



Housing Commission Minutes [SUBJECT TO APPROVAL]

September 16, 2021 – 7:00 p.m.

This meeting was conducted in accordance with Governor Newsom's Executive Orders N-20-20 and N-35-20 and COVID-19 pandemic protocols

CALL TO ORDER

Chair Galvin called a teleconference meeting of the Housing Commission to order at 7:01 p.m.

Pledge of Allegiance

The Pledge of Allegiance to the flag was recited.

ROLL CALL

Commissioners Present: Commissioners Kate Duggan, Karline Fischer, Zarina Kiziloglu, Tony Soby, and Chairperson Jay Galvin

Commissioners Absent: Commissioner Neil Kripalani

Staff Present: Steve Hernandez, Housing Manager; Brian Dolan, Assistant City Manager; Ellen Clark, Director of Community Development; Jennifer Hagen, Associate Planner; Shweta Bonn, Senior Planner; and Edith Caponigro, Recording Secretary

AGENDA AMENDMENTS

None.

MINUTES

1. Approve Regular Meeting Minutes of August 19, 2021

Corrections:

Page 2, Item 4, Tri-Valley REACH, para.5 – Commissioner Soby Questioned ~~is~~ if reports being given...
Page 5, Item 4, City-Serve, para.4 – Commissioner Fischer asked about...

Motion made by Commissioner Soby, seconded by Commissioner Duggan, to approve the August 19, 2021 meeting minutes as corrected. **The motion approved unanimously.**

Approve Regular Meeting Minutes of August 24, 2021

Corrections:

Page 2, Item 4, para1 - ...2,313 for above *moderate* income, and...

Motion made by Commissioner Duggan, seconded by Commissioner Soby, to approve the August 24, 2021 meeting minutes as corrected. **The motion approved unanimously.**

CONSENT CALENDAR

None.

MEETING OPEN TO THE PUBLIC

2. Introductions / Awards / Recognitions

None.

3. Public Comment from the audience regarding items not listed on the agenda

Monith Ilavarasan indicated he was a representative for the Genesis, a nonprofit organization, which is endorsing the California Statewide Communities Development Authority Workforce Housing Program. He commented on converting 354 market rate units at Stoneridge apartments to lower middle- and moderate-income housing that would improve things for those who live in the apartments and many of them being essential workers in the City of Pleasanton. Mr. Ilavarasan noted that monthly savings could be between \$300-400 for an individual or family and allow people to be able to save and plan for the future. He asked that the commission review this project at the next available opportunity so a recommendation can be made on whether the city should move forward on the project.

Chairperson Galvin thanked Mr. Ilavarasan for his comments and advised that the commission was unable to make comment because this was not an item for discussion on the agenda. Mr. Ilavarasan indicated he would send information on this to Mr. Hernandez so it could be shared with the commission.

Commissioner Kiziloglu asked that the commission be allowed to question Mr. Ilavarasan about the project so they would be better informed before receiving the information he sends to staff.

Mr. Ilavarasan indicated that this project would be an opportunity for the city to partner with a few nonprofits and government organizations to purchase, or jointly purchase, the Stoneridge apartment complex and convert some of the units to low-, moderate-, and middle-income housing. He noted that other details with the project would include the city giving up property tax on the property and in about 30 years be able to decide whether they wish to further increase the affordability or flip the property.

Commissioner Kiziloglu questioned if this was something that the city could potentially use towards the affordable housing issue on which it is currently working. Mr. Ilavarasan stated that his understanding is that this would not count towards current RHNA numbers; however, a bill going through state legislature will allow for these projects to count towards numbers in the future.

Chairperson Galvin asked that the conversation on this matter discontinue since it was not an item on the meeting agenda.

Mr. Dolan noted that this is a matter has been brought to the attention of staff for the past several months and is something City Council has asked to be included in the Housing Element policy discussion and once details have been prepared it will be scheduled for the commission to review.

4. Review and provide comments on draft Preliminary Report sections for the 6th Cycle (2023-2031) Housing Element Update

Chairperson Soby opened the meeting for public comment on this item.

