

SANTA CLARA GENERAL PLAN

GENERAL PLAN STEERING COMMITTEE – MEETING SUMMARY

Meeting Date: January 15, 2009

Location: Santa Clara City Hall

Attendees:

Steering Committee Members Present:

Joe Kornder, Co-Chair
Jamie McLeod, Co-Chair
Tom Banholzer
Dixie Baus
Michele Beasley
Brian Brennan
David Delozier
Patricia Finnigan Biocini
Ray Hashimoto
Joe Head
Jerry Marsalli
Kevin Park
Alice Pivacek
Teresa O'Neill
Andy Ratermann
Ed Richards
Peter Yoon

City Staff:

Kevin Riley
Carol Anne Painter
Helene Leichter
Doug Handerson
Julie Moloney
Gian Paolo Martire

Dyett & Bhatia, Consultants:

Jean Eisberg

MEETING OBJECTIVES

- Obtain a clear understanding of the relationship between the City, regional agencies and the State with regard to Housing Element requirements.
- Building upon community input and technical analysis, define the key issues for the Housing Element policies and programs.
- Based on the housing needs assessment and housing sites inventory, identify appropriate potential housing locations.
- Provide an opportunity for all Steering Committee members to participate.

MEETING SUMMARY

I. Welcome and Announcements (Co-Chair Kornder)

Co-Chair Kornder summarized the December 2008 Steering Committee meeting discussion of development locations and a progressive plan for future development and described the objectives for today's meeting.

II. Overview of Housing Element Requirements (Kevin Riley)

Mr. Riley described the meeting agenda, housing element requirements, and the Santa Clara Housing Element planning process to date.

Housing element procedures are established by the State Department of Housing and Community Development (HCD). The State ultimately determines if the City has fulfilled its requirements under the law; the State certifies the Housing Element and can prevent the City from permitting development if the City is not in compliance with the law. HCD translates population and growth projections to housing units, so that regional governments can determine housing needs for each jurisdiction. The Association of Bay Area Governments (ABAG) is the regional government that makes these allocations. ABAG supplies housing targets, but this does not mean that this is the number of units that will actually be built. Rather, the City must plan for these units and make housing sites available that are suitable for housing at a range of household income levels and densities. It is then up to developers to approach the City with housing projects on these (or other) locations.

There are many reasons why additional housing is needed in the City. Homes are needed for our children. People are living longer and, the City has a responsibility to provide housing to address the demand from the jobs in the City. It is necessary to protect existing single-family homes, but also to create compatible new homes for existing and future residents.

III. Summary of Progress to Date (Kevin Riley)

Mr. Riley reported community outreach activities regarding housing to date:

- Housing Workshop (August 2008)
- Steering Committee Meeting on Housing and Environmental Issues (August 2008)
- Housing Stakeholder Interviews (May 2008)

Housing Element preparation to date includes:

- A housing needs assessment documenting the demographic trends, income levels, and unmet needs in the City.
- Review of accomplishments of the 2002 Housing Element
- An inventory of potential housing sites

IV. Housing Needs Assessment (Jean Eisberg)

Ms. Eisberg explained that the Housing Needs Assessment is a required section of the Housing Element and helps the City to determine the types of housing products and services needed. An analysis of Census and ABAG data, along with input from community outreach activities revealed trends and housing needs for various special needs groups. Two key issues include a projected increase in the number of seniors and a wide distribution in household income levels. Other special needs groups include: persons with disabilities, large families, single-parent households, youth, and homeless individuals and families.

The Housing Needs Assessment also reports on funding resources and provides an inventory of subsidized housing in the City. The largest funding source for affordable housing is the

Redevelopment Agency's Affordable Housing Fund. Federal funds, including CDBG and HOME, and the City's inclusionary housing policy also help to subsidize housing.

Lastly, the Housing Needs Assessment describes the City's progress in meeting the current Regional Housing Needs Allocation (RHNA) requirement. Over 2,000 units have been constructed, are under construction, or have been approved since January 2007, composing about 35% of the 5,873 RHNA target for the 2007-2014 planning period. Most of the progress has been made in the above moderate income category.

V. Housing Policies and Programs (Julie Moloney, Committee)

The review of accomplishments in the 2002 Housing Element helps the City to understand how successful policies and actions were in meeting housing goals. There were four overarching goals identified in the implementation action plan. Staff evaluated policies as successful, unsuccessful, or neutral, and recommended whether to continue, cease or modify the policy. About 76 percent of the 1999-2006 planning period RHNA requirement (or 6,339 of the housing units) was actually constructed. Ms. Moloney requested Steering Committee input on the City's current policies and programs in order to improve them for the Housing Element Update.

