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HOUSING

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chapter 6 housing

The availability of sufficient decent, safe, and affordable housing is critical to the health of the North Fair Oaks community. Like many places across the Bay Area, North Fair Oaks faces significant challenges to meeting existing and long-term housing needs in a time of rapidly fluctuating housing markets and continuing economic uncertainty. The North Fair Oaks Community Plan seeks to meet the housing needs of current residents and chart a course for future equitable and sustainable development, facilitating new and affordable housing production while ensuring that existing residents are not displaced or otherwise negatively impacted by new development.

This chapter provides strategies to address the full range of community housing needs over the next 20 to 30 years. The overarching housing goals of the Plan are to:

- Spur the creation of new housing, new types of housing, and housing in appropriate locations to meet the needs of existing and future residents.
- Encourage the creation of housing that is affordable to all income segments in the community, as well as housing that is appropriate for a wide range of housing needs, including housing for large families, seniors, disabled residents, and other special needs groups.
- Ensure that existing residents are not displaced by new development.
- Ensure that all existing and new housing is safe for residents.





This chapter contains the following sections:

- 6.1 Overview of Housing Conditions
- 6.2 Priority Housing Needs
- 6.3 Housing Goals and Policies



6.1 OVERVIEW OF HOUSING CONDITIONS

This overview summarizes existing housing characteristics and housing issues in North Fair Oaks. A more complete analysis of existing conditions, housing issues, and housing needs is included in Appendix A.

General Housing Types. As described in the Introduction, North Fair Oaks is comprised of multiple areas with substantially different types of housing. The southeastern portions of the community are characterized primarily by single-family detached homes, with some duplexes, triplexes, and smaller multifamily apartments and condominiums. The northern and northwestern residential areas also have many single-family homes, but also have higher density multifamily housing of various sizes, ranging from duplexes to a few buildings with 50 or more units. The most common housing type in the community as a whole is single-family detached: 55 percent of the units in North Fair Oaks are single-family homes. With the exception of a limited number of larger buildings, multifamily structures throughout the area tend to be relatively small, mainly duplexes, triplexes, or smaller buildings with less than 10 units.

Homeownership and Rentership. North Fair Oaks has a higher proportion of renters and a lower homeownership rate than San Mateo County as a whole. As of 2009, approximately 51 percent of

North Fair Oaks households owned their own home, compared to 61 percent of households in the entire County.

Family Households and Large Households.

North Fair Oaks has a high proportion of family households (two or more people living together related by birth, marriage or adoption) and larger households. In 2009, 73 percent of North Fair Oaks households were family households, compared to 67 percent of San Mateo County households and 65 percent of households in the Bay Area. North Fair Oaks also had an average household size of 3.9 persons, more than one person larger than the average household size in the County and the Bay Area.

Overcrowding. The incidence of overcrowding is significantly higher in North Fair Oaks than in San Mateo County as a whole, for both renter and owner households. As of 2000, the majority of North Fair Oaks renter households—54 percent—lived in overcrowded or severely overcrowded conditions, compared to only 21 percent of renters in San Mateo County as a whole. Among homeowners, 22 percent of North Fair Oaks households were overcrowded, versus only 7 percent countywide. Of all of the County's major unincorporated areas, North Fair Oaks was the most severely affected by overcrowding in 2000.





Housing Quality. Housing quality in North Fair Oaks varies significantly. Many newer homes and well-maintained older homes are in very good condition, while some older single-family homes and a greater number of multifamily structures are in poor repair. Some housing quality issues in North Fair Oaks are attributable to lack of effective maintenance, while some issues are attributable to the age of housing stock: North Fair Oaks has some of the oldest housing, on average, in unincorporated San Mateo County, with 30 percent of housing in the area built more than 60 years ago. As of 2004, North Fair Oaks also had the most units requiring rehabilitation assistance among communities in the unincorporated County, with an estimated 1,500 units in need of rehabilitation.

Residential Construction. Recent residential construction in North Fair Oaks has largely consisted of single-family residences. One hundred fifty-five housing units were built in North Fair Oaks between 2000 and 2009, and the large majority of these—74 percent—were single-family homes.

