



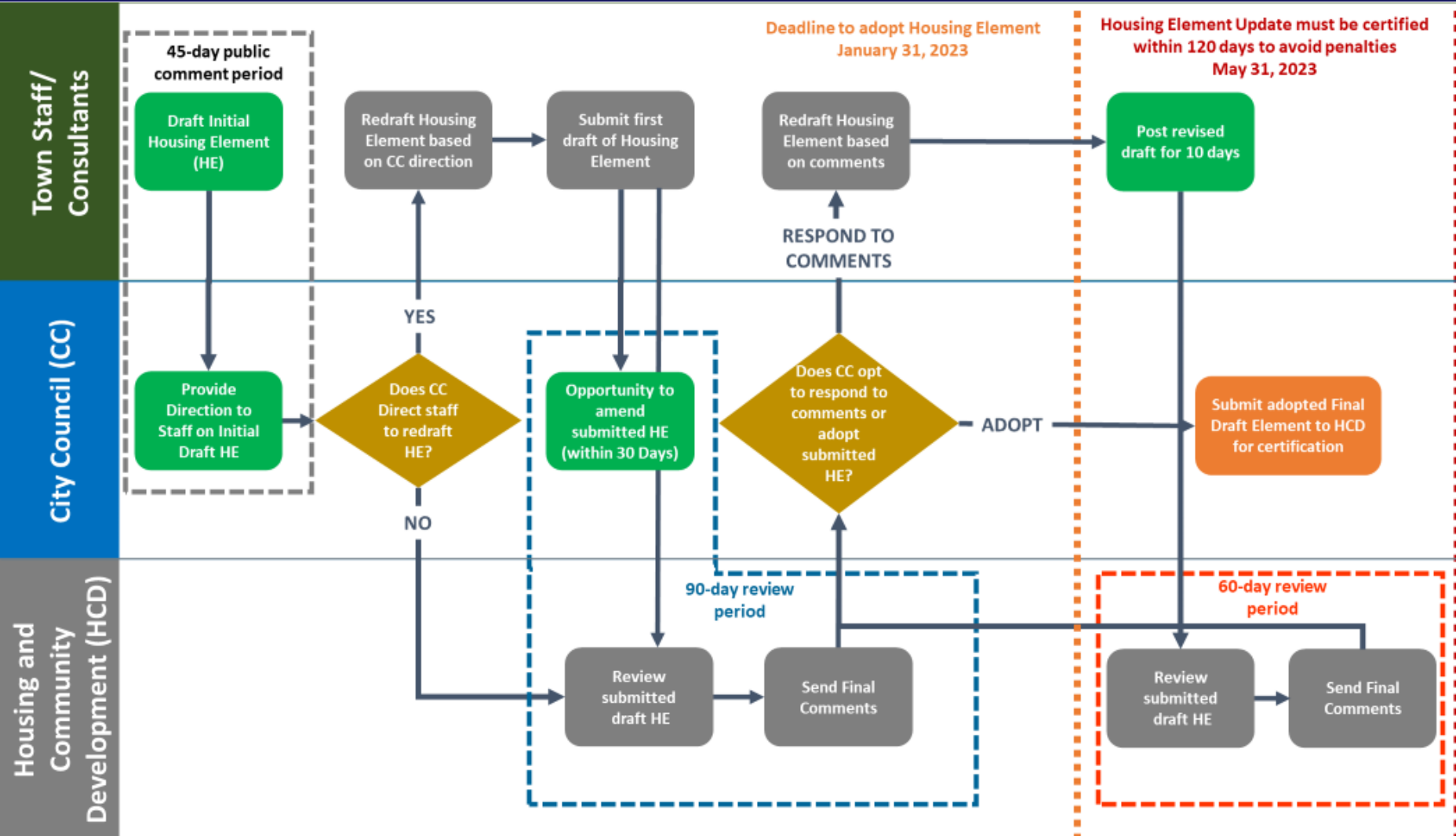
HILLSBOROUGH
California

Draft Housing Element Policy Alternatives

September 26, 2022



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Penalties

- Litigation**
 - From the State
 - From private parties
- Fines**
 - \$10,000 - \$600,000/month
 - Court-ordered fine of \$10,000 per housing unit denied
- Sanctions**
 - Court-ordered sanctions on City
- Loss of Funding**
 - Ineligible for certain types of funding
 - Court-ordered interception of funds to pay HE-related fines
- Loss of Local Control**
- Court mandated**
 - Approval of certain housing projects if court found City acted in bad faith
 - Suspension of the City's authority to issue building permits for new construction
 - Approval of all applications for building or related construction permits for residential housing
 - Rezoning of land
 - Orders to strip City Council of land use authority
- Court Receivership**