Jocelyn Combs – Ms. Combs referenced a letter she had sent to the Housing Commission dated September 14, 2021 in which she outlined her comments on the Housing Needs Assessment. She

noted that 92% of Pleasanton workers commute from other areas which means a lot of cars on the road causing greenhouse gases, and there is a lack of affordable housing. She commented on some things that are not being shown in the Housing Element and felt Pleasanton needed to be congratulated on what it has been able to achieve but expressed her concern about 672 low-income units that are at risk of conversion.

Ms. Combs commented on a field trip taken with nonprofit developers in Dublin and Livermore and how amazing their projects are. She encouraged members of the Housing Commission to speak out at Planning Commission and City Council meetings as the Housing Element moves forward.

Chairperson Galvin thanked Ms. Combs for the letter she had written and indicated he had been surprised at survey results she had indicated.

Becky Dennis – Ms. Dennis indicated that she too had been distressed at the 92% number of Pleasanton workers who are commuting from other areas and noted that American Community Surveys is an interesting place to obtain data. She commented on the high-density housing built around the BART station and the drop-off of the 15% low-income units that were included.

Ms. Dennis commented on the decision made to include housing in the Hacienda Business Park and how every time affordable housing is built that Pleasanton becomes more desirable. She felt that Pleasanton has done well in all sectors but would like to see the city achieve its goal of bringing its workforce living closer to jobs in the area and questioned why people living in housing near BART are leaving the city for jobs in other cities.

Ms. Dennis questioned if the city was providing housing that would allow it to obtain climate and carbon credits and felt it was important to know how it can cut down on people commuting. She felt collecting data was important to be able to understand how to succeed and encouraged the commission to determine if staff was able to produce information that would provide a clearer picture on what needs to take place.

Chairperson Galvin thanked Ms. Dennis for her comments and the information provided in her September 15, 2021 letter to the commission.

Mr. Hernandez asked Ellen Clark, Director of Community Services and Jennifer Hagen, Associate Planner to provide draft Preliminary Report sections for the 6th Cycle Housing Element Update.

Ms. Clark provided a PowerPoint presentation and advised that this is an opportunity for the Housing Commission to provide input on some of the key documents and some initial research findings in this first portion of the Housing Element process. She noted that staff will be providing a summary of the community outreach conducted that includes several community meetings and a community survey. Ms. Clark indicated that a key piece is to look forward to future policy items and discuss what will be key pieces and engage with the commission on policy topics important to be investigated and further reviewed during the Housing Element process.

Ms. Clark asked Jen Murillo, Senior Associate with Lisa Wise Consulting, to comment on the next portion of the presentation. Ms. Murillo advised that a state-mandated element of the city's General Plan prescribes what needs to go into the Housing Element and some components are included in the background report. Discussions at this meeting will include policy and programs review that are an evaluation of current Housing Element programs, while looking at what is working and should continue as well as what is not working. She noted that the housing needs assessment examines demographic employment and housing trends and conditions, paying attention to the special needs population and includes housing resources assessment and housing constraints assessments.

Commissioners were advised by Ms. Murillo that the housing element update process that began in the

spring will take about 18-months and the plan is for it to end in January 2023 with an adopted Housing Element. She noted the commission will continue to be involved throughout the process, and public engagement will continue via meetings and other events. Ms. Murillo reviewed with report sections with commissioners that included basic housing needs and special housing needs. She noted that Pleasanton has a higher income population compared to other areas, has 20% of households that are low-income (earning under \$110,000 for a 4-person household), has a high rate (70%) of homeownership, and has more jobs than residents.

Additionally, commissioners were advised that only 8% of people who work in Pleasanton live in the city which shows a disconnect between jobs and residents; seniors make up 15% of the population; 7% are people with disabilities who may require accessibility improvements to their homes and living conditions; approximately 120 Pleasanton people are experiencing homelessness; and about 3,520 people are living in poverty.

Ms. Murillo advised that in reviewing Pleasanton housing, it was noted that most is single-family housing with three or more bedrooms, and about 50% of the households are occupied by one or two people. She commented on the cost of housing and noted that 25% of homeowners and 44% of renters in Pleasanton are cost burdened which means they are spending over 30% of their income on housing.

