DRAFT
HOUSING ELEMENT TASK FORCE MINUTES
November 21, 2011
5:30 p.m.
City Council Chambers
City Hall at 420 Litho Street

1. CALL TO ORDER – *5:35 p.m., all present except as noted*

Chair Stan Bair (Planning Commission Rep)*
Mike Kelly (City Council Rep)
Susan Cleveland-Knowles (City Resident)*
Kim Stoddard (City Resident)
Ray Withy (City Resident)
Vice-Chair Joan Cox (Planning Commission Rep)
Vacant (City Council Rep)
Steve Flahive (City Resident)*
Chris Visher (City Resident)
** absent*

2. PUBLIC COMMENT ON ITEMS NOT ON AGENDA
None.

3. APPROVAL OF MINUTES – October 25, 2011
Member Kelly made a motion to approve the minutes. Member Visher seconded the motion. Motion passed 5-0.

4. DISCUSSION OF GOALS, POLICIES, PROGRAMS AND SITES STRATEGY

Glossary:
HCD: California Department of Housing and Community Development
RHNA: Regional Housing Needs Allocation
ADU: Accessory Dwelling Unit
ABAG: Association of Bay Area Governments
FAR: Floor Area Ratio
CEQA: California Environmental Quality Act
APN: Assessor's Parcel Number

b. Document: Goals, Policies and Implementation Measures Framework
(Item b was discussed prior to Item a.)

Consultant Karen Warner presented the Goals, Policies and Implementation Measures framework.

Consultant Warner first gave an update on the Sites Strategy by listing the current strategies employed towards fulfilling the current total housing potential for planning cycles 1999-2006 and 2007-2014, and their respective percentages.

Consultant Warner then stated that the framework of Goals, Policies and Implementation Measures were created first by looking at the City's existing Housing Element, and expanding the current five goals to seven in order to encompass all areas of interest to the City. She summarized the themes addressed by the proposed goals:

- Preserving housing and neighborhood assets,
- Ensuring diversity in housing,
- Enhancing housing affordability,
- Reducing governmental constraints,
- Promoting equal housing opportunities,
- Environmental sustainability, and
- Community involvement.

Consultant Warner stated that these topics would be discussed at the upcoming Community Workshop, and public input reflected in the draft Housing Element to be provided to the Task Force for review. She stated that she was seeking early input from the Task Force at this meeting.

Goal Topic 1: Housing & Neighborhood Assets
(Goal 1.0: Maintain and enhance the quality of existing housing and ensure that new residential development is compatible with Sausalito's small town character.)

Policies:
Policy 1.1 Housing Design.
Policy 1.2 Historic Preservation.
Policy 1.3 Maintenance and Management of Quality Housing.
Policy 1.4 Rental Housing Conservation.
Policy 1.5 Protection of Existing Affordable Housing.

Implementation Measures:
Consultant Warner explained that the **Historic Design Guidelines** would be a new program that is currently under preparation by the City. The existing **Residential Design Review** program would be expanded by incorporating sustainable components in design review to promote sustainability. The City could consider expanding its existing **Condominium Conversion Regulations** to incorporate a mitigation fee to be used for affordable housing. The **Regulation of Duplex/Triplex Conversions to Single Family** is a potential new program that would help offset the loss of existing rental housing by either requiring provision of an accessory dwelling unit (ADU), or payment of a mitigation fee. Any housing mitigation fees collected by the City would be placed into a dedicated Affordable Housing Trust Fund.

Task Force Comments included:
Member Stoddard stated that she did not think it would be possible to regulate conversions of duplexes to single-family homes, as the property owner may not have sufficient site square footage to add an second unit or the desire to do so. Hence she felt that the related implementation measures would not be realistic.

Vice-Chair Cox stated that the Planning Commission and a subcommittee have been studying this topic, and assessing whether the City should require a property owner in a high density zone who wishes to build a single-family unit be able to demonstrate that there is room for provision of a second unit. Member Stoddard asked what would happen if the property did not have the required square footage to provide a second unit. Consultant Warner stated that the City could require such a property owner provide a second unit upon conversion, and if no second unit is provided, the owner could pay an affordable housing mitigation fee. Other Marin County jurisdictions have adopted similar regulations.

