



Housing Commission Minutes

[SUBJECT TO APPROVAL]

City Council Chambers, 200 Old Bernal Ave., Pleasanton, CA

June 15, 2011
7:00 p.m.

1. **CALL TO ORDER – PLEDGE OF ALLEGIANCE**

Chairperson Lopez called the meeting to order at 7:00 p.m. on Wednesday, June 15, 2011, in the City Council Chambers, 200 Old Bernal Avenue, Pleasanton, California.

The Pledge of Allegiance was recited, led by Commissioner Casey.

2. **ROLL CALL**

Present: Chairperson Colleen Lopez, Vice Chairperson Barbara Hempill, Commissioners John Casey, Daniel Mermelstein, Justin Probert, and Ann Welsh.

Absent: None

Staff: Steven Bocian, Assistant City Manager; Scott Erickson, Housing Specialist; Janice Stern, Planning Manager; and Edith Caponigro, Recording Secretary

3. **AGENDA AMENDMENTS**

There were none.

Chairperson Lopez introduced and welcomed new Commissioner, Ann Welsh.

4. **MINUTES**

Commissioner Probert requested that the minutes be amended to show that he was not in attendance at the April 21, 2011, meeting. A motion was made by Commissioner Hempill, seconded by Commissioner Casey, to approve the minutes from the meeting of April 21, 2011, as corrected. **The motion was approved unanimously.**

5. **CONSENT CALENDAR**

- A. **Approval of the April and May 2011 Financial Reports for Ridge View Commons and Kottinger Place**
- B. **Management Updates for Kottinger Place and Ridge View Commons**
- C. **Miscellaneous Project Updates**

Barry Cammer, Barcelon Associates, informed the Commission that the on-site manager at Kottinger Place, Ryan Coe, recently submitted his resignation so that he can return to school. He advised that Mr. Coe will be missed and everyone is grateful for all the hard work he has put in while working at Kottinger Place. He also advised that the California Housing Finance Agency conducted an inspection at Ridge View Commons on June 8, 2011, and determined that the complex is in excellent condition overall. He gave thanks to the administrators, Pam and Fred Geiger, for their superb leadership and hard work.

A motion was made by Commissioner Casey, seconded by Commissioner Hempill, to approve the consent calendar. **The motion was approved unanimously.**

6. **MEETING OPEN TO THE PUBLIC**

- A. **Commendation to Dave Stark for Service to the Housing Commission**

Chairperson Lopez read the following commendation for Dave Stark:

“Housing Commission commends Dave Stark this 15th day of June, 2011;

Whereas, Dave Stark has served on the City's Housing Commission since June 2003, having served in the role of Vice Chairperson in 2004 and 2007 and Chairperson in 2005 and 2008; and

Whereas, Dave has given many hours of his time in consistent and faithful attendance at monthly Commission meetings over the past eight years; and

Whereas, Dave has contributed immeasurably to the Commission through his thoughtful decision-making skills and his valuable expertise in the areas of housing affordability, real estate, finance, and government; and

Whereas, the insights and contributions made by Dave have helped the Commission in its role of promoting affordable housing in Pleasanton; and

Whereas, the Housing Commission appreciates Dave's long-standing leadership and dedication in his role as Commissioner;

Now, therefore, be it resolved that the Housing Commission does hereby recognize and commend Dave Stark and expresses its sincere appreciation for his years in service to the City of Pleasanton.”

The Commendation was presented to Mr. Stark who thanked everyone and indicated that it was a bittersweet moment for him to leave the Commission. He gave thanks to the administrators of Kottinger Place and Ridge View Commons, and also to staff and members of the Commission. He urged Commissioners to try to do more work outside of their regular commission meetings and become leaders in their own right by taking initiative outside of the meetings. Mr. Stark discussed the importance of the Housing Element issues, the responsibility of the Commission to remain informed, and to get information out to others in the community. He closed by stating that he was proud to have had the opportunity to be a member of the Housing Commission.

Commissioner Casey expressed that he was grateful to Mr. Stark for helping him when he joined the Commission. He thanked him for his dedication, knowledge, expertise, and passion and acknowledged that he would be missed.

7. MATTERS CONTINUED FOR DISCUSSION

There were none.

8. PUBLIC HEARINGS AND OTHER MATTERS

A. Consideration of Draft Housing Element (including Goals, Policies and Programs, and Potential Sites for Rezoning) prior to Submittal to the California Department of Housing and Community Development

Mr. Bocian advised that the Housing Element Task Force, which includes Chairperson Lopez and Dave Stark, has been working on the preliminary draft Housing Element and is asking for feedback regarding changes that have been made based on recommendations received from the Housing and Planning Commissions. He informed the Commission that, after review by this Commission, the Preliminary Draft will be reviewed by the Planning Commission later in June and then by City Council in July.