Steering Committee members discussed the concept of the RHNA requirement and provided the following feedback on the 2002 housing implementation actions:

- The Redevelopment Affordable Housing Fund was successful in subsidizing housing.
- All but above moderate housing requires some subsidy, suggesting that below-market rate housing will be difficult to provide in difficult economic conditions.
- The City has accomplished a lot in terms of housing production. This suggests that the policies worked. The City should be cautious about adding housing fees on commercial and industrial developers and users.
- Committee members requested a comparison of Santa Clara's accomplishments in housing production with other nearby cities.
- Implementation Action 18, which calls for incentives in the Zoning Ordinance to build affordable housing projects, has been difficult given the recent economy. Since much of the success is dependent on the private sector, there was suggestion of emphasizing density bonuses or parking reductions, particularly near transit stations.
- Policies should have flexibility so that they will remain applicable in the future.
- Only two policies address the issue of the relationship between housing and jobs. The Housing Element should include more measures to help preserve other uses—specifically industrial and commercial uses—since they provide financial support for public facilities and services.
- There should be more communication of housing policies to residents so that they are aware of available programs and resources.
- Policies should reflect the economic climate and provide options for good, and bad economic conditions.
- The imbalance between the needs of housing for low-income people and the market-rate housing built by developers must be addressed.

- There is a need to connect fiscal responsibility and jobs to housing policy.

Jeff Pederson, Division Manager of Housing and Community Services, explained that affordable housing does require public assistance. Compared to other cities in the County, the City of Santa Clara does well in terms of policies and housing production. The City has housing projects in the pipeline that will take advantage of Redevelopment funds.

VI. Sites Inventory (Carol Anne Painter, Committee)

The City must ensure that it has sufficient sites to meet the RHNA numbers, at each household income level. Housing units do not actually need to be constructed in order to count toward the RHNA; instead, sites must be available for residential development. The sites presented are based on the current General Plan; therefore they are different than those the Steering Committee discussed for the General Plan Update during the previous meeting. This is a parallel, but separate process from the overall General Plan Update, which will consider housing in new locations such as near the Tasman Light Rail line.

Ms. Painter presented a map and summary table representing the housing sites. The methodology for identifying appropriate housing sites predominantly focused on “underutilized” sites to meet the need for each income level, as the City has very little vacant land. Underutilized sites were determined based on properties with:

- Land value greater than assessed building value or floor-area ratio less than 0.35 (typically sites with surface parking lots);
- Sites over ½ acre;
- Parcels without existing single family residences; and,
- Properties with General Plan or Zoning designations that permit residential development.

The projected development for these sites is based on the assumption that housing units would be constructed at only 80 percent of maximum density and that affordable units would be developed at the same percentages as past accomplishments. The housing sites inventory is also compatible with the first phase of the progressive plan (2010-2015), previously discussed by the Committee.

The Committee discussed the housing sites methodology and made suggestions to amend the list of sites:

- Consider removing 1000 El Camino Real, Chili’s, and Kohl’s sites. [Note: 1000 ECR is not included in sites inventory]
- There are opportunities to redevelop several sites along El Camino Real, particularly those with large surface parking lots.
- Consider the northeast and southeast corners of Homestead and Lawrence intersection as underutilized sites. [Note: these sites are included in the progressive plan, but not in the housing element sites, since they do not have Zoning/General Plan designations that allow housing.]

- Lucky's site [El Camino & Lawrence intersection] is a great underutilized site, but is not available for housing since it is not for sale.
- Consider a zoning designation like Sunnyvale's "Industrial to Residential" district.
- Even though parcels may be underutilized, the streets and other infrastructure that are needed to serve them may be over-utilized.

VII. Public Comments

Co-Chair Kornder invited members of the public to share comments:

- ABAG and the State are providing false information. There is a worldwide economic failure. The City is looking at the housing element the wrong way and should stop and reanalyze the information.
- An abundance of data was provided on the General Plan website just one week before the meeting. Staff should synthesize the information and present key issues in order to focus the discussion. The City must provide incentives that are attractive to developers in order to obtain results that are best for the City and its residents.
- Implementation Action 24 calls for requiring housing impact studies for job-rich development projects. The Plan should not direct people on where to live and work. Implementation Action 26 says that relocation assistance will only be provided to low income households as a result of displacement. The program should also include assistance for middle income households.

VIII. Conclusion and Next Steps

- The Committee will add another meeting to continue the discussion on housing policy issues.
- Co-Chair Kornder encouraged the Committee to do its best to review materials in the agenda packet to prepare for meetings.
- Next steps for the housing element process are as follows:
 - February 10, 2009: Joint Planning Commission/City Council Meeting
 - May 2009: Planning Commission and City Council Hearings on Draft Housing Element
 - June 2009: City Council Hearing on Draft Housing Element
 - June 2009: Final Housing Element Submitted for State Review

IX. Adjournment

NEXT STEPS

Staff will identify an additional Steering Committee meeting time to discuss housing policy issues. Staff will also determine appropriate means for Steering Committee members to share information, memos, reports, and speakers, between, at and in addition to regular meetings.

The next Steering Committee Meeting on the Housing Element will be held on Saturday, January 31, 2009, from 9:00am to noon in the Santa Clara City Hall Council Chambers.