Housing Costs, Affordability and Overpayment.

The San Mateo County housing market in general is typified by high costs, even in comparison to the very costly Bay Area housing market, and North Fair Oaks is no exception. However, housing costs in North Fair Oaks tend to be lower than in San Mateo County as a whole, and lower than in neighboring jurisdictions. Rents in North Fair Oaks are substantially more affordable than those in Menlo Park and Redwood City, and average rents are also lower than rents countywide. Ownership housing in North Fair Oaks is also relatively affordable compared to the rest of the County: the average single-family home price in North Fair Oaks in 2009 was only 60 percent of the average countywide, and condominium prices in North Fair Oaks were also lower, although the difference was not as dramatic as the difference for single-family housing.

Despite the relative affordability of housing in North Fair Oaks, the potential benefit of lower costs is mitigated by the fact that North Fair Oaks has lower average income levels than other parts of the County, and less ability to pay for housing. North Fair Oaks is less affluent than the larger County on both a household and per capita basis: in 2009 North Fair Oaks' median household income was only 75 percent of San Mateo County's median, and average per capita income in North Fair Oaks was only approximately 51 percent of the average countywide.

Consistent with North Fair Oaks residents' relatively lower ability to afford housing costs, a large proportion of households in North Fair Oaks overpay for housing. In general, a household is said to overpay for housing when more than 30 to 35 percent of total household income is dedicated to housing costs, and payment of more than 50 percent of income for housing costs is considered severe overpayment. In 2000, 47 percent of North Fair Oaks renters overpaid for housing, compared to 31 percent of renter households countywide. The incidence of overpayment was lower for homeowners: 31 percent of North Fair Oaks homeowners overpaid for housing in 2000, consistent with the 30 percent of homeowners in the County as a whole.

Elderly renter households had the highest incidence of overpayment among all household types: approximately 91 percent of elderly households in North Fair Oaks overpaid for housing in 2000. In addition, 51 percent of small family households (with two to four members) and 43 percent of large family households (with five or more members) overpaid for housing in 2000.

Foreclosures. The current recession has led to an increase in foreclosures throughout San Mateo County. While specific foreclosure data for North Fair Oaks is not available, trends in communities throughout California that are economically and demographically similar to North Fair Oaks, as well as input from North Fair Oaks residents, suggest that the community is significantly affected by foreclosures.





6.2 PRIORITY HOUSING NEEDS

Based on existing housing conditions in North Fair Oaks and input gathered from the community, the following priority housing needs inform the housing goals, policies and programs included in this chapter:

- **Housing for large households**, to meet the needs of larger household and family sizes in North Fair Oaks, and to help alleviate overcrowding.
- **Affordable rental housing**, to meet the needs of lower-income and cost-burdened renters.
- **Affordable ownership housing**, to maintain the diversity of the community's housing stock and provide new opportunities for lower income homeowners.
- **Preservation of existing housing**, including existing affordable and market-rate housing, both rental and ownership.
- **Housing rehabilitation**, to address the community's aging housing stock and ensure that housing is safe and healthy for all residents.
- **Accessible and affordable senior and other special needs housing**, to alleviate overpayment by senior households and address the full range of housing needs in North Fair Oaks.
- **Code enforcement**, to address housing quality and maintenance issues and to ensure that both legally and illegally created units are inspected and safe for habitation.
- **Foreclosure prevention**, to address potential loss of homes due to foreclosure.
- **Transit-accessible housing**, to ensure that all residents, regardless of income level or household type, have access to transportation within the community and to destinations in other parts of the region, and to provide affordability benefits that can accompany transit-accessible housing.

