



Housing Commission Minutes [SUBJECT TO APPROVAL]

July 15, 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, Neil Kripalani, Tony Soby, and Chairperson Jay Galvin

Commissioners Absent: None

Staff Present: Steve Hernandez, Housing Manager; Brian Dolan, Assistant City Manager; and Edith Caponigro, Recording Secretary

AGENDA AMENDMENTS

None.

MINUTES

1. Approve Regular Meeting Minutes of June 15, 2021.

Motion made by Commissioner Soby, seconded by Commissioner Fischer, to approve the June 15, 2021 meeting minutes. **The motion was approved unanimously.**

CONSENT CALENDAR

None.

MEETING OPEN TO THE PUBLIC

2. Introductions / Awards / Recognitions

Commissioner Duggan was thanked for providing information from newspaper articles.

3. Public Comment

Lynn Thomas – indicated she was a 47-year resident of Pleasanton and was speaking to the

commission on behalf of her daughter, Jennifer, who is a Special Needs Adult trying to move into the Summerhill development that should allow her to be able to live on her own, but neither she nor her family have been provided any information about the many changes that have been made since signing the contract. Ms. Thomas advised that since contracts have been signed families have learned:

- 1) The onsite manager position has been eliminated which is a huge problem for her daughter Jennifer,
- 2) The Daily Meal Plan, that would bring a sense of community in a community environment to these Special Needs Adults, now evidently will not be taking place because it has been deemed to be too expensive.
- 3) The Summerhill Development at Irby Ranch was expected to be a welcoming environment for these Special Needs Adults, but that is not the case because they are being handed forms to complete for things they are unaware of, which is causing them stress.
- 4) Security and safety now appear to be lacking which will put people at risks and leaves them with concerns.

Ms. Thomas advised that her daughter recently attended a community meeting at which these young special needs people were asked to be “points of contact” for fire and police, which she felt showed a complete lack of judgement.

Commissioners were asked by Ms. Thomas to please investigate why all these things, that are safety concerns for special needs adults, are taking place at this new development. She indicated that she understood that the City Pleasanton was a silent partner in this development but felt having them investigate these concerns would be helpful to families who have special needs members hoping to live there.

Chairperson Galvin advised that the commission was unable to take any action on this matter because it was not an item on the agenda for them to consider and asked if staff would like to make any comment.

Mr. Dolan indicated the concerns expressed by Ms. Thomas were issues that have just been brought to staff’s attention after a concerned parent contacted the city. He indicated there is a great deal of concern on the part of staff and a meeting is being scheduled to address concerns with all entities involved. Mr. Dolan stated this is very disturbing and the City of Pleasanton is committed to trying to get this resolved as quickly as possible.

Ms. Thomas indicated that she would like to be included in any planned meetings and thanked staff for taking steps and bringing attention to this matter.

Mr. Dolan advised that staff would report back to the commission when information is available on this item.

Chairperson Galvin reminded commissioners to inform staff of any concerns they may learn about.

MATTERS BEFORE THE COMMISSION

4. Overview of Affordable Rental Housing Development Opportunities and Challenges

Mr. Hernandez advised that at the request of the commission staff is bringing to them information about how affordable housing can be built in the Bay Area, and Mr. Dolan advised that staff has asked Abby Goldware from MidPen to provide information to the commission. She had been a key player in assisting the City of Pleasanton in the planning of Kottinger Place in many areas. He stated that Ms. Goldware will be able to provide information about different ways of providing affordable housing including partnering with a nonprofit such as MidPen. Mr. Dolan felt it was important that everyone be realistic about the many ways of providing such housing and the challenges that nonprofit partners may

face.

Ms. Goldware advised she is the Director of Housing Development with MidPen Housing and thanked staff for providing her the opportunity present information to the Housing Commission. She discussed her involvement working with the City of Pleasanton on the Kottinger Place project and many complex aspects that had to be overcome.

Ms. Goldware reviewed with commissioners a PowerPoint presentation titled "Affordable Rental Housing Development Opportunities and Challenges". She discussed background details on MidPen Housing advising they have over 3,500 homes in the pipeline which includes 641 in Alameda County. MidPen manages over 8,000 homes at 121 properties that serves over 22,000 resident and own and manage 12 properties in Alameda County.

