

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction HERCULES

Reporting Period 01/01/2014 - 12/31/2014

Pursuant to GC 65400 local governments must provide by April 1 of each year the annual report for the previous calendar year to the legislative body, the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD). By checking the “Final” button and clicking the “Submit” button, you have submitted the housing portion of your annual report to HCD only. Once finalized, the report will no longer be available for editing.

The report must be printed and submitted along with your general plan report directly to OPR at the address listed below:

Governor’s Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

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Table A

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

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

* Note: These fields are voluntary

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

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	
(2) Preservation of Units At-Risk	0	0	0	0	
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

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

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

* Note: This field is voluntary

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Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.												Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed Restricted	143	0	0	0	0	0	0	0	0	0	0	143
	Non-Restricted		0	0	0	0	0	0	0	0	0		
Low	Deed Restricted	74	0	0	0	0	0	0	0	0	0	0	74
	Non-Restricted		0	0	0	0	0	0	0	0	0		
Moderate		73	0	0	0	0	0	0	0	0	0	0	73
Above Moderate		10	0	0	0	0	0	0	0	0	-	0	10
Total RHNA by COG. Enter allocation number:		300											
Total Units ▶ ▶ ▶			0	0	0	0	0	0	0	0	0	0	300
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶													

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

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Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 1d: Extremely Low Income Households	Develop incentives to encourage developers to include units affordable to extremely low income households, including but not limited to additional density or floor area ratio increases, flexible development standards (such as parking, height limit), and priority processing.	2014	The City has not yet developed additional incentives to encourage extremely low income housing due to a number of factors: a) Shortened implementation period between the adoption of the 2009-2014 Housing Element and its adoption in 2013; b) Recovering housing market with limited construction activities; and c) Significant staff changes in the City. However, there was a mixed use development project that increase the number of apartments in 2012 from 96 units to 144 units without increasing the 166 onsite parking stalls to allow for shared use parking in the street.
Program 2a: Code Enforcement	1) Continue to implement the code enforcement program to ensure that Hercules' neighborhoods are maintained and improved. 2) Continue installation of Gas Breaker Automatic Gas Shut-Off Valves to improve residential safety. 3) Continue referring code compliance	Ongoing	The City continues to implement the code enforcement programs, support installation of Automatic Gas Shut-Off Valves for renovations to water and gas utilities exceeding \$5,000, and refer code compliance violations to residential rehabilitation programs.

	violations to residential rehabilitation programs to bring their homes up to standards		
Program 2b: Foreclosure Prevention Assistance	Advertise the program through City website and provide brochure at public counters.	Ongoing	During the Housing Element update process, new staff noticed the links to various housing program brochures had been removed from the City's website (which probably happened with the loss of Redevelopment). The City will be re-installing links to Contra Costa County webpages that have this assistance, as Hercules no longer provides any housing assistance services, unless homebuyer loans are being rolled over.
Program 2c: Owner-Occupied Single-Family Residential Rehabilitation	Advertise the program through City website and provide brochure at public counters.	Ongoing	During the Housing Element update process, new staff noticed the links to various housing program brochures had been removed from the City's website (which probably happened with the loss of Redevelopment). The City will be re-installing links to Contra Costa County webpages that have this assistance, as Hercules no longer provides any housing assistance services, unless homebuyer loans are being rolled over.
Program 3a: Provision of Adequate Sites	<p>1) Continue to pursue/implement the projects on available sites as outlined in Table 46. Monitor the City's progress in meeting the RHNA and work with developers to achieve an income distribution that would meet the City's remaining RHNA of 300 units.</p> <p>2) Update the City's residential sites inventory every two years to monitor the consumption of residential and mixed use properties and continued ability to fulfill the RHNA.</p> <p>3) Encourage sustainable development patterns by continuing to offer reductions in Traffic Facilities Impact Fee for projects that are located within one-half mile from a transit station and for mixed use projects where 50 percent or more of the building space is used for residential purposes.</p> <p>4) Assist in land consolidation by providing sites information to interested developers and provide gap financing assistance to nonprofit housing developers. Coordinate public improvements to facilitate lot consolidation, such as coordinating for</p>	Ongoing	<p>a) The City has limited resources without Redevelopment to pursue or implement affordable housing projects</p> <p>b) The residential sites inventory was in the process of being updated for the 2015-2023 Housing Element and the City continues to maintain an adequate inventory of available sites to accommodate its RHNA.</p> <p>c) traffic impact fees are reduced</p> <p>d) land consolidation of needed street rights of way were pulled together with the Waterfront project</p>