Member Kelly stated that San Francisco has an ordinance that discourages changing a multi-story home (e.g., Victorian style) with many units into single-family home, in order to preserve rental stock. He stated that there are ordinances from other cities that Sausalito could tailor to its situation. Vice-Chair Cox stated that the Planning Commission subcommittee is currently talking to realtors to look at Sausalito's special situation, and that the draft regulations are being very carefully written to make sure that homeowners existing rights are not compromised, but rather the language would discourage conversion in an area that is zoned for multi-family housing. Member Kelly stated that because a property owner in a higher density zone could use the FAR to create a larger single-family home, the idea would be to discourage that. Vice-Chair Cox asked planning staff to ensure that this program is adequately reflected in the Housing Element.

Vice-Chair Cox asked where the potential mitigation fee would be retained, and who would decide how it would be spent. Consultant Warner stated that two programs have been identified under this goal of preserving existing affordable housing that could generate an affordable housing fee - the Condo Conversion Program, the Regulation of Duplex/Triplex Conversions. Before the City can institute a fee, the City would need to prepare a "nexus study" to show the relationship between the fee and loss of existing housing. If the nexus study documents a reasonable relationship, the City Council could adopt a mitigation fee based on the fee level supported by the nexus study. The City would establish an Affordable Housing Trust Fund for its mitigation fees, and would define the parameters on how funds would be spent.

Goal Topic 2: Housing Diversity
(Goal 2.0: Provide opportunities for a range of housing types in a variety of locations and densities to meet the diverse needs of the Sausalito community.)

Policies:
Policy 2.1 Variety of Housing Choices.
Policy 2.2 Adequate Sites.
Policy 2.3 Adaptive Reuse.
Policy 2.4 Live/Work Opportunities.
Policy 2.5 Legalization of Existing Accessory Dwelling Units.
Policy 2.6 Creation of New Accessory Dwelling Units.
Policy 2.7 Liveaboard Housing.

Implementation Measures:

- The **Residential and Mixed Use Sites Inventory** developed for the Housing Element update would be maintained by City staff, and would be available at the Community Development Department in the future for individuals to access.

- **Mixed Use Zoning in Commercial Districts** would expand upon the City's current provisions for second and third story residential units in commercial districts. As residential infill in commercial districts is a key component of Sausalito's sites strategy, this program would evaluate existing standards to identify any constraints to the provision of housing and identify potential modifications.

- **Non-Traditional Housing Types** involving community living arrangements, such as assisted living and co-housing, can help address the diverse needs of Sausalito's population. This program involves identifying any potential zoning constraints to the provision of non-traditional housing and developing recommended revisions.

- The City Council has recently authorized City staff to move forward with the development of an **ADU amnesty program and regulations to facilitate the provision of new ADUs.** The basic parameters of the amnesty program would need to reflect the recommendations of the Housing Element Task Force. Development of the ADU regulations will occur alongside the development of the Housing Element.

- The expanded implementation measure under **Liveaboards** would be in keeping with the City's existing zoning regulations, retaining up to 10% of marinas for liveaboards. A new implementation measure would be to promote the permitting of currently non-permitted marinas, and bring those units into City's official housing stock.

Task Force Comments included:

- Vice-Chair Cox requested to defer writing the implementation measures that affect the Woodward site, until staff research on the site is complete, possibly by December 5, 2011. She asked to confirm that there would not be any changes to existing zoning. Consultant Warner stated that any changes to allow for Non-Traditional types of

housing would occur within existing zoning.

- Vice-Chair Cox noted that the proposed new registration and amnesty program for unpermitted existing ADUs stated a “large discount in building permit fee”. She asked if Consultant Warner was envisioning that the owner would pay a reduced building permit fee, and if staff would contemplate grandfathered exemptions. She added that Member Kelly had stated in an earlier meeting that there should be a fee, or else it would be unfair to other property owners who built ADUs with a fee, but that the fee should not be exclusionary to those who want to take advantage of the program. Community Development Director Graves stated that staff is currently reviewing the ADU regulations. At minimum, inspections by a qualified inspector would need to be supported the fee, to ensure the safety and inhabitability of the ADU. Director Graves stated that these questions would need to be discussed by the Legislative Committee (or another subcommittee) in the development of ADU regulations for eventual adoption by the City Council.