Planning Manager Janice Stern reviewed with Commissioners a PowerPoint presentation that covered the changes and comments made previously by the Housing and Planning Commissions regarding the goals, policies and programs for the Housing Element. She indicated that some of the most recent feedback had not yet been incorporated but would be added after the document has been reviewed by the Commissions and before it goes to the Council.

The Housing Element update schedule was reviewed by Ms. Stern. She advised that the preliminary draft would be reviewed at a community workshop scheduled for Monday, June 20, 2011, and then by the Planning Commission on Wednesday, June 22, 2011. The draft will be forwarded to City Council for review on Tuesday, July 19, 2011. The draft Housing Element document must be forwarded to the California Department of Housing and Community Development (HCD) by no later than August 16, 2011.

Ms. Stern reviewed with Commissioners some of the recommended changes to the goals, policies and programs that have been incorporated into the document which included:

- Program 18.1: adding reference to water conservation as well as alternative energy
- Agreement on the need for affordable three-bedroom units
- Recommendation that housing rehabilitation programs focus on loans rather than grants
- Program 8.5: Clarifying that the intent regarding review of the City's Condo Conversion Ordinance is to be more tenant-friendly by including more notification requirements and more affordability
- Remove or deemphasize the use of grants and replace with an emphasis on loans throughout the document to promote the availability of future funding (i.e., when loans are repaid)
- Program 45.3: Remove the reference to 30 units per acre and replace with language referencing the rezoning of sites in general

Ms. Stern then reviewed with Commissioners changes and revisions suggested by Dave Stark which were contained in Attachment 2 of the agenda report and are shown in red text. She advised that these changes include:

- Revised and clarified language related to the definition of "affordable" housing (i.e. replace with "housing affordable to low- and very-low-income households")
- Add to Program 15.1: "...and through partnerships with regional organizations"
- Program 46.1: Make sure that the rezoning for consistency with SB2 includes a public outreach component

The following comments and recommendations received from Becky Dennis on behalf of Citizens for a Caring Community were then reviewed by Ms. Stern, who also provided staff's responses (in *italics*):

- Goal 1: Add language acknowledging a wastewater capacity limit and define housing need to include the community workforce and Pleasanton's "Fair Share" of regional housing need. *Staff comments: Consider a broader definition; refer the wastewater constraint issue to Growth Management Committee.*
- Goal 2: Include a more detailed definition of housing need. *Staff comments: Consider a broader definition.*

- Former Policy 1: Maintain 60% of the City’s housing units as multi-family. *Staff comments: Currently there are only 34% multi-family; with an additional 2,000 multi-family units the balance would still increase to only 38%.*
- Former Policy 1.1: Ensure that at least 60% (formerly 25%) of all residential permits are allocated to multi-family housing. *Staff comments: Refer issue to the Growth Management Committee.*
- New Programs 2.2 and 2.3: Link commercial development and jobs growth to housing need and the reservation of wastewater capacity. *Staff comments: Suggest that this be done as part of the next General Plan update.*
- New Program 7: Give higher priority for projects involving non-profit/for-profit partnerships and lower priority for developments that opt to pay the in-lieu fee. *Staff comments: Refer to the Growth Management Committee.*
- Goal 5: Provide a more detailed definition of housing. *Staff comments: Can be added.*
- New Policy 13 and Program 13.1: Balancing infrastructure capacity and residential and commercial growth. *Staff comments: Refer to the Growth Management Committee; also, State housing law already requires preferential service (water and sewer) for affordable housing projects.*
- New Program 13.1A: Review the Lower Income Housing Fee. *Staff comments: See Program 17.1.*
- New Program 13.2A: Require that projects apply for project-based Section 8 certificates. *Staff comments: Would not be practical to require of all projects because project-based Section 8 is extremely limited; consider more flexible language; City currently requires that all affordable housing projects accept Section 8 vouchers.*
- New Policy 14A: Give highest priority for approval to proposals by partnerships providing at least 40% low and very-low income units, and at least 20% moderate income units. *Staff comments: Refer to the Growth Management Committee.*
- New Policy 20.1A: Provide incentives (e.g., amenities) to neighborhoods to encourage acceptance of affordable housing projects. *Staff comments: Previously discussed this issue with the Housing Commission.*
- New Program 21.1A: Require 30% of inclusionary units to be affordable to very low income households and 30% affordable to low income households; require projects to seek Section 8 assistance. *Staff comments: See Program 16.2.*
- Revised Program 24: Require owners who receive financial support to seek Section 8 assistance and accept Section 8 vouchers. *Staff comments: This is partially covered in Policy 19.*
- Revised Goal 11: Proposes the addition of a commercial growth management policy. *Staff comments: Refer to the Growth Management Committee.*
- Revised Program 34.7: Balance commercial development, workforce housing and infrastructure capacity. *Staff comments: Refer to the Growth Management Committee.*
- New Program 44.4: Issue RFP’s for affordable housing projects. *Staff comments: This is only feasible if the City has ownership and/or control of land.*