	roadway improvements and sewer and water connections. (For example, the City assisted in the acquisition of parcels necessary to connect the Waterfront (transit-oriented development) with the adjacent North Shore Business Park (the City's largest concentration of jobs).		
Program 4a: Small Group Homes	<p>1) Amend the Zoning Ordinance to define group housing or residential care facility, in accordance with the Lanterman Act, in terms of what services it can provide and how many residents are permitted.</p> <p>2) Permit small group housing, serving six or fewer residents, by right wherever residential uses are permitted. Large group homes, serving seven or more residents, can be subject to the Conditional Use Permit process.</p> <p>3) Implement these changes within one year of adoption of the Housing Element.</p>	2014	In 2014 the City had a consultant under contract to update both the applicable sections of the Zoning Code to be in compliance with State law as well as the new update to the Housing Element.
Program 4b: Extremely Low Income and Special Needs Housing	<p>Amend the Zoning Ordinance to address the following pursuant to State Law:</p> <p>a) Emergency Shelters:</p> <p>b) Transitional/Supportive Housing</p> <p>c) Single Room Occupancy</p>	2014	In 2014 the City had a consultant under contract to update both the applicable sections of the Zoning Code to be in compliance with State law as well as the new update to the Housing Element.
Program 4c: Development Standards and Procedures	Annually review the development standards, fees, and procedures and make adjustments as appropriate and legally feasible to encourage the development of a variety of housing in the community.	Ongoing	In 2010, the City Council reduced development impact fees citywide to facilitate housing construction. The City continues to monitor its development standards, fees, and procedures to ensure they are appropriate and do not unduly constrain housing development in the community.
Program 5a: Reasonable Accommodation	Amend the Hercules Zoning Ordinance to address requests for reasonable accommodation to land use and zoning decisions and procedures regulating the siting, funding, development, and use of housing for people with disabilities within one year of adoption of the Housing Element.	2014	In 2014 the City had a consultant under contract to update both the applicable sections of the Zoning Code to be in compliance with State law as well as the new update to the Housing Element.
Program 5b: Fair Housing	1) Continue to support the County and	Ongoing	During the Housing Element update process, new staff noticed the links to

	<p>refer any complaints and inquiries to the County for resolution and services.</p> <p>2) Advertise fair housing services of the County at public counters, through the City website, and at various community locations, including the City Library, Community Centers, and Senior Center.</p>		<p>various housing program brochures had been removed from the City's website (which probably happened with the loss of Redevelopment). The City will be re-installing links to Contra Costa County webpages that have this assistance, as Hercules no longer provides any housing assistance services, unless homebuyer loans are being rolled over.</p>
Program 6a: Green Building Program	Pursue a green building program and green building guidelines in 2013.	2013	The City adopted the 2013 California Building Code, which incorporates green building practices, affecting all new structures and renovations to ten percent of the building area of an existing residence or exceeding \$200,000 valuation on commercial building.
Program 1a: Section 8 Housing Choice Vouchers	<p>1) Maintain current levels of funding support for residents receiving Section 8 assistance.</p> <p>2) Assist the County in advertising this program through City website, public counters, and bulletin boards in order to meet the HUD requirements of 70% new Section 8 vouchers be utilized by extremely low income households.</p>	Ongoing	The City assisted the County in advertising Section 8 assistance through publication on the website and materials at public counters and on bulletin boards.
Program 1b: Affordable Housing Development Incentives and Outreach	<p>1) Develop a list of interested and qualified affordable housing developers by 2013. Actively and annually publicize to affordable housing developers the affordable housing development opportunities in Hercules, available incentives, and financing options.</p> <p>2) Utilize State and Federal assistance programs, such as CDBG, HOME, LIHTC, and CHFA funds, on an ongoing basis to the fullest extent possible to develop affordable lower income housing for seniors, families, and persons with disabilities. Support funding applications by developers if the proposed projects are consistent with the goals and policies of the City's General Plan.</p> <p>3) Work with developers in the Central Hercules Plan area and other areas of new development on an ongoing basis to ensure that the City's housing goals of providing a wider mix of housing types</p>	Ongoing	<p>The City has not yet developed additional incentives to encourage affordable housing development due to a number of factors:</p> <p>a) Shortened implementation period between the adoption of the 2009-2014 Housing Element and 2013 adoption of the Element;</p> <p>b) Recovering housing market with limited construction activities;</p> <p>c) Limited funding available at local, State, and Federal levels; and</p> <p>d) Significant staff changes in the City.</p>

	<p>and affordability levels. The City will provide incentives, including density bonus, expedited processing, and flexible development standards to encourage a variety of housing in the community, including projects that set aside units for households with extremely low incomes.</p>		
<p>Program 1c: Density Bonus Program</p>	<p>Update its Zoning Ordinance to reflect a density bonus that is in compliance with State law within one year of adoption of the Housing Element.</p>	<p>2014</p>	<p>Had a consultant under contract to update both the applicable sections of the Zoning Code to be in compliance with State law as well as the new update to the Housing Element.</p>

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General Comments:

In February 2014, the Successor Agency to RDA sold the Town Centrale mixed use partially constructed building to a developer to complete the project. The project was then modified to reduce the amount of retail space and increase the number of housing units from 96 lease/purchase units (which is what approved for in 2009) to 147 market rate rental units. Building plans were submitted and approved in 2014 for the interior modifications to accommodate the additional units. Permits for the additional units will not be reported until the 2015 calendar year.

In 2014, the Victoria Crescent subdivision called Alexandria started the process of improving their site, but was not issued permits until 2015 for 43 market rate single family homes starting at \$625,000. These will be reported in the 2015 calendar year.