

EAST BAY FOR EVERYONE

May 22, 2022

Honorable Members of the Lafayette City Council:

East Bay for Everyone is a network of people fighting for the future of housing, transit, tenant rights, and long-term planning in the East Bay. We like that you are considering rezoning a significant portion of your town to meet housing needs. We are concerned that some of the sites you have included are unrealistic and will fail to turn into housing.

- Many sites will require 1) lot consolidation and 2) development with 43-46% BMR ratios.
 - No analysis of the BMR ratios that penciled in 5th Cycle apartment buildings or estimate of why 45% BMR projects would suddenly begin penciling.
 - Given that non-vacant reused sites must be permitted by right at 20% BMR, Lafayette does not explain why every developer would instead choose to offer 45% BMR on these sites.
- Many small lot sites are nonvacant sites that were recycled from the last Housing Element. In lieu of a statement of evidence about each <0.5 acre site, Lafayette claims these small sites are likely to become housing because other non-vacant sites became housing in the last decade. **The easiest sites became housing last cycle..** Perhaps the reused nonvacant sites have owners who are unwilling to sell, or they have more productive uses, or have lower residential property values; whatever the reason, they had 8 years to become housing at the current density and they did not. HCD should not give these sites another 8 years at the current density, especially given increased construction costs.
- Relies on 880 apartments on BART parking lot but no evidence BART will build before 2031.
- Analysis of Non-Governmental Constraints *does not consider the effect of parking minimums* even though two recent developers showcased for analysis each asked for a waiver of parking minimums. High parking minimums also preclude development, from a physics perspective, on several small or narrow lots downtown.
- Almost every site in the inventory requires lot consolidation, but no analysis of:
 - Lafayette's process for permitting lot consolidation
 - Percentage of nonvacant sites that became housing last cycle
 - Likelihood of commercial conversion to residential
 - Whether the non-vacant sites that turned into housing last cycle involved lot consolidation
 - Whether the reused sites involve consolidating more, or fewer, lots than the sites that became housing last cycle
 - Logistics for its city owned parking lots (which the City wants more of) to become housing

We wanted to include a brief summary but unfortunately so many sites have technical issues that the summary runs to multiple pages.

- **Sites A, B, DD, G, J, N, Y, X** - Each of these sites includes multiple non-vacant parcels smaller than half an acre that were included in the last Housing Element. No change in zoned density and no explanation from Lafayette of why the sites will be developed now. Lafayette expects a 40-50% BMR ratio for each site, which is unlikely given the low density per acre and the fact that AB 1397 allows by right development with only 20% BMR. Each site must also include 1.2 parking spaces per apartment, which is a significant constraint on development.
- **BART parking lots (site CC)** - These are supposed to become about 880 apartments. BART has many TOD projects in the pipeline at other stations but **there is no current evidence that they have plans to develop the Lafayette lots before 2031**, and they should not be included in the site inventory. The following screenshot is from BART's "TOD Workplan."

	Airport	Union City
<p>Long-Term: Beyond 2030</p> <p>Work with jurisdictions on development strategy. These stations represent areas lacking in market, local support, or with significant implementation barriers. In the long-term BART may pursue development if opportunities emerge to overcome these barriers.</p>	<p>12th St/Oakland City Center Antioch Daly City Fremont</p>	<p>Lafayette Richmond (Intermodal) South San Francisco</p>

- **Parcel 234-041-001** on Moraga Road is a reused site, vacant in a prime location. If it did not turn into housing last cycle we think it is unlikely it will turn into housing this cycle, at the exact same density but with higher costs. This site should not be included unless Lafayette can produce a statement from the owner.
- **Site C** - Multiple non-vacant sites smaller than half an acre with seemingly healthy businesses. A 43% BMR ratio is unlikely for this site.
- **Site D** - Contra Costa County's Department of Community Development and the City of Lafayette both lease office space in this site, which appears to be a healthy office development. Neither the County nor the City has submitted evidence that they plan to discontinue their leases or that the work they are doing (approving permits) will cease by 2031. I have asked Contra Costa County DCD for more information about their lease.
- **Site E** - This site is mostly owned by the City. We do not see any evidence in the Housing Element of the city's capacity to develop housing, or concrete plans to acquire the one privately owned parcel and sell/lease the site to a developer to build 24 apartments. Further, Lafayette's parking improvement plan states that **Lafayette plans to acquire more parking in the downtown area**¹ which conflicts with the stated intention here to convert city-owned parking to apartments.
- **Site F** - Lafayette believes that these two lots will be combined into one 6000 square foot site steps from BART and then become 18 apartments. Lafayette's parking rules require a minimum of 22 parking spaces² for 18 apartments and a developer cannot use stackers to meet the requirement. **You cannot design a project with 18 apartments and 22 parking spaces on a 6000**

¹ Appendix B, page B-27, of the May 16 2022 revision: "provide convenient off-street parking lots in the Downtown area according to the City's master parking improvement plan"

² The lowest multifamily parking requirement, per Lafayette zoning code chapter 6-6, adopted 11/13/2018 is one parking space per one bedroom home and one guest space per 5 homes, or 1.2 parking spaces per home.

square foot lot, it's not physically possible. Lafayette must amend the downtown parking requirements or omit this site.