Goal Topic 3: Housing Affordability
(Goal 3.0: Expand and protect opportunities for households to find housing in Sausalito and afford a greater choice of rental and homeownership opportunities.)

Policies:
Policy 3.1 Incentives.
Policy 3.2 Partnerships.
Policy 3.3 Homeownership Assistance.
Policy 3.4 Rental Assistance.

Implementation Measures:

- **Land Assembly and write-down** could mean that the City utilizes funds from a Local Affordable Housing Trust Fund to assist in the purchase of land, as land is often a prohibitive cost in the development of affordable housing.

- The City already has existing **Partnerships** with non-profit organizations and government agencies, such as Rotary Housing, and could consider expanding its partnerships to include other qualified non-profit organizations active in the Bay Area.

- The potential **Affordable Housing In-lieu Fee on Single-family Development** is an implementation measure adapted from an existing measure in the Town of Fairfax, which considers a fee on new single-family homes and additions above a certain size threshold. The fee would placed into a local Affordable Housing Trust Fund, or the property owner would have the option of providing a second unit, similar to the implementation measure **Regulation of Duplex/Triplex Conversions to Single Family** under Goal Topic 2 (Housing Diversity).

- The City could focus on promoting existing programs under the County that enhance owner and renter affordability (**Homebuyer Assistance**, **Section 8 Rental Assistance**, and **Rebates for Marin Renters**) to let residents know their availability.

Task Force Comments included:

- Member Withy provided comments on the affordable housing in-lieu fees for single-family development. He felt that some of the proposed policies could be in conflict with one another. He stated that the community could interpret such fees on new homes and additions as penalties, or taking away rights de facto, as people would not want to pay them. He stated that there was a danger these measures could work against the Housing Element goals. Member Stoddard agreed as she felt these measures would put the cost of subsidizing low-income housing on the community.

- Vice-Chair Cox wished to clarify whether Consultant Warner was talking about potential

fees on single-family homes in the single-family zone (i.e., R-1), or single-family homes in R-2 and R-3 zones. Consultant Warner stated that this exercise was more to suggest the idea, and the parameters would be more narrowly defined later. She stated that the Fairfax example was likely just for single-family homes without zone distinctions, but if the City's objective is to develop multi-family zones with multi-family homes, this would be a way of achieving that goal.

- Vice-Chair Cox added that the property owner could build a second unit as an alternative. She felt that requiring the addition of a second unit was more in line with the goals of allowing R-2 and R-3 zones to accommodate single-family homes. She stated that perhaps second unit would not need to be built at the same time as the new single-family home, but the owner could be required to demonstrate that there is room for a second unit to be built in the future, unless reasonable hardship is present, such as landlocked parcels or steep slopes. She recommended that M-Group confer with planning staff on the zoning revisions being evaluated by the Planning Commission subcommittee on this topic.

- Member Stoddard stated that she was afraid such an implementation measure on single-family development would put too much strain on certain areas in the community that already have parking impacts, and it may be better to diversify the measure throughout entire community. Consultant Warner stated that it would be ideal to look at this program not just in the R-1 but also the R-2 and R-3 zones. Member Stoddard stated that the City could look at neighborhoods where parking is less of a strain, compared to neighborhoods where parking is currently a strain.

- Member Kelly asked if the in-lieu fee was meant to be for properties in the R-3 zone. Consultant Warner clarified that it is just in a conceptual discussion stage. Member Kelly asked if such a fee would make sense in new commercial development. He stated that commercial developments south of Market Street in San Francisco have to pay ~$42 per square foot for affordable housing in-lieu fees. Consultant Warner stated that she had contemplated suggesting fees for commercial development in the Housing Element, however she did not know how practical this would be given the limited amount of commercial growth potential in Sausalito. Member Kelly stated that the fee could be first proposed for future commercial developments, and discussions on this topic could come later. He also stated that there has been discussion of development of several commercial centers in the City.

