

Excerpt

MINUTES

CALISTOGA PLANNING COMMISSION

September 10, 2014

The meeting was called to order at 5:30 pm.

A. ROLL CALL

Commissioners present: Chair Jeff Manfredi, Vice Chair Carol Bush, Commissioners Scott Cooper, Paul Coates. Absent: Commissioner Tim Wilkes (excused). Staff present: Planning & Building Director Lynn Goldberg, Senior Planner Erik Lundquist.

G. PUBLIC HEARINGS

- 2. Housing Element Update General Plan Amendment GPA 2014-3:** Consideration of the draft 2014 Housing Element Update of the Calistoga General Plan

Planning Director Goldberg gave a PowerPoint presentation on the draft Housing Element, summarizing findings of its Background Report and proposed actions. She noted that changes had been made to both in response to comments received at the Public Workshop held on the draft Element in August. She requested that the Commission recommend acceptance of the 2014 Housing Element Update to the City Council, which is tentatively scheduled to hold a public hearing on October 7th.

At the request of the Commission, **Ms. Goldberg** responded to some of the comments submitted by Mr. Cook dated September 10, 2014. Regarding concern No. 1, there have been few changes over the last three years in terms of local housing needs and solutions to them. The work that the Housing Element Advisory Committee did over many months for the 2011 Housing Element is still relevant and one of the few things that has changed is that recent court decisions now prohibit the City from imposing its inclusionary housing requirement on market-rate rental projects. A few new actions have been added, such as additional recommendations for reducing constraints on the development of second units and stricter enforcement against vacation rentals.

Regarding concern No. 2 about prioritizing inclusionary housing options, she suggests that this matter be addressed as part of the ordinance amendment that will be prepared rather than in the Housing Element. Regarding the use of in-lieu housing fees, the City's philosophy is to use the funding to leverage the construction of an entire project, not just the construction of a few units. This is a better use of the funds. It is recognized that housing will not and cannot be provided for every local employee. A jobs-housing balance is not the ultimate goal nor is it required by state law.

Regarding concern No. 3, the City of Napa Housing Authority provides services under contract to the City, such as writing grants, and they are experts on what funding is available and how to procure it, so there is no need for the City to hire a separate grant writer.

Regarding concern No. 4, the mobile home parks are already restricted to occupancy by seniors, so there wouldn't be any benefit to designating them as such, nor would it be legal to do. Restricting them to occupancy by low-income households and limiting the rent that could be charged is also not legally possible, although the City's Rent Stabilization Ordinance is able to prevent excessive rent increases. Restrictions such as these are done at the time of a project's approval and cannot be applied retroactively. The Housing Element includes an action for the City to consider adopting a mobile home park closure ordinance.

Regarding some of Mr. Cook's other suggestions, the City will not see \$1 million in the Housing Trust Fund until the Silver Rose project is constructed. It is not desirable to prepare a plan to spend the funds all at once, because opportunities for leveraging and assisting affordable housing will present themselves over the years.

The City cannot prohibit second home purchases, but it is enforcing the Municipal Code's vacation rental prohibitions.

The City's allocation from ABAG for providing opportunities for above-moderate income housing is a function of the State's requirements, and the City does not have the ability to reduce this allocation.

The rental units on Fair Way that are currently unoccupied cannot be counted as new potential units in the Housing Element, but Planning staff has been discussing redevelopment of the property with potential buyers. There would be no benefit to identifying the property as a housing opportunity site in the Housing Element, since we have adequate vacant sites to address housing needs over the next eight years.

The City's long-time approach to code enforcement is complaint driven and it does not have sufficient staff or funding to be more pro-active. However, complaints are actively responded to.

In general, the City has limited resources in terms of available developable land, staff, and funding for housing. The Housing Trust Fund is essentially the City's redevelopment/development fund to help seed affordable housing development and preservation.

Commissioner Coates recalls working on the Housing Element Advisory Committee for the 2011 Housing Element and realizes the constraints on housing and the burdens upon residential developers. It will be difficult to provide housing for moderate-income households. We are lucky to have a low RHNA, but the City's impact fees that are currently being updated will significantly rise for residential development and discourage residential construction. **Ms. Goldberg** responded that the impact fees for single-family dwellings will generally stay the same provided the recommended fees are adopted by the City Council. **Commissioner Coates** observed that the cost of available land is prohibitive and there is often neighborhood opposition to development proposals. The City's impact fees would still be the highest around, which discourages new development.

Ms. Goldberg noted that the City has been talking with developers to address other housing needs within the community besides farmworkers. There are some

opportunities but still challenges. There are no state or federal funding programs available to construct moderate-income units. However, the City can offer incentives such as reductions in the minimum lot size through a planned development district. The First Time Homebuyer Down Payment program needs to be increased but the Housing Trust Fund is not large enough to support it.

Vice-Chair Bush is glad that the City is willing to consider small lot subdivisions. Small lots and homes would be a great resource. The City is desperate for rental housing.

Commissioner Cooper thanked staff for the exhaustive report and thanked Mr. Cook for his comments. It is a good idea to move forward with the Housing Element, considering the timeline that the City is under. In response to a question from **Commissioner Cooper**, **Ms. Goldberg** confirmed that the farmworker housing project currently under construction would meet the City's allocation in the extremely low, very low and low income categories for the next eight years. She does not see a concern with meeting the City's fair share housing needs allocation.

Chair Manfredi opened the public hearing.

Doug Cook, 1447 2nd Street, thanked Ms. Goldberg for the responses to his comments. Generally, the effort that has been made in the Housing Element is great, but he still has a few questions.

It does not appear that the Element includes an action calling for a park closure ordinance. **Ms. Goldberg** identified the proposed action on page H-69.

Mr. Cook asked if the City restricting a housing project to occupancy by seniors would be an unlawful taking. Ms. Goldberg replied that in her opinion it would be illegal.

Mr. Cook identified areas of the document that need to be re-worded to accurately reflect the status of the updated impact fees and the rent deferral program at two of the mobile home parks.

He believes that the City Council needs to develop a plan to spend the Housing Trust Fund money immediately.

Chair Manfredi believes that it is not the role of the Planning Commission to tell the City Council how to spend the money. He supports the City Council allocating funds over time as it sees fit to make the best use of it.

Chair Manfredi closed the public hearing.

A motion by **Commissioner Cooper** and seconded by **Vice-Chair Bush** to adopt a resolution recommending to the City Council acceptance of the 2014 Housing Element Update, was approved unanimously.