Potential sites being considered for rezoning throughout the City were reviewed by Ms. Stern. She noted that the sites include a parcel across from the library, two sites on Sunol Boulevard, and one located at 4202 Stanley Boulevard. The City is obligated to propose sites that would accommodate approximately 2,000 units. She noted that the sites that have been identified would accommodate roughly 3,000 units which allows for some flexibility. Ms. Stern advised that staff is in the process of completing an analysis of the sites using the TCAC (Tax Credit Allocation Committee) scoring methodology and will share the results when the process has been completed.

Chairperson Lopez opened the meeting for public comment at 7:40 p.m.

Dave Stark, 4072 Cid Way – congratulated staff and the Commission on a great job in trying to meet and comply with all requirements necessary for putting together this Housing Element update. He encouraged the Commission to ask staff to incorporate the changes he had submitted and to be cautious about any changes to the City's Inclusionary Zoning and Growth Management ordinances given the current weak economy and housing market. Mr. Stark requested that the Commission remain engaged in the process.

Mr. Bocian advised that staff agrees with Mr. Stark's comments regarding the Inclusionary Zoning Ordinance (IZO) and will look ensure that the Housing Commission has an opportunity to review any proposed changes to the Growth Management Ordinance. He also noted that staff was comfortable with Mr. Stark's proposed edits to the draft Housing Element Update with some minor tweaking.

Becky Dennis, 838 Gray Fox Circle – thanked staff for including the May 16, 2011, letter from Citizens for a Caring Community as Attachment 6 in the agenda report. She discussed: 1) the need for reserving sewer capacity and prioritizing limited capacity for projects that meet the City's housing needs; 2) prioritizing non-profit affordable housing developments and/or non-profit/for-profit partnerships; 3) emphasizing multi-family housing; 4) encouraging the use of Section 8 vouchers and project-based assistance; and 5) reviewing the affordable housing in-lieu fee. Ms. Dennis also encouraged Commissioners to consider the recommendations related to the Growth Management Ordinance that have been made by Citizens for a Caring Community. She provided Commissioners with information on the most recent analysis of sewer capacity and the Regional Housing Needs Analysis (RHNA) numbers for Pleasanton.

Mr. Bocian responded to Ms. Dennis' comments. He noted that staff will be looking at the structure for the City's lower income housing fee. He stated that the City already encourages developers to pursue Section 8 for a project if it is feasible and will continue to do so. The City will be reviewing the IZO. Mr. Bocian stated that staff agrees with CAC's comments regarding Goal 5 and Policies 20 and 44 as stated in the letter submitted by the group. He also reiterated that City Council subcommittee is currently looking at a broad range of issues related to the City's Growth Management Ordinance.

Finally, Mr. Bocian noted that the letter submitted by Citizens for a Caring Community will be provided to the City Council when it reviews the draft Housing Element in July.

Chairperson Lopez closed the meeting for public comment at 8:00 p.m.

Commissioner Hempill agreed with the recommendations from Mr. Stark pertaining to wording about affordable housing, comments related to the IZO, and non-profit/for-profit collaborations.

Commissioner Casey discussed with Ms. Stern the types of building permits that were currently being sought. She advised that most current permits were for custom homes. Mr. Bocian noted that staff has found the IZO to be an effective tool but the City has received both positive and negative feedback.

Commissioner Casey also supported Mr. Stark's comments. He felt there was a lot of information for the Commission to consider in the letter from Citizens for a Caring Community. He agreed with several of the comments and agreed with staff's recommendations that some of the matters raised in the letter should be referred to the Growth Management Committee.

Ms. Stern discussed with Commissioner Hempill eventual build-out and how conversions from commercial to residential land use might affect the balance of jobs and housing.

Commissioner Probert agreed with Commissioner Casey that there was much to digest in the comments provided by Citizens for a Caring Community as it relates to the tight schedule for putting together the draft Housing Element. He indicated that he supported the recommendations made by Dave Stark.