Goal Topic 4: Remove Governmental Constraints
(Goal 4.0: Reduce governmental constraints on the maintenance, improvement and development of housing while maintaining community character.)

Policies:
Policy 4.1 Regulatory Incentives for Affordable Housing.
Policy 4.2 Flexible Development Standards.
Policy 4.3 Efficient Use of Multi-Family Zoning.
Policy 4.4 Development Review.
Policy 4.5 Zoning for Special Needs.

Implementation measures:

- Currently, State **density bonus** law requires jurisdictions to provide a density increase from 5% to 35%, depending on how much affordable housing is being provided by a developer, in addition to one or two regulatory incentives. As those incentives are not defined by the State, the City would benefit from defining them to allow more local control.

- **Zoning to promote Live/Work** means that the City could look at zoning standards to allow live-work to occur readily.

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- **Evaluate modifications to parking to promote sustainability** refers to looking at sustainability goals that could be achieved through modified parking, such as reduced parking near transit.

- The State prefers jurisdictions to adopt **minimum multi-family densities**. Some cities have pyramidal structures which establish a “bottom” or minimum density.
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- **CEQA exemptions for Mixed Use Infill Projects** would involve taking advantage of available CEQA exemptions, where appropriate, for residential infill within commercial districts. CEQA review can add significant time and cost to a project, and utilizing appropriate exemptions can help streamline development review.

- **Zoning Text Amendments for Special Needs Housing** refers to implementation of Senate Bill 2 (SB2). One of the components of this new Housing Element law requires transitional and supportive housing to be treated the same as other residential uses under zoning. For example, if a developer proposes transitional housing configured as an apartment complex in an R-3 zone, the application should be treated as though it were any other apartment complex. Another component of SB2 addresses zoning for emergency shelters. The Housing Element will need to identify a zone or a portion of a zone, with capacity sufficient to address Sausalito’s unmet need for emergency shelters, and permit such housing by right (without a conditional use permit). The City may establish reasonable development standards and management criteria to regulate emergency shelters within the parameters defined under SB 2.The majority of Marin County jurisdictions have complied with the provisions of SB 2 (including Tiburon and Belvedere), and can provide examples for Sausalito to consider.

Task Force Comments included:

- Member Kelly asked for the location of Tiburon’s emergency shelter zone. Consultant Warner stated she did not know but would find out. Typically these zones are in commercial areas or light industrial zones, and should be near transit.

- Member Visher stated that many measures mentioned seem to involve cost and regulation, and appear to bear more on the citizens of Sausalito. He felt that there should be more policies that clearly benefit the Sausalito community, as many residents already feel that the Housing Element process was imposed by the State. For example, perhaps the City could build in standards to improve the code enforcement and building permit processes.

- There was a discussion on density bonus. The State density bonus regulations apply to development projects with a minimum of five units; currently there are eight sites in the Housing Element sites inventory that meet this threshold. The density bonuses range from 5% to 35%, depending on percentage and affordability of units provided. For example, a project providing 10% of its units for low income households would be eligible for a 20% density bonus, whereas a project providing 10% of its units for moderate income households would only be eligible for a 5% density bonus. Consultant Warner stated that density bonus is not often attractive to developers since the affordability restrictions have to be maintained for a minimum of 30 years. Given the high cost of housing in Sausalito, the affordability controls make density bonuses economically unattractive to market rate developers, while such bonuses can provide an important incentive for an affordable housing developer. Vice-Chair Cox stated that this was of concern to the residents, especially with regard to the three sites from the rezoning sites list that are considered under their existing zoning densities, and requested that the consultants emphasize the 30-year maintenance requirement when presenting this topic at the Community Workshop.

- Vice-Chair Cox discussed the work being conducted by the Planning Commission subcommittee to evaluate ways to encourage the maximum development of multi-family

zoned properties and discourage large single-family residences on multi-family parcels. Vice-Chair Cox suggested that M-Group discuss with staff on how these pending regulations could help address Housing Element requirements. The main discussion points on this topic were that it would present concerns in R-3 properties rather than R-2. Such regulations could also reduce the size of a house on an R-3 lot, but would not define the minimum number of units. Property owners would not be able to build a single unit in a manner that precludes later construction of a second unit. The regulations should make distinctions between types of remodels, and it would apply if the owner made a square footage addition. The calculations would be influenced by the amount of demolition proposed.

