Attachment 3 to Memo, May 7, 2012:

HCD's recommended approach to meeting the RHNA for both planning periods:

- 1. Sites Inventory may be used in the 1999-2006 planning period, and because these sites were not developed, they may be used again in the 2007-2014 planning period.
- 2. Evaluate only the Remaining Need in the 1999-2006 planning period.
- 3. Evaluate meeting the RHNA in the 2007-2014 planning period.

Evaluation of Remaining Need in the 1999-2006 planning period, submitted to HCD on March 27, 2012:

Table 4.1: Unaccommodated Housing Need Analysis – 1999-2006 RHNA

Income Levels	Very Low	Low	Moderate	Above Moderate	Total
RHNA	36	17	50	104	207
Units Approved/Built	34	26	0	20	80
Existing Residential Zoning					
R-1	0	0	0	19	19
R-2-5	0	0	0	16	16
R-2-2.5	6	6	38	0	50
R-3	19	19	0	0	38
CN-1/CR	17	17	13	0	47
Total	76	68	51	55	250
Remaining Need	-40	-51	-1	49	0

Evaluation of how the RHNA is met in the 2007-2014 Planning Period:

TOTAL HOUSING PLANNED FOR 2007-2014 PLANNING PERIOD

	Very Low	Low	Moderate	Above Moderate	TOTALS	
TARGETS:	45	30	34	56	165	
Approved/Built	0	0	1	9	10	3%
New Accessory Dwelling Units	14	27	7	0	48	14%
Existing Accessory Dwelling Units	7	15	4	0	26	7%
Existing Liveaboards (with BCDC permits, not counted in 2000 Census)	0	38	0	0	38	11%
Future Liveaboards (remaining capacity in marinas with BCDC permits)	0	55	0	0	55	16%
R-1 Capacity	0	0	0	19	19	5%
R-2-5 Capacity	0	0	0	16	16	5%
R-2-2.5 Capacity	6	6	38	0	50	14%
R-3 Capacity	19	19	0	0	38	11%
Commercial Zone Capacity	17	17	13	0	47	14%
Rezone Properties Capacity	0 63	0 177	0 63	0	0 347	0%
Percentage Over Target:	40%	490%	85%	-21%	110%	BUFFER
Difference:	18	147	29	-12	182	

Further modified numbers for the 2007-2014 planning period, due to other changes in assumptions and changes in the draft Housing Element. This chart is still subject to further minor modifications.

TOTAL HOUSING PLANNED FOR 2007-2014 PLANNING PERIOD

_	Very Low	Low	Moderate	Above Moderate	TOTALS	_
TARGETS:	45	30	34	56	90	
Approved/Built	0	0	1	19	20	6%
New Accessory Dwelling Units	3	7	2	0	12	4%
Existing Accessory Dwelling Units	3	7	2	0	12	4%
Existing Liveaboards (with BCDC permits, not counted in 2000 Census)	0	38	0	0	38	12%
Future Liveaboards (remaining capacity in marinas with BCDC permits)	0	30	25	0	55	17%
R-1 Capacity	0	0	0	19	19	6%
R-2-5 Capacity	0	0	0	16	16	5%
R-2-2.5 Capacity	0	0	50	0	50	16%
R-3 Capacity	11	0	27	0	38	12%
Commercial Zone Capacity	29	4	22	0	55	17%
	46	86	129	54	315	
Percentage Over Target:	2%	187%	279%	-4%	250%	BUFFER
Difference:	1	56	95	-2	225	

Details of adjusted numbers:

- 1. Approved/Built units is increased in this planning period as the units were previously counted by the year the permit was filed, but should be counted by the year the units were built.
- 2. The residential and infill sites inventory may be used in the 2007-2014 planning period as the sites were not developed in the prior (1999-2006) planning period.
- 3. ADU projections for amnesty and ordinance programs reduced to be more realistic. The distribution among income levels is based on the ADU surveys conducted by the City.
- 4. Projections for future liveaboards now include moderate income levels to be more realistic. This new distribution is still based on liveaboard rent surveys.
- 5. Residential and Commercial units have been moved from the Very Low and Low income level columns to the Moderate Income Level column. This is due to the difficulty of proving affordability of development on small sites. The units that remain in the Very Low / Low income level count are sites that generate 8 or more units.

Zoning District	Total number of parcels removed from Very Low/Low income level count	Total number of units removed from Very Low/Low income level count
R2-2.5	9	12
R-3	15	27
Commercial	8	18
Total	32	57

6. Additional units have been included under the commercial zone capacity to include the revised units generated by the sites proposed for the Mixed Use Opportunity incentives.

The potential housing units chart still shows a significant buffer above the RHNA targets, indicating the ability to meet the RHNA at the various income levels with the revised estimates.