Commissioners were advised by Ms. Goldware that there are three ingredients in being able to provide affordable rental housing opportunities:

1) Available Land – purchased using public or private funding and Below Market Long-term Ground Leases.

Ms. Goldware informed commissioners that fewer publicly owned developable sites are available and often required environmental remediation which can be costly, and inclusionary partnerships depend on the current market and economic conditions.

2) Public Will – City entitlement and land use approvals, community and neighborhood support, and Housing Element.

Commissioners were advised that infill development often requires considering the context of existing neighborhood needs.

3) Funding Resources – Local funds, public funds, conventional loans, tax credit equity, and other funds.

Ms. Goldware noted that rents collected need to be sufficient to pay for operation of facilities and possibly some of the debt service. Also, Tax-Exempt Bonds are competitive, County affordable housing funds are mostly used up, and State funding sources are competitive.

Ms. Goldware noted that sites are being made available that could be turned into affordable housing, and Pleasanton is classified as a high resource which means sites receive an extra point or boost in funding competitions, and the demand for affordable housing has never been greater. Commissioners were also advised that the State Budget includes an unprecedented funding of \$1.75 billion for affordable housing.

Commissioner Soby had questions about the homeless population to be served and felt that affordable housing would be the solution to helping that population. He felt affordable housing was more for the low-income population that needs housing and would be able to pay some rent, perhaps even be able to purchase at some point, and this type of housing would prevent them from becoming homeless.

Ms. Goldware provided details about the properties operated by MidPen and the many support services that can be provided. She commented on the creation of units for the chronically homeless, the emergency services available, and getting people into housing to offer stabilization and case management services. Ms. Goldware discussed a MidPen operated facility in San Jose that has full-time case managers on-site with dedicated office space. Additionally, commissioners were advised that depending on what population is being targeted rents and services are set differently.

Commissioner Soby asked Ms. Goldware if she was able to provide the commission with additional MidPen program information, especially details about support for the chronically homeless. Ms. Goldware stated she could share information with staff, and Mr. Hernandez indicated he would then

share it with commissioners.

Commissioner Kripalani questioned what the next steps should be for this commission and whether Ms. Goldware would be available to follow-up with them in the next year or so. Mr. Dolan advised that staff was lucky to have Ms. Goldware provide this educational opportunity for the commission so they would be better informed about the option of building a partnership with a nonprofit, since this will be a discussion topic during the Housing Element.

Ms. Goldware advised that during the Housing Element MidPen Housing would be happy to look at sites or come back and answer any questions the commission may have. Mr. Dolan advised that no sites have been identified and no public property is available.

Commissioner Kripalani asked if staff had approached any of the faith-based organizations within Pleasanton, or any other organizations that may be willing to partition a piece of land and give to the city for this purpose. Mr. Dolan felt this would likely be part of the Housing Element.

Commissioner Kiziloglu thanked Ms. Goldware for the presentation and commented on high resource areas in Pleasanton and how it would be possible to get away from not building affordable housing because the community does not have the willpower to build affordable housing, is continuously asking a reduction in affordable housing, and doesn't have available land. Ms. Goldware felt it was going to get harder and harder to not build affordable housing, but with all the difficulties that can be experienced, if the right site is identified in the right location and a successful community engagement process is conducted, success can be achieved. She felt it was important for the commission not to lose hope because she has seen Pleasanton do it.

Ms. Goldware further discussed with Commissioner Kiziloglu variations in costs, tax credits and interest rates, noting that it seems like every year changes are being made at the State level.

Commissioner Kiziloglu had questions about land lease terms, and Ms. Goldware provided details, requirements, and regulations for working within tax codes. She also answered Chairperson Galvin's questions pertaining to buildings that don't last the term of a land lease.

Commissioner Fischer commented on a chart shown by Ms. Goldware showing affordable rent amounts for specific number of bedrooms and questioned who determines the number of bedrooms a family needs. Ms. Goldware advised that it usually comes from a funding source and occupancy standard with funds from HUD and other sources and is usually based on the number of bedrooms and the number of residents, so if there are two bedrooms you could have five people living in the household. The guidelines are to prevent overcrowding and making sure a single person is not living in a 3-bedroom residence.