- There was a discussion on CEQA exemptions for Mixed Use Infill Projects. Task Force members stated that residents wish to preserve wildlife and the environment in both commercial mixed use and residential infill. The Task Force discussed CEQA impact topics, such as traffic, wildlife, water, slope, safety issues, and the possibility that a developer could propose a project without being subject to CEQA. Director Graves stated that the City could identify and retain triggers for environmental review. He stated that this implementation measure has merit in that it can encourage affordable housing in many locations if there are no CEQA issues. Consultant Hines stated that if there were special circumstances with a site, such as historical significance, it could preclude use of a CEQA exemption.

Goal Topic 5: Equal Housing Opportunities & Special Needs
(Goal 5.0: Promote equal housing opportunities for all residents, including Sausalito's special needs populations, so that residents can reside in the housing of their choice.)

Policies:
Policy 5.1 Fair Housing.
Policy 5.2 Senior Housing.
Policy 5.3 Housing for Persons with Disabilities.
Policy 5.4 Housing for Marine Workers.
Policy 5.5 Homeless Housing and Services.

Implementation Measures:

- **Home Sharing and Tenant Matching Opportunities** – As Sausalito has a high percentage of singles and seniors living alone, one way to support the goal of independent living is through home-sharing. There are existing programs in the county that the City could tap into, and the City may wish to look at eventually starting its own home-sharing program.

- Disability is an issue related to an aging population, and the City could ensure that the County's existing **Housing Accessibility Assistance** program is promoted to residents.

- **Reasonable Accommodation Procedures** is now a requirement in Housing Element law. The City needs to adopt an ordinance or written procedures that specifies how an individual with disabilities could be granted reasonable accommodation, such as allowing a ramp to encroach into a setback, or allowing a companion animal.

- **Visitability** refers to measures that would help anyone with a physical handicap to visit other people through examples such as accessible walkways into public areas and accessibility in parking lots. **Universal Design** deals with the interior design of units. New City guidelines would apply to new projects with multiple units.

- **Housing for Marine Workers** – Liveaboards are the primary form of housing for marine workers in Sausalito, and are generally affordable to low income households. The goal is to recognize marine workers as a prevalent low income population in Sausalito, and to ensure the provision of housing programs to help address their needs.

- **Homeless Continuum of Care** is about coordinating with regional programs to provide a range of housing for homeless individuals, ranging from emergency shelters, transitional housing, supportive housing, and permanent affordable housing.

Task Force Comments: None**.**

<u>Goal Topic 6: Environmental Sustainability</u>
(Goal 6.0: Promote equal housing opportunities for all residents, including Sausalito's special needs populations, so that residents can reside in the housing of their choice.)

Policies:
Policy 6.1 Green Building.
Policy 6.2 Sustainable Construction.
Policy 6.3 Alternative Energy.
Policy 6.4 Transportation Alternatives.

Implementation Measures:
- **Local Green Building Regulations** and a local **Climate Action Plan** are currently being prepared by the City.

- **Incentives for Transit-Oriented Development (TOD)** involve incentives, such as parking reductions, to encourage TODs.

Task Force comments included:
- Vice-Chair Cox stated that while she understood some new programs are required of the Housing Element, it would be hard to give feedback until there were more specific details on the program parameters.

<u>Goal Topic 7: Community Involvement</u>
(Goal 7.0: Promote the active participation of citizens, community groups, and governmental agencies in housing and community development activities.)

Policies:
Policy 7.1 Community Participation.
Policy 7.2 Public Review of Development.
Policy 7.3 Implementation.

Implementation Measures:
- Existing programs could be expanded by providing handouts and information on the web.
- **Regional collaboration** is key with other jurisdictions in Marin County to increase effectiveness.
- **Housing Element Monitoring / Annual Report** would be done annually. The City would need to report on its progress specifically on items such as ADUs and Liveaboards. It would be a public process and the public would have an opportunity to keep abreast of progress.
- Monitoring the **ABAG Housing Needs Process** has been brought up before, and this could be included as a program in the Housing Element.
- **Staff Training and Education on Affordable Housing** would be important for City staff to effectively implement the measures described.