Commissioners were provided further information by Ms. Murillo on governmental constraints that create uncertainty in areas of permitting and approval process and State law that must be considered and addressed. She discussed new bills that have passed since the City of Pleasanton adopted their current Housing Element that now need to be included and commented on programs that currently exist and may need to be modified or updated.

Ms. Murillo talked about housing programs offered by the city and resources available at the regional, state, and federal level. She noted that it may be necessary for the city to address, improve or enhance its existing programs.

Ms. Hagen advised that as the city moves forward through the Housing Element process staff will be providing summaries of the outreach that is being conducted and that at this meeting information has been provided from the recent community/stakeholder meetings and survey at which people were introduced to the Housing Element Update. She noted that the stakeholder meetings were intended to provide insight to high priority considerations for the Housing Element Update and allowing stakeholders to better understand the challenges and opportunities.

Commissioners were informed by Ms. Hagen that stakeholder meetings were held via Zoom by Lisa Wise Consulting representatives and staff members. She noted that the housing developer group commented on the complicated process of building in Pleasanton due to the city review process and fee constraints combined with recent labor challenges and cost of materials, while service providers focused on specific housing needs of varying populations.

Ms. Hagen noted that the consensus from these meetings was that local businesses have a challenging time recruiting employees and young professionals due to the lack of housing affordability for entry level workers in Pleasanton. She advised that people recognized housing needs with the potential for redeveloping existing or older commercial centers with a consistent theme of the survey being maintaining the value and importance of an existing neighborhood's character.

Commissioners were advised by Ms. Hagen that staff was requesting them to provide additional items for discussion that they do not believe are already included in the list of policy items and noted that some programs and policies will be brought back to the commission for further in-depth discussion in early spring 2022. She informed the commission that the next steps of the Housing Element Update will be to review results of the community wide survey with the Housing and Planning Commissions and City Council and in November and December hold a public workshop or community meeting, and once

an initial list of ranked sites has been put together it will be presented to both commissions and City Council. Ms. Hagen encouraged people to stay informed by checking the Housing Element section of the city's website.

Chairperson Galvin thanked Ms. Hagen for her presentation and asked commissioners for their questions and comments.

Commissioner Kiziloglu thanked staff for the great presentation and information provided. She commented on the increased number of homeless individuals and home affordability and discussed the recent signing by Governor Newsom of SB9 and 10 and whether this would affect the Housing Element. Ms. Clark commented on the recent adoption of SB9, a bill that will allow for subdividing of property as well as construction of up to two units on any single-family residential parcel. She indicated that it will be interesting to see how many jurisdictions reflect this increase in unit production in their Housing Element. Ms. Clark noted that no guidance from the state has been received on this bill, and SB10 is a voluntary bill that will allow cities to adopt zoning for up to 10 units on parcels. City staff is carefully monitoring both bills.

Commissioner Soby questioned if passed into law, would these bills need to be considered when the city completes an analysis of capacity within properties that already have existing residential zoning. Ms. Clark provided comment and noted that there is much conjecture on what is going to happen and provided information from a recent Turner Center report that concluded there would be modest uptake because of barriers and obstacles and guidance from the state will be required.

Commissioner Soby discussed with Ms. Clark the amount of local control that will be allowed. Ms. Clark felt local control would be limited but commented on city design standards that might be applied with other things being governed by what the state will allow, and the city not allowed the discretion of being able to approve or disapprove a project.

Commissioner Kiziloglu questioned how the population of Pleasanton would feel about Sacramento changes that would affect the current "Community of Character" feeling. She felt there was going to be problems with the community accepting these changes especially since housing was a key factor. Ms. Clark felt that the state was addressing this for the city by stating it is something that must be allowed, especially if SB9 is signed into law by the governor and takes discretion out of the hands of communities. Commissioner Kiziloglu stated that the bill had been signed today by the governor.

Commissioner Duggan commented on SB9 and SB10 and noted that SB9 seems to tie in with the number of household occupants indicated in the report and thought splitting residential lots into smaller units should be heavily considered. She felt taking into consideration the lot and unit size would be necessary.