Chairperson Lopez thanked staff for their hard work in putting together the draft Housing Element. She felt the statistics in the draft would be surprising to many residents in the community and would be useful for community education purposes. She was personally struck by the number of seniors in Pleasanton as noted in the report. She discussed Goal 5 in the letter from Citizens for a Caring Community and the similarities with build-out language. She felt it was sometimes better to maintain a broader approach when defining these types of policies.

Commissioner Hempill recommended minor wording changes on pages 33 ("complex"), 36 ("Christian"), and 52, also in the text of Goal 3 ("ensure"). Staff agreed to look at these sections and to revise as appropriate. Commissioner Casey commented on using the word "grant" on page 3 and also Chairperson Lopez's comment regarding Pleasanton's aging population and the need to address that trend in the Housing Element.

Commissioner Welsh felt that Policy 26 was somewhat unclear. Staff agreed to reword the policy for greater clarification. Ms. Welsh also discussed the proposed sites that have been rezoned and whether they would be further ranked.

Mr. Bocian reviewed and summarized the Commission's comments to confirm that they included changes and recommendations for:

- Page 52, Goal 3
- Policy 26, specific edits
- Minor wording changes in specific sections as noted by Commissioner Hempill
- Recommendations made by Dave Stark

A motion was made by Commissioner Casey, seconded by Commissioner Probert, recommending approval of the Preliminary Draft Housing Element Goals, Policies and Programs for submittal to the California Department of Housing and Community Development by August 16, 2011, with the inclusion of recommended and staff approved changes as follows:

1. Incorporate Housing Element Task Force Member David Stark's suggested edits into the Preliminary Draft Housing Element Goals, Policies and Programs:
 - Clarify affordability terms throughout the document;
 - Modify the second unit monitoring requirement so that it is only required as feasible and when City resources to conduct monitoring are available (see "Time Period" for Program 6.1);
 - Add text about continuing housing education through partnerships with regional organizations (Program 15.1);
 - In program 44.2, change "Consider utilizing..." to "Explore the potential for utilizing..." with regard to utilizing the City's Lower-Income-Housing Fund for low-interest loans to support alternative energy usage and/or significant water conservation systems in exchange for securing new and/or existing rental housing units; and
 - Add a requirement for public outreach when the Zoning Title is updated to address emergency shelters, supportive housing, and transitional housing (Program 46.1).
2. Incorporate some of the edits suggested by Becky Dennis, Citizens for a Caring Community (CAC) as follows:
 - In Goal 5, clarify that the intent is to address the City's responsibility for meeting the housing needs of Pleasanton's workforce, families, and residents;
 - In Program 38.3 (formerly Program 44.4 in the earlier draft), address RFPs for non-profit/for-profit partnerships and how this could help foster a mixed-income environment; and

- Add a new Program 15.3 to require the development of incentive/revitalization programs for neighborhoods to encourage the identification of and support for affordable housing opportunities.
3. Forward the other edits suggested by Becky Dennis / CAC to the City's Growth Management Committee for consideration and action.
 4. Direct staff to modify Policy 26 to clarify its intent.
 5. Direct staff to broaden the scope of Goals 5 and 11 by removing or text related to "buildout."

ROLL CALL VOTE:

AYES: Commissioners Casey, Hempill, Mermelstein, Probert, Welsh, and Chairperson Lopez
 NOES: None
 ABSENT: None
 ABSTAIN: None

9. MATTERS INITIATED BY MEMBERS OF THE COMMISSION

There were none.

10. DISCUSSION OF AGENDA FOR JULY 21, 2011, MEETING

Mr. Erickson stated that the July meeting is tentatively scheduled to include the following items:

- A presentation on the Section 8 rental assistance program by Christine Steiner from the Housing Authority of the County of Alameda board and former member of the Housing Commission
- An informational presentation regarding the most recent City survey of apartment rents and vacancy rates
- The first annual update regarding the status of the City's past loans to major affordable housing projects
- An update regarding recent ownership changes to the Promenade apartment project

Commissioners and staff generally concurred that the July meeting will likely be cancelled due to the informational nature of these future agenda items and the need to focus on completion of the draft Housing Element. Staff will send out confirmation of the cancellation prior to the regularly scheduled July meeting.

Commissioner Hempill asked that the Commission be provided in update regarding the no-smoking policy.

11. ADJOURNMENT

The meeting was adjourned at 8:30 p.m. by unanimous consent.

DATED: June 15, 2011

ATTEST:

Colleen Lopez, Chairperson

Steven Bocian, Assistant City Manager