Task Force Comments included:
- Vice-Chair Cox clarified with Consultant Warner whether the adoption of a Housing Element with a sufficient sites buffer would mean that the City would not be rendered out of compliance, and would not need to demonstrate meeting its RHNA by building a specific number of ADUs or units, or compliance from other means. Consultant Warner

explained that the proof will be in what is specified in the certification (or conditional certification) letter from HCD on the adopted Housing Element. While the City will not be held accountable for private development projects to meet its RHNS targets, she stated that the difference would lie in the ADU amnesty program, as HCD has not yet approved such an amnesty program. She expects HCD would give a conditional approval, to be monitored in the City's annual housing element report to HCD. She also stated that the greater buffer the City has, the less reliant it will be on demonstrating the legalization of ADUs through the amnesty program.

- Member Withy echoed the sentiment that the yet-unknown details of the implementation measures makes it hard to comment at this point. He stated that at the first Community Workshop, emotional comments were made on some of the items mentioned at this meeting. He felt that there could be strong community concerns regarding some of these items. For example, measures concerning ADUs could be considered a high-impact regulatory change to the City's zoning regulations.

Public Comments included:

CJ Spady, 29 Marin Ave, stated that there is an immense amount of information presented in the topics at this meeting. She stated that there were many programs presented and there is a short amount of planning period left. There should be some prioritization and gestation period for the essential programs for residents to digest and accept, as it seemed to be a lot of potential change to accept within a short period of time.

Ms. Spady also referred to Condo Conversion Regulations under Goal Topic 1 (Housing and Neighborhood Assets). She stated that people buy duplexes with the intent to convert them and that is the only way to buy into this market. If this measure was not a restriction to getting the Housing Element certified, she suggested removing this off the list. She also stated that she was unsure how the discussion on seniors and shared housing policy is connected to the RHNA.

- Kate Flounding, 129 Prospect Ave, asked why a CEQA exemption was being considered in the first place, as Sausalito is a green community and this exemption would not be of importance to the community.

- Chuck Donald, 254 Spencer Ave, observed that the City was beginning to write ordinances or consider future ordinances on various topics.

    - Mr. Donald asked if the City had input from owners of marinas regarding liveaboard measures, if the owners liked or disliked the ideas, and what the advantages and disadvantages would be.
    - He observed several forms of financial assistance mentioned, including fee reduction, non-profit contribution etc. Where does the money come from to subsidize those? Would the community need to pitch in to raise taxes or from philanthropic individuals?
    - He stated that a previous staff member had written his graduate thesis on live-work units, and in theory this measure would work until the unit is sold to someone else who doesn't comply. He asked how the City would monitor such an event.

- Vernal Larner, stated that he was concerned and bothered by the idea of an Affordable Housing Trust Fund without understanding how the money would be funded, managed or used.

a. Document: Approach and Methodology for Assessing Housing Units Potential

Consultant Hines provided an update on the housing units potential analyzed so far. She stated that M-Group had proposed a balanced approach, combining different strategies to meet the RHNA, including Approved / Built Units, Existing and Future Liveaboards, Commercial and Residential Infill Capacity, and Existing and New Accessory Dwelling Units.

The target was to meet the RHNA of 372 units for 2 planning cycles. The current analysis has yielded 412 units, with a combined 11% buffer for 2 cycles, which is substantially smaller than the previous buffer, but is still a buffer. Consultant Hines stated that a 10 – 20% buffer is recommended such that not every single unit would be scrutinized, and would compensate for sites that do not develop at that maximum density.

Consultant Hines then described a chart showing housing potential for the two combined planning periods and percentages contributed by each approach. She emphasized that this is Infill capacity under existing zoning for these properties. She noted that the capacity for moderate and above moderate income level units is low, but the excess in very low and low income levels could compensate for that, though this would not be possible the other way round.

