City of Newark

NEWARK
California

Housing Element Update 2015

5th Cycle Housing Element for the 2015-2023 Period

HOUSING

5

INTRODUCTION

The purpose of the Housing Element is to support the vision of assuring safe, decent, affordable shelter is provided for all Newark residents. The Element places a particular emphasis on housing affordability to lower income Newark residents and residents with special needs, including seniors and persons with disabilities. The Element includes an evaluation of housing needs in the city based on demographics and housing conditions. As required by state law, it identifies sites sufficient to accommodate the City's share of the region's housing needs over an eight year period. It also evaluates constraints to housing production and establishes measures to mitigate such constraints.

Newark's housing situation today appears very different from that even a few years ago, but continues to include many challenges. Housing prices are higher, foreclosure rates are lower, and the number of home sales are on the rise. Although there have been approvals of entitlement for hundreds of new housing units; there has been limited housing construction.

This Housing Element presents a comprehensive picture of the housing issues facing Newark today, as well as a plan for addressing those issues. At the same time, the Housing Element meets state requirements, particularly in identifying sites for the City's share of the regional housing need. As mandated by state law, this Housing Element focuses on the eight years from 2015 thru 2022.

PUBLIC PARTICIPATION

For this housing element update, Newark held a community meeting on July 30, 2014 to present Housing Conditions information and proposed criteria for housing site selection. A second Community Meeting to review the previous information and discuss potential sites for new housing, was held on September 3, 2014. City staff, in keeping with Housing Element Update tradition, served pizza and advertised the meeting as a "Housing Element Planning Pizza Party." The meetings were well attended with approximately 40 people in attendance at each meeting. Information from both meetings, including the presentations used at the meetings and a draft map of housing sites, were posted on the city's website shortly after each meeting.

Notifications of the meetings were sent to interested local residents and other stakeholders. Recipients included: Second Chance, Satellite Homes, Housing Consortium of the East Bay, East Bay Housing Organizations, ECHO Fair Housing, the Unity Council, Bay Area Community Services, and the Center for Independent Living, among others.

At these meetings the public raised issues including:

- Concern about State imposed requirements to develop Housing with no funding for this mandate.
- Concern that higher density development would lead to crime.
- Objections to including the approved Southwest Newark Residential and Recreational project in the Plan.
- Recommendation to relocate the approved Transit Oriented Development project to another part of the City.
- Interest in seeing more single story projects developed.
- Interest in seeing more senior housing developed.
- Concern about the fiscal feasibility of the high level of development envisioned.

After the draft housing element was prepared, it was posted on the City's website. Email notification was sent to all those who

had attended earlier community meetings as well as either the Housing Element meetings or any other housing development in the City. The availability of the Draft Plan was advertised through the city's website, a press release, an email notice, and a mailing to advocacy groups, property owners, and other interested parties.

In January 2015, the Planning Commission and City Council considered the draft housing element, and public notification of those meetings was provided as well. The policy makers considered approving the submittal of the Draft Plan to the State Department of Housing and Community Development (HCD). After approval by Planning Commission on January 13, 2015 and City Council on January 22, 2015, the draft housing element was submitted to the California Department of Housing and Community Development for their review.

The City received comments from HCD on the draft housing element and revised the element accordingly. The revised version of the Housing Element was submitted to HCD in February and will be taken to the Planning Commission and City Council for their formal consideration and action in early 2015.

Throughout this process, the city has posted drafts, reports and presentations on the city's Housing Element website: www.newark.org/NewarkHousingElementUpdate.html. The website also provides contact information for the Community Development Director, who has responded to residents' questions and concerns on an ongoing basis.

CONSISTENCY WITH THE GENERAL PLAN

The Housing Element contains goals, policies, programs and quantified objectives that are consistent with other elements of the General Plan. If during implementation of projects and/or programs minor inconsistencies occur as the result of future housing initiatives, they will be resolved by amending the other elements of the General Plan.

BACKGROUND

The following sections describe the population, employment and housing characteristics of Newark using the best available information. The 2012 Census is the primary source of data. This data has been updated, as possible, using data available from projections by the Association of Bay Area Governments (ABAG), estimates of the Demographic Research Unit of the California Department of Finance, city records, city staff, local organizations and local newspapers.

POPULATION TRENDS

Table H-1 shows the population of Newark every ten years from 1960 to 2010 and projected population for 2020 to 2040. The percent increase in population from each decade to the next is also shown.

TABLE H-1 POPULATION, CITY OF NEWARK, 1960-2040

Year	Population	% Increase
1960	9,911	-
1970	27,157	174
1980	32,126	18.3
1990	37,861	17.9
2000	42,471	12.2
2010	42,327	-0.3
2014*	43,111	1.9
2020	47,200	9.5
2030	52,100	10.4
2040	57,600	10.6

Sources: US Census for 1960-2000 SF3: Table P001; ABAG, Projections 2013, p.31

Figure H- 1 Population, City of Newark, 1960-2030

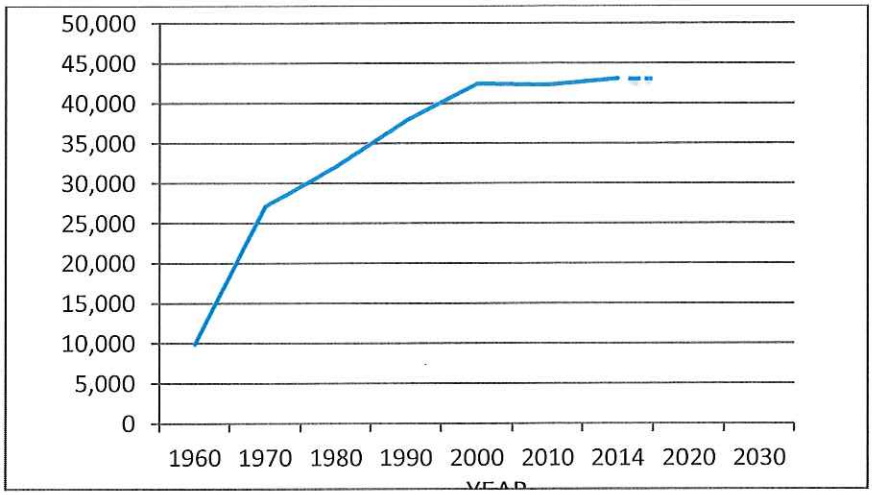


Table H-1 (and Figure H-1) indicates that Newark went from a small town to a city during the 1960s and then continued to grow through the '70s, '80s and '90s at slightly declining rates. During the '80s the city added population at the rate of about 736 people per year. In the '90s, the city gained an average of 460 people per year. There were no significant gains in population between 2000 and 2009, but ABAG projects increased population gains from 2010 to 2040 as growth shifts to the core of the Bay Area away from more suburban and exurban growth patterns.

AGE OF POPULATION

Table H-2 shows the distribution of population by age in 2000 and 2010 in Newark and in 2010 in Alameda County. Between 2000 and 2009, Newark population of people between the ages of 20 and 59 reduced by about 604 and the population of people 60 years old or older increased by 1,622 people. During the same time, the city's population of children under 20 dropped by 916. Overall, the percentage of people younger than 60 decreased and the percentage of people 60 years old and over increased.

However, in 2010 Newark had a smaller percentage of older people and a higher percentage of children than Alameda County

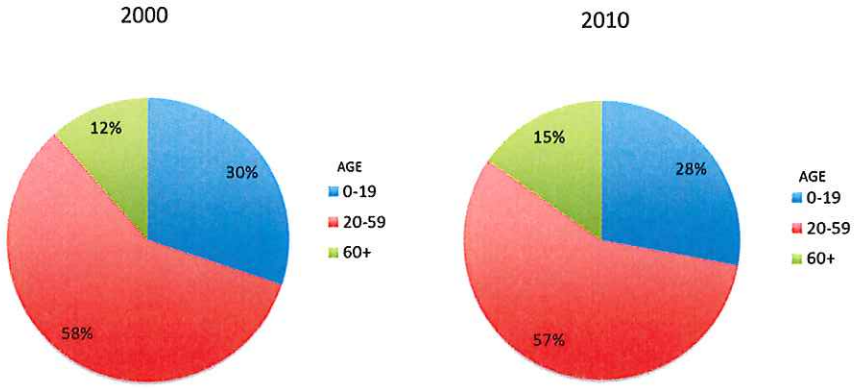
as a whole. The 20 to 59 age group, as a percentage of total population, was slightly higher for the county than for the city.

TABLE H-2 POPULATION BY AGE, NEWARK AND ALAMEDA COUNTY

	Newark 2000		Newark 2010		Alameda County 2010	
Age	Number	Percent	Number	Percent	Number	Percent
0-19	12,798	30%	11,882	28	383,662	25%
20-59	24,784	58%	24,180	57%	880,009	58
60+	4,889	12%	65,11	15%	246,600	17
Totals	42,471	100%	42,573	100%	1,510,271	100

Source: ABAG Projections 2013, Table 3

FIGURE 2
NEWARK POPULATION BY AGE



RACIAL AND ETHNIC COMPOSITION

Table H-3 shows Newark's 2000 and 2010 population divided according to race and ethnic group. In the U.S. Census, "persons of Spanish origin" are counted as members of a racial group (white, African American, Asian, etc.) and also counted separately as an ethnic group. In this table, Hispanics have been subtracted from the racial categories and listed as a separate category.

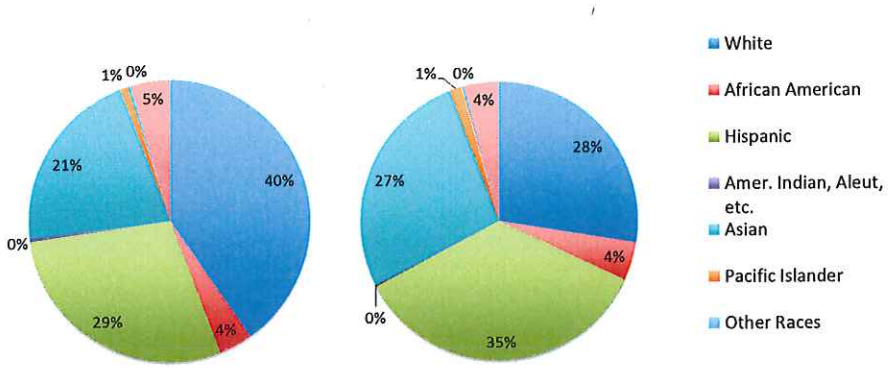
Beginning with the 2000 Census, people could identify themselves as belonging to more than one race. Table H-3 shows that the percentage of non-Hispanic white people dropped between 2000 and 2009, while the percentage of Hispanics, Asians, and African Americans increased. Compared to Alameda County as a whole, Newark had a higher percentage of Hispanics and Asians and a lower percentage of African Americans.

TABLE H-3 RACIAL AND ETHNIC DISTRIBUTION, NEWARK AND ALAMEDA COUNTY

	Newark 2000		Newark 2010		Alameda Co. 2010
	Number	Percent	Number	Percent	Percent
White	17103	40.1%	11726	28%	34.1%
African American	1639	3.9%	1908	5%	12.2%
Hispanic	12145	28.4%	14994	35.2%	22.5%
Amer. Indian, Aleut, etc.	148	0.3%	95	0.2%	0.3%
Asian	8951	21.1%	11404	26.9%	25.8%
Pacific Islander	378	0.9%	601	1.4%	0.8%
Other Races	128	0.3%	101	0.2%	0.3%
Two or More Races	1979	5%	1744	4.1%	4%
Totals	42471	100%	42573	100%	100%

Source: ABAG Projections 2013, Table 4

Figure H-3 Racial and Ethnic Distribution in Newark



HOUSEHOLDS

In 2012, 42,986 Newark residents lived in households and 125 lived in group quarters. As shown in Table H-4, Newark in 2012 was still a city of families with 78 percent of the households falling into this category compared with about 65 percent for the county. The decade saw a slight increase in the percentage of single parent families and a slight decrease in the percentage of married couple families, but the structure of households in Newark stayed basically the same from 2000 to 2012.

FAMILY DEFINITION

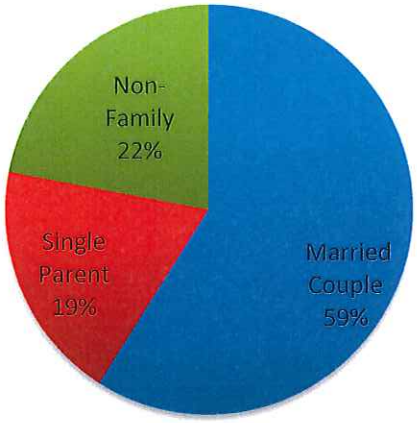
For the purposes of land use the City of Newark defines "Family" expansively to assure that it does not pose a constraint to unrelated people living together.

> Newark Municipal Code Section 17.08.150: *"Family" means an individual or two or more persons related by blood or marriage or a group of persons, not including servants or paying guests, who need not be related by blood or marriage, living as a single housekeeping unit whose members are a nontransient interactive group of persons jointly occupying a single dwelling unit, including the joint use of common areas, for the purpose of sharing household activities and responsibilities such as meals, chores, and expenses.*

TABLE H-4: HOUSEHOLD COMPOSITION, NEWARK AND ALAMEDA COUNTY 2012			
		Newark Percent	Alameda County Percent
Married Couple	7670	59	47.1
Single Parent	2470	19	18.1
Total Family	10140	78	65.2
Non-Family	2860	22	34.8
Total Households	13000	100	100

Source: 2010-2012 US Census, ACS: Table CP02

Figure H- 4 Household Composition Newark, 2012



HOUSEHOLD INCOME

Table H-5 lists household income in Newark and Alameda County in 2010 as reported by the Association of Bay Area Governments. Compared with Alameda County, Newark had a higher percentage of households with incomes of $50,000 and over, and lower percentages of households earning less than $50,000.

TABLE H-5 HOUSEHOLD INCOME IN NEWARK AND ALAMEDA COUNTY, 2007-2011			
	Newark		Alameda County
Income Category	Households	Percent	Percent
Under $24,999	1,469	11.3%	18.2%
$25,000-$49,999	1,914	14.7%	18%
$50,000-$74,999	2,627	20.2%	16.3%
$75,000-$99,999	1,949	15%	12.4%
$100,000 and over	5,048	38.8%	35.1%
Total	13,007	100%	100%

Source: ABAG Projections 2013, Table 14

Figure H-5 Household Income in Newark, 2007-2011

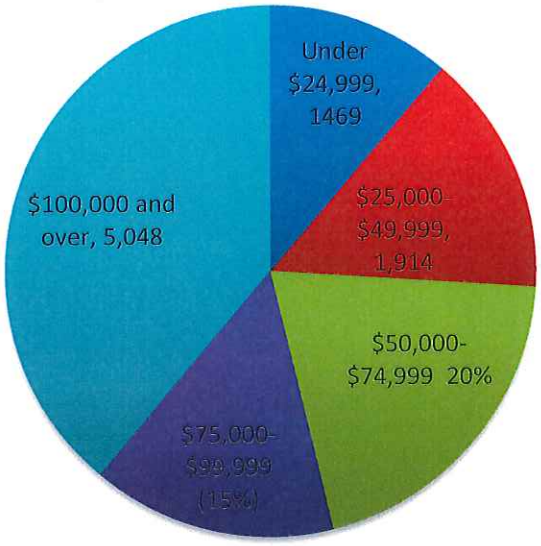


Table H-6 lists the mean household income for Newark residents for each decade from 1990 to 2010. This is different from the median income discussed above because "mean" is an average and "median" is the midpoint in a distribution. Mean household

income is usually higher than median household income because it is more affected by a few very high incomes.

According to Table H-6, the average household income in Newark (in 2012 dollars) was $109,825 in 2000, an 11.5 percent increase from the 1990 average income of $98,526. Newark's 2000 average income was also significantly higher than the Alameda County average income of $100,635. However the gains in real income from the 90's were followed by a much lower average income of $92,013 in 2010. Job losses in high tech industries led to significantly lower average incomes.

TABLE H-6: MEAN HOUSEHOLD INCOME

	Alameda County		City of Newark	
Year	Current	Constant (2012)	Current	Constant (2012)
1990	$57,200	$86,173	$65,400	$98,526
2000	$66,800	$100,635	$72,900	$109,825
2010	$95,429	$95,429	$92,013	$92,013

SOURCE: 2010 US CENSUS, ACS: TABLE CP03, data for !990 and 2000 were collected from the 2000 ABAG projections, p.79

POVERTY

In 2012, 3,383 Newark residents had incomes below the poverty line as defined by the federal government to determine eligibility for federal assistance programs (an increase from 2,323 in 1999), as shown in Table H-7 below. The numbers are adjusted annually and relate income to size of household and the presence of children in the household. The table below shows that 20.1 percent of children under 18 years old were living in poverty while only 7.8 percent of the total population was living in poverty.