6.3 HOUSING GOALS AND POLICIES

The following goals, policies and implementation actions address the unique affordable housing needs of North Fair Oaks. Each goal is supported by policies that promote one or more of the identified priority housing needs in North Fair Oaks, and the policies are supported by specific actions that provide more detailed implementation strategies. This chapter includes policies that:

- Provide direction for existing County programs implemented by various County agencies, in order to appropriately guide implementation in North Fair Oaks;
- Provide specific guidance to discretionary approval authorities in making decisions on proposed development projects, proposed regulatory changes, and other proposed actions;
- Complement or recapitulate changes that are incorporated in other parts of the Plan; and
- May require creation and adoption of new programs, ordinances and regulations, including zoning and land use regulations.

Regardless of their nature, all of these goals and policies supplement and reinforce, rather than replace, the County's other housing policies and programs as described in the County Housing Element and other policy documents.





Goal 6.1: Increase affordable housing options in North Fair Oaks.

North Fair Oaks has significant existing need for affordable housing. In addition, new development of all types will create demand for new housing, and market-rate housing is likely to remain unaffordable to many residents. New affordable rental and ownership housing will be required to meet the needs of current and new North Fair Oaks residents.

Policy 1A: Identify developable and redevelopable sites with the potential to accommodate affordable housing.

1A.1: Work with housing developers to identify sites with the potential to accommodate affordable housing.

1A.2: Identify and map all sites that are potentially appropriate for housing development and make parcel-specific information publicly available to developers and other members of the public on request.

Policy 1B: Provide technical and financial support to affordable housing developers, including funding, information on available housing sites, information on regulatory requirements, information on other resources available, and other support needed to facilitate successful development of affordable housing.

Policy 1C: Require and promote affordable housing as a community benefit provided in exchange for development bonuses and exemptions, such as building height in excess of normally permitted maximum height, development density in excess of maximum density, lot coverage in excess of allowed coverage, or other exceptions or bonuses.

Policy 1D: Adopt and enhance supportive land use and zoning policies.

1D.1: Continue to implement the County’s Inclusionary Housing Ordinance and continue to refine its implementation to address changing legal and market conditions.

1D.2: Implement parking reductions appropriate for the actual parking needs of new projects, and encourage “unbundling” of parking spaces in new rental developments, allowing tenants to pay for parking only if they need it.

1D.3: Modify minimum lot size requirements for multi-family attached ownership housing projects, and/or adopt waivers or exceptions to minimum lot size requirements for these projects separate from the Planned Unit Development (PUD) process.

1D.4: Establish allowed or required densities of housing in designated areas that ensure that housing is built to sufficient densities to significantly increase overall housing supply, provide for a variety of housing options, and provide inclusionary affordable housing.

1D.5: Encourage legal accessory dwelling units (“second units” or “in-law units”) by streamlining approvals, adopting appropriate parking requirements, creating and making available pre-approved, neighborhood-specific architectural designs for accessory units, by promoting accessory dwelling units as an encouraged and facilitated form of residential development in North Fair Oaks, and by promoting the fact that the County will assist, facilitate, and streamline approval of accessory units to the maximum possible extent.

Policy 1E: Promote affordable homeownership opportunities for low- and moderate-income households in North Fair Oaks.

1E.1: Provide funding assistance to housing projects that create long-term affordable homeownership housing.

1E.2: Continue to work with appropriate agencies to provide low-cost loans, grants and other resources to low- and moderate-income homebuyers in North Fair Oaks.

Policy 1F: In the case of conflicting or unclear regulations or policies, and in the course of discretionary approvals, interpret zoning, land use, and other policies and regulations in a manner that prioritizes creation of new residential uses, particularly affordable and special needs housing, and that discourages reduction of affordable housing stock, including demolition or conversion of residential uses.



Goal 6.2: Plan to accommodate future housing demand.

Modifications to existing land use, zoning, and other regulations and ordinances applicable to North Fair Oaks will be needed to allow and encourage the densities and types of housing required to address current and future housing needs.

Policy 2A: Promote additional multi-family housing by permitting and encouraging multi-family rental and ownership housing in appropriate areas; encouraging and permitting increased densities in mixed-use developments in selected areas; removing constraints to multi-family development, including attached homeownership development, in appropriate areas; and by revising residential parking standards as described in Chapter 3: Circulation and Parking.