Consultant Hines briefly described the screening criteria used in analyzing this capacity. She stated that M-Group started with the Vacant and Underdeveloped Land study adopted by the Task Force in April 2011, and then considered the factors that would make the study more realistic. A preliminary analysis was presented on October 25, 2011, after which M-Group conducted site visits on every parcel and factored in on-the-ground checks in to the analysis. For example, there were actual units on lots that were thought to be vacant, or lots that could not be clearly seen from satellite aerials. On several lots, there were more actual units than expected from the data, and this resulted in the removal of parcels that would only result in one or no additional unit. M-Group also found parking constraints on some sites that would prevent additional units. On Bulkley Avenue for example, the sidewalk was below the street level, almost no houses had driveways, and additional units would therefore disrupt the unique street character.

Consultant Hines also showed the difference of units in commercial and residential zones from the last analysis and the current analysis. There was a significant drop in the commercial parcels, in part because the consultants had initially included parcels in a CN-2 zone that do not allow residential units.

The numbers per planning period showed that the 1999-2006 cycle had a heavy reliance on Approved/Built units and Infill Capacity as the ADU and Liveaboards policies would not have been in place yet. However, the analysis has not yet met the target for this planning cycle and is at 5% below the target. M-Group needs to relook the screening criteria used to raise this number. The 2007-2014 planning cycle uses all the numbers generated by the ADUs and liveaboards approaches, giving a much bigger buffer of 30%. Pyramid diagrams reinforced the idea that for both planning cycles combined, ADUs and Liveaboards are now more fundamental as a strategy than the Infill Capacity.

Maps showing the location of commercial and residential infill sites showed that the commercial sites were primarily along Bridgeway and the residential sites were spread out across the City. With regard to the sites proposed for rezoning, M-Group recommends <u>no</u> rezoning of the sites and acknowledged that the Task Force had already removed three of the sites from the potential rezoning list. M-Group's also recommends that all sites be removed from the rezoning list, and three sites (1700 block of Bridgeway, Butte Street, Woodward Avenue) remain in the site analysis under their respective existing zoning designations.

Task Force Comments included:

- Member Withy stated that he understood why ADUs and Liveaboards are placed in the second cycle, and the separation was because the HCD reviewer asked for it. He asked if the City adopted the first cycle and didn't count those units, whether those units could be put in again into the second cycle. Consultant Warner stated that Housing Element statutes require the jurisdiction to demonstrate that you have sites for the past element cycle, and if the jurisdiction cannot demonstrate this, it would need to have a rezoning program within one year before its Housing Element is in compliance. Member Withy asked if the City could focus on the 30% buffer from the second cycle and not the 11% cumulative buffer. Vice-Chair Cox clarified that the City must demonstrate compliance with each cycle, and asked if M-Group could go back to count how many R-3 sites could generate an additional unit. Consultant Hines stated that M-Group would need to relook at the previously applied filters. Vice-Chair Cox reiterated that once the City has a Housing Element that fulfills both cycles, it can use any undeveloped inventory towards its next RHNA.

Action taken:
Vice-Chair Cox made a motion to move three sites off the list of potential rezone sites. These sites are V-3 Rodeo Ave, U-2 Spencer Fire Station, and V-2 800 Block of Bridgeway. Member Kelly seconded. Motion passed 5-0.

Vice-Chair Cox made a second motion to remove all nine sites from the potential rezone list, and for three sites to be considered on the sites analysis under their respective existing zoning designations. These three sites are U-3 1700 Block of Bridgeway, V-4 Woodward Avenue, V-5 Butte Street. Member Kelly seconded. Motion passed 5-0.

Additional Task Force comments included:
Vice-Chair Cox stated that she hoped to see further analysis for the Woodward site and further analysis including sites with R-3 zoning that could accommodate 1 unit, at the December 5, 2011 meeting.

Vice-Chair Cox stated that residents are concerned that the sites inventory would become a roadmap for development. She stated her understanding that for the purposes of the Housing Element, the City simply needs to provide to HCD an Element that makes reference to a technical appendix, listing parcels by APN, and that list would be maintained and available at the Community Development Department. She stated that the detail in the current report by M-Group would be too voluminous.