TABLE H-7 PERSONS IN POVERTY BY AGE, 2010-2012

Age Group	Total Population*	# In Poverty	% of Total Population
Under 5	2,474	215	8.7%
ages 5-17	7,003	798	11.4%
18-64	28,741	2,013	7%
65 or more	48,93	357	7.3%
Totals	43,111	3,383	7.8%

Source: 2010-2012 US Census, ACS: Table S1701
*Includes the total Population for which poverty status was determined

EMPLOYMENT TRENDS

Originally, Newark was a railroad and manufacturing center. During the 1960s, Newark experienced a boom in housing construction and a 174 percent increase in population. Newark became a "bedroom" community for people commuting to jobs outside of the city. However, growth of industry and business from the 1970s onward created more jobs within the city. Between 1990 and 2000, the number of jobs in the manufacturing and service sectors more than doubled. Although job growth has slowed somewhat since the 2000s, Newark enjoys a low unemployment rate and steady increases in job creation.

EMPLOYED RESIDENTS

In 2012, over 93.1 percent of Newark's men and 92.7 percent of women over 15 years old and in the labor force were employed (see Table H-8). A majority of households have more than one person working. According to ABAG projections, the ratio of employees to households will stay more or less stable from their 2010 levels through 2040 (see Table H-9). This high rate of participation in the work force can be explained by the facts that much of Newark's population is of working age, household size is quite large with relatively few single person households, and the Silicon Valley economy has been strong.

TABLE H-8: PERSONS 16 YEARS OLD AND OVER IN THE LABOR FORCE, 2012						
	Men		Women		Total Persons	
	Number	Percent	Number	Percent	Number	Percent
Total in Labor Force	12,723		10,983		23,706	
Employed	11,841	93.1%	10,180	93%	22,021	92.9%
Unemployed	882	6.9%	803	7.3%	1,685	7.1%
Not in Labor Force	4,322		6,226		10,548	
Total Persons 16+	17,045		17,209		34,254	

Source: 2010-2012 US Census, ACS: Table DP03

TABLE H-9 HOUSEHOLDS AND EMPLOYED RESIDENTS, 2000-2040			
Date	**Households**	**Employed Residents**	**Ratio of Employees to households**
2000	12992	20,452	1.6:1
2010	12972	21,330	1.4:1
2020	14190	21960	1.5:1
2030	15410	23350	1.5:1
2040	16640	25290	1.5:1

Source: ABAG, Projections 2013

JOBS

Table H-10 shows ABAG's projections for job growth in Newark. ABAG projects a 22% percent increase in jobs between 2010 and 2035.

TABLE H-10: JOB GROWTH PROJECTIONS				
	2010	2035	increase	% increase
Jobs	20,350	24,830	4,480	22%

Source: ABAG Projections 2013

The types of jobs available are projected to change. Agriculture and mining jobs have disappeared altogether, and the projections show that will continue to be the case. Retail, manufacturing, and wholesale jobs will increase slightly, but most new jobs will be in the service sector.

TABLE H-11: JOBS IN NEWARK BY TYPE, 2010-2040				
Type of Job	2010	2020	2030	2040
Agriculture and Mining	0	0	0	0
Manufacturing, Wholesale and Transportation	4,810	5,160	5,070	5,070
Retail	3,270	3,660	3,700	3,820
Financial and Professional Service	2,700	3,410	3,670	4,030
Health, Educational and Recreational Service	3,580	4,470	4,890	5,460
Other	3,570	4,140	4,390	4,770
Totals	17,930	20,840	21,720	23,150

Source: ABAG, Projections 2013

JOBS-HOUSING BALANCE

In California, there is increasing awareness of the need for communities to balance growth in employment with growth in housing. Jobs-housing balance makes it possible for more people to live and work in the same community, reducing the numbers who must commute long distances on increasingly congested highways. Newark initially had an even balance of jobs and

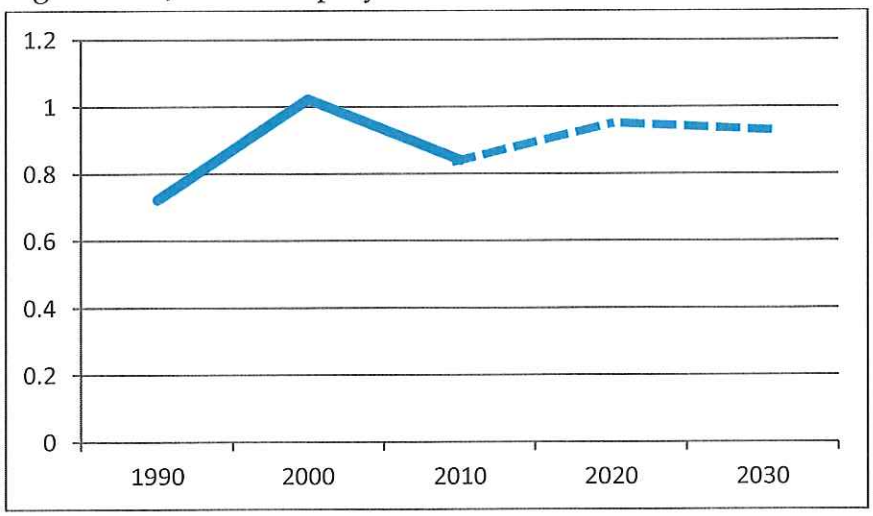
housing which was then thrown out of balance by the 1960s housing construction boom. However, Newark has been gaining jobs since efforts to attract industry and business to the city began in the 1970s, and in the past few decades housing construction has slowed. In 2000, Newark had roughly one job for every employed resident. By 2010 this ratio was skewed somewhat because of job loss throughout the decade. However, as seen in Table H-11, ABAG predictions show that overall, Newark should have a relatively even balance between jobs and employed residents in the coming decades.

TABLE H-12: RATIO OF JOBS TO EMPLOYED RESIDENTS, 2010-2040

Year	Jobs in Newark	Employed Residents	Ratio of Jobs to Employed Residents
1990	14,900	20,592	0.72:1
2000	21,420	20,910	1.02:1
2010	17,930	21,330	0.84:1
2020	20,840	21,960	0.95:1
2030	21,720	23,350	0.93:1

Source: ABAG Projections 2013

Figure H-5 Jobs to Employed Residents Ratio



When attempting to balance jobs and residents in a city, it is important to note how the types of jobs available correspond to the types of work done by employed residents. As shown in Table H-13, the service sectors have a higher percentage of employed residents than jobs available. In contrast, there were more retail jobs than employed residents in retail. ABAG predicts that the service sector will experience the most job growth between 2010 and 2040, which could help ameliorate this imbalance.

TABLE H-13 JOBS IN NEWARK AND EMPLOYED RESIDENTS BY INDUSTRY, 2007-2011

Industry	Jobs in Newark		Jobs of Newark Residents	
	Number	Percent	Number	Percent
Mining and Agriculture	0	0	96	1%
Manufacturing and Wholesale	4,810	26.8	5,416	26%
Retail	3,270	18.3	2,297	11%
Service	6,280	35.0	9,855	47%
Other	3,570	19.9	3,294	15.7%
Total	17,930	100	20,958	100%

Sources: ABAG, Projections 2013, Table 6

As Table H-14 indicates, the Newark Unified School District and the City of Newark, both public institutions, are both major employers for the city. It is important to Newark that public servants have the opportunity to live in the city. This is discussed further in section 5.3 of this Housing Element, which examines housing needs.

TABLE H-14: TOP 10 EMPLOYERS IN NEWARK, 2014

Company Name	Employee Count
Newark Unified School District	700
Logitech	689
Amazon Fulfilment	400
WorldPac	280
Full Bloom Baking Company	280
Risk Management Solutions	270
Smart Modular Technologies	249
Morpho Detection	208
Cargill Salt	182
Futuris	180
City of Newark	176
Valassis	166
Home Depot	129

Source: Newark Business License Data, 2014

HOUSING CHARACTERISTICS

In 2010, Newark had 13,414 housing units of which 10,864 or 81 percent were single-family attached and detached houses. The remainder of the housing stock was made up of 2,550 multifamily units. As shown in Table H-15, since 2010, Newark has added only 5 housing units, much less than the 265 units added from 2000 to 2004. After an increase of 32 percent during the 1980s, Newark's housing supply increased by very little in the 1990s (6.7

percent). During the 2000s, even less housing was added (only a 2.1 percent increase). As previously noted, there has been very little housing development since 2010. However, it should be noted that at the time of this writing, multiple major housing projects have been approved by the City Council, so the number of housing units produced may be substantially higher by the end of the decade.

TABLE H-15: ANNUAL INCREASE IN HOUSING, 2010-2014

		Total Units	Added Units	Single Family		Multifamily		Mobile Homes
				Dtch'd	Attch'd	2-4	5+	
Total	2,010	13,414		9,522	1,342	569	1,981	0
	2,011	13,414	0	0	0	0	0	0
	2,012	13,414	0	0	0	0	0	0
	2,013	13,416	2	0	0	2	0	0
	2,014	13,419	3	1	0	2	0	0
Total Added			5	1	0	4	0	0
Total 2014		13,419		9,523	1,342	573	1,981	0

Source: California Dept. of Finance, Demographic Research Unit, Report E-5

Table H-16 compares the types of housing produced during the 1980s, 1990s, and the 2000s. A major difference between the 1980s and the other two decades is that most housing units added in the 1980s were attached single-family houses (condominiums and townhouses) and since then most have been detached single family houses. This has resulted in fewer units than could have been developed if densities had been higher. However, many of the new detached single-family houses were on small lots with densities that were comparable to the townhouse developments of the 1980s.

TABLE H-16: COMPARISON OF HOUSING ADDITIONS 1980 THROUGH 2014

	1980s		1990s		2000s		2010-2014	
	#	%	#	%	#	%	#	%
Single Family Det.	436	15%	476	58%	268	97.8%	310	N
Single Family Attach	1,666	58%	0	0%	2	0.7%	102	N
2-4 Units	59	2%	29	3.5%	4	1.5%	-197	N
5+ Units	723	25%	316	38.5%	0	0%	-165	N
Mobile Home	-2	0%	0	0%	0	0%	0	N
Total Units Added	2,882	100%	821	100%	274	100%	50	100

Source: California Dept. of Finance, Demographic Research Unit, Report E-5

HOUSING OCCUPANCY

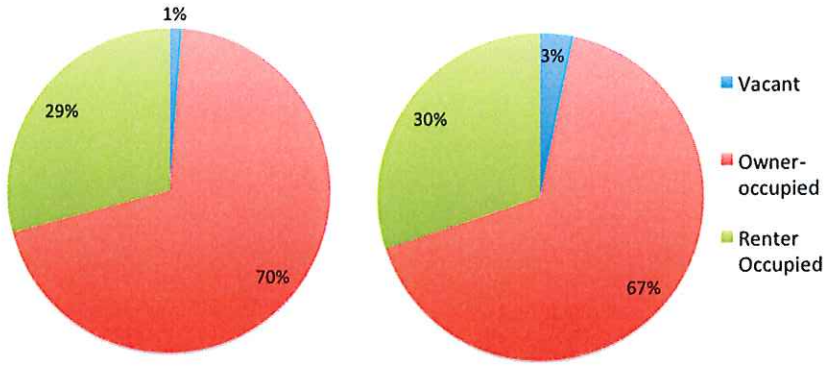
As shown in Table H-17, 13,414 housing units were occupied at the time of the 2010 Census. Of the 13,414 occupied housing units, owners occupied 8,942 (66.7%) and renters occupied 4,030 (30%). Comparing this data to 2000 data shows a slight increase in the percentage of renters and an increase in the vacancy rate from 1.2 percent to 3.3 percent.

The number of persons per household increased in Newark from 3.26 persons per household in 2000 to 3.28 persons per household in 2010. After 2010, ABAG predicts that the number of persons per household in Newark will increase to 3.33 in 2020 and increase again to 3.38 in 2030. Union City was the only city in Alameda County with a higher number of people per unit in 2010, and ABAG projects that will continue to be the case.

TABLE H-17 HOUSING OCCUPANCY IN NEWARK, 1990 AND 2000				
	2000		2010	
	Number	Percent	Number	Percent
Total Housing Units	13,150		13,414	
Vacant	158	1.2%	442	3%
Owner-occupied	9,175	69.8%	8,942	66.7%
Renter Occupied	3,817	29%	4,030	30%

Sources: ABAG Projections 2013, Table 8 and Table 25

Figure H-6 Housing Occupancy in Newark



OVERCROWDED HOUSING

In 2013, The US Census reported that 849 housing units in Newark were occupied by households with more than 1 person per room. Nearly two-thirds (526) were rental units. However, because there are more owner-occupied units than rental units in Newark, the percent of rental units occupied by more than 1 person per room (12.3%) is much higher than the percent of owner-occupied units (3.6%) (2010 – 2012 US Census, ACS: Table B25014). In general, housing units in Newark were quite large with over 90 percent having 2 or more bedrooms and more than 70 percent having 3 or more bedrooms. Owner-occupied units have a higher median number of rooms (6.0) than renter-occupied units (4.5), which may partially explain the high percentage of

rental units that are overcrowded. Some households are overcrowded because they are occupied by more than one family or numbers of unrelated people. In these cases, the primary need is not larger units, but more affordable units so that people do not need to double up.

HOUSING CONDITION

Newark's housing stock is beginning to show its age. As shown in Table H-18 below, a significant number of Newark's housing units (3,629) were built in the 1960s. Most of these are single-family homes and a significant number are in need of minor or major rehabilitation. During the 1970s and 1980s, more than 6,000 units were added, including most of the multifamily and attached single-family houses.

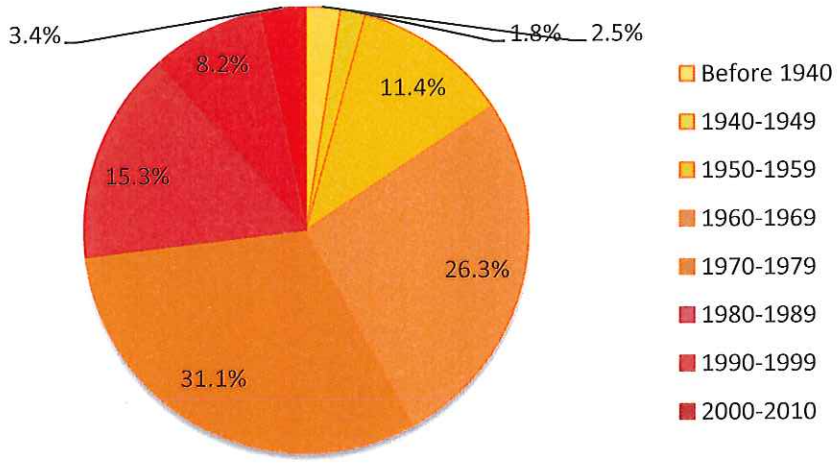
In 2012, the U.S. Census reported 80 housing units in Newark lacked plumbing, 71 lacked complete kitchen facilities and 89 lacked a telephone. These numbers are much higher than then 2000 U.S. Census, which reported 34 units without plumbing, 40 without complete kitchen facilities and 83 without a telephone. This is likely due to changes in Census methodology. (2010-2012 US Census, ACS: Table DP04).

TABLE H-18 AGE OF HOUSING STOCK

Year Built	# of Units	% of Units
Before 1940	343	2.5%
1940-1949	247	1.8%
1950-1959	1,572	11.4%
1960-1969	3,629	26.2%
1970-1979	4,288	31.1%
1980-1989	2,117	15.3%
1990-1999	1,133	8.2%
2000-2010	466	3.5%
Totals	13,795	100%

Source: ABAG Projections 2013, Table 19

Figure H-7 Age of Housing Stock



In 2005, the City of Newark contracted with Alameda County to have building inspectors from the County's multifamily rehabilitation program conduct windshield survey assessments of 50 multifamily developments. The survey was conducted as part of a program from the 2010 housing element to identify properties that would most benefit from a rehabilitation program. County inspectors found that of the fifty developments, four were in need of substantial rehabilitation. Four were in excellent condition. The remaining 42 developments needed some maintenance work. These results indicate that Newark's multifamily housing stock is largely in good condition, although there are some developments that would benefit from rehabilitation.

