	New Zoning	Old Zoning	Size (acres)	Max. Density (du/ac)	Lot Consolidation Potential	Existing Land Use	Very Low	Low	Mod	Above Mod	Total Units
049430020	735 CRESTVIEW DR	SF-L	RS-3	RS-3	0.22667570863	3		vacant	0	0	0	1	1
049133460		SF	RS-6	RS-6	0.08136100213	6		vacant	0	0	0	0	0
049221130		SF	RS-6	RS-6	0.11455099939	6		vacant	0	0	0	1	1
049234160		SF	RS-6	RS-6	0.23856893281	6		vacant	0	0	0	1	1
049341390		SF	RS-6	RS-6	0.23323846023	6		vacant	0	0	0	1	1
049341410		SF	RS-6	RS-6	0.24518618516	6		vacant	0	0	0	1	1
049342050		SF	RS-6	RS-6	0.15456982481	6		vacant	0	0	0	1	1
049372010	5 CORONADO AVE	SF	RS-6	RS-6	2.69129318914	6		retail	0	0	0	16	16
049373020		SF	RS-6	RS-6	0.13499770890	6		vacant	0	0	0	1	1
050204290		SF	RS-6	RS-6	0.18718213517	6		vacant	0	0	0	1	1
050512050		SF	RS-6	RS-6	0.33345942391	6		vacant	0	0	0	2	2