Commissioner Duggan was sad to see the significant increase in the number of homeless in the city and was unsure what the solution should be but had noticed that many of these individuals were being referred out of Pleasanton. She felt working on a solution for this was something that needed to be considered. Ms. Clark noted that the 120 number of homeless was an estimate because a field trip to identify these people had not been conducted. Chairperson Galvin noted the number was like what service providers had been reporting, and he had heard about people sleeping in cars and on the couch of a friend.

Commissioner Fischer thanked staff for the detailed report on demographics, jobs, and household occupancies and indicated she was trying to understand what the city's goal was because she thought a mandate had already been given by the state broken into four categories pertaining to number of units the city has. She asked if the assessment was being done to prove what is needed or if it is something the state was requiring so they receive data. Ms. Clark advised that the state requires that the city complete this detailed local evaluation on housing needs and splitting the information into

affordability categories while looking at family size, age, disability, etc. that generates detail about special types of housing. She indicated that the Needs Assessment provides detail about local needs and conditions to help the city tailor programs effectively.

Commissioner Fischer noted that at the previous Housing Commission meeting commissioners had discussed site selection criteria, walking distances to BART and buses and access to the freeway, and she had commented on some of the people being seniors, but had been informed that would not be a factor requiring specific housing, so wondered why now a divide was being done if specific housing for seniors was not being done. Ms. Clark advised that the city could have programs that are supportive of senior housing and services, and as Ms. Murillo had indicated many seniors are on fixed incomes and make up a disproportionate share of the lower income community.

Commissioner Fischer commented on the 8% of people who work and live in Pleasanton. Ms. Murillo noted that of the 60,000 people who work in Pleasanton, 5,000 have been identified as working and living in the city. Commissioner Fischer felt it would be helpful to determine the number of Pleasanton residents who commute to jobs in Dublin or Livermore, since commuting a distance within five miles should not be considered a major commute.

Commissioner Kiziloglu commented on the increase in homeless individuals since what had been reported when she joined the commission four years ago. She felt the actual number was closer to 220 because many are living under bridges and in other locations. Commissioner Kiziloglu then discussed the number of homeowners and renters that are dealing with housing cost burdens and questioned whether the City of Pleasanton has a statistical understanding of the community previously. Ms. Clark advised that the analysis is part of every Housing Element cycle; however, the state is requiring more detailed information be included in the housing needs assessment and has added new topics and categories.

Commissioner Kiziloglu questioned whether numbers currently being reported are different from those that had been reported previously. Ms. Clark indicated that staff could look at the last reporting to determine how trends have changed.

Commissioner Kiziloglu commented on the housing down-payment assistance program that would provide \$100,000 assistance to three individuals and felt with the cost of housing in Pleasanton this was a good gesture, but not enough. She also commented on the slow process of the program.

Commissioner Soby commented on one segment of the homeless population that could be housed in affordable housing if provided support and another segment that required rehab training. He discussed an organization that had presented to this commission and provided information about their success in Oakland getting people off the street by rehabbing and training them to go out into the workforce and questioned if this was something that should be included in this reporting. Commissioner Soby also discussed the Pleasanton transportation problem and felt it was not something that would be solved within the Housing Element being discussed and was a separate issue needing to be considered.

Commissioner Soby agreed with Commissioner Fischer's earlier comment about determining how many people are commuting to Dublin and Livermore and felt it would be helpful if those numbers could be provided.

Commissioner Kiziloglu felt that when talking about housing issues the city also needed to consider climate issues and how to reduce carbon emission as this is something that is not just a community issue but a world issue. She felt that providing affordable housing would reduce the number of people commuting to Pleasanton from places like Stockton and Sacramento and would like to see people living close to their jobs. Commissioner Kiziloglu also felt it was wrong to push homeless out of the community and felt resources to help them were not currently available should be made available.

Commissioner Kiziloglu commented on not being automatically reappointed to the Housing Commission and felt having to go through another application and interview process was political.