Newark participates in Alameda County's Multifamily Rehabilitation Program, and has tried to encourage multifamily homeowners to participate. However, property owners have been reluctant because of the rental restrictions that participation would place on their properties. The program is funded with Community Development Block Grant (CDBG) monies, which means that over half of the units would need to be occupied by low or moderate households with restricted rents.

Most of Newark's housing stock is not multi-family but single family. Most single family homes are in good condition, although

some homes have been poorly maintained, often when owned by absentee landlords. The most prevalent problems result from deferred maintenance. They include conditions such as: dry rot, holes in stucco or plaster, leaking roofs, electrical switches or receptacles that don't work, leaking faucets and drain pipes, cracked window panes, ripped carpeting, broken kitchen or bathroom cabinets, parts missing from toilets, chipped sink and tub surfaces, broken appliances (stove elements or space heaters), missing refrigerator/freezer door seals, household garbage stored or scattered on or around a property, and inoperative vehicles.

Newark has programs for homeowners to address these problems. Newark's Senior Center has a volunteer program that provides approximately 20 low income senior citizens with assistance each year. The program focuses on home exteriors, especially yard clean-ups.

Newark also participates in the Alameda County Housing Rehabilitation Program which provides grants and loans for low-income homeowners to carry out minor home repairs or significant rehabilitation. Applications to the Housing Rehabilitation programs have increased over the past few years, probably due to increased knowledge of the program. One problem is that the program is funded with CDBG funds, which have been declining. To address this funding issue, the City has provided additional funding for the housing rehabilitation programs from its Jurisdictional Improvement Program funds.

Housing Costs

According to Joint Ventures Silicon Valley's 2013 *Index of Silicon Valley*, the affordability of housing in Silicon Valley is in decline. The great recession temporarily reversed a previous trend of steadily declining housing affordability, but housing prices have since rebounded. From 2010 to 2013, rents increased 50 percent faster than median household income.

TABLE H-20: OWNER-OCCUPIED HOUSING UNITS IN NEWARK AND ALAMEDA COUNTY, 2010-2012

House Value	Owner-Occupied Units	Percent	Alameda County Percent
Less than $200,000	560	6.3%	9.7%
$200,000-$299,999	1,248	14.2%	11.5%
$300,000-$499,999	4,379	49.9%	31.1%
$500,000-$1,000,000	2,555	29.1%	40.2%
$1,000,000 or more	41	0.5%	7.5%
Total	8,783	100%	100%

Source: 2010-2012 US Census, ACS: Table DP04. Data are for units for which value was reported

Table H-20 shows the distribution of the value of owner-occupied housing units in Newark in 2012. A significant majority of Newark's housing units (63.1%) are valued in the middle range, between $200,000 and $499,999. Newark has much less extremely low or extremely high value housing, especially when compared with Alameda County as a whole. Only 6.3 percent of Newark's owner-occupied units are valued at less than $200,000, whereas 9.7 percent of Alameda County's units fall at the lowest end of the scale. Likewise, Newark has only 29.6 percent of its housing valued at over $500,000, while 47.7 percent of Alameda County's housing is worth over $500,000. However, Newark had only 3.4 percent of its housing valued at over $500,000 in 2000. This is a very significant increase in housing costs over a single decade, especially considering the nationwide housing crisis in 2008.

Table H-21 shows the distribution of monthly housing costs for homeowners in 2012. The percent paying $1,500 or more (85.5%) increased significantly from the previous decade (61%). Of the 6,622 owner-occupied units in Newark, 2,161, or about 24.6%,

were not mortgaged. Owners of these units typically had much lower housing costs. Also, those who had owned their houses for a long time had lower mortgage payments than new owners. The median cost for those paying mortgages was $2,445.

Compared to Alameda County as a whole, Newark had a higher percentage with housing costs at every price range under $2,500, while Alameda County had a higher percentage paying $2,500 or more.

TABLE H-21: MONTHLY COSTS OF OWNER-OCCUPIED UNITS IN NEWARK AND ALAMEDA COUNTY, 2010-2012

	Newark		Alameda County	
	# of Units	% of Units	# of Units	% of Units
Less than $500	47	0.7%	1,030	0.5%
$500-$999	277	4.2%	7,514	3.4%
$1,000-$1,499	632	9.5%	19,778	9.0%
$1,500-$1,999	1,091	16.5%	33,058	15.1%
$2,000-$2,499	1,420	21.4%	40,111	18.3%
$2,500 or more	3,155	47.6%	118,136	53.8%
Total	6,622	100%	219,627	100%

Source: 2010-2012 US Census, ACS: Table B25087. Data used is only from houses carrying mortgages.

The 1990 U.S. Census showed 90 percent of rentals costing less than $1,000 for housing, but the monthly rental costs have since increased. Table H-22 shows the distribution of monthly rental costs in Newark in 2000, with only 15.7% of rentals costing less than $1,000. However, 36.1% of Alameda County rentals were under $1,000 per month. Generally, monthly housing costs were

higher for homeowners than renters, particularly for the homeowners carrying a mortgage.

TABLE H-22 CONTRACT RENT IN NEWARK, 2008-2012

	Newark		Alameda County	
	# of Rental Units	% of Rental Units	# of Rental Units	% of Rental Units
No Cash Rent	107	2.6%	6,820	3%
Less than $500	230	5.6%	20,484	8%
$500-$749	84	2.1%	20,266	8.1%
$750-$999	186	4.6%	42,313	17%
$1,000-$1,249	985	24.1%	50,658	20.3%
$1,250 or more	2,486	61%	108,880	43.7%
Totals	4,082	100%	249,421	100%

Source: 2008-2012 US Census, ACS: Table B25056

Through the mid-1990s, housing costs were affected by two regional trends. First, a prolonged recession in the mid-2000's brought actual decreases in housing prices throughout the Bay Area. Second, mortgage interest rates fell to record lows and remained much lower than during the 1980s. The result was a significant increase in the percentage of households that could afford to buy a house in the Bay Area.

The favorable circumstances for housing affordability did not last long. Recently, between 2011-2014 large increases in the price of housing occurred. Although the recession in 2008 did reduce housing costs, prices have since increased to high levels. Recent housing costs in Newark were estimated by reviewing listings on mlslistings.com, a website for housing in Silicon Valley and nearby communities. In July 2014, 35 residential properties were listed for sale in Newark on mlslistings.com.

TABLE H-23: MEDIAN HOUSING PRICES IN NEWARK, JULY 2014

Number of Bedrooms	Median Asking Price	Range	Total # Listed for Sale
2	$348,800	$75,000 - $370,000	7
3	$562,475	$340,000 - $755,000	20
4	$668,944	$519,000 - $849,000	14
5	$889,000	$889,000	1

Source: mlslistings.com, July 6, 2014

According to rates.interest.com, on October 26, 2014 mortgage rates for the Fremont-Newark-Union City area ranged from 3.877 percent to 4.197 percent, and rates of 4.065 for the median of the 10 lenders' quotes available. Assuming a rate of 4.065 on a 30 year mortgage with 20 percent down, a 3 bedroom house for $432,000 would incur monthly mortgage payments of $1,663.

To assess current rental prices, all the current listings on apartments.oodle.com were analyzed over a period of time. Almost all the rentals offered on apartments.oodle.com were single-family homes, townhouses and condos. Between June 20 and July 10, 2014, 48 housing units were listed for rent, ranging from $550 for a 1 bedroom house to $3200 for a four-bedroom house. Although rents fluctuated somewhat according to the size of homes, many single-family homes rented for significantly less than apartments with the same number of bedrooms, which may be because apartments may be newer.

TABLE H-24: MEDIAN RENTAL PRICES IN NEWARK, JUNE 20-JULY 10, 2014

Number of Bedrooms	Median Asking Price	Range	Total # Listed for Rent
1	$1,782	$550 - $2,063	16
2	$2,058	$1,020 - $2,404	21
3	$2,200	$1,383 - $3,000	7
4	$2,717	$2,600 - $3,200	4

Source: apartments.oodle.com. July 10, 2014

HOUSING AFFORDABILITY

Affordable housing is defined as housing that costs 30 percent or less of monthly income. Table H-25 shows data from the 2012 Census on the percent of owners and renters paying more than 30 percent of monthly income for housing by income categories.

TABLE H-25: NEWARK HOUSEHOLDS PAYING MORE THAN 30 PERCENT OF MONTHLY INCOME FOR HOUSING, 2010-2012

Annual Household Income	Owner Households			Rental Households		
	Total #	Paying 30%+		Total #	Paying 30%+	
		#	%		#	%
Less than $20,000	505	365	72.3%	467	376	81.0%
$20,000-$34,999	582	308	52.9%	504	482	95.6%
$35,000-$49,999	689	283	41.1%	669	593	88.6%
$50,000-$74,999	1,455	972	66.8%	853	444	52.1%
$75,000 or more	5,534	1,477	26.7%	1,598	27	1.7%
Totals	8,765	3,405	38.8%	4,091	1,922	47.0%

Source: 2010-2012 ACS, table B25106

TABLE H-26: NEWARK Lower Income HOUSEHOLDS PAYING MORE THAN 30 PERCENT OF MONTHLY INCOME FOR HOUSING, 2012		
		% of Total Households
Total Lower Income Households (Less than 80% AMI)	4070	31.7%
Lower Income Renters	1695	
Lower Income Owners	2375	
Lower income households paying more than 30%	2740	21.1%
Lower income renter HH overpaying	1,210	9.3%
Lower income owner HH overpaying	1,530	11.8%
Extremely Low Income (0-30%)	730	5.6%
Income between 30%-50%	825	6.3%
Income between 50% -80%	1,185	9.1%

Source: CHAS Data Sets Table S10708.

Table H-25 shows that in 2012 nearly 39 percent of homeowners and 47 percent of renters were paying more than 30% of their monthly income for housing. Eighty-one percent of renters with incomes less than $20,000, paid more than 50% of monthly income for housing. For both homeowners and renters, incomes had to reach $75,000 before households overpaying dropped to 30% or less. At the higher incomes, homeowners were more likely than renters to be overpaying for housing. Homeowners comprise about 68% of the households and 64% of the over-payers; conversely, renters comprise about 32% of the households and 37% of the over-payers. More than a third of Newark households paid too much for housing, and the problem was most severe for low-income renters.

Table H- 26 Shows that a large portion of lower income households are paying more than 30% their income for Housing.

TABLE H-27: INCOME LIMITS AND AFFORDABLE MONTHLY HOUSING COSTS FOR A FAMILY OF FOUR, ALAMEDA COUNTY, FEBRUARY 2014

Income Level	Incomes	Affordable Monthly Housing Costs
Extremely Low	up to $28,050	up to $701
Very Low	$28,051 to $46,750	$701 to $1,169
Low	$46,751 to $67,600	$1,169 to $1,690
Median	$67,601 to $93,500	$1,690 to $2,338
Moderate	$93,5001 to $112,200	$2,338 to $2,800
Above	above $112,200	above $2,800

Source: California Department of Housing and Community Development, Income Limits Pursuant to Title 25, Sec. 6932, California Code of Regulations, February 2008. Monthly housing cost calculated at 30 percent of monthly income.
Note: Alameda County median income in February 2014 was $93,500.

ABAG suggests that jurisdictions determine housing affordability using income limits for a family of four provided annually by HCD for each county. Table H-27 lists the Alameda County income limits for February 2014 for each of the income categories considered in the housing element. The income limits are calculated from a median income of $93,500. The table also shows the monthly housing cost at 30 percent of monthly income.

Table H-27 shows that in February 2014, a very low-income family of four should not be paying more than $1,169 a month for housing. A low-income family could afford to pay between $1,169 and $1,690 for housing and a moderate-income family could afford housing costing $2,338 to $2,800 per month.

As noted above, in October 26, 2014, it cost approximately $1,663 per month for a mortgage on the median priced house. Since half the houses are for sale at or less than the median price, it is

reasonable to assume that many moderate- income families of four could afford to purchase a house.

Rents for 2 to 4 bedroom units in summer 2014 ranged from $1,020 to $3,200. Most of the units for rent were single-family homes suitable for a family of four. At these rents, low and very low-income families would have difficulty finding housing they could afford.

ENERGY CONSERVATION

Newark's Municipal Code includes a section on Green Building practices. All city or privately owned construction projects whose total costs are greater than $100,000 must recycle portions of their construction or demolition debris. Provisions for waste management requirements are also included. The municipal code also encourages private developers to incorporate as many green practices as appropriate and feasible (Newark Municipal Code 15.44.010-15.44.110). These practices should all help to conserve energy. The city enforces state energy conservation requirements and the local utility, Pacific Gas and Electric, has an active program to encourage energy conservation that is available to Newark residents. This housing element also promotes energy conservation by proposing infill housing sites, with high density housing and mixed use located along major streets in central areas of the city.

PRESERVING ASSISTED HOUSING AND HOUSING CONSERVATION

As required by a 1989 addition to the housing element law, Newark has analyzed the need to preserve assisted housing. At the moment, the only assisted housing project in the city is Newark Gardens, a 200-unit housing project operated by Satellite Senior Homes for low- and very low-income seniors. All 200 units are protected by an Option and Development Agreement executed by the city on May 14, 1981 and applied to the new units constructed in the early 1990s. There is no deadline on the affordability requirement; therefore, no program to preserve existing assisted housing in Newark is needed.

The City of Newark has approved the SHH project, which aims to build 74 affordable senior housing units, along with 88 townhome/condominium units, and a 15,000 square foot retail building, to be located on approximately 8.09 acres along Enterprise Drive and Willow Street. This project will have a permanent deed restriction, so no program to preserve these assisted housing units will be necessary.

Most of the affordable housing in Newark is not protected by public agreements or subsidies. Increases in market rents and the price of housing threaten the future affordability of currently affordable housing. To conserve its stock of affordable housing, Newark participates in the Section 8 rent subsidy program and the Alameda County housing rehabilitation program. The rehabilitation program helps conserve affordability by helping owners with maintenance costs. In the case of rental properties this can prevent rent increases.

HOUSING NEEDS

Newark recognizes a responsibility to provide sites for a share of regional housing needs and also for meeting, to the extent possible, the special housing needs of Newark residents. The regional housing need is determined by ABAG and allocated to cities and counties in the Bay Area.

REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

Under mandate from the state, ABAG allocates the region's housing need to the localities in the San Francisco Bay Area through a process called the Regional Housing Needs Allocation, or RHNA. The recent allocation is for the seven-year period 2014-2022 and must be considered in the Housing Element. Newark's assigned housing needs by income category are listed in Table H-28.

TABLE H-28 HOUSING NEEDS NUMBERS FOR NEWARK, (2014-2022)

Household Income	% Median Income	# of Units	% of Units
Very Low	< 51%	330	30.6%
Low	51-80%	167	15.5%
Moderate	81-120%	158	14.7%
Above Moderate	> 120%	423	39.2%
Housing Need		1,078	100%

Source: ABAG, Regional Housing Needs, 20014-2022 Allocation.

In total, Newark is expected to identify and zone land necessary to accommodate 1,078 units in total; 497 of them at low and very low income levels. Through the Housing Element and other programs the City will work to promote housing construction. It should be noted that the City is required only to allow and facilitate this housing construction, not to actually build housing units.

NEWARK'S APPROACH TO THE RHNA ALLOCATION

As part of the work to update this housing element, the City of Newark has developed a long-term plan for housing that provides sites sufficient to accommodate the city's RHNA allocation by 2022. Although there has been limited housing construction in the last Housing Element period, there has been significant work in advancing the entitlement of the sites. Thus, there is adequate capacity within the existing sites for housing to meet the 2014/2022 RHNA allocation. The site inventory has been updated to reflect changes conditions and actual entitlement activity.

The City of Newark will apply the default densities as identified in State law which equates Housing Densities of 30 units or more per acre as accommodating Very Low and Low income units.

SPECIAL HOUSING NEEDS

State law requires that the Housing Element address the special needs of the disabled, elderly, large families, female-headed households, farmworkers, and the homeless.

PERSONS WITH DISABILITIES

As shown in Table H-29, over 3,148 people or approximately 9.4 percent of Newark residents over the age of 18 had disabilities in 2012 that impaired their ability to work, get around or care for themselves. Disabilities were a part of life for 6.5 percent of those 18 to 65 years old and 26.5 percent of those 65 years old and older. The high percentage of seniors with disabilities may indicate a need for special housing and other assistance.