2A.1: Implement the land use and zoning regulations incorporated in Chapter 2: Land Use Designations, increasing permitted residential densities in appropriate areas, encouraging and facilitating mixed-use development, and expanding areas in which residential uses are allowed.

2A.2: Permit “by-right” residential or residential mixed-use development in Multi-family Residential and Neighborhood Mixed-Use zones, as indicated in Chapter 2: Land Use Designations, and establish minimum densities of 30 dwelling units/acre for residential-only developments in the Commercial Mixed-Use zone.

2A.3: In designated areas, as described in the Chapter 2: Land Use Designations, offer development incentives, bonuses and/or exemptions such as building height in excess of maximum baseline permitted height, allowed density in excess of maximum baseline density, and other exemptions in exchange for provision of community benefits such as provision of affordable units in excess of units required by the Inclusionary Ordinance, provision of large family units, public amenities such as recreational and open space, or other community benefits.

2A.4: Implement parking reductions appropriate for the actual parking needs of new projects, and encourage “unbundling” of parking spaces in new rental developments, allowing tenants to pay for parking only if they need it.

2A.5: Modify minimum lot size requirements for multi-family attached ownership housing projects, and/or adopt waivers or exceptions to minimum lot size requirements for these projects separate from the Planned Unit Development (PUD) process.

Policy 2B: Promote additional housing units in existing residential areas by encouraging and facilitating legal accessory dwelling units.

2B.1: Encourage legal accessory dwelling units (“second units” or “in-law units”) by streamlining approvals, adopting appropriate parking requirements, creating and making available pre-approved, neighborhood-specific architectural designs for accessory units, by promoting accessory dwelling units as an encouraged and facilitated form of residential development in North Fair Oaks, and by promoting the fact that the County will assist, facilitate, and streamline approval of accessory units to the maximum possible extent.



Goal 6.3: Improve the quality of housing in North Fair Oaks.

Some parts of the North Fair Oaks housing stock have significant quality issues that can impact the health, safety, and habitability of housing, potentially endangering residents as well as potentially resulting in loss of housing stock due to condemnation or other closure.

Policy 3A: Promote the maintenance and rehabilitation of affordable rental housing.

- 3A.1:** Provide owners of rental property that serves low-income residents with assistance in code compliance, to help preserve the area's stock of existing unregulated affordable housing.
- 3A.2:** Publicize the Department of Housing's rehabilitation loan programs for multi-family units serving low-income tenants and single-family homes occupied by low-income owners, and provide targeted publicity and outreach in English and Spanish to North Fair Oaks.
- 3A.3:** Pursue funding to: conduct a focused inventory of apartment buildings in North Fair Oaks that are at seismic risk, and; create a strategy to assist at-risk structures with seismic upgrades.

Policy 3B: Expand building code monitoring and enforcement efforts in North Fair Oaks.

- 3B.1:** Adopt a program to undertake periodic external and internal residential building code inspections for multi-family rental properties.
- 3B.2:** Provide the North Fair Oaks community with readily available information on ways to pursue code compliance, code enforcement, and health and safety complaints, and ensure that complaints are investigated and resolved expeditiously.

Policy 3C: Expand the provision of energy efficiency retrofitting assistance to low- and moderate-income homeowners in North Fair Oaks.

- 3C.1:** Expand and target County efforts to encourage North Fair Oaks residential property owners to use various residential energy efficiency retrofitting and weatherization programs provided by the County and other sources.

Goal 6.4: Preserve existing housing and prevent and mitigate displacement of low-income homeowners and renters.

Current economic conditions, foreclosure trends, overall lack of affordable housing, and potential housing cost increases due to future development and future housing market trends may threaten many North Fair Oaks residents with loss of stable housing.

Policy 4A: Provide assistance to help residents to maintain existing housing, and provide assistance to residents in cases where existing housing cannot be maintained.

4A.1: Work with government and nonprofit agencies to promote foreclosure prevention measures such as expanded homeowner education and consumer credit counseling for individuals and families.

