



Housing Implementation Program

*Adopted: July 10, 2017,
By City Council Resolution No. 2017-110*

2017-2019

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Other reference materials project applicants should consult early in their design process:

- Affordable Housing Ordinance
- Affordable Housing Sales Prices and Rental Rates (most current)
- Inclusionary/Density Bonus Affordable Housing Agreements Submittal Requirements
- Comparable Criteria for Inclusionary Housing

**THREE-YEAR
2017-2019
HOUSING IMPLEMENTATION PROGRAM**

SCHEDULE

May 16, 2017	Planning Commission hearing and recommendations: 2017-2019 Three- Year Housing Implementation Program (HIP) regulations and schedule
July 10, 2017	City Council action on 2017-2019 HIP regulations and schedule
July 11, 2017	2017 HIP commences - Units allocated based on a first-come-first-serve basis upon project approval subject to HIP competition targeted criteria as applicable.

INTRODUCTION

The Housing Implementation Program (HIP) serves as the City's growth management tool and provides a method to allocate housing units. Since 1987, the City of Livermore has operated the Housing Implementation Program as a means of pacing residential growth over time. The HIP is based on the City's General Plan Residential Growth Management policies and, for 2017-2019, on an adopted housing allocation of 450 units per year. When the request for housing units exceeds the City's approved growth cap the HIP provides a method to assess projects and award units to those projects meeting the City's identified housing needs.

Pursuant to the 2003 General Plan, residential projects in the Downtown Specific Plan (DSP) or residential projects developed pursuant to the Transferable Development Credits (TDC) Program are exempt from the 2017-2019 HIP competition.

The following summarizes the HIP categories.

- DSP. Adopted City policy guarantees an average annual allocation of 200 dwelling units for ten years (2004 through 2013) for the Downtown Specific Plan (DSP). This guarantees 2,000 dwellings for the DSP area and the unused portion of these units carry over into subsequent years. DSP units have been exempt from HIP competition. Of the 2,000 DSP available allocations, 434 have been allocated through April 2017, leaving 1,566 DSP available allocations. As of April 2017, there are no applications for DSP residential units.
- TDC. In addition, the General Plan guarantees an average annual allocation of 100 dwelling units to the Transferable Development Credit (TDC) Program for six years (2004 through 2009), 200 dwelling units annually for an additional seven years (2010 through 2016) and 400 dwelling units annually for three years (2017-2019). This guarantees 3,200 units available for projects utilizing TDCs. TDC units are exempt from HIP competition and may be utilized at any time. Of the 3,200 TDC allocations made available through 2019, 1,527 have been allocated through April 2017, leaving 1,673 TDC available allocations.
- HIP. Allocations that are not DSP- or TDC-guaranteed units have been subject to HIP competition and referenced as HIP units. Unlike DSP and TDC allocations, which carry forward into subsequent years, the HIP units are "use it or lose it," in that unused allocations expire at the end of each three-year HIP cycle. As of April 2017, there are no applications that would request allocations in this category for the 2017-2019 HIP.

PROGRAM SUMMARY

The 2017-2019 HIP program maintains 450 allocations per year as shown in Table 1. The table reflects continued implementation of General Plan TDC allocation policies of making available 400 additional TDC units per year through 2019. It reflects the completion, at the end of 2013, of making available 200 new DSP allocations per year.

The table reflects a continuation of 50 HIP units (non-DSP, non-TDC) made available annually on a “use it or lose it” basis. The 450 per year rate is generally consistent with the established growth rate since 2000 (approximately 400 per year 2000 through 2004; 600 per year 2005 through 2007; and 450 per year since 2008).

TABLE 1			
2017-2019 HOUSING ALLOCATIONS			
PROGRAM	NEW ALLOCATIONS		
	2017	2018	2019
DSP - DOWNTOWN SPECIFIC PLAN <i>(1,566 unused allocations as of 4/17)</i>	No new allocations.		
TDC- TRANSFERABLE DEVELOPMENT CREDITS <i>(473 unused allocations as of 4/17, in addition to allocations to the right)</i>	400	400	400
HIP - HOUSING IMPLEMENTATION PROGRAM	50	50	50
TOTALS	<i>450</i>	<i>450</i>	<i>450</i>

I. PROJECTS NOT SUBJECT TO THE HOUSING IMPLEMENTATION PROGRAM

The first step in the HIP process is determining whether the project is subject to the HIP as follows:

- A. Reserved Allocations. The General Plan sets aside housing allocations for two specific programs. One is the Downtown Specific Plan and the other is the Transferable Development Credits (TDC) program.
- B. The City's General Plan exempts residential projects of four units or less from the growth management program. To qualify for the four-unit-or-less exemption, the property must meet the following criteria.
 1. The property to be developed or subdivided must have been a lot of record as of January 1, 2002, and subsequent subdivision or development shall not have exceeded a total of four units. A maximum total of four new units per parcel may be exempted from the process, excluding any units existing as of January 1, 2002. Minor adjustments to such lots may be authorized. An adjustment may not be used to create a four unit or less exemption where the current lot configuration would not have allowed such an exemption. An adjustment that creates more exempt lots than would have been allowed is not permitted.
 2. A subdivision must use the entire parcel with no "remainder" parcel(s).

3. The parcel, on at least two sides (or 50 percent of the perimeter if the parcel is irregularly shaped), must be adjacent to one or more of the following: existing streets, land with nonresidential General Plan designations, or developed residential properties. Generally, a residential parcel is considered developed if it has, as a minimum, a final map approved which contains not less than the minimum number of units consistent with the General Plan land use designation. Unique situations where developed property does not meet this requirement will be considered on a case-by-case basis.
4. The number of exempt units allowed on a parcel shall be governed by the more restrictive of either the four-unit exemption or the maximum density allowed by the General Plan. When combining parcels for processing, the number of units allowed shall be determined independently for each parcel using this standard.
5. Adjacent parcels may be combined for processing if both parcels meet all of the above-mentioned requirements independently. If both parcels meet all of the criteria, the project may be developed without regard to the location of the common property line. That is, more than four units could end up on one of the two parcels, subject to the regulations of the applicable zoning district.

Projects determined to qualify for one of the above categories may proceed to the entitlement process subject to the City's regular review procedures. These projects will be processed under the procedures of the California Environmental Quality Act and the City's Development Code.

II. MINIMUM QUALIFICATIONS FOR HIP PARTICIPATION

The second step in the HIP process is to verify the project meets the minimum qualifications for participation. All proposals for residential housing development, which are not exempt from the process (as described in Section I), must have the appropriate General Plan designation for the proposed project. This means that the City Council has adopted a resolution approving the appropriate General Plan designation.

Projects are also required to be within the incorporated limits of the City of Livermore prior to the formal application submittal date. This means that the Local Agency Formation Commission (LAFCO) and the City of Livermore shall have completed the annexation proceedings by the time of HIP allocation.

If the project, or portions of the project, has zoning or subdivision entitlement(s) based upon a previous HIP allocation, the project cannot participate in any future HIP until all entitlements have expired or formally withdrawn. If a previous allocation has not been "used" by obtaining the necessary development entitlement(s), the project may not participate in any future HIP until such time as the prior allocation has expired or formally withdrawn. These provisions do not apply to projects that received HIP approval for a phased development that identified future phases that require subsequent HIP allocations.

III. APPLICATION FOR GENERAL HIP UNITS

The Housing Implementation Program implements the City's General Plan growth rate policies. This process requires the City to adopt a specific number of housing unit allocations and make that number of housing allocations available for that three-year cycle.

An applicant shall submit a request for HIP allocations with the application for entitlements. The project shall be reviewed in accordance with the procedures set forth in the Development Code. The HIP allocation shall be granted at the time of project approval (e.g., tentative map approval). A condition of HIP allocation shall be receiving final map approval or commence construction within two years of tentative map approval. In the event a final map is not approved or construction is not commenced within two years of tentative map approval, the HIP allocation shall expire for the project unless an extension or amendment is approved. The unused HIP units may be reallocated for use within the same specific three-year HIP cycle.

The 150 (resulting from a rate of 50 per year) units available for general allocation (non-DSP, non-TDC) available within the 2017-2019 HIP cycle shall be allocated on a first-come-first-serve basis with the approval of the project.

The City Council may allocate the 150 HIP units at any time during the three-year cycle.

At its discretion, the City Council may exceed the 150 HIP competitive unit cap by up to 10 units if the remaining number of HIP units available in the three-year cycle is not sufficient for a project to meet the General Plan density range for the site and more than one-half of the units of the project could be accommodated by the remaining HIP units.

IV. AMENDING ALLOCATED HIP PROJECTS

The process for amending an allocated HIP project shall follow the process of amending the associated permits set forth in the Development Code. The two-year time limit to receive final map approval after receiving HIP allocation may be extended by six months at the discretion of the Community and Economic Development Director. The applicant must submit a letter requesting the extension to the Director, including an explanation justifying the extension.