

March 17, 2008

City of Alameda
Planning Department
2263 Santa Clara Avenue
Alameda, CA 94501

RE: Planning Application / Alameda Boatworks
2229 Clement Avenue -2235 Clement Ave
APN's 71-289-5, 71-290-1

Dear Mr. Thomas,

Attached please find the planning approvals documentation describing our plans for a vibrant new residential community of homes called *The Alameda Boatworks*. I submit this application on behalf of the landowner, Francis Collins. Our project proposes to transform an abandoned waterfront manufacturing site into a neighborhood of "neo-moderne" urban residences and pedestrian oriented parkways.

The lack of housing is a critical problem in the State of California and in particular in the San Francisco Bay Area. The Alameda Boatworks celebrates the concept of "smart growth" planning by creating a walkable community of homes; by

providing quality housing for people of all income levels; and by addressing the need for more urban infill projects to help satisfy the housing demand of the area.

The City of Alameda's General Plan recognizes the need for housing on our site and calls for Medium-Density Residential projects for the area. Our project uses the development policies set by the General Plan and the City's Charter Amendment Article XXVI (Measure A) to establish the base density for this project.

Mr. Collins, in this application, seeks and agrees to construct the development to contain twenty units for very low-income households and twenty-nine units for low-income households. The project thus qualifies for a density bonus under Government Code Section 65915. The project applicant requests that the bonus be awarded pursuant to Section 65915 (b) (1) (B), as calculated using the table in Section 65915 (g), granting a 35% density bonus to any development with 11% of the base number of units available to very-low-income households. Therefore, as discussed in greater detail below, the total number of units shown in the plans has been calculated by adding 35% more units than those which could be built using the base density without density bonus.

This project will provide a significant number of affordable housing units in Alameda, on a site identified as suitable for very low, low- or moderate-income housing in the City's Housing Element. Forty-nine units, over twenty percent of the total number of units to be built, will be set aside for very low- and low-income households. The project thus falls under the protections of Government Code section 65589.5, which mandates protections for applications to develop housing for very low, low- or moderate income households.

The site for the project is within the City of Alameda's Business and Waterfront Improvement Project (BWIP) area. The inclusion of forty-nine units for very low-

and low-income families also meets the requirements for inclusionary housing set under the City's inclusionary housing policy for the BWIP.

APPLICATION OF DENSITY BONUS PROVISIONS

Per Alameda's General Plan the maximum allowable residential density for the area, before applying any density bonus, is 21.8 units per net acre. The project site area is approximately 415,568 square feet.

Property	Area/SF	Acres	Units Per Acre	Notes
Project Site	415,568.0	9.5		Note: Per General Plan Medium Density Residential Definition up to 21.8 Units per Acre recognized (Excludes Density Bonus)
Private Driveways	56,960.0	1.3		
Residential Land per General Plan Definition	358,608.0	8.2		
Min. Lot Size	2,000.0	ea.		Consistent with Measure A & Medium Density Residential Per General Plan recognition of State Density Bonus: Up to max 29.4 Units / Acre with Density Bonus of 35%
Base Dwelling Units	179.3	1 unit per 2,000 SF	21.8	
Density Bonus of 35%		Total Dwelling Units 242.1		

Alameda Boatworks proposes to provide 11% of the base number of units (20 out of 179 units) to very low income households. Per California Government Code Section 65915 (the Density Bonus Law), Alameda must therefore grant the project a Density Bonus of 35%.

Pursuant to the provisions of the Density Bonus Law – Government Code 65915(e) the City of Alameda can not apply any development standard that will have the effect of precluding the construction of the project at the densities proposed by Mr. Collins. Thus Mr. Collins is asking that the City of Alameda waive or modify development standards to allow for the construction of the affordable housing project as proposed.

The waiver or modification is necessary to make the affordable housing units economically feasible because the costs of the land; site preparation; construction labor and materials; planning and permits, and other development costs far exceed what the affordable units can be sold for. Additional documentation showing that the waivers or modifications are necessary can be provided to the City of Alameda upon their request to satisfy the intent of the Density Bonus Law and its incentives provisions.

The types and number of inclusionary housing units proposed for the project are set forth in the chart below:

Income Type	Number of Units	Percentage of Base Units
Base Units	179	
Very Low	20	11%
Low	29	16%
Moderate	0	0%
		27%

The income-level breakdown of all units in The Alameda Boatworks project, including the additional units to be built pursuant to the density bonus provisions, is shown in the following chart:

Income Type	Number of Units	Percentage of Total
Very Low	20	8%
Low	29	12%
Moderate	0	0%
Market Rate	193	80%
Total	242	100%

Base Units	179	
		Percentage of Base Units
Very Low	20	11%
Low	29	16%
Moderate	0	0%
Market Rate	130	73%
Sub-Total	179	
Density Bonus Units	63	* Density Bonus (1.35)
Total	242	

In addition to granting the density bonus itself, under Section 65915 (d) (2) (B) the City must also grant this project two incentives or concessions, which must, under Section 65915 (l), result in identifiable, financially sufficient, and actual cost reductions. Mr. Collins requests the following as the concessions or incentives to be granted for this project:

1. Waiver of the City of Alameda's Development Fees for the Project.

2. Provision of a direct financial subsidy for the building of the very low- and low-income units. Chart VI-5 of the City of Alameda's 2001 Housing Element shows the level of subsidy required for development of homes to be owned by very low- and low-income families, the difference between the development cost and the amount each family will pay. The amount of required assistance shown is \$183,900 per unit for those sold to very low-income households and \$133,800 per unit for those sold to low-income households. Mr. Collins asks that the City of Alameda provide these amounts to him for each very low- and low-income unit to be built. (Note that the dollar amounts listed above are to be adjusted for inflation since the issuance of the 2001 Housing Element).