 - Courts may appoint an agent with all powers necessary to remedy identified housing element deficiencies and bring the jurisdiction's HE into compliance
- Catch-All**
 - Court retains all other remedies for a violation of any applicable housing law

Legend

Public Input Opportunity



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Housing Element Policy Areas

Buffer

**Accessory
Dwelling Units
(ADUs)**

**RD-1 Zoning
District**

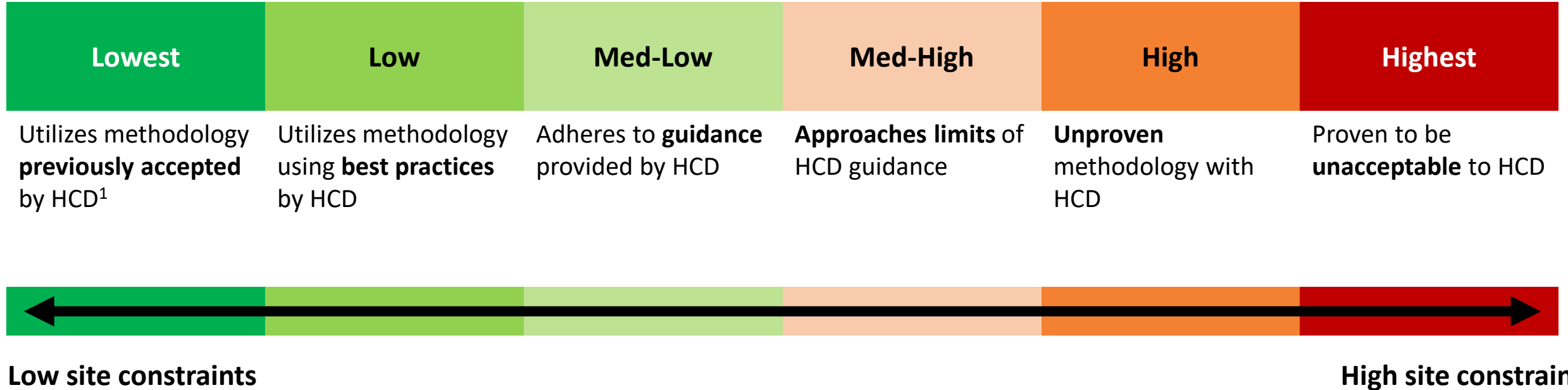
**RD-2 Zoning
District
(Opp. Sites)**

**RD-3 Zoning
District
(Town Hall)**



Risk Level Definitions

Risk Level (Low to High)



¹ Housing and Community Development



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Policy Area A - Buffer

Buffer

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	20% Buffer RHNA = 554 units, Buffer = 111	665	Lowest
A1: 15% Buffer	15% Buffer RHNA = 554 units, Buffer = 83	637	Med-Low
A2: 10% Buffer	10% Buffer RHNA = 554 units, Buffer = 55	609	Med-High
A3: 0% Buffer	0% Buffer RHNA = 554 units, Buffer = 0	554	Highest