4A.2: Expand outreach and information to local residents and community groups about available local, state or federal homeownership assistance programs. These resources should be provided in English, Spanish, and other languages as needed to meet the needs of local residents.

4A.3: Provide residents with information and resources on ways to obtain assistance in preventing evictions, including information on fair housing organizations, tenant assistance organizations, and other resources.

4A.4: Provide information to residents who have been displaced from housing or are at immediate risk of displacement on available services and resources to assist with provision of temporary housing, alternative permanent housing, affordable housing resources, financial resources, relocation assistance, and other options for displaced residents.





Policy 4B: Preserve dedicated affordable housing stock that is at risk of conversion to market-rate housing.

- 4B.1: Inventory all affordable housing stock in North Fair Oaks that is required to remain affordable on a long-term basis due to deed restrictions or other agreements
- 4B.2: Monitor the inventory long-term restricted affordable housing on an ongoing basis and ensure that all such housing continues to meet the terms of affordability agreements
- 4B.3: Monitor the risk of conversion of long-term restricted affordable housing to market-rate housing, and if units are at risk of conversion, help preserve the units by providing resources and assistance, including partnership with nonprofit organizations, assistance to existing tenants, financial assistance, and other appropriate strategies.

Policy 4C: Promote shared housing as a strategy to provide additional housing for lower income renters, while also helping existing homeowners remain in their homes.

- 4C.1: Work with nonprofit partners to implement a shared housing program in North Fair Oaks targeted to senior homeowners and other homeowners at-risk of losing their homes to help match at-risk homeowners with appropriate lower-income renters in need of affordable housing options.

Policy 4D: Discourage conversions of residential property to other uses, and ensure that any residential conversions provide adequate replacement of converted housing.

- 4D.1: Encourage, at minimum, one-for-one replacement of residential uses in cases of demolition or redevelopment of existing uses.
- 4D.2: Disallow stand-alone parking lots and structures in high-density and multifamily residential neighborhoods. Prohibit conversion of residential uses to parking, and make stand-alone parking a conditional use in higher density and multifamily residential neighborhoods.

- 4D.3: For new uses that result in reduction of overall housing in the community, require mitigation in the form of one-for-one replacement on-site or off-site in other parts of the community.
- 4D.4: Prohibit conversion of single-family residential districts to non-residential zoning, except in limited cases where such conversion provides overriding community benefit such as projects to develop parks, recreational uses, community centers, job training centers, childcare, and other entirely nonprofit, wholly community benefiting uses, to be determined and approved only on a discretionary, project-by-project basis.
- 4D.5: Discourage rezoning of residential districts to non-residential uses, except in cases of mixed-use projects or mixed-use zoning that will provide sufficient replacement of existing residential use; projects that will provide one-for-one replacement of residential uses in other appropriate areas of the community; or, in limited cases, projects that exclusively provide public and community benefit, such as community centers, job training centers, health clinics, childcare, and similar nonprofit uses.
- 4D.6: Prohibit and/or discourage residential demolitions, particularly multifamily residential demolitions, except in cases where the applicant/developer has committed to full replacement of residential uses on-site or in other parts of the community or the applicant/developer has committed to provision of another acceptable community benefit, as described above.
- 4D.7: Disallow rezoning of residential properties that formerly contained active residential uses that have been demolished or that are unoccupied. In reviewing applications for rezoning, consider these properties as though they contain active residential uses, and only allow rezoning consistent with ongoing residential uses, or in cases of overriding community benefit, as described above.





Goal 6.5: Address overcrowding and demand for large family units.

North Fair Oaks is characterized by large household sizes, and is also subject to significant overcrowding. In addition to provision of more housing overall, specific policies are necessary to meet the needs of larger households and extended families, and to facilitate expansion of existing residential uses that can help address these issues.

Policy 5A: Encourage and/or require large housing units in multifamily residential development.

- 5A.1:** Encourage developers to include large family units in multifamily rental and ownership housing projects.
- 5A.2:** Promote or, where appropriate, require a minimum percentage of larger units (two or more bedrooms) in new rental and ownership housing created with County assistance or created under the County Density Bonus ordinance, Inclusionary Housing ordinance, or other County regulations that require provision of affordable or special needs housing.
- 5A.3:** Prioritize County assistance to proposed affordable housing projects that include large units and special needs units.