Chairperson Galvin discussed the number of people living in his court that years ago had children but are now senior citizens. Four homes have senior couples and two have widows, and he felt this was indicative of other homes in other subdivisions. He commented on about 18% of Pleasanton's population being over age 65, many of them not wanting to move, changes to their income and needs, and felt a deeper understanding of seniors was needed in the reporting since they are about 20% of the population.

In the next section of the reporting Ms. Hagen advised that staff was looking for comments and questions pertaining to the housing constraints analysis. She noted that current governmental constraints include zoning and permitting processes and non-government constraints include housing supply conditions, development costs, variable financing, and overall environmental structure constraints.

Commissioner Duggan commented on the city's approval rate when people apply for a permit to renovate their home being only 56% when the approval rate for other permits was at the 75% level and questioned if this was something she had misread. Ms. Clark noted that most residential remodels are approved and rarely is an application denied or needs to go to an appeal and would need to further verify what Commissioner Duggan was referencing. Ms. Murillo stated that what Commissioner Duggan was referencing related to the approval of financing requests which is not something in the city's control. Commissioner Duggan felt it was unfortunate that such a high percentage of residents could not receive financing approval and wondered if there was something the city could do to help with this problem.

Commissioner Duggan indicated she had also noted the length of time being taken for people to receive permitting or reviews and suggested follow-up steps be taken. Ms. Clark provided details about the process for completing projects and the considerable amount of time that staff spends with applicants making sure all project requirements are carefully completed, and there are no concerns from the community.

Commissioner Duggan asked for clarification about properties converted into low or affordable housing not being counted into RHNA numbers. Ms. Clark advised that with current programs the state does not allow for converted units to be counted towards RHNA because it does not show an increase in new units, but they go from market rate to low or moderate-income categories, and market rate units now need to be found because they have been taken out of the pool.

Commissioner Soby asked about criteria being two times the number of bedrooms plus one, but statistical information in the report being reviewed uses one person per room. Ms. Clark advised this was a definition that has come from the state, and Ms. Murillo stated it is something also tracked through the census. Mr. Bergman from Lisa Wise Consulting provided additional information on the definition. Commissioner Soby asked if the state counting used of one person per room meant that kitchens were not included. Ms. Clark commented on the standard definitions used by the State and federal government.

Chairperson Galvin discussed with Ms. Clark alternatives to planned unit developments and the importance of sorting them into various categories when reviewing multi-family housing projects, but only to the extent they are consistent with developed and adopted design standards and other requirements. Ms. Clark felt there was going to be a necessity for state laws to override local standards to avoid impeding someone's ability to develop.

Commissioner Kiziloglu asked about constraints on infrastructure in relation to building affordable housing or increasing the housing production, soil contamination, and what mediation there might be.

Ms. Clark stated she was unable to provide information about sites that are in flood zones, subject to contamination, or in earthquake fault zones but often constraints can be overcome within engineering and design and noted that fewer of these types of risks exist in Pleasanton. She commented on Pleasanton infrastructure that may be older and may present a constraint to development. Commissioner Kiziloglu asked about water and sewer infrastructure build-out requirements for building dense housing. Ms. Clark stated that was a technical question to which she did not have answers since there were variants for building a single-family home or multi-family units.

Ms. Hagen asked if the commission needed any clarification on housing resources in Appendix G of the preliminary report. She noted that housing resources are all different programs that the city offers including the loan programs and different resources available to residents.

Commissioner Duggan indicated that in reviewing the list of resources she did not see East Bay Community Energy on the list as a resource and felt it should be included.

Commissioner Kiziloglu commented on Section 8 housing being closed for the last five years and not now being an available resource. She also felt other resources on the list may not be available. Ms. Clark thanked her for the information. Commissioner Kiziloglu asked about low-income credits available to developers but not members of the community. Ms. Clark advised that the resource list includes resources directly available to residents as well as developers.

Commissioner Soby questioned whether staff could foresee new federal, state, or local programs on resources becoming available. Ms. Clark noted the state had identified a large portion of funds available to support affordable housing and recent federal plans may provide additional funding opportunities.