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Policy Area A - Buffer



Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	20% Buffer RHNA = 554 units, Buffer = 111	665	Lowest
A1: 15% Buffer	15% Buffer RHNA = 554 units, Buffer = 83	637	Med-Low
A2: 10% Buffer	10% Buffer RHNA = 554 units, Buffer = 55	609	Med-High
A3: 0% Buffer	0% Buffer RHNA = 554 units, Buffer = 0	554	Highest

Piedmont 27%	Saratoga 16%
Atherton 26.4%	Los Altos Hills 15%
Woodside 20.1%	Monte Sereno 0%
Portola Valley 16%	



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Policy Area B - ADUs

Accessory Dwelling Units (ADUs)

Risk Level (Low to High)



2022 ADUs to date:
45 (as of 9/15/22)

Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Average # of building permits issued (2019 through February 2022)	280	Lowest
B1: Revised ADU #s	Average # of building permits issued (2019 through June 2022)	313	Lowest
B2: 2.5-Year Average	Average # of building permits issued (Jan. 2020 through September 14, 2022) <small>Note: Removes January – June 2020</small>	451	Low
B3: 2-Year Average with Projection	Average # building permits (2021 ADU building permits + projected average 2022)	512	Highest
B4: 1-Year Permit Data	# of building permits issued in 2021	512	Highest



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Policy Area C – RD-1 Zoning

RD-1 Zoning District

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Convert RD to RD-1 Zoning <i>Estimates approximately 200 subdivision opportunities, estimate 15 will develop</i>	15	Lowest
C1: No RD-1 Zoning (No Changes to Current SF Zoning)	Retain RD Zoning <i>Current zoning allows for 60 subdivision opportunities, estimate 5 will develop based on RHNA 5 subdivisions</i>	5	Med-High

All existing vacant parcels have been counted as part of previous RHNA cycles.



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Policy Area D – RD-2 Zoning

**RD-2 Zoning
District
(Opp. Sites)**

Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	All lots > 10 acres zoned RD-2 (includes opportunity sites)	271	Lowest
D1: No RD-2 Zoning	Retain Current RD Zoning – Overlay on existing zoning for any opportunity sites	0	Med-High

Risk Level (Low to High)





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Policy Area D – Opportunity Sites

**RD-2 Zoning
District
(Opp. Sites)**

Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low

Risk Level (Low to High)





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Policy Area D – Opportunity Sites

**RD-2 Zoning
District
(Opp. Sites)**

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low
D3: SFPUC Land	Opportunity Site on SFPUC-owned property	0	Highest



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Policy Area D – Opportunity Sites

**RD-2 Zoning
District
(Opp. Sites)**

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low
D3: SFPUC Land	Opportunity Site on SFPUC-owned property	0	Highest
D4: Callan Property	New opportunity site – Above Moderate (20 acres – 1.2 dwelling units/acre)	24	Med-High



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Policy Area D – Opportunity Sites

RD-2 Zoning District (Opp. Sites)

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low
D3: SFPUC Land	Opportunity Site on SFPUC-owned property	0	Highest
D4: Callan Property	New opportunity site – Above Moderate (20 acres – 1.2 dwelling units/acre)	24	Med-High
D5: De Guigne (Reduced Units)	Reduced unit count – 24 Above Moderate Units	24	Low



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Policy Area D – Opportunity Sites

RD-2 Zoning District (Opp. Sites)

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low
D3: SFPUC Land	Opportunity Site on SFPUC-owned property	0	Highest
D4: Callan Property	New opportunity site – Above Moderate (20 acres – 1.2 dwelling units/acre)	24	Med-High
D5: De Guigne (Reduced Units)	Reduced unit count – 24 Above Moderate Units	24	Low
D6: Hayne Property	New opportunity site – Above Moderate (11.64 acres – 3.09 dwelling units/acre)	36	Med-High