Policy 5B: Encourage, incentivize, and facilitate accessory dwelling units (also called “second units” or “in-law units”) as a means of accommodating large and extended families.

- 5B.1:** Encourage construction of new accessory dwelling units by streamlining approvals, adopting parking requirements appropriate for second units, preparing and providing pre-approved architectural designs and design guidelines, and by publicizing accessory dwelling units as a type of housing that is encouraged and facilitated in North Fair Oaks.
- 5B.2:** Provide rehabilitation assistance for accessory dwelling units in need of repair and upgrade.
- 5B.3:** Explore a code compliance amnesty program for illegally constructed and non-coded-compliant accessory dwelling units, coupled with provision of rehabilitation assistance, to legalize illegal and non-compliant accessory dwelling units.

Policy 5C: Reduce parking requirements for expansions of existing single-family residential uses, consistent with the parking standards incorporated in Chapter 3: Circulation and Parking, in order to facilitate additional residential capacity in existing residential properties.

Goal 6.6: Increase availability and accessibility of housing for households of all types.

Meeting the full range of housing needs in North Fair Oaks requires housing that is accessible to a range of special needs populations, including seniors, residents with physical disabilities, and other groups.

Policy 6A: Increase accessibility of housing by encouraging the provision of a variety of affordable and supportive housing for special needs populations.

6A.1: In provision of funding and other assistance, continue to give high priority to affordable and supportive housing that serves special needs populations

6A.2: Explore allowing various kinds of special needs housing, including transitional housing, “by right” on sites with appropriate densities in North Fair Oaks.

Policy 6B: Encourage cooperative or co-housing development (multiunit developments with some shared facilities, such as cooking facilities, common facilities and others), through flexibility in subdivision design, flexibility in lot coverage standards, and other incentives and streamlining.

Policy 6C: Increase accessibility of the housing stock by promoting universal design standards and accessibility modifications in all homes in North Fair Oaks.

6C.1: Promote and/or require universal design (design that is accessible to a wide range of users with different levels of ability) standards in all new construction projects in North Fair Oaks

6C.2: Promote programs that provide accessibility modifications (such as ramps, grab-bars in tubs/showers, and other modifications) for seniors and others needing such modifications in their home.





Goal 6.7: Promote transit-accessible housing.

As described in the Chapter 3: Circulation and Parking, North Fair Oaks as a whole is a community that is relatively underserved by public transit, both within the community and between the community and other destinations in the region. Housing in proximity to public transit can provide lower-income residents with an accessible, affordable transportation option, can reduce the need for and cost of automobile use, and can potentially reduce the need for construction of parking facilities, lowering the overall cost of residential development and the subsequent cost of housing for the renter or purchaser.

Policy 7A: Promote affordable and other housing near transit by identifying appropriate locations and providing supportive land use and zoning policies.

7A.1: Modify permitted development densities appropriately to facilitate additional housing near transit in designated areas, as described in the Chapter 2: Land Use Designations.

7A.2: Reduce parking requirements for all types of development that demonstrate sufficient access to public transit.

Goal 6.8: Provide housing and services for residents experiencing homelessness.

Homelessness is an ongoing concern in all parts of San Mateo County, including North Fair Oaks. Addressing homeless needs requires policies and programs to ensure that individuals experiencing or at risk of experiencing homelessness have access to necessary services and are provided with opportunities to transition to more permanent and stable housing.

Policy 8A: Encourage the development of transitional and permanent supportive housing in North Fair Oaks.

8A.1: Explore permitting transitional and/or permanent supportive housing by right on sites identified for multifamily housing in North Fair Oaks.

8A.2: Work with affordable housing developers to identify sites near transit that would be suitable for transitional and/or permanent supportive housing.

8A.3: Continue to provide financial and other assistance to homeless service providers in North Fair Oaks.

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