In the last section reviewed by Ms. Hagen, she noted it was a review of existing programs, how they have fared over the past 6-7 years, together with recommendations on if they should continue, be modified, or removed. She asked commissioners to comment on items they think should be included.

Commissioner Kiziloglu asked staff to define the housing division between the Housing and Planning commissions. Ms. Clark advised that the Housing Division is the department of the city that facilitates programs and resources, and the Housing Commission is the advisory body on housing matters. She commented on the policy ideas that have been identified and indicated that staff was not expecting to get into heavy discussion on these at this meeting but would like commissioners to identify things they do not see on the list they think are important for the Housing Element process.

Ms. Clark commented on the existing Housing Element program, accomplishments and achievements, feedback received, and goals for this next Housing Element. She noted this was an opportunity for the city to broaden horizons and the commission to indicate what else could or should be considered for programs, actions, or items that might be addressed.

Commissioner Fischer thought the Housing Element was being conducted because it was something the state had mandated but based on what Ms. Clark was saying it appears things can be added to it. Ms. Clark advised that the city has a robust program of actions needed to address the community housing needs and reduce any barriers in place to produce affordable housing and preserve the existing housing supply. She noted that the state outlines parameters within which the city must define a range of programs and specific approach to address the local housing needs.

In reference to the issue of homelessness, Commissioner Fischer questioned if discussions should be about creating housing for various income levels and asked staff to clarify this for her. Ms. Clark indicated that it covered all levels from someone homeless who does not have a roof over their head to someone else who may be struggling paying their rent, or who cannot find a unit to meet their family's needs. She discussed issues around housing and the need to address specific challenges noting that the Housing Element is an opportunity for communities to be more ambitious in identify needs and

programs be more in tune in how to allocate resources for specific needs.

Commissioner Duggan questioned if there was a specific number that the city receives every year from the Community Development Block Grant funds. Mr. Hernandez advised that the calculation is complicated and is dependent on what Congress passes each year in its budget and how many entitlement communities are added to the program and how many jurisdictions exit the program. He noted that Pleasanton receives in the range of \$370,000.

Commissioner Duggan commented on financing options and programs performed by developers and questioned if this were something that could be considered by the city. Ms. Clark advised that the city has routinely partnered with nonprofit housing developers to assist with projects which usually consists of various funding needs that need to be put in place to do an affordable housing project. Mr. Hernandez noted that developers are typically the main applicant, and the city helps with gap financing, but cities are not eligible as an applicant for tax credit.

Commissioner Soby asked if staff had been following the mini housing program at Crosswinds Church in Livermore and whether something similar should be added to the list the commission is reviewing. Mr. Hernandez stated he had not spoken with Livermore staff on this project since it was a project under the authority of the church. Mr. Dolan advised that the City of Pleasanton had considered participating in this project but after research it turned out not to be eligible for funding. Commissioner Soby asked if this was an item that should also be added to the list, and Commissioner Duggan agreed.

Commissioner Kiziloglu provided information about a company in Union City making manufactured units and suggested it be something considered by the city. She noted the production of these units is fast, and she had heard they were able to complete 90 homes in 78 days. Commissioner Soby felt tiny homes was something worthwhile checking out.

Ms. Hagen concluded reviewing the topics with commission, and Ms. Clark advised that feedback received from the Housing Commission will be included with the materials that the Planning Commission will review at their meeting. She thanked commissioners for their suggestions and comments. Chairperson Galvin thanked staff for listening to the commissions comments at earlier meetings and including them in this presentation.

MATTERS INITIATED BY MEMBERS OF THE COMMISSION

Commissioner Kiziloglu stated that she wanted to be sure that Inclusionary Zoning fees are used for affordable housing to prevent people becoming homeless and should not be used for paying services. She felt the Lower Income Housing Fund needed more money.

Chairperson Galvin thanked Commissioner Kiziloglu for serving on the commission and for checking on matters and providing information to commissioners.

COMMISSION REPORTS

None.

FUTURE AGENDA ITEMS

None.

ADJOURNMENT

The meeting adjourned at 9:05 p.m. by unanimous consent.