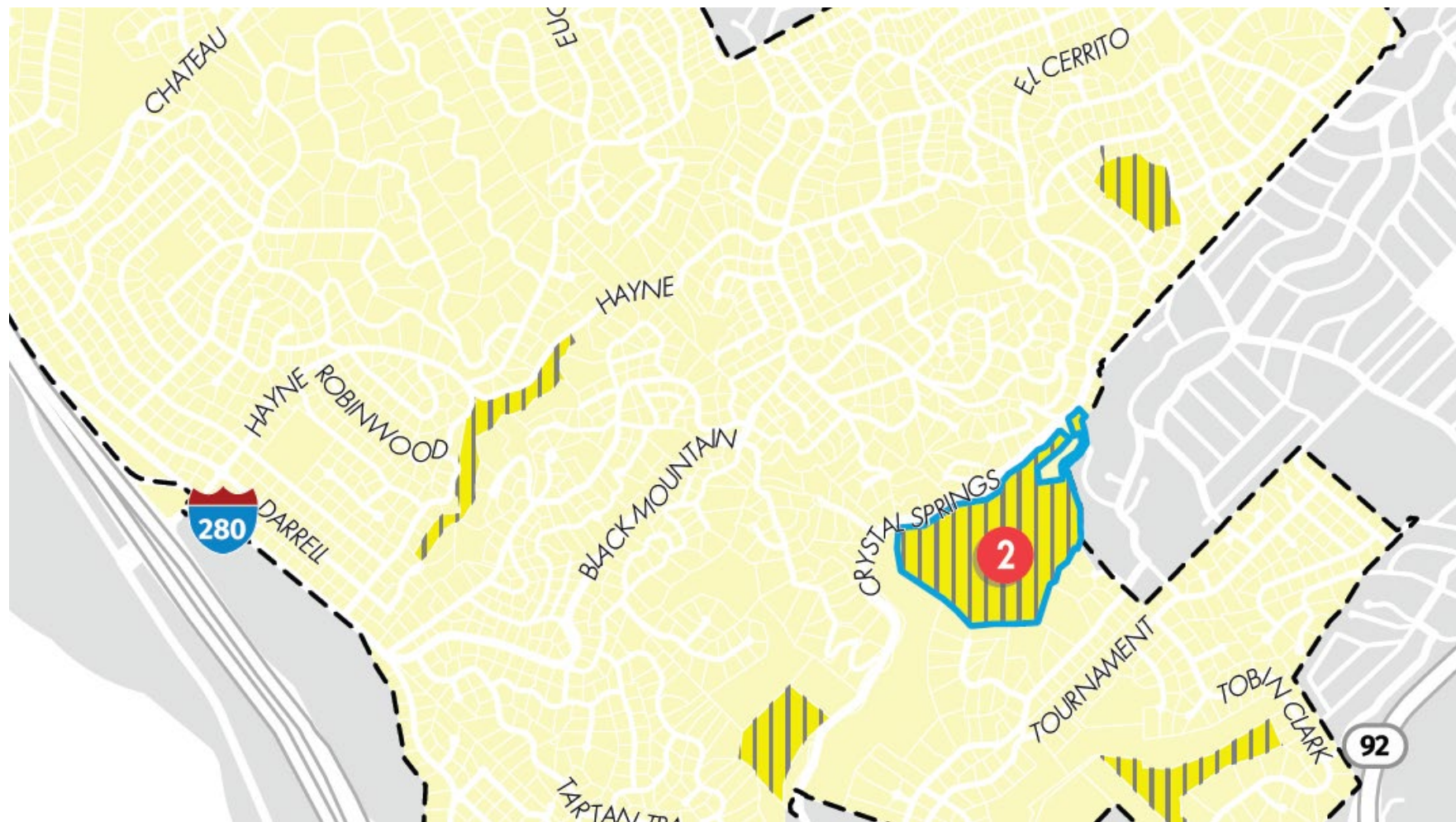


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Policy Area D – Opportunity Sites

**RD-2 Zoning
District
(Opp. Sites)**

Risk Level (Low to High)





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Policy Area D – Opportunity Sites

RD-2 Zoning District (Opp. Sites)

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Three opportunity sites: Strawberry Hill (172 – 120AM, 52VL), Brooke Court (12), De Guigne (72 – 24 AM, 48 VL), RD-2 (15)	271	Lowest
D2: Strawberry Hill (Reduced Units)	Reduced unit count – 5 Above Moderate Units [Subdivisions]	5	Low
D3: SFPUC Land	Opportunity Site on SFPUC-owned property	0	Highest
D4: Callan Property	New opportunity site – Above Moderate (20 acres – 1.2 dwelling units/acre)	24	Med-High
D5: De Guigne (Reduced Units)	Reduced unit count – 24 Above Moderate Units	24	Low
D6: Hayne Property	New opportunity site – Above Moderate (11.64 acres – 3.09 dwelling units/acre)	36	Med-High
D7: Tobin Clark	Opportunity Site on Town-owned property at Tobin Clark Open Space	4	Highest



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Policy Area E – RD-3 Zoning

**RD-3 Zoning
District
(Town Hall)**

Risk Level (Low to High)



Alternatives	Methodology	# of Units	Risk Level
Current Draft Plan	Estimated unit count of 100, based on safe harbor regulations	100	Lowest
E1: Alternative 1	Town Hall Alternative Site Design #1	84	Lowest
E2: Alternative 2	Town Hall Alternative Site Design #2	88	Lowest
E3: Alternative 3	Town Hall Alternative Site Design #3	123	Low
E4: Alternative 4	Alternative Design	50	Low
E5: No Housing	No housing units at Town Hall	0	Low



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Current Draft Plan – Low Risk

Policy Area	Selection	Description	# of Units/%	Risk Level
Buffer	Current Draft Plan	20% Buffer - RHNA = 554 units, Buffer = 111	665/ 20%	Lowest
Accessory Dwelling Units (ADUs)	Current Draft Plan	Average # of building permits issued (2019 through February 2022)	280	Lowest
RD-1 Zoning/ Subdivisions	Current Draft Plan	Convert RD to RD-1 Zoning <i>Estimates approximately 200 subdivision opportunities, estimate 15 will develop</i>	15	Lowest
RD-2 Zoning/ Opp. Sites	Current Draft Plan	Three opportunity sites: Strawberry Hill (172), Brooke Court (12), De Guigne (72), RD-2 Zone (15)	271	Lowest
RD-3 Zoning/ Town Hall	Current Draft Plan	Estimated unit count of 100, based on safe harbor regulations	100	Lowest
TOTAL			665	Lowest

Risk Level (Low to High)





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Current Draft Plan – **Lowest Risk**

Income Level	RHNA 6 Allocation & 20% Buffer (+111)	ADUs	RD-1 Zoning/ Subdivisions	RD-2 Zoning/ Opp. Sites	RD-3 Zoning/ Town Hall	TOTAL
Very Low Income (0-50% AMI)	188	84	0	52 (Strawberry Hill) 48 (De Guigne)	4	188
Low Income (51% - 79%)	106	84	0	0	22	106
Moderate Income (80-119% AMI)	104	84	0	0	20	104
Above Moderate Income (120% AMI +)	267	28	15	120 (Strawberry Hill) 12 (Brooke Court) 24 (De Guigne) 15 (RD-2 Zoning)	54	244
TOTAL	665	280	15	271	100	666



Hillsborough's RHNA 6 Allocation

Income Level	RHNA 6 Allocation
Very Low Income (0-50% AMI)	155
Low Income (51-79% AMI)	89
Moderate Income (80-119% AMI)	87
Above Moderate Income (120% AMI+)	223
20% "No Net Loss" Buffer (optional but advised)	111
TOTAL:	665

AMI = Area Median Income
AMI for San Mateo County = \$174,000/year for a family of four



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Scenario #1 – Med-Low Risk

Policy Area	Selection	Description	# of Units/%	Risk Level
Buffer	A1: 15% Buffer	15% Buffer RHNA = 554 units, Buffer = 83	637/ 15%	Med-Low
Accessory Dwelling Units (ADUs)	B2: 2.5-Year Average	Average # of building permits issued (Jan. 2020 through September 14, 2022) Note: Removes January – June 2020	451	Low
RD-1 Zoning/ Subdivisions	Current Draft Plan	Convert RD to RD-1 Zoning <i>Estimates approximately 200 subdivision opportunities, estimate 15 will develop</i>	15	Lowest
RD-2 Zoning/ Opp. Sites	Strawberry Hill (Reduced), Brooke Court, De Guigne (Reduced), Callan, Hayne	Five opportunity sites: Strawberry Hill (5), Brooke Court (12), De Guigne (24), Callan (24), Hayne (36)	101	Low
RD-3 Zoning/ Town Hall	E4: Alternative 4	Alternative Design (~70 units) – Mixed-income	70	Low
TOTAL			637	Med-Low

Risk Level (Low to High)





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Scenario #1 – Med-Low Risk

Income Level	RHNA 6 Allocation & 15% Buffer (83)	ADUs 2.5-Year Average	RD-1 Zoning/ Subdivisions	RD-2 Zoning/ Opp. Sites	RD-3 Zoning/ Town Hall	TOTAL
Very Low Income (0-50% AMI)	178	136	0	0	42	178
Low Income (51% - 79%)	102	135	0	0	0	135*
Moderate Income (80-119% AMI)	100	135	0	0	0	135*
Above Moderate Income (120% AMI +)	257	45	15	5 (Strawberry Hill) 12 (Brooke Court) 24 (De Guigne) 24 (Callan) 36 (Hayne)	28	174*
TOTAL	637	451	15	101	70	637

*HCD will accept a deficiency in a higher income category if there is a surplus that makes up for those units in a lower income category, but not vice versa.



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Scenario #2 – Med-High Risk

Policy Area	Selection	Description	# of Units/%	Risk Level
Buffer	A2: 10% Buffer	10% Buffer RHNA = 554 units, Buffer = 55	609 / 10%	Med-High
Accessory Dwelling Units (ADUs)	B2: 2.5-Year Average	Average # of building permits issued (Jan. 2020 through September 14, 2022) Note: Removes January – June 2020	451	Low
RD-1 Zoning/ Subdivisions	C1: No RD-1 Zoning (No Changes to Current SF Zoning)	Retain RD Zoning - <i>Current zoning allows for 60 subdivision opportunities, estimate 5 will develop</i>	5	Med-High
RD-2 Zoning/ Opp. Sites	Strawberry Hill (Reduced), Brooke Court, De Guigne (Reduced), Callan, Hayne	Five opportunity sites: Strawberry Hill (5), Brooke Court (12), De Guigne (24), Callan (24), Hayne (36)	101	Low
RD-3 Zoning/ Town Hall	E4: Alternative 4	Town Hall Development ~ 50 units (mixed-income)	52	Lowest
TOTAL			609	Med-High

Risk Level (Low to High)





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Scenario #2 – Med-High Risk

Income Level	RHNA 6 Allocation & 10% Buffer (55)	ADUs 2.5-Year Average	RD-1 Zoning/ Subdivisions	RD-2 Zoning/ Opp. Sites	RD-3 Zoning/ Town Hall	TOTAL
Very Low Income (0-50% AMI)	171	136	0	0	35	171
Low Income (51% - 79%)	102	135	0	0	0	135*
Moderate Income (80-119% AMI)	100	135	0	0	0	135*
Above Moderate Income (120% AMI +)	257	45	5	5 (Strawberry Hill) 12 (Brooke Court) 24 (De Guigne) 24 (Callan) 36 (Hayne)	17	168*
TOTAL	609	451	5	116	52	609

*HCD will accept a deficiency in a higher income category if there is a surplus that makes up for those units in a lower income category, but not vice versa.



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Scenario #3 – Highest Risk

Policy Area	Selection	Description	# of Units/%	Risk Level
Buffer	A3: 0% Buffer	0% Buffer RHNA = 554 units, Buffer = 0	554/ 0%	Highest
Accessory Dwelling Units (ADUs)	B3: 1-Year Permit Data	# of building permits issued in 2021	512	Highest
RD-1 Zoning/ Subdivisions	C1: No RD-1 Zoning (No Changes to Current SF Zoning)	Retain RD Zoning - <i>Current zoning allows for 60 subdivision opportunities, estimate 5 will develop</i>	5	Med-High
RD-2 Zoning/ Opp. Sites	Strawberry Hill (Reduced Units) + Brooke Court + Callan	Three opportunity sites: Strawberry Hill (5), Brooke Court (12), Callan (24)	41	Low
RD-3 Zoning/ Town Hall	E5: No Housing	No housing units at Town Hall	0	Low
TOTAL			558	Highest

Risk Level (Low to High)





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Scenario #3 – Highest Risk

Income Level	RHNA 6 Allocation & 0% Buffer (0)	ADUs 1-Year Permit Data	RD-1 Zoning/ Subdivisions	RD-2 Zoning/ Opp. Sites	RD-3 Zoning/ Town Hall	TOTAL
Very Low Income (0-50% AMI)	155	154	0	0	0	154
Low Income (51% - 79%)	89	154	0	0	0	154*
Moderate Income (80-119% AMI)	89	154	0	0	0	154*
Above Moderate Income (120% AMI +)	223	50	5	5 (Strawberry Hill) 12 (Brooke Court) 24 (Callan)	0	97*
TOTAL	554	512	5	41	0	558 (1% buffer)

*HCD will accept a deficiency in a higher income category if there is a surplus that makes up for those units in a lower income category, but not vice versa.
Note: Does NOT meet all affordability requirements.



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Summary – Council Direction

Policy Area	Selection	Description	# of Units/%
Buffer			
Accessory Dwelling Units (ADUs)	Anticipated building rates	2021 actual permit data + 2022 YTD permit data + projected Q4 2022	520
RD-1 Zoning/ Subdivisions	C1: No RD-1 Zoning (no changes to current zoning)	Vacant Parcels + Subdivisions	21
	Strawberry Hill (Reduced Units) + Callan + Brooke Court (Reduced Units) + Hayne (Reduced Units)	Strawberry Hill (5) + Callan (8) + Brooke Court (2) + Hayne (5)	20
RD-2 Zoning/ Opp. Sites	D1: No RD-2 Zoning	Retain Current RD Zoning	0
RD-3 Zoning/ Town Hall	E5: No Housing	No housing units at Town Hall	0
TOTAL			561



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Summary – Council Direction

Income Level	RHNA 6 Allocation & 0% Buffer	ADUs 2-Year Average (with projection)	RD-1 Zoning/ Subdivisions	RD-2 Zoning/ Opp. Sites	RD-3 Zoning/ Town Hall	TOTAL
Very Low Income (0-50% AMI)	155	156	0	0	0	156
Low Income (51% - 79%)	89	156	0	0	0	156
Moderate Income (80-119% AMI)	89	156	0	0	0	156
Above Moderate Income (120% AMI +)	223	52	21 (Vacant Parcels) 5 (Strawberry Hill) 8 (Callan) 2 (Brooke Court) 5 (Hayne)	0	0	93
TOTAL	554	520	41	0	0	561 (1.3%)



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RD-2 Zoning/Opportunity Sites

Alternatives	Above Moderate Income (120% AMI +)	Very Low Income (0-50% AMI)	TOTAL	Risk Level
Strawberry Hill				
Current Draft	120	52	172	Lowest
D2 (Reduced Units)	5	0	5	Low
Callan	24	0	24	Med-High
De Guigne				
Current Draft	24	48	72	Lowest
D4 (Reduced Units)	24	0	24	Low
Hayne	36	0	36	Med-High
Brooke Court	12	0	12	Lowest
Tobin Clark	4	0	4	Highest
SFPUC	0	0	0	Highest