- **Site H** - There is an error in the draft Housing Element, "3335 Mount Diablo Boulevard" is specified twice when the authors meant to specify "3339 Mount Diablo Boulevard" in one place. "Commercial" is misspelled as "Commerical" throughout the document.
- **Site M** - This site appears to have several healthy businesses in two multistory commercial buildings with two different owners, each smaller than half an acre. No evidence that the uses will discontinue. Highly unlikely it will pencil to buy out the current owners, demolish the sites and build only 19 apartments and at least 22 parking spaces.
- **Site N** - Plans to convert this city-owned parking lot to apartments conflict with Lafayette's parking improvement plan, which rely on the parking spaces in this lot. The Housing Element does not mention amendments to the parking improvement plan.
- **Site Q** - There are two non-contiguous sites referred to as "Site Q" in the document
 - **Site Q(1) on Golden Gate Way** - apparently in development
 - **Site Q(2) on Oak Hill Rd. and Terrace Way** - To build 94 apartments and 112 parking spaces at 45% BMR on a sloped lot, developer will have to buy 8 different lots and, per SB 330, offer relocation and return to residents of 25 existing apartments. We think that this does not pass the smell test and do not think this site should be included, unless it is offered at a density that would make this feasible.
- **Site S** - In addition to land costs, a developer will need to pay relocation and return for tenants in the 8 onsite apartments in order to build a net of 21 apartments, in addition to 35 parking spaces. We think this is very unlikely at the proposed 35 du/acre and may be more likely at 80 du/acre.
- **Site T** - In a phone conversation Greg Woerhle at Woerhle Real Estate (1010 Oak Hill Road) said he has a healthy business and does not have any plans to discontinue renting this site or move his business.
- **Site Z** - 1036 Brown Ave got a new coat of paint within the last year, per Google Maps screenshots. It seems unlikely the owner wants to sell.
- **Site BB** - A thriving multistory commercial center. No explanation from Lafayette of why the site will discontinue its current use within 8 years. Development at 45% BMR seems unlikely given historical trends in Lafayette.
- **Paulson Road** - This may be an error, but we are confused at the planned zoning designation of "Medium Density Single Family Residential" which seems incompatible with the proposed density of 35 du/acre.

Downtown

We are disappointed that Lafayette has decided to reverse course and maintain densities in the downtown core at their current levels. Since 2013, many inputs to housing have increased in price: labor, materials, loan interest rates and land have all seen significant price jumps. This makes it more difficult for projects to pencil and Lafayette should increase densities to compensate.

With easy access to BART, grocery stores and other amenities downtown also offers Lafayette's best opportunity for car-light development.

The sites in the inventory would be much, much more likely to pencil at higher DU/acre and with more feasible BMR ratios. We recommend 80 du/acre throughout the walkable downtown core.

Outside of Downtown

Outside of the downtown core, Lafayette has many large lots, and single family homes that are priced beyond a range that is affordable to any normal person.³ A typical sales price is over \$3 million. Given the existing racial wealth gap in America, offering a very small number of homes at very high prices does not help affirmatively further fair housing.

Here are some homes that have been sold in Lafayette recently:

- 1026 Hoedel Ct, 4000 square feet, \$4.1 million, for one family only.
- 3587 Powell St, 5100 square feet, \$6.8 million, for one family only.
- 861 Solana Drive, 3800 square feet, \$3.8 million, for one family only.
- 918 Raintree Place, 3600 square feet, \$3.8 million, for one family only.

If it is legal to build a 4,000 square foot home for a single family we think it should also be legal to build four 1,000 square foot homes in the same building envelope. These would generate more in property taxes and impact fees for the City, and would be priced at a level that would be affordable to more people. These would also help ensure that families can continue to afford to live in the award winning school district and that Lafayette will not have to close schools.

Fourplexes would also help Lafayette "Affirmatively Further Fair Housing" by making new housing legal in every neighborhood and not just downtown.

Mt Diablo Boulevard near Oakwood Athletic Club

Given the lengths Lafayette is willing to go to, say, imagine that 25 apartments and retail on 8 different lots will be combined and turned into 94 apartments, we don't understand the unwillingness to upzone the parcel owned by the DaSilva group. At a sufficiently high density, you could require the property owner to operate a shuttle every 10 minutes that runs from this location to downtown and BART. Sufficient density along Mt. Diablo Boulevard might also make a County Connection bus route between Lafayette and Walnut Creek feasible.

³ Your author, for example, would love to move to Lafayette with his family but cannot do so unless the city adds additional housing that is offered at a more reasonable price point.

Mandatory parking minimums

The "Analysis of Non-Governmental Constraints" does not even mention parking minimums as a factor harming development in Lafayette, even though the analysis of two recent applications notes that **each developer sought a reduction in the required parking** in order to make the project feasible. As noted above, Site F currently requires 22 parking spaces to be constructed on a 6000 square foot lot in order to achieve the potential Lafayette claims in the Site Inventory.

Parking spaces cost anywhere between \$40,000 and \$90,000 to construct. They must be constructed at the ground level or below ground, which reduces the chance to offer ground floor retail. Digging underground is expensive and increases the price of housing. Requiring homebuyers to purchase a parking space (or two) in addition to housing increases the price of housing. Requiring developers to build parking spaces increases the size of the loan they must take, and makes projects less feasible at the margin.

We are discouraged that Lafayette is requiring projects to include such a high number of parking spaces especially since so many sites are located within walking distance of a BART station with fast and frequent service to the rest of the region, a grocery store, restaurants and many other amenities.

Many developers are taking advantage of stacked parking spaces in order to meet city parking requirements in a small amount of space. Lafayette's parking requirements do not currently permit the use of stackers.

Lafayette's parking minimums also make worst case assumptions about how people commute - every person has a car and every person drives alone to work. We are in desperate need of senior housing and people to work in senior housing, yet Lafayette's parking minimums assume every senior will have a car, be able to drive a car, and park it onsite, and that every employee will drive to work alone. Lafayette's mode share statistics indicate that a significant number of people **do not** drive to work and of these I would guess the number of non-drivers is highest in the downtown core. These assumptions significantly reduce the number of sites that can feasibly become senior housing in the next decade.

Signed,
The 2500 members of East Bay for Everyone