Vice-Chair Cox reiterated that the "sites inventory" is only meant to inform the State that there is existing capacity in the City's existing inventory of parcels based upon existing zoning to accommodate additional units. The City is not saying that it plans to develop those parcels. Any property owner who does not wish to add units is not required to. Vice-Chair Cox and Member Withy added that any proposed development would be subject to all development review procedures and protections in place, such as CEQA.

Member Kelly stated that the inventory is not a roadmap to development, and that no property is better or worse off.

Public Comments included:

- Elaine Engman stated that she did not understand why the 800 block of Bridgeway was on the sites list in the first place as it had a slope double that of the initial filter presented by M-Group. She also wanted to ask if the lot would be brought up again in the future in the Housing Element process. Vice-Chair Cox clarified that the site was part of a list of sites for potential rezoning drawn up by staff, without consideration for development constraints, and M-Group later provided filters for realistic development when the firm was hired for the Housing Element. Consultant Hines added that the formal motion to

remove the site has just occurred, so unless directed by the Task Force, the site would not appear again in this process.

- Jim Allsopp, 10 Marin Avenue, asked what density bonus meant, whether its resulting numbers were documented on the charts, and if a column could be added on the charts in the future for properties showing the number of units possible with a density bonus. He also asked what emergency housing would look like. Vice-Chair Cox stated that she did not know what it would look like, and the direction was given by M-Group to consider measures for it. Mr. Olsen commented that perhaps there should be emergency housing on higher ground in case Sausalito suffers a tsunami in the future.

- Dick Nicolary, 80 Lincoln Drive, asked what would be done for the environmental and geotechnical assessments of the properties in the inventory. Vice-Chair Cox stated that any person who wishes to develop property in Sausalito has to go through CEQA, and all impacts would be considered at a planning level. The Housing Element itself would have to undergo CEQA. Consultant Warner clarified that the CEQA analysis for the Housing Element would be at a program level. If rezoning was a part of the Element, there would be more detailed analysis for that. Vice-Chair Cox stated that all the sites in the inventory are under their current zoning capacity. If a person were to develop a site, all of today's protections would still apply.

- Diane Johnson, 161 Filbert, stated that she lived across from the 1700 block of Bridgeway site. She was concerned that the site would increase from a current approval of 12 units to 18 units under an Affordable Housing Overlay. Vice-Chair Cox stated that the site has been removed from consideration of rezoning, including Affordable Housing Overlays. Under State law, a developer for the site could still qualify for a density bonus, as well as other sites that can build over five units. However, the City has not yet defined a policy for this topic, and would examine that later.

  Ms. Johnson explained that there are problems with the site because of the access. Residents previously fought the idea of a driveway on the site as it would result in many cars on the property. She stated her uncertainty in accommodating many residents on one site, and asked how parking, engineering, and structures would be addressed. She wished to clarify that the inventory was just saying that the property could be developed. Vice-Chair Cox stated that by identifying this site in the inventory, it is just saying that the property could be developed. She also clarified that the Task Force was not proposing affordable housing either, as the site's maximum density demonstrates affordability. Any project must get through the Planning Commission and show compliance with current regulations. Ms. Johnson asked to be noticed whenever this property is discussed. Vice-Chair Cox asked her to fill out a speaker card for future notification.

- James Michigan, 80 Rodeo Ave, stated his understanding that the Task Force just voted to remove three sites from the list of sites for potential rezoning (Rodeo Avenue, Spencer Fire Station and 800 Block of Bridgeway). He also understood that three other sites (Sausalito Boulevard, Valhalla, Ebbtide) have been removed, but did not understand why they were still appearing on the list. Vice-Chair Cox stated that there was great community interest in the nine sites on the list for potential rezoning. The Task Force paid site visits, and the list shown on the screen was to keep the community informed of updates on those sites. Mr. Michigan stated that someone could go back to the list and see the site names, and trigger disclosures. He would prefer the text to only say that nine sites were proposed, six sites were removed, without stating any names. Vice-Chair Cox stated that this is a study session, and the sites would not be highlighted in the Housing Element, but rather would be listed