Commissioner Fischer questioned if any philanthropists are funding MidPen Housing to help them exist. Ms. Goldware advised that MidPen is fortunate in not having to do as much fundraising as other nonprofits and provided details about MidPen's revenue stream and developer fees, installment payments during project construction. She noted that this was a question that could be better answered by the MidPen development staff.

Commissioner Duggan questioned how it was possible to build in a time of drought and discussed the need for more efficient housing supplies and new material insulation and roofing materials. She felt this was critical for addressing people's concerns. Ms. Goldware indicated water concerns is something that people ask about a lot and sometimes MidPen is building on a site that has had existing use and what is being built will have more efficient plumbing, etc. She noted this was something that would be important to point out at public meetings.

Mr. Dolan added that issues pertaining to environmental impacts can be addressed when adopting the

Housing Element. He noted that when property becomes available to a development a list of required items will be provided and mediated.

Ms. Goldware provided information regarding the differences in building costs on grade buildings, three or five story buildings, buildings that need digging out for underground garages and how this all comes into play when setting rents for the project and targeting for particular populations. She also discussed how changes in the market can affect constructions costs and provided information for Commissioner Duggan how this affects long-term values.

Commissioner Duggan expressed her concerns about affordable housing projects taking as long as eight years to complete. Ms. Goldware provided details on the different steps that must be completed and the differences and flexibility for each project. Mr. Dolan commented on the unique circumstances with the Kottinger project that affected the timeline for completing the project.

Chairperson Galvin discussed land availability in Pleasanton and whether developers would approach MidPen about projects or if city would need to match-up developers with MidPen. Ms. Goldware advised that if someone is interested in selling land for such a project MidPen would likely learn about it, or city staff would contact MidPen with the information. Mr. Hernandez stated that he has had buyers contact him with information about sites for sale and he would provide information to city planners to check on the details and rezoning details.

Commissioner Kiziloglu commented on Pleasanton being good at building units for seniors but wondered what the cost would be for families living in MidPen-developed single family affordable homes in Pleasanton. Ms. Goldware provided information about a MidPen project in Belmont and another townhome project they are building in the Menlo Park area and indicated she would be happy to provide additional information as these projects proceed.

Commissioner Kiziloglu commented on the importance of people being able to purchase lower cost housing that will allow them to have pride of ownership and indicated she would like to see more duplex and fourplex housing built in Pleasanton to allow people this opportunity of ownership. Ms. Goldware provided information about MidPen's partnership with Habitat for Humanity on higher density condo projects.

Chairperson Galvin thanked Ms. Goldware for her presentation and wealth of information she has provided to the commission. He thanked staff for inviting Ms. Goldware to present to the commission.

MATTERS INITIATED BY MEMBERS OF THE COMMISSION

None.

COMMISSION REPORTS

None.

FUTURE AGENDA ITEMS

Chairperson Galvin asked about workshop meetings and a planned joint meeting of both the Housing and Planning Commissions. Mr. Dolan advised that the commission would hold its regular meeting in August and will be provided information about the planned additional meeting with the Planning Commission. Mr. Hernandez indicated he has heard from all commissioners about their availability for a meeting, but a decision has not yet been determined on whether it will be a joint meeting with the Planning Commission.

Mr. Dolan advised that the commissions meetings will continue to be held by Zoom until City Council

has been able to successfully complete their first in-person meeting.

Chairperson Galvin asked that the commission be notified if staff decides to hold a separate meeting with the Planning Commission so they can stream it and listen to their discussions and comments.

Commissioner Soby felt meeting jointly with the Planning Commission was a good idea until he had participated in one and learned that Planning Commissioners are a lot more talkative than members of the Housing Commission, and the meeting became very uneven. He felt it would be better to have separate meetings so members can observe virtually what the input was from the other commission.

Staff discussed possible meeting dates with commissioners and advised they would notify them as soon as decisions had been made regarding dates and whether a joint meeting with Planning will take place.

Commissioner Kiziloglu asked about the housing numbers and where the city stands with their appeal. Mr. Dolan advised that the appeal was submitted a week ago making a total of 28 appeals submitted in the Bay Area, and as soon as information is available staff will provide commissioners with details. He noted that rarely are appeals granted, and if an adjustment is granted it will likely be very modest and felt the City of Pleasanton would not have appealed had the State not added almost 1,000 additional units.

ADJOURNMENT

The meeting was adjourned at 9:19 p.m. by unanimous consent.