The number of people in Newark with disabilities more than doubled from 1990 to 2000, increasing from 3,037 to 6,394. In the following decade there was an equally dramatic change in the opposite direction, with the total number of disabled residents falling from 6,394 to 3,148. The increase was predominantly in the 18 to 64 age group, which increased by 124 percent in the 90's before falling by 63 percent in the 2000s. The new disability

figures were heavily affected by changes to the disability questions on the Census survey, which were introduced in 2008. The Census website takes note of this fact and cautions researchers not to compare the new disability figures to previous ACS disability data, or to data from the 2000 census.

TABLE H-29: DISABILITY STATUS OF NEWARK RESIDENTS, 2010-2012

	18-64 years old		65 years +		Totals	
	#	%	#	%	#	%
Total Population	28,741	85.5%	4,893	14.5%	33,634	100%
With Disabilities	1,852	6.5%	1,296	26.5%	3,148	9.4%

Source: 2010-2012 US Census, ACS: Table S1810

In order to meet the requirements of state law SB 520, Newark analyzed and addressed constraints on housing for people with disabilities. Several portions of the Zoning Ordinance were amended in March 2006. Residential Care Facilities with six or fewer residents are now permitted by right in residential districts. Definitions of care facilities have been replaced or amended so as to correspond with the definitions in state law. The districts in which types of facilities are allowed have been adjusted, as have parking requirements. Handicapped ramps may now extend into required yards. Last, the Guidelines for Community Care Facilities have been simplified and incorporated into the Zoning ordinance. These changes addressed the constraints to housing for people with disabilities that were identified in a study conducted in 2005.

The Bay Area Community Services (BACS) coordinates some services for the mentally disabled and the elderly handicapped in the Tri-Cities area. BACS operates an adult day care service in Fremont, which provides recreational and social opportunities for adults over 60 years of age who are physically disabled, frail or have chronic diseases. The clients of the adult day care live with a spouse, family member, or in a board and care home. An

objective of the program is to give respite to caregivers. The program can accommodate up to 30 clients, but licensing restrictions place capacity at 24, and BACS estimates an average of 20 clients. Newark is home to another adult day care program for mentally disabled adults that is coordinated by Social Vocational Services. Social Vocational Services estimates a capacity of 90 and an average daily clientele of 63.

In November 2014, the California Department of Social Service's website listed two licensed residential care facilities for adults in Newark, and two with licenses pending. Newark also had 18 residential care facilities for the elderly (California Department of Social Services, Community Care Licensing Division,)

Although the City of Newark has implemented the latest building codes that provide for accessibility improvements. Given the number of mobility impaired people in Newark, the City will implement Program 7 to encourage construction of more housing accessible to the disabled. The program calls for criteria that will be used to encourage accessible housing development, such as single story and elevator served projects, and prioritize public funding to encourage accessible development.

DEVELOPMENTALLY DISABLED

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

According to the 2009 white paper provided by the Association of Regional Center Agencies (ARCA), most people with

developmental disabilities receive monthly stipends of $860. This is typically their only source of income. Making it very difficult for them to afford basic services, such as rent. This is particularly true in California, which has some of the highest average rents in the country.

Table H-30 shows the number of persons with developmental disabilities residing in Newark. People belonging to the younger age groups typically live with their parents or extended families, but for residents belonging to the older age groups it is imperative that they be provided with housing that is affordable and that helps meet their special needs in other ways that will allow them to live independently. It would be preferable for them to be able to live in one location for the duration of their lives, so as to avoid any unnecessary disruption in their daily routines.

TABLE H-30: Number of Developmentally Disabled People in NEWARK.

Age (In Years)	Count
14 or Younger	77
15 – 22	39
23 – 54	74
55 – 64	11
65 or Older	6
Total Housing Need	

Source: email from Ronke Sodipo, Director of Community Services at the Regional Center of the Eastbay

ELDERLY

In 2012, 4,893 people (11.3% of Newark's population) were over 64 years old--an increase of 1502 people (44%) since 2000. The number and percentage of senior citizens in Newark is growing. In 2012, 3,308 households (25.3% of the 13,086 households) included individuals 65 years and older. In 2000, 1,753 households were headed by persons over 64 years old. In 2012, this had increased by 43 % to a total of 2,510 households headed by persons over 64 years old. Of these, 2,183 owned their homes and 327 rented their homes.

Income for households headed by seniors was significantly lower than for households headed by householders under 64. Table H-31 shows that 50.1 percent of the senior households had incomes under $50,000 while only 22 percent of non-senior households fell into this range. However, the percentage of senior-headed households with incomes greater than $50,000 increased significantly, going from 34.3 percent in 2000 to 49.9 percent in 2012 (although it should be noted that rents increased significantly over this period as well, and the inflation adjusted value of $50,000 in 2000 is $69,115 in 2012 dollars). Over the same period, the percentage of senior-headed households with incomes under $10,000 was nearly halved.

TABLE H-31 HOUSEHOLD INCOME - HOUSEHOLDERS OVER 65 YEARS OLD, 2012

Income Range	Householder 64+	Percent	Householder under 65	Percent
Under $10,000	112	4.5%	297	3%
$10,000 to $49,999	1144	45.6%	2,005	19%
$50,000 to $99,999	816	32.4%	3,446	32.5%
$100,000-$149,999	300	12%	2,957	28%
$150,000 and over	138	5.5%	1,871	17.7%
Totals	2,510	100%	10,576	100%

Source: 2010-2012 US Census, ACS: Table B19037

Senior households were also paying higher percentages of their income for housing than other households but, as shown in Table H-32, the situation was far worse for renters than homeowners. Over 70.6 percent of households headed by seniors paid 30 percent or less for housing, but almost all owned their homes. Only 43.7 percent of renters paid less than 30 percent. A total of 784 senior-headed households (31.2 percent) were paying more than 30 percent of their income for housing.

TABLE H-32 PERCENT INCOME SPENT ON HOUSING - HOUSEHOLDS WITH HEAD OVER 64 YEARS OLD						
	Owner-Occupied		Renter-Occupied		Total	
% of Income Paid for Housing	#	%	#	%	#	%
Less than 20%	1,164	53.3%	52	15.9%	1,216	48.4%
20%-29.9%	378	17.3%	91	27.8%	469	18.7%
30%-34.9%	141	6.5%	29	8.9%	170	6.8%
Over 35%	500	22.9%	114	34.9%	614	24.5%
Not Computed	0	0%	41	12.5%	41	1.6%
Total	2,183	100%	327	100%	2,510	100%

Source: 2010-2012 ACS, Table B25093, B25072

Newark Gardens houses 200 senior households in a project serving low-income seniors. All of these households were receiving Section 8 rental assistance and were not paying more than 30 percent of income for housing. In the early 1990s, Newark contributed $200,000 toward an expansion of Newark Gardens. However, with the increasing elderly population there is an increased need for senior housing, especially affordable senior housing. In July 2012, the waiting list at Newark Gardens was closed and is expected to remain closed until at least 2018.

LARGE FAMILIES

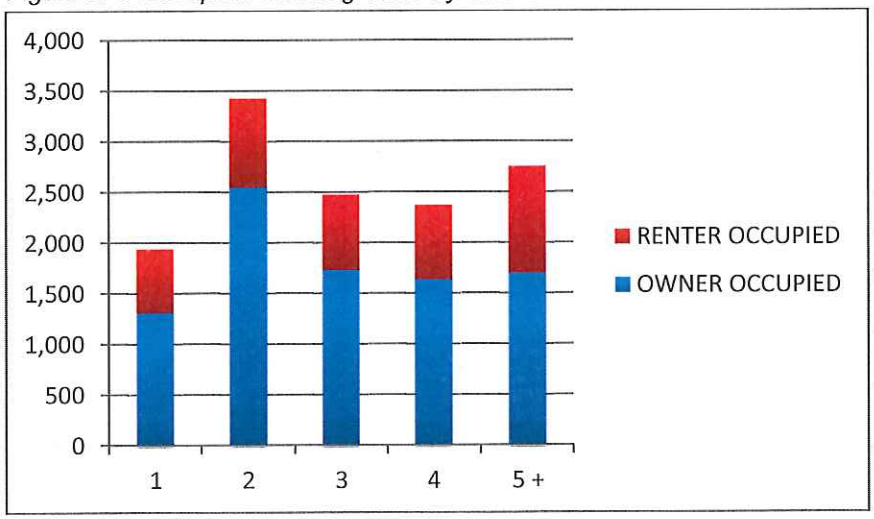
In 2012, Newark had a larger average household size (3.28 persons per household) than Alameda County as a whole (2.77). Table H-33 lists occupied housing units by size of household. In 2010, 2,754 of Newark households (21.1 percent) had 5 or more persons; 1,702 of these households were occupied by owners and 1,052 by renters. The distribution of household size was about the same for renter and owner households.

TABLE H-33 OCCUPIED HOUSING UNITS BY SIZE OF HOUSEHOLD, 2010

	Housing Units		Owner-Occupied		Renter-Occupied	
Persons in HH	#	%	#	%	#	%
1	1,942	15%	1,314	15%	628	15.6%
2	3,428	26.4%	2,551	29%	877	21.7%
3	2,477	19.1%	1,735	19.4%	742	18.4%
4	2,371	18.3%	1,640	18.3%	731	18.1%
5 +	2,754	21.2%	1,702	19.1%	1,052	26.2%
Totals	12,972	100%	8,942	100%	4,030	100%

Source: ABAG Projections 2013, Table 35

Figure H-8 Occupied Housing Units by Size of Household



It is likely these larger than average households accounted for many of the 605 overcrowded housing units in Newark in 2012, but many large households are undoubtedly accommodated in housing of suitable size. As per 2012 Census data, 71.4 percent of Newark's housing units have 3 or more bedrooms (2010 – 2012 US Census, ACS: Table DP04). Newark has a large supply of single-family rentals, and both the owner and rental markets provide

reasonably well for larger families. Newark has a significant number of large households in part because it has suitable housing.

FEMALE HEADED HOUSEHOLDS

Table H-34 shows that Female headed households are much more likely to be in poverty than other households. Female headed households are more than three times as likely to be below the poverty line, and female households with children are more than five times as likely to be below the poverty line. Affordable housing is therefore especially important for this group.

TABLE H-34: Female Headed HOUSEHOLDS IN NEWARK

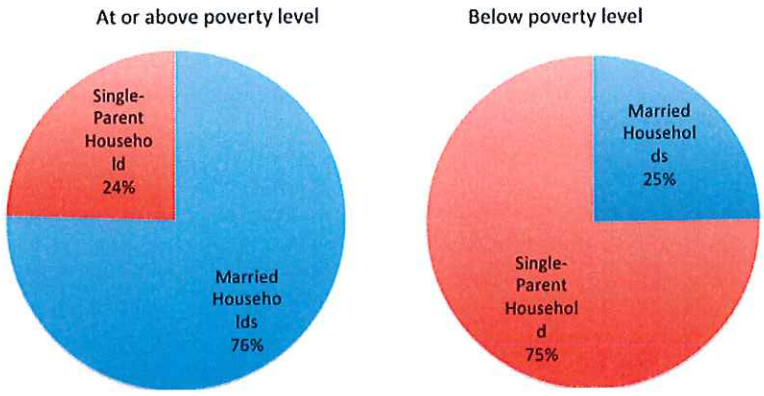
	Total Households	Female Headed Households	Female Headed Households with Children
Households	10,334	1,716 (16.6%)	949 (9.2%)
Income below poverty level	5%	17.3%	26.1%

Source: 2010-2012 US Census, ACS.

SINGLE PARENT HOUSEHOLDS

All single-parent households, both male- and female-headed are more likely to have lower incomes. Of all male-headed single-parent households, approximately 15.3 have incomes below the poverty level. While, about 24.8 of single-parent households have incomes below the poverty level. In comparison, fewer than 2% of married-couple households had incomes below the poverty level.

Figure H-9 Single Parent Households in Newark



EXTREMELY LOW INCOME HOUSEHOLDS

Households with extremely low incomes are those with incomes at or below 30% of the Area Median Income. For Alameda County, that means that a family of four would need to have an income of $25,072 or below (30% of the median income of $83,573) to be considered extremely low income. Households with extremely low incomes include those who receive public assistance, such as disability insurance or social security insurance. However, people with full-time jobs can also have extremely low incomes. The annual income for a minimum wage job (at $9/hr. as of July 1, 2014) is currently $18,712 in California, and in Alameda County a single person household earning $19,650 or less is considered extremely low income.

Existing Needs

In 2012, there were 1,165 extremely low income (ELI) households in Newark, representing 9% of the total households. More than two-third of ELI households have housing problems, and half of the extremely low-income households are paying more than 50% of their incomes for housing. The situation was even worse for renters, 57.3% of whom spent more than half their income on housing, as opposed to 43.8% for owners. With such a high percentage of income going to housing, ELI homeowners are at a

very high risk for foreclosure. In addition, ELI households are at risk for homelessness if there are unexpected expenses, such as medical bills, or with the loss of a job.

TABLE H-35: HOUSING NEEDS FOR EXTREMELY LOW INCOME HOUSEHOLDS

	Renters	Owners	Total
Total Number of ELI Households	515	650	1165
Percent with Any Housing Problems	77.7 %	60.0 %	67.8 %
Percent with Cost Burden (30%-50% of income)	20.4%	16.2%	18%
Percent with Severe Cost Burden (50% of income)	57.3%	43.8%	49.8%
Total Number of Households	4030	8942	12972

Source: ABAG Projections 2013

Projected Needs

To calculate the projected housing needs, the City assumed that 50 percent of its very low-income regional housing needs are extremely low-income households. With a very low income housing need for 330 households, there is therefore a projected need for 165 housing units for ELI households.

This housing element includes three programs that are intended to assist ELI households and provide housing that is affordable to them. Program 1 directs the City to address issues with foreclosures, which are likely to be a particular problem for ELI households. Program 2 calls for the City to support regional

efforts to end homelessness, such as the Alameda County EveryOne Home Program, which prioritizes supportive housing. Program 3 will continue ongoing efforts to work with organizations interested in constructing housing for people with special needs, including ELI households. To assist with these efforts, the city can provide information about housing sites, can help to apply for funding and support funding applications, and can expedite the application process.

HOMELESS

The Alameda Countywide Shelter and Services Survey (also known as the Homeless Count) estimated a homeless population of 4,264 in Alameda County in 2013. Of these, 1,927 homeless people were sheltered and 2,337 were unsheltered. The Homeless Count estimates reflect the number of people in an area at any given time and do not take into account a person's place of origin or location of former residence.

The 2013 survey also revealed that women made up only 13% of the unsheltered homeless population in Alameda County, down from 41% in 2003. Children made up 17.7 % of the homeless population. About 26% of homeless people were reported to have severe mental illness (SMI), and nearly a third had alcohol and drug dependency issues. Overall, the population of Alameda County has been rapidly increasing over the last decade, while the homeless count has been steadily decreasing.

The City of Newark rents a facility to Second Chance, the only permanent homeless shelter in Newark. Families may stay at the shelter for one month and individuals may stay three weeks. The shelter accepts homeless people who also have drug and alcohol problems and runs a counseling and referral service to help with these problems. When the Housing Element was last updated in 2007, Second Chance had 33 shelter beds and was forced to turn away 10 to 15 people every night. In 2014, the shelter reported that although capacity had grown to 35 beds, approximately 20 to 25 people were being turned away each night.

In addition to Second Chance, Newark's homeless population is also accommodated by Sunrise Village, a Fremont shelter operated by the Tri-City Homeless Coalition. Sunrise Village currently has 10 family dorms, 14 beds for women, and 16 beds for men. There is currently a ten month waiting list for individuals and a four month waiting list for families. Homeless people can stay at the shelter for a maximum of three months. According to Tri-City Homeless Coalition staff, about 14% of those it serves are from Newark. In addition, the Tri-City Homeless Coalition has in the past operated a "winter relief shelter" that provided 44 beds and rotated between local churches, including a Newark church. It is unclear if that program will continue in the future.

While Newark has and supports the Second Chance shelter and the winter relief shelter program, there is clearly unmet need in the city. Programs in this housing element will help to address this unmet need: Program 1 directs the city to continue to support regional efforts to end homelessness, such as Alameda County's EveryOne Home Program; and Program 2 states that the city will work with non-profit housing developers to support efforts to create new housing for special needs populations.

FARMWORKERS

In 2012, 138 Newark residents were employed in agriculture, forestry, mining and fisheries, according to the U.S. Census (2010 – 2012 US Census, ACS: Table DP03); ABAG *Projections 2013* places the number at 96. It is assumed that these employees are engaged in salt harvesting. Newark has little remaining land in agriculture and no farmworkers employed in the City. Agricultural activities are limited to contract dry farming and disking weeds. There is no reason to believe that there is any demand for farmworker housing.

SITES AVAILABLE FOR HOUSING

In 2010 Newark under took a comprehensive, long-term look at all potential housing sites in the city. At that time, a number of housing sites were rezoned to allow housing to accommodate approximately 5,000 new units. Many of these sites, however, are not expected to develop within this 2014-2022 planning period. As a result of past efforts, and project-by-project planning efforts, no new General Plan land use diagram changes or rezoning are needed to meet this 2014-2022 housing update cycle.

The identification of sites for new housing for this Housing Element update attempts to be realistic both in terms of the total assumed capacity, which in many cases is less than that maximum allowed by the zoning district, and in terms of the number of dwelling units likely to be constructed by 2022. Market factors and site assembly issues, and other constraints are taken into account in assessing the feasibly of housing construction with in the period ending in 2022. The identified sites are shown on the map on the following page, and described below.

As discussed above, Newark will be applying default densities, as identified in State law, to the regional housing need. Land with allowable density of 30 units or more is assumed to accommodate very low and low income units. A High Density or Mixed Use Zoning Designation has no limitation on the number of units per acre and can accommodate the default density. It should be noted that although there is no unit per acre limitation, setback, parking and landscaping requirements effectively limit the units per acre to approximately 60 units per acre. The General Plan defines high density as 25 to 60 units per acre. Program 6 discussed in the Programs section, would amend the General Plan to change the minimum density to 30 units per acre. Therefore, the High Density Zoning or Mixed Use Districts can accommodate Very Low and Low income units. Based on the RHNA, Newark must accommodate 497 of such units.

All sites that are intended to accommodate higher density housing are already zoned High-density. Most medium and lower density sites are also zoned as residential. The exceptions are in the Dumbarton Transit Oriented Development; (Site Q).

- Development in the Dumbarton Transit Oriented Development is governed by a Specific Plan which has numerous requirements and amenities. These important project elements are assured concurrent with the rezoning application. The rezoning of these parcels is addressed in Program 10.

HOUSING ELEMENT SITES EXPECTED TO DEVELOP PARTIALLY OR FULLY BY 2022

This section discusses the housing sites that could reasonably be expected to provide some housing during the planning period. For each site, the discussion includes information on any constraints affecting the site, the rationale for calculating the assumed capacity for the site, and the reasons why the site is expected to develop by 2022. The number of units expected for each site by density level is included and summarized below. All of the sites have a General Plan Designation that is consistent with the proposed housing use and most have zoning in place that allows the appropriate density of residential development.

Sites were listed only if it was likely development could occur within the Housing Element Planning Period (2015-2022).

All of these sites are already within the Alameda County Water District and the Union Sanitary District. In fact, because all of the sites are infill sites and previously planned, they are all accounted for in the Districts' service models. For Areas 3 and 4, and Dumbarton Transit Oriented Development (TOD), a Water Supply Assessment has been prepared and the Water District has guaranteed service to those areas. As a result, there is sufficient

water and sewer capacity to fully accommodate the city's planned housing.

The Newark Unified School District has adequate capacity to accommodate students from these sites. To address geographic alignment and assure future capacity, an elementary school is planned in concert with the Southwest Newark Residential and Recreational Project.

Since all of the sites are consistent with the 2013 General Plan, other infrastructure issues such as recreational needs and police/fire services are in place or anticipated to provide for all of the proposed housing sites.

Sites that are received planning approvals but have not yet received building permits are counted in the site inventory.

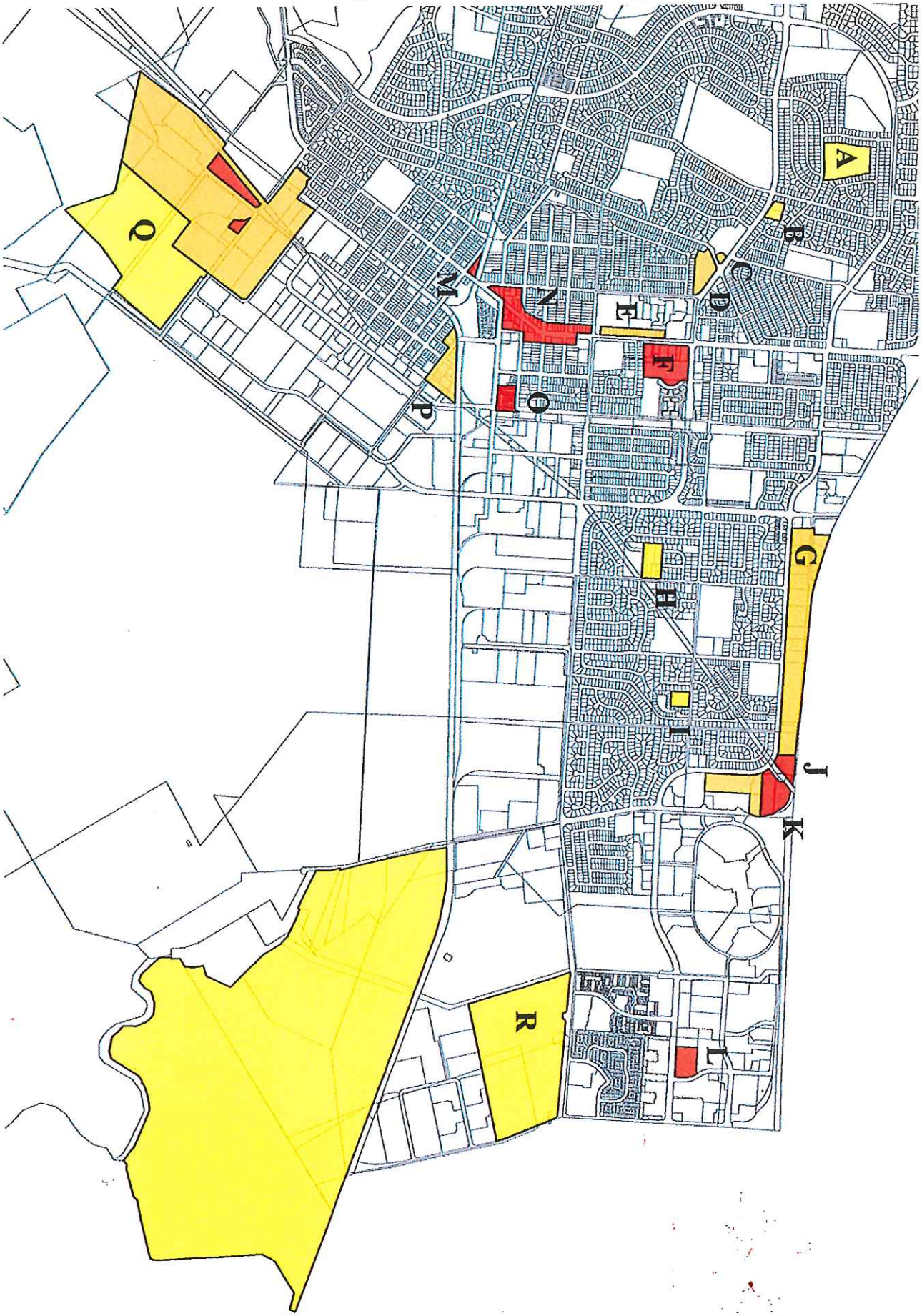
Occupied Sites

Many of the Sites identified in the Site Inventory are presently occupied with uses. While existing economically viable uses can pose a challenge in some areas, such as Old Town (Site N), this can be addressed with careful phasing and government subsidies. This is described in each site where reuse is expected to be a concern. Existing uses are not generally expected to be a major constraint of development because the sites identified are underutilized and the residential use represents a significantly higher value for the property owners. In the past few years Newark has seen strong demand for conversion to residential use even on occupied sites. A modern retail store and functioning Motel has been approved for residential development, an operating church was approved for residential conversion and an industrial area is being replaced by townhomes. In fact, one of the challenges the city faces is preserving industrial and retail uses in the face of unprecedented demand for residential development. We receive information requests weekly regarding the viability of converting an existing property to a more intense residential use.

Realistic Capacity

In estimating the capacity to provide housing on each site, an examination of existing and projected housing demand and activity has taken place. In general, lower density and medium density sites tend to be toward the top of the density ranges for those developments. Whereas higher density projects tend to be at the lower end of the density ranges. The reasons for this dichotomy are due to the higher costs of construction types and difficulties in financing for projects at the upper end of the density scale. In Newark, higher density zoning allows up to 60 units to the acre, however our estimation of the realistic capacity to accommodate units assumes, depending on circumstances, a density just above 30 units per acre.

2014 Housing Element Update: Housing Sites



Site A: **Ruschin School Site, 77 Low Density Units, General Plan Designation: Low Density Residential. Zoned Low Density Residential. 8 acres.** (APN 092A-775-046)
The School District is in contract to sell the site to a residential housing developer. The site is currently designated Low Density Residential - Form Based Code Zoning. The development application has been approved. Building Permits have not been issued. Housing Construction is expected to being in 2016.

Site B: **Newark Blvd near Lafayette. General Plan Designation: Low Density Residential. 8 Low Density Units, 1.67 acre.** (APNs 092A-0779-005-00; 092A-0779-007-00)
Two large lots are located on Newark Boulevard and currently each house one single family home. Both could be subdivided under existing General Plan and zoning regulations. Under the regulations of the R-6000 district, 8-10 additional single family homes could be accommodated on the land. These properties are already zoned and planned for housing and there is no impediment to housing construction.

Site C: **Former Gas Station. 7 Medium Density Units. General Plan Designation: Medium Density Residential. Zoned Medium Density. .53 acre.** (APNs 092A-0623-043-00)
This is a vacant parcel and the site of a now demolished gas station located on the corner of Newark Boulevard and Mayhews Landing Road. Hazardous materials issues from the gas station have been addressed and will not pose a constraint on housing development on the site. A low density residential development is adjacent to the site. Therefore, this housing element assumes that the approximately half acre site will be developed at a medium density of 2500 sf/acre to produce a total of seven new homes. The site is vacant and could

reasonably be expected to develop by 2015. The site is for sale inquiries from interested buyers have been revived.

Site D: **Old Town Shopping Center: 80 units of medium density housing on a 4.62 acre site. General Plan Designation: Commercial Mixed Use. Zoned Medium Density.** (APN 092A-0900-001-02)
Across the street from Site C, this site is the current location of an underperforming shopping center with significant deferred maintenance. As a part of the 2010 Housing Element, the property was rezoned to a transition zone that would allow both the existing uses and development under the Medium Density Zoning, which would be consistent with the General Plan Designation. As the zoning is already approved to allow medium density, market conditions are strong in this location. Since the property is in single ownership and no land assembly would be required, it is projected this site could develop within the plan period.

Site E: **Thornton Avenue Frontage. Zoned High Density Housing. General Plan designation Medium Density 40 High Density Units, 3.58 acres.** (APNs 092A-0919-008-02; 092A-0919-009-02; 092A-0919-010-02; 092A-0919-011-02: 092A-0919-012-02; 092A-0919-013-02; 092A-0919-014-02; 092A-0919-015-02; 092A-0919-016-02; 092A-0919-017-02; 092A-0919-018-00; 092A-0919-019-02; 092A-0919-020-02; 092A-0919-021-02; 092A-0919-022-02)
Site F includes 15 parcels on Thornton Avenue across from Site E and adjacent to the Foxwood Condominium development. The largest of these parcels is vacant, and several others contain boarded-up houses. Of the remainder, eight are single family homes and the four are small businesses. The site is zoned and planned for high density residential development. If parcels were consolidated, a total of 104 homes could be located on

the site, of which would be a net increase of 96 homes. However, some of these lots may not be consolidated and some existing businesses and homes may wish to remain for some time. Therefore, this housing element assumes that only 40 new houses would be built on the site by 2022.

Site F: **City Hall and Library Site. General Plan Designation is Public Institutional. Zoned and for high density housing. 284 units of high density Housing. 6.32 Acres, Zoned High Density.** (APNs 092A-1036-028-08; 092A-1036-033-03; 092A-1036-031-02; 092A-1036-029-02; 092A-1036-030-02; 092A-1045-013-11; 092A-1036-011-01; 092A-1036-028-04; 092A-1036-028-07)

This site is a total of 10.48 acres however, due to uncertainties around the potential of land acquisition or partnerships, only the City owned portion (6.32 acre) is projected to develop within this planning period. The site is located at the corner of Thornton Avenue and Newark Boulevard, and is currently the location of the outdated City Hall, the library, and some commercial uses. The city plans to develop the site with a private or non-profit partner or partners, with an aim of creating enough revenue to fund the construction of a new civic complex in exchange for some or all of the city-owned parts of the site and entitlements. The value of the land with high-density entitlements would appear to make this feasible. The project should provide a buffer towards single family homes adjacent to the existing single family neighborhood west of the site.

The site is zoned for the highest density residential district in the city which has no maximum density, however parking and setback requirements as well as market conditions effectively limit the density to approximately 45 units to the acre. To accommodate this development, City Hall, police department and the library would need to be relocated to another site.

Construction of a new civic complex has been a project in the city's Capital Improvement Plan for decades. The existing City Office building was built in 1966 to the standards of the time. However, the building has an inefficient layout that does not meet the city's current needs. In addition, the building needs a number of repairs and modifications to continue functioning and meet modern standards, including repairs to the leaking roof, and energy efficiency upgrades. An analysis of the existing building found that although the building is likely to remain standing in an earthquake, the building's elevator and other equipment may well be damaged beyond repair, making the building unusable after a seismic event. This would be particularly problematic since the city's Police Department is located in the basement of the Civic Center.

A Civic Center Relocation Project is envisioned. The intent of the project would be to use the land value of the Civic Center site to leverage funds to construct a new civic complex. The city owns much of the land on the site, and could make unused portions available immediately.

Initial work has begun to identify possible future locations for civic uses. The City intends to commission a study to further analyze potential relocation in 2015. The City will then start an RFQ/RFP/ENA process to identify a developer or team of developers who are able to carry out the project. This study is identified as Program 3. City staff have met with developers interested in this project.

The site is located next to a park, with great access to transportation and shopping. Given the strong market for rental housing in the area and the many advantages

of the site for housing, it appears that development is feasible at this location within the planning period.

Site G: Cedar Blvd Industrial to Residential Conversion. 32 Acres. General Plan Designation Medium Density Residential. Zoned Medium Density Residential. (APNs 092A-2125-010-02; 092A-2125-011-02; 092A-2125-012-04; 092A-2125-013-00; 092A-2125-015-00; 092A-2125-016-00; 092A-2125-017-00; 092A-2125-018-01; 092A-2375-002-06; 092A-2375-022-01; 092A-2375-026-00; 092A-2375-027-01; 092A-2375-027-02; 092A-2375-028-00; 092A-2375-029-00; 092A-2375-030-00; 092A-2375-031-00; 092A-2375-032-00; 092A-2375-033-00; 092A-2585-012-01; 092A-2585-030-04; 092A-2585-031-00)

Situated along the east side of Cedar Boulevard, this long site includes most of the land between Central Avenue and Cedar Terrace. Currently developed with industrial uses, this site is zoned for medium density residential uses. However this zoning is an overlay zone, and this industrial zoning is not to be changed until the property owners requests the change- thus mitigating the need for "grandfathered" uses. There is an approved residential development of 167 units under development. Altogether, the site could reasonably be expected to have 567 housing units at a density of 2500 square feet per unit. However, given the many viable light industrial uses, it is projected that 250 units (the 167 approved units and 83 additional units).

Site H: Robertson Properties: 4.18 Acres 14 net low density units. General Plan Designation Low Density Residential. Zoned Low Density Residential. (APNs 092A-2143-039-00; 092A-2143-040-01; 092A-2143-040-02; 092A-2143-041-00; 092A-2143-042-00)

These parcels are located on Robertson Drive next to a relatively recent single family residential development

project. The land is already planned and zoned for housing, and contains four older single family homes. The site could easily be developed by 2022. The surrounding neighborhood is developed at a density of 7000 sf per lot. The extensions of Pomegranate Drive and Honeysuckle Avenue will be required thus reducing the effective yield of the site to 18 units.

Site I: **Birch Street Homes: 2 acres. 15 low density homes. General Plan Designation Low Density Residential. Zoned Low Density Residential.** (APN 092A-2356-037)
This site includes 15 single-family detached homes at 38517 Birch Street. The site is the former location of the Bay Area Baptist Church.

Site J: **E-Z 8 Motel Site. 2.26 acres, 86 high density units. General Plan Designation High Density Residential. Zoned High Density Residential.** (APN 092A-2585-032-00)
This site is located along Cedar Boulevard on the North side of Cedar Court. There is an existing, aging motel on this site which operates under a Conditional Use Permit. This site is zoned with a transitional overlay zone that would allow both existing uses and development under the provisions of the RH zoning district, which has no maximum density. The housing element assumes that the site would likely be developed at 38 units per acre. At this density, the site could provide 86 new homes. Although the motel is an ongoing business its operation represents a public safety issues and it may be incompatible with the surrounding neighborhood. Given the strength of the housing market and the fact that the site is in unified ownership it is projected that the property would convert to residential use prior to 2022.

Site K **Prima Project, 10.7 acres 281 units. (General Plan: 5.9 acres designated High Density containing 185 Units; and 4.8 acres designated Medium Density Containing 96 units; 42 designated Low Density units on 2.5 acres.) Zoning is a Planned Unit Development which includes the above densities.** (APNs 092A-2587-008, 092A-2587-007; 092A-2587-006; 092A-25588-006; 092A-25588-0008-03;) This project received planning approvals in 2014 but has not received building permits. It was approved as a Planned Unit Development and contains a range of densities: 93 condominiums, 148 townhomes, and 42 single family detached homes.

Site L: **Cedar Townhomes: 4.28 acres, 85 units of medium density. General Plan Designation Medium Density Residential. Zoned Medium Density** (APN 901-0195-039) The site includes 85 townhomes on a vacant lot located on the northeast corner of Cedar Boulevard and Mowry School Road. In 2014 the 4.28 acre site was rezoned from Community Commercial zoning. Planning approvals are now in place but no building permits have been issued.

Site M: **Ash Triangle: .72 Acres, 23 High Density Units. General Plan Designation Commercial Mixed Use. Zoned High Density Residential.** (APNs 092-0041-001-00; 092-0041-002-01; 092-0041-002-02)
Comprising three parcels west of the train tracks, Site I has a triangular shape. One parcel is vacant, the second has an older outdoor car wash, and the third contains a building that was a former bed store. To allow maximum flexibility, this site is zoned for Limited Mixed Use (CMUL) and could accommodate a total of 22 new housing units at the assumed density of 32 units/acre (less than the maximum allowed density of 40 units/acre). Since this site is already partially vacant and underutilized the housing element anticipates construction of these 23 units by 2022.

Site N: Old Town Priority Development Area. General Plan Designation Commercial Mixed Use. Zoned Mixed Use and Limited Mixed Use. 11.65 acres. 3 acres assumed to be needed for public use. 151 net high density units. (APNs 092A-0919-008-02; 092A-0919-009-02; 092A-0919-010-02; 092A-0919-011-02; 092A-0919-012-02; 092A-0919-013-02; 092A-0919-014-02; 092A-0919-015-02; 092A-0919-016-02; 092A-0919-017-02; 092A-0919-018-00; 092A-0919-019-02; 092A-0919-020-02; 092A-0919-021-02; 092A-0919-022-02; 092-0029-013-00; 092-0029-014-02; 092-0029-015-02; 092-0029-016-02; 092-0029-017-02; 092-0029-018-02; 092-0029-019-02; 092-0029-020-02; 092-0030-014-03; 092-0030-015-02; 092-0030-016-02; 092-0030-017-02; 092-0030-018-04; 092-0050-001-03; 092-0050-002-03; 092-0050-003-03; 092-0050-013-00; 092-0051-002-03; 092-0051-005-03)

This area is a Priority Development Area in the Plan Bay Area Sustainable Communities Strategy. This site extends along both sides of Thornton Avenue from Cherry Street southwest to the Railroad Tracks. This site, the historic center of Newark, currently includes some office, retail and 14 housing units, as well as a number of vacant parcels. The mixed use districts envision 3-4 story development with commercial uses on the ground floor, with residential uses required on upper floors. The maximum residential density in the mixed use zoning district is 40 units/acre, but the assumed density is a net of 35 units per acre to account for market factors and the need to provide appropriate buffers between the area and existing lower density areas. In addition the projection of the number of net units is reduced to account 3 acres of land that will likely be needed for Open Space and Public Parking. There are 14 existing homes in the Area.

Much of this site is developed with small business which should be relocated within the area as it is phased, and the property ownership is fragmented. The City will prepare a detailed development Strategy and focus its

funding from Affordable Housing Fees and other sources to assemble property, subsidize affordable units, and provide necessary amenities and infrastructure.

The market for residential development is projected to be the driving force for development in mixed use districts. The existing demand for such commercial development is weak and the market for residential is strong. Thus this site's capacity would not be diminished by the allowable mixture of commercial development.

Even with an intensive effort and substantial investment to facilitate the development of this area, only half of the Area is likely to develop within the planning period. Thus while the ultimate buildout would yield 303 Housing units, 151 are projected to be developed during this planning period.

Site O: Unconstructed Townhomes: 54 Higher Density units, 1.8 acres. General Plan Designation High Density Residential. Zoned High Density Residential (APN 092-0255-011-00)

This vacant site extends between Magnolia Street and Sycamore Street. Site L was planned as the second phase of an adjacent condominium development, but was never built. The zoning and General Plan designations for the site are high density, and at that density the site can accommodate 54 new homes. Since the land is vacant and in single ownership these units could be reasonably expected to be built by 2022.

Site P: Filbert Area: 91 high density Units, 3.16 acres General Plan Designation High Density Residential. Zoned High Density. (APNs 092-0054-004-00; 092-0054-005-00; 092-0054-006-00; 092-0151-019-00; 092-0151-020-00; 092-0151-021-

00; 092-0151-022-02) Located between Filbert Street and the train tracks, this site is already both planned and zoned for high density housing. Current uses on the site are primarily auto-related commercial uses. Because the site is already designated for housing, and given the strength of the housing market it is projected that all of the 91 potential new units (at an average density of 1500 sf/unit) could be built by the end of the housing cycle.

Site Q: Dumbarton Transit Oriented Development, 1509 Medium Density Homes, 74 High Density Homes, on 113 Acres. General Plan Designation Medium Density and High Density Residential. Zoned Medium and High Density. (APNs 092-0140-008, 092-0116-058; 092-116-059; 092-0116-060; 092-0115-012; 092-0115-013; 092-0115-008; 092-0115-010 and Parcel 1 of Parcel Map 9837)

The project will include a range of housing types as well as mixed use development, open space and a bayside trail. This transit-oriented development is expected to include up to 2500 new housing units on 233 acres upon completion. A Specific Plan was adopted in 2011. Within the housing element period more than half of the proposed Dumbarton Transit Oriented Development (TOD) will be completed. The Dumbarton TOD is a Priority Development Area in the Plan Bay Area. This area is envisioned as walkable development centered around transit service with significant bicycle and pedestrian amenities. It includes approximately in the northwestern part of the City. The project is a brownfield site and the City has coordinated with the Regional; Water Quality Control Board to assure appropriate and coordinated cleanup occur. The status of the clean up is addressed in the description of each section of this housing site. The Key developments within the Dumbarton TOD are:

Torian Project: 547 medium density units on 42 acres. Zoned Medium Density. The project has received Planning approvals but no building permits have yet

been issued. Hazardous contamination clean-up has been approved. Issues with wetland permits are nearing resolution.

SSH Property: 88 medium density townhomes on 4 acres. General Plan Designation Medium Density Residential. Zoned Medium Density. The project has received Planning approvals but no building permits have yet been issued. Hazardous contamination cleanup has been approved.

USA Housing Senior Housing: 74 units of high density rental apartments for seniors. General Plan Designation High Density Residential. Zoned High Density. Deed restricted to be affordable to households earning 60% of the median income or less. The project has all Planning approvals Building permits have not yet been issued. Hazardous contamination clean-up has been approved.

Trumark's Jones-Hamilton & Enterprise Projects: 244 Medium Density Units on two sites totaling 23.5 acres. General Plan Designation Medium Density Residential. Zoned Medium Density. The project has received Planning approvals but no building permits have yet been issued. The project requires construction of a park on an adjacent parcel. Hazardous contamination clean-up plans have been approved for Jones-Hamilton and are under review by the RWQCB for the Enterprise site.

Gateway West Project: 630 units of medium density housing on 41 acres. General Plan Designation Medium Density and Low Medium Density Residential. Proposed project also includes large open space preserve. Plans have been submitted for planning department review. Zoning would take place concurrent with planning approvals as described in Program 10.

Site R **Southwest Newark Residential and Recreation Project (formally known as the Areas 3 and 4 project.) 600 low density residential units on a 78 acre site. General Plan Designation Low Density Residential.** (APNs 901-0185-018-00; 901-0185-020-00; 901-0185-021-00; 901-0185-023-00; 901-0185-022-00; 901-0185-019-00; 901-0185-024-00)
A Specific Plan was adopted in 2009 for a 1,260 unit project on 600 acres of land. However, only the portion adjacent to Stevenson Boulevard and Cherry Street are expected to develop within the 2015-2022 Housing Element period. This phase of the project includes a 6 acre school site and adjacent 3 acre joint-use park. Although this project was approved in 2009, CEQA litigation has prevented any action on the project. A ruling has finally been issued and it is expected that the progress on this project will be able to resume soon. It is highly unlikely that the second phase of the project: (660 units and a golf course or other recreational amenity) will be developed in the Housing Element period. Therefore this housing Element projects only the first phase.

Site S: **Scattered Sites: 68 Medium Density and 17 low density Homes. General Plan Designation Low and Medium Density Residential. Zoned Medium or Low Density Residential.** (APNs 092-0021-015-03; 092-0024-010-00; 092-0029-022-00; 092-0083-028-01; 092-0119-015-00; 092-0125-002-02; 092-0127-013-00; 092-0127-020-00; 092-0131-001-09; 092-0131-002-04; 092-0131-003-00; 092-0134-002-00; 092-0135-023-00; 092-0136-015-00; 092A-0465-043-00; 092A-0465-044-03; 092A-0465-045-04; 092A-0465-047-00; 092A-1036-026-00; 092A-1036-027-00) This "site" is different from the other sites in this element in that it includes about 21 vacant parcels, most of which are not located next to each other. All of these parcels are already zoned and planned for residential uses, most at medium or low densities. For

each parcel, this housing element assumes development at the base density for the surrounding neighborhood and zoning to determine the number of units that could be provided. Using this methodology, the 13 medium density parcels could provide 68 homes. In addition, the seven low density parcels could provide 17 homes, because one of the parcels is approximately an acre in size and four others are adjacent and could be consolidated.

COMPARISON WITH RHNA

As shown in the previous section, this Site Inventory accounts for a total of 773 low density units, 1,877 medium density units, and 822 high density units which could be reasonably expected to be built by 2022. Based on the requirements of AB 2348, this housing element assumes that the low density units provide housing for above moderate income households, the medium density units provide housing for moderate income households, and the high density units provide housing for the low and very low income households. Using those assumptions, the site inventory provides more than adequate sites for the required numbers of households, as determined through the RHNA process and shown in the table below.

TABLE H-36: COMPARISON OF RHNA REQUIREMENTS AND SITE INVENTORY

	Very Low and Low	Moderate	Above Moderate	Total
RHNA	497	167	423	1,078
Site Inventory	822	1,877	773	3,472
Balance	+325	+1,700	+350	+2,394

The large number of medium density housing units is a result of strong property owner and developer interest in pursuing entitlements in this class of density. It reflects a strong market for this product type.

It can be seen that the City of Newark has been proactive in providing the appropriate General Plan designations and zoning for all types of housing.

Sites Available By June 2010

State law now requires cities to rezone sites to meet any unmet need from the previous housing cycle within the first year of the new housing element cycle. All rezoning needed to accommodate housing for the 2010 element was approved concurrently with the Housing Element, thus Newark does not have any unmet need from the previous housing cycle, so no further rezoning is required.

CONSTRAINTS TO HOUSING DEVELOPMENT

State housing element law requires that local governments analyze governmental and non-governmental constraints to the provision of housing and indicate what actions local governments will take to remove or reduce the identified constraints.

GOVERNMENTAL CONSTRAINTS

The requirement to identify governmental constraints is based on the hypothesis that restrictive local policies, regulations and fees limit the supply of land available for housing and are, thus, partly responsible for the lack of affordable housing. Newark is more receptive to housing development than many Bay Area cities and generally has no unreasonable constraints. The city's development regulations are described in detail below.

The housing market in Newark has traditionally provided moderately-priced housing. To increase diversity in the community, Newark's General Plan encourages development of more housing affordable to low- and very low-income households as well as expensive luxury housing.

LAND USE AND SITE IMPROVEMENT REQUIREMENTS

Newark's General Plan includes four residential designations: Low Density Residential (Less than 8.7 DU per acre), Low-Medium Density Residential (8.7-15 DU per acre), Medium Density Residential (14 to 30 DU per acre), High Density Residential (30 to 60 DU per acre). The Low Density Residential designation is intended primarily for single-family residential development and includes densities up to 8.7 dwellings per net acre. Most residential land in the city falls under this designation.

The Low Medium Density Residential district accommodates densities ranging from 8.7 to 15 dwellings per net acre, and may include single-family homes as well as duplexes However, density bonuses may be granted that increase the actual densities. Much of the city's medium density land is located in and around Old

Town, near the Historic Newark commercial area on Thornton Avenue.

The Medium Density Residential designation is intended for densities between 14 and 30 units per acre. This typically includes Townhomes, stacked flats and garden apartment.

The High Density Residential district is intended for densities between 30 and 60 dwelling units per net acre; the largest high-density residential area in the city is located between Cedar Boulevard, Stevenson Boulevard, and Cherry Street and is developed with several condominium and apartment complexes.

To implement these General Plan designations, the Zoning Ordinance contains one or more zoning districts that fit with each designation. There are four low density residential zoning districts: R-10,000, R-8,000, R-7,000 and R-6,000; one medium density zoning district: R-2,500; and two high density zoning districts: R-1,500 and RH. In addition there are Form Based Codes that can be applied to land in Newark to facilitate more attractive development. Mobile and manufactured housing is considered single-family housing and is permitted accordingly.

Single Room Occupancy (SRO) facilities provide a small, low-cost housing option for single-person households. If well designed and constructed, SROs can provide affordable housing for students, recent graduates and single professionals. In Newark, SROs are considered multifamily housing if they include kitchen and bathroom facilities. If an SRO does not include kitchen and bathroom facilities, it will be treated as a hotel. Hotels are permitted uses in the Community Commercial, Visitor and Recreation Commercial, and Regional Commercial zoning districts.

Neither the General Plan nor the zoning ordinance currently provide explicitly for emergency shelters. However, the current shelter was approved in an R-1500 zone with a conditional use permit. In order to comply with SB2, the City amended the zoning

ordinance to allow homeless shelters as a permitted use in the RH zoning district. There are approximately 135 acres designated for high density development. The standards and intensity expected in this zone are appropriate for an emergency shelter. The City has not received and any request to allow a shelter in any zone would be giving consideration even outside of the High Density Housing zone.

Transitional housing provides low-cost rental housing to people who are receiving assistance but expected to transition into market rate housing at a future point in time. The transitional housing unit will then be used for another person requiring assistance. Supportive housing provides permanent housing for people who need assistance and may not be able to move to market rate housing. Supportive housing is often needed for people with developmental or other disabilities, elderly residents, and others who need help with daily living. Transitional and supportive housing is treated as a residential use and is permitted the same way other uses in the same type are allowed in the same zone. While a minor use permit is required for a care facility 7 or more people, the minor use permit is a staff level review with minimal cost or delay implications. A regular Conditional Use Permit is required for residential care facilities serving 13 or more people. The use permit procedures assure compatibility but do not represent a differential treatment of the use. Transitional and Supportive Housing is not treated as a residential care facility. Newark's regulations are in conformance with State law and transitional and supportive housing is treated the same as other uses in a residential district.

In addition to regulating uses, the Zoning Ordinance also establishes the development standards for each district. These standards require minimum lot size; minimum site area per dwelling unit; frontage, depth and width of the site; maximum site area that can be covered by structures; minimum amount of usable open space; minimum front, side, and rear yards; distance between main structures; off-street parking and loading facilities;

and minimum landscaped area. The city's standards are summarized in Table H-37 on the following page.

Residential planned unit developments (PUDs) are allowed as a conditional use in all residential zoning districts as long as the site area is at least 20,000 square feet. There are only two requirements for residential PUDs in the zoning ordinance:

- The site development standards shall in the aggregate be at least equivalent to the standards of the zoning district in which the PUD site is located; and
- For sites less than three acres, the average population density per net acre must not be more than that allowed in the zoning district in which the PUD site is located. It may exceed the average population density by not more than ten percent for sites of three or more acres.

As long as these two criteria are met, development standards other than those listed in Table H-37 could be applied to a residential development through a PUD.

In 2003, Newark amended its Zoning Ordinance provisions for second units in order to comply with AB 1866 and clarify the city's regulations. Newark allows both guest houses, which do not have kitchens and are not intended for permanent occupancy, and second units, which have kitchens and can be rented out. Second units are allowed with a second unit permit, which is issued by staff based on conditions set forth in the code. These conditions limit the size of a second unit to between 275 and 360 square feet, and allow no more than one bedroom. In addition, only one second unit is allowed on a lot, and lots must meet the minimum lot size for the zoning district. The architecture of the second unit needs to be compatible with that of the main structure as well, and utilities need to be adequate for the second unit. In addition, either the main unit or the second unit must be owner occupied. There have been few applications for secondary units in the prior Planning Cycle and none have been rejected.

TABLE H-37 DEVELOPMENT STANDARDS FOR RESIDENTIAL ZONING DISTRICTS

Standard	Zoning District						
	R-10000	R-8000	R-7000	R-6000	R-2500	R-1500	RH
Minimum lot s.f. - permitted uses	10,000	8,000	7,000	6,000	6,000	6,000	6,000
Minimum lot s.f. - conditional uses****	20,000	16,000	14,000	12,000	12,000	12,000 *	12,000
Required site area per unit	1 unit/lot	1 unit/lot	1 unit/lot	1 unit/lot	2500 sf/du	1500 sf/du	--
Required frontage (P/C)**	40′/50′	40′/50′	40′/50′	40′/50′	40′/50′	40′/50′	40′/50′
Required depth	<100′	<100′	<100′	<100′	<100′	<100′	<100′
Required width***	80-100′	70-100′	65-100′	60-100′	60-100′	60-100′	60-100′
Max. site covered by structures (P/C)	50/25%	50/25%	50/25%	50/25%	35/30 %	40/35 %	45/40 %
Min. usable open space	16%	14%	13%	12%	12%	12%	12%
Minimum front yard	25′	25′	20′	20′	20′	20′	20′
Min. side yard (P/C)	5′/10′	5′/10′	5′/10′	5′/10′	5′/10′	5′/10′	5′/10′
Min. rear yard*****	15′	15′	15′	15′	10′	10′	10′
Maximum building height	30′	30′	30′	30′	30′	75′	100′
Distance between main structures	N/A	N/A	N/A	N/A	10′	10′	10′
Off-street parking spaces	Regardless of the zoning district, single family dwellings must have 2 off-street parking spaces located in a garage or carport. Multifamily developments must have 1.5 spaces for each studio and one-bedroom unit, and 2 spaces for each unit with two or more bedrooms.						
Min. landscaped area	25%	25%	25%	25%	25%	25%	25%
Minimum Street ROW Width	56′	56′	56′	56′	56′	56′	56′
Minimum Curb to Curb Street Section	36′	36′	36′	36′	36′	36′	36′

* 7,500 square feet for residential uses only.

** The numbers in a row annotated with (P/C) are for permitted/conditional uses.

*** Exact width depends on the nature of the use and whether or not the lot is on a corner.

**** Minimum lot sizes double for conditional uses.

***** The zoning ordinance calls for a 20′ minimum rear yard in single-family residential district with reduction to 15′ with sufficient open space elsewhere on the lot. Most single-family developments qualify for, and are developed with, the 15′ rear yard.

These development standards are typical in the region and do not pose a constraint on Housing Development. They provide for a housing product that marketable and provides for safe, well maintained, comfortable neighborhoods. Street section with can be narrowed on private streets provided that fire access is provided.

Mixed Use Districts

Newark has two new mixed use zoning districts: the Commercial Mixed Use (CMU) district and the Commercial Mixed Use Limited (CMUL) district. Both districts allow certain types of commercial uses, and residential uses are permitted on all floors. The maximum residential density in both districts is 40 units per acre. Table H-38 below summarizes the development standards for the CMU and CMUL districts.

TABLE H-38 DEVELOPMENT STANDARDS FOR MIXED USE ZONING DISTRICTS

	Zoning District	
Standard	**CMU**	**CMUL**
Site Area	No minimum	No minimum
Frontage & depth of site	No minimum	No minimum
Front yards	Max 10 feet	Max 10 feet
Side yards*	Not required	Not required
Rear yards*	Not required	Not required
Building height	45′ for mixed use; 35′ for all residential structures	45′ for mixed use; 35′ for all residential structures
Off-street parking	Multifamily developments must have 1.5 spaces for each studio and one-bedroom unit, and 2 spaces for each unit with two or more bedrooms.	

* Side or rear yards of 20′ must be provided where a site adjoins a residential zoning district; one foot is added to the required yard for each three feet in height that a structure exceeds twelve feet

NOTE: required yards, building height, and off-street parking requirements may all be reduced through the lot consolidation incentives provisions.

Because Market conditions make residential construction the driving force for development in Mixed Use areas, residential capacity is expected to be near the maximum 40 units to the acre. Commercial development is not expected to diminish residential development. Because most of the land zoned CMU and CMUL is

located in the Old Town area of Newark which has many small lots, the regulations for these districts provide substantial incentives for lot consolidation. The City hopes to encourage developers to purchase multiple adjacent lots in order to be able to build larger mixed use developments. The lot consolidation provisions allow developers to apply to the Community Development Director for one or more of the following incentives:

- reduced setbacks
- density increase, which can be achieved through reduced setbacks or increased height
- increased height, up to 55'
- reduced application processing time
- reduced on-site parking requirements
- reduction or waiver of fees
- other similar incentives

Transition Overlay Zoning Districts

To provide for an orderly long-term transition of uses while providing property owners with maximum flexibility, Newark's Zoning Ordinance allows for transition overlay zoning districts. The overlay districts provide that property will continue to operate under its existing zoning, but allow property owners to apply for use of the transition overlay district. For example, a property with existing ML zoning and an RH overlay district could continue to operate under the ML district standards, but the property owner could apply to the Community Development Director to have the property governed by the RH district standards. The property would then be held to the RH district standards. This approach allows the city to allow residential uses in areas without creating nonconforming uses, as would happen if the land were simply rezoned.

INCLUSIONARY ZONING REQUIREMENTS

Newark has eliminated its Inclusionary Zoning Ordinance. The City now addressed the impact of new development on the need

for affordable housing through Affordable Housing Impact Fees. The fee on a residential project is presently set at $20 per square foot of the first 100 square feet of residential construction and $8 per square foot of each square foot above 1000. Commercial and industrial construction must also pay an Affordable Housing Impact Fee.

Building Code Requirements

Newark adopts the current edition of the state construction codes each year, usually with few amendments.

Review and Permit Procedures and Fees

The most significant reviews/permits that may be required for residential development are preliminary plan review, special civic review, joint staff committee review, conditional use permit, planned unit development, design review, environmental assessment and building permit. Each of these is described below, and the requirements are summarized in Table H-39. There is no provision for waiving fees at the staff level for affordable housing projects. However, the City Council can and has waived fees at its discretion with findings of substantial public benefit and consistency with the General Plan. In practice, the City Council has waived fees each time requested to do so for an affordable housing project.

TABLE H-39 REVIEWS AND PERMITS FOR RESIDENTIAL DEVELOPMENT

Review/Permit	When Required	Cost	Time to Process[1]
Preliminary Plan Review	Not required but recommended prior to official application.	$800	3 weeks
Special Civic Review	Projects within SC overlay zoning district.	$100 /$1,500[2]	
Joint Staff Committee Review (JSCR)	New buildings & additions to multifamily structures in MR and HR districts if the number of units is fewer than 5.	$1,200	1-2 months
Conditional Use Permit (CUP)	Uses listed as conditional uses in the zoning ordinance.	$2,600	3 months
Planned Unit Development Permit	Not required but used to provide flexibility. Processed concurrently with a CUP.	$3,200	3 months
Design Review	New buildings, additions, major renovations in the MR and HR districts—conducted as part of JSCR or CUP review	none	Concurrent with JSCR or CUP
Environmental Review	Most projects. Review can be simple (negative declaration or mitigated negative declaration) or very complex (full EIR)	Depends on project and impacts	Depends on project and impacts
Building Permit	New exterior construction.	Depends on project[3]	2-3 weeks

[1] *Processing time reported here represents the length of time estimated for a large, complex project to move from initial submittal to final action. Smaller, simpler projects would take less time.*

[2] *Cost is $100 for an administrative Special Civic Review and $1,500 for a review requiring the approval of the City Council.*

[3] *Building permit fees are calculated based on the value of the structure, which is based on the type of building and the size. According to the Building Official, Newark's fees are adjusted regularly as construction costs and market conditions change, and the fees are similar to those in other cities.*

Preliminary Plan Review

A preliminary plan review is an informal, voluntary review to allow prospective applicants to identify issues relating to projects before applying formally. Designated reviewers in the Planning, Engineering, Landscape/Parks, Building Inspection, Fire, and Police departments review the plans to identify any problems and provide a list of conditions that would be recommended to the approving body for the project. Although this review process is not required, staff highly recommends it to applicants so that they can identify potential issues or problems with the proposed project prior to making a formal submittal. For residential projects, the cost is $800 and the review takes approximately three

weeks. Projects may go through preliminary plan review any number of times prior to the formal submittal.

Joint Staff Committee Review

All new residential buildings, additions and major exterior renovations in medium and high-density districts involving fewer than 5 housing units are subject to joint staff committee review. Exceptions are made for buildings not visible from public roads or adjacent residences, parks or commercial buildings or subject to another type of city review such as a conditional use permit.

The criteria for review are based on compliance with established development standards and design. The land use is not subject to review.

The joint staff committee consists of the community development director, the public works director and the fire chief, or their designated alternates. Once the committee has acted on an application, the community development director reports the decision to the Planning Commission and City Council. These bodies then have the opportunity to either accept the committee's decision or call up the application for review. Public hearings before the Planning Commission and City Council are not required as part of a Joint Staff Committee Review, however, unlike a conditional use permit. The cost for a joint staff committee review for a residential project is $1,200. The review may take up to two months, depending on the size and complexity of the project.

Special Civic Review

Special Civic Review is required for residential development in the Special Civic (SC) Overlay District that includes residential properties adjacent to public parks and facilities. SC review is limited to examination of "the general exterior appearance, design, color and texture of surface materials or exterior construction or the height of the building" and is intended "to assure an orderly development in the vicinity of such public sites and buildings."

New houses or additions to existing houses in the SC overlay district are subject to administrative review conducted by the zoning administrator. The administrative review is then presented to the Planning Commission as an informational item and to the City Council as a "review optional" item. Administrative Special Civic Review takes approximately 2-3 weeks and the cost was recently reduced from $250 to $100. Most parcels in the overlay district are already developed with single family houses and none of the housing sites identified in this element are in the SC district.

Single Family Design Review

Single family design review is a staff-level review that is required for all new single family homes, second-story additions or exterior modifications, and first-story additions or exterior modifications along the front of lots (and along street side yards of corner lots). This review is required for mobile and manufactured housing as well as site-built housing. The review is based on the design guidelines, which focus on issues of scale, neighborhood compatibility, and minimization of privacy impacts onto neighboring properties. City staff may exempt both first-story and second-story additions/exterior modifications that are deemed to be of such a minor nature that they will not conflict with the design review guidelines.

Single family design review costs $100, involves notification of neighboring property owners, and usually takes about three weeks after submittal of a complete application. Staff's decision may be appealed to the Planning Commission; staff may also refer an application directly to the Commission. The single family design review process was added to Newark's requirements in 2007 due to concerns over the appearance and impacts of homes and additions, including "monster homes."

Planned Unit Development (PUD) Permit

One special type of conditional use applicable to all residential zoning districts is a planned unit development (PUD). PUDs

provide flexibility by allowing projects that deviate somewhat from the zoning regulations when the projects comply with the purposes of the zoning ordinance and general plan. To qualify for a PUD, sites must be at least 20,000 square feet in area and the project must be designed to site development standards roughly equivalent to those of the underlying zoning district. The average population density of the project should also be about the same as that of the underlying zoning district. The cost for a PUD application is $3,200 (in addition to the $2,600 fee for a conditional use). The CUP and PUD are processed concurrently so that the time required for a PUD is the same as the 3 months typical of a CUP. Large multifamily projects are often processed as a PUD in order to provide flexibility with the zoning standards.

Design Review

Newark does not have a separate design review process or fee established just for design review, except for single family homes as described above. For other projects, design review is carried out as part of the Joint Staff Committee Review or CUP review, whichever is required. Resolution 5974 adopted in 1990, sets forth guidelines for the design of various types of projects. The guiding principles of design review in Newark are flexibility and recognition that good architecture does not need to cost more than poor architecture. In addition to the standards listed in Table H-37, the following design guidelines apply to medium- and high-density residential projects:

- Provide adequate space for landscaping along project boundaries.
- Use site design and architecture to enhance residential qualities of the neighborhood.
- Use two to three story structures rather than towers, however, tall structures are okay if the project provides landscaped areas and better relationship to adjoining properties.
- Along major thoroughfares, provide wide landscape bands, limit signs and lighting, use compatible architectural style and materials, and screen mechanical equipment and trash enclosures.

- Provide on-site management, common meeting room and recreational facilities, such a fitness rooms, basketball courts, or swimming pools for projects of 20 or more units.
- Screen parking along streets with landscaping, enclose trash facilities and minimize exterior lighting.
- Design to provide for security and safety.

These criteria are all expressions of typical good design and do not confront housing developers with significant extra costs. While recreational facilities can be expensive they typically provide as much of a project amenity as they cost. They criteria are not a constraint to the development of multifamily housing.

Environmental Assessment

Under the California Environmental Quality Act (CEQA), most new projects require environmental assessment. The assessment can vary from a categorical exemption, addendum to a previously approved Environmental Impact Report, an initial study and negative declaration to a full Environmental Impact Report depending on the size and complexity of the project, its anticipated impacts. Most housing projects in Newark, both single family and multifamily, are approved with a negative declaration or a mitigated negative declaration. In these cases, the time required is typically no longer than for the other approvals. However, when an environmental impact report is required, the timing of project approval usually depends on how long it takes to complete the environmental review under CEQA. This can take many months if complex environmental issues are involved.

Building Permit

Once a project has been approved and construction is ready to begin, a building permit is needed. Construction plans must be submitted to the Building Department for a review that takes from 3 to 4 weeks. Building permit fees are calculated based on the value of the structure, which is based on the type of building and the size. According to the Building Official, Newark's fees are adjusted regularly as construction costs and market conditions change, and the fees are similar to those in other cities.

Facility Impact Fees

In addition to fees paid for plan review, housing developers are subject to impact fees. Existing city impact fees in Newark for single-family homes total approximately $12,462 per unit. For multi-family units, fees are approximately $11,865 per unit. The fees charged in Newark for residential construction are show in Table H-40 below. These fees do not include sewer, water and school fees, which are levied by other entities than the city.

TABLE H-40 Newark's Per Unit Impact Fees

Income Level	Single Family	Multifamily
Park Fee	$7,460	$7,460
Transportation Fee	$801	$460
Public Safety	$1,989	$2,079
Community Facilities	$1,942	$1,596
Art in Public Places	$270	$270
Total	$12,462	$11,865

Impact fees for residential development in Newark are relatively low compared to other East Bay cities. Table H-41 compares Newark's fees with those of two other nearby cities for single family and multifamily development.

TABLE H-41 Impact Fees in Newark and Nearby Cities

City	Single Family	Multifamily
Newark	$12,462	$11,865
Fremont	$31,000	$21,000
Union City	$16,700	$8,600

Affordable Housing Impact Fees

In 2014, The City of Newark repealed its Inclusionary Housing Ordinance. Support for housing affordably instead comes through an Affordable Housing Fee. The Housing Fee is presently set at $20 per square foot for the first 1000 square feet and $8 per square foot for space above 1000 square feet. These fees are dedicated to provision of affordable housing in Newark and are expected to provide the major funding to implement lower income housing in Newark. In concert for other State and Federal housing programs it is hoped that large numbers of units can be constructed and preserved for lower income and special needs households.

Code Enforcement and Community Preservation

Newark has two Community Preservation Specialists who are responsible for code enforcement activities in the city. This work is seen as an important way to preserve the city's building stock, and other city staff assist as appropriate. Code enforcement activities are complaint-based, and the identity of the complainer is not divulged to the property owner. The Community Preservation Specialists regularly refer residents to the county-managed landlord-tenant dispute service.

Infrastructure and Water and Sewer Priority

As demonstrated in the 2013 General Plan EIR, there are no infrastructure constraints that impact the development of Housing. Water service is provided by the Alameda County Water District and sanitary sewer is provided by the Union Sanitary District. These agencies have master plans that are consistent with General Plan build-out and have adequate capacity either in place or planned to address all proposed development. There is no allocation or rationing of water of sewer connections by these agencies and thus there is no need to provide priority to housing development. The City will send the housing element upon adoption to the water and sewer providers in accordance with SB 1087.

NONGOVERNMENTAL CONSTRAINTS

In Newark, as in much of the rest of the Bay Area, the most significant constraint to providing sites for affordable housing is that available land suitable for residential development is running out. As a result, land costs are significantly higher than in most other parts of the state. Housing prices are also high compared with most other areas. In November 2014 the median single family home in Newark is valued at $581,000 statewide the median value is $432,000.

AVAILABILITY OF FINANCING

Financing for home construction, purchase or repair is available on equitable terms from private lenders for all parts of Newark. There is no evidence of any redlining. A representative from Trumark Companies, a major housing developer that has applied to build new homes in Newark, stated that financing is a significant constraint right now. Lenders are now requiring higher and more secure personal incomes, more money down and a higher return, which makes it difficult for many projects to pencil out.

PRICE OF LAND

Land costs are high in Newark and the amount of vacant and developable land decreases. It is unclear how the regions increasing home sales and values will affect the price of vacant or underutilized land in Newark. Although land costs in Newark are higher than the statewide average, they are generally lower than in many other cities in the central Bay Area.

COST OF CONSTRUCTION

Another constraint is the cost of construction, which continues to go up. For big projects, even a small increase per square foot can be problematic. Construction costs in Newark are no higher than in other areas of Alameda County or the Bay Area, however.

REVIEW AND REVISE

This section contains an evaluation of the 2009-2014 Housing Element Programs.

2009 Program 1: Facilitate the preparation of specific plans for Areas 2, 3 and 4, and encourage development in those areas. General Plan Areas 2, 3 and 4 consist of the only significant vacant land remaining in the City of Newark. City staff has been working to promote development in those areas for several years.

COMPLETED

The Areas Three and Four Specific Plan was approved in 2010 envisioning approximately 1,260 new residential housing units, Although an advocacy group's CEQA litigation has delayed implementation. Legal issues are nearing resolution and the project is expected to proceed in Early 2015. Its first phase, (600 units) is expected in the 2015-22 Planning Period.

The Dumbarton Transit Oriented Development Specific Plan was approved in 2011, It included the Area Two Project Area, a total of 2, 500 new housing units are planned. (1509 Medium density and 74 High Density within the 2015-22 Planning Period.

2009 Program 2: Create mixed use zoning districts in Old Town.

COMPLETED

The zoning districts were adopted and 2009 Element sites G, H, and I were rezoned in 2009.

2009 Program 3: Ensure sufficient land has been designated for housing.

COMPLETED

The City changed the zoning and/or General Plan Designations for 2009 sites B, D, E, J, L, M, O and P in 2009. High Density and Mixed use zoning districts are presently in place for all higher density sites in the site inventory.

2009 Program 4: Address issues with foreclosures by participating in the Neighborhood Stabilization Program and other actions as appropriate.

COMPLETED

The City of Newark through Alameda County Urban County participated in the NSP Program. The foreclosure crisis had abated in Newark prior to project initiation and housing process made the program of limited utility. 2 homes were assisted.

Program 5: Amend the zoning ordinance to allow homeless shelters by right in the RH zoning district.

COMPLETED

Newark amended its zoning ordinance in 2010 to allow homeless shelters in the high density RH zoning district without a conditional use permit or other discretionary action. Despite this change there have not been any additional homeless shelters developed.

2009 Program 6: Continue to support regional efforts to end homelessness, such as Alameda County's EveryOne Home Program

COMPLETED and CONTINUING (Program 2)

Homelessness is a regional problem which needs a regional solution. Newark's City Council has endorsed the EveryOne Home Program for Alameda County, which presents a regional approach to the problem. The EveryOne Home Program sets forth a vision for a housing-first program that focuses on transitional and supportive housing rather than temporary homeless shelters. This effort con

2009 Program 7: Provide ongoing support for the Alameda County Housing Repair and Rehabilitation Programs.

COMPLETED and CONTINUING (Program 3)

Each year, a portion of Newark's CDBG funds is dedicated to the Housing Repair and Rehabilitation Program according to a formula approved by the Urban County jurisdictions. Funds for the program are determined early each year, in January and February. Additional funding will be provided to the program whenever funds are needed and available.

2009 Program 8: Monitor the city's inclusionary housing program and amend as needed.

COMPLETED

Partially as a result of the monitoring process, Newark rescinded the inclusionary housing program in 2013. The programs requirements were onerous in their complexity and lack of certainty. The Inclusionary Housing Program was replaced with an Affordable Housing Fee based on a nexus analysis that assessed the impact new market rate housing has on the demand for affordable housing,

2009 Program 9: Work with non-profit housing developers and organizations to support efforts to create new housing for seniors, people with disabilities, formerly homeless people, households with moderate incomes or below, especially including extremely low income households, and other special needs populations.

COMPLETED and CONTINUING (Program 1)

City staff has worked with a number of organizations in the past few years who are interested in constructing housing for people with special needs. The city has provide information about particular sites, has offered to help to apply for funding and support the funding applications, and offered to expedite the application process.

2009 Program 10: Create a multifamily design review process for all multifamily projects with five or more units to replace the current requirement for a Conditional Use Permit

COMPLETED

Newark developed a new staff level multifamily design review process in 2010 to replace the conditional use permit requirement. The new process was modeled on the existing single-family design review, and does not require discretionary approval.

2009 Program 11: Amend the Municipal Code to comply with revisions to state density bonus law.

COMPLETED

In 2010 Newark amended its zoning code regulations governing density bonuses in order to comply with revisions to Government Code Section 65915.

2009 Program 12: Work with the community and developers to identify a location for a new Civic Complex, and begin project to reuse of the existing City Hall site.

ONGOING (Program 4)

This site has many advantages for housing, including its location next to a park and with good access to transportation and shopping. Developers have already expressed interest in the site. Reuse of the site appears to be feasible within the planning period.

The elimination of the Redevelopment program by the State of California and weakness in the housing market set back this effort. Fortunately the Housing Market has recovered and in Newark it is at its strongest level in more than a decade. This effort will continue as program 4.

2009 Program 13: Transitional and Supportive Housing Zoning Amendments.
State law (SB 2) now requires all cities to treat transitional and supportive housing as a residential use subject only to those restrictions that apply to other residential uses of the same type in the same zoning district. Newark will amend its zoning code to incorporate definitions of transitional and supportive housing, and to comply with these state requirements.

COMPLETED

The zoning ordinance amendments were completed in 2010.

2009 Program 14: Minimum Densities.
To comply with Section 65583.2(h) of the Government Code, the city will amend its zoning ordinance to allow at least 16 units per site at densities of no less than 20 units per acre for all high density sites that are being used to provide housing for low income households.

COMPLETED

In the 2013 General Plan Update the density ranges were amended to be compliant with this program: High Density Residential has a minimum density of 25 units per acre and an upper limit of 60 units per acre,

2009 Program 15: Federal, State and Redevelopment Funds. The City shall apply for state and federal funds to construct housing, including housing for low income households. For funds that the City controls, such as CDBG jurisdictional funds, the Housing Fund, and Redevelopment Housing Fund monies, projects that would provide housing for extremely low income households will be given preference.

COMPLETED and CONTINUING (Program 8)

A Station Area Planning Grant was applied for and received from the Metropolitan Transportation Commission to partially fund the Planning Process for the Dumbarton Transit Oriented Specific Plan and EIR.

PROGRAMS

Program 1: The City will continue ongoing work with non-profit and for profit housing developers and organizations to support efforts to create new housing for seniors, people with disabilities, formerly homeless people, households with moderate incomes or below, especially including extremely low income households, and other special needs populations. Funding will be prioritized for housing for people with special needs and very low income people.

Status & Timing—Ongoing effort, at lease an annual focused outreach to Housing providers.

Expected Results—It is hoped that numerous units of housing can be developed within the planning period

Implementation—The Community Development Department will be responsible for implementing this Program.

Program 2: The City will continue support for regional efforts to end homeless, such as the Alameda County EveryOne Home Program, which prioritizes supportive housing.

Status & Timing—Ongoing

Expected Results—Significant reductions in the homeless population.

Implementation—Alameda County is primarily responsible for this effort. The Newark Community Development Department will assist.

Program 3: Continue Housing Repair and Rehabilitation Program. Each year, a portion of Newark's CDBG funds is dedicated to the Housing Repair and Rehabilitation Program according to a formula approved by the Urban County jurisdictions. Funds for the program are determined early each year, in January and February. Additional funding will be provided to the program whenever funds are needed and available. In 2014 the entirety of our discretionary allocation was directed to this program.

Status & Timing— Each CDBG funding Cycle the needs of the Housing repair and rehabilitation program will be evaluated.

Expected Results—Full funding of the backlog of projects is expected during the Plan Period 65 rehab projects are estimated to be funded.

Implementation—The Community Development Advisory Committee makes recommendations to the City Council on CDBG funding. The City Council is responsible for the funding decision.

Program 4: Work with the community and developers to identify a location for a new Civic Complex, and facilitate reuse of the existing Civic Center site and change the General Plan Designation of the site to High Density Residential.

The existing Civic Center site has many advantages for housing, including its location next to a park and with good access to transportation and shopping. Developers have already expressed strong interest in the site. Reuse of the site appears to be feasible within the planning period.

Newark staff is starting work to identify possible future locations for City Hall and the library, and in 2015 anticipates beginning a feasibility study/community process to evaluate potential new sites and the project feasibility and financing. The City will then start an RFQ/RFP/ENA process to identify developers who are both interested and able to carry out the project.

Although the site is Zoned for high Density Housing, the General Plan Designation remains Public Institutional. This program includes a General Plan Amendment to change the General Plan land use designation to High Density Housing.

Status & Timing—
A Feasibility Study which includes a community process, for a Civic Center Replacement identifying and evaluating potential new sites for the City Hall and library will begin in 2015. The City

anticipates releasing an RFQ/RFP/ENA to identify developers who are both interested in the project and capable of carrying it out. Construction could start in late 2016. If three years after adoption of this element it is determined that this housing site will not be feasible, the City will identify other locations for high density Housing or accelerating development of other housing sites. The General Plan Amendment would take place prior to sale of the site to housing Developers.

Expected Results—A feasibility Study would be completed by 2016, If successful this program will result in the construction of approximately 284 high density condominiums or apartments during the planning period.
Implementation—The Community Development Department will be responsible for preparing the Feasibility Study.

Program 5: Old Town Development Strategy. Although the Old Town area has been zoned for higher density Housing and with ground floor commercial there are numerous impediments to development, such as park location, land assembly issues, as well as parking and infrastructure needs, that should be addressed to facilitate Development.

Status & Timing—The City will conduct and Old Town Development Strategy in 2016-17 to facilitate development of higher density housing in the Old Town area.

Expected Results—Completed Old Town Development Strategy by 2017. This will speed development of subareas N. M, and O which can yield 228 higher density Housing units by 2022.

Implementation—The Community Development Department will be responsible for implementing this Program.

Program 6: Fair Housing Programs
Status & Timing—The City will formally institute a Fair Housing Ordinance to assist in the implementation of Federal Fair Housing

regulations and to help assure that there is no discrimination in Housing. The ordinance will be developed and approved in 2016. As part of the ordinance the City will either refer or respond to fair housing complaints. In addition, the City will post fair housing materials in numerous places accessible to the public.

Expected Results—The Fair Housing ordinance will clarify and publicize the prohibition against discrimination in Housing.

Implementation—The Community Development Department will be responsible for preparing the Ordinance for City Council Consideration.

Program 7: Encourage development of housing that is accessible to the disabled. Where possible universal design, single story and elevator served projects should be included in proposed housing project. Development evaluation and public funding should address this need.

Status and Timing— The City will develop criteria to encourage for housing accessibility by 2016.

Expected Results—The change in priority should yield greater investment in housing that is acceptable by disabled people.

Implementation—The Newark City Council Sets funding priorities and budgets resources. The Community Development Department will be responsible for providing recommendations to the City Council to implement this program.

Program 8: Seek Federal, State, County and Regional Funds for Affordable Housing.

The City shall apply for state, County, regional and Federal funds to construct housing for low income and special needs households. Funding to provide infrastructure that would support housing development will also be sought.

Status and Timing—The City will evaluate funding at least annually and will apply for funding as appropriate.

Expected Results—The applications for funding, if successful will support lower income housing development.

Implementation—The Community Development Department will be responsible for implementing this program.

Program 9: Adopt Reasonable Accommodation Ordinance

The City will adopt an Ordinance establishing the process for allowing flexibility within the zoning code for reasonable accommodation of access for the disabled. The ordinance would include:

- Formal procedures for reasonable accommodation for housing for persons with disabilities in accordance with fair housing and disability laws. Clear rules, policies, and procedures, for reasonable accommodation in order to promote equal access to housing would be provided. Policies and procedures would be ministerial and include but not be limited to identifying who may request a reasonable accommodation (i.e., persons with disabilities, family-members, landlords, etc.), timeframes for decision-making, and provision for flexibility in the various land-use, zoning, or building regulations that may otherwise constrain the housing for persons of disabilities.
- Regularly monitoring the implementation of the jurisdiction's ordinances, codes, policies, and procedures to ensure they comply with the "reasonable accommodation" for disabled provisions and all fair housing laws.
- Reduced parking requirements for projects serving seniors and persons with disabilities households.

Status and Timing—The City will adopt the Ordinance by January 2016.

Expected Results—Accommodation of improvements to provide access for the disabled will be streamlined.

Implementation—The City Council would adopt the ordinance. The Community Development Department and Public Works Department would cooperative formulate the Ordinance.

Program 10: Rezone Parcels in the Dumbarton Transit Oriented Development (Site Q)

Development in the Dumbarton Transit Oriented Development is governed by a Specific Plan which has numerous requirements and amenities. These important project elements are assured concurrent with the rezoning application. The City will rezone Site Q concurrent with Development Approvals if consistent with the adopted Specific Plan.

Status and Timing—Concurrent with development approval.

Expected Results—Facilitation of development of the Dumbarton Transit Oriented Development (Site Q)

Implementation—The Community Development Department will be responsible for implementing this program.

GOALS, POLICIES, AND ACTIONS

The Goals Policy and Actions that address housing issues were identified in the General Plan Land Use Element. Refer to pages General Plan Pages LU-35 to LU-55.

POLICIES GOALS AND QUANTIFIED OBJECTIVES

The goals, objectives, and programs of this Housing Element
Are focused on promoting the development of housing of all types, to attempt to remove any constraints to housing development. With a focus on meeting the needs of special need populations.
The objectives in this update are quantified to meet the RHNA for the City, as prescribed by the Association of Bay Area governments.

TABLE H-42 Quantified Objectives- NEWARK, (2014-2022)

Household Income	% Median Income	# of Units	# of Units Rehabilitated
Very Low	< 51%	330	15
Low	51-80%	167	50
Moderate	81-120%	158	
Above Moderate	> 120%	423	
Units		1,078	65

The City of Newark has six broad housing priorities:

1. Preserve, rehabilitate, and enhance existing housing and neighborhoods.
2. Assist in the development of housing opportunities and accessibility for all economic levels in the City.
3. Remove constraints that hinder the production and conservation of housing projects.
4. Provide and maintain an adequate supply of sites for the development of new housing.
5. Ensure that all housing programs are available without discrimination on the basis of race, color, religion, sex, national origin, ancestry, marital status, age, household composition or size, or any other arbitrary factor.
6. Encourage and enhance intergovernmental, public, and private coordination and cooperation to achieve an adequate supply of housing for all residents of the community.

Based on the trends, goals, policies and objectives outlined above, the City has established the following quantified objectives. Over the next planning period, is the
City's goal to have 1078 new units, constructed, of which 497 will be designated for low
and very low-income households. In addition, though their rehabilitation program, the City's goal is to help 65 low and very low income families rehabilitate their homes. Finally the City hopes to conserve the 201 unit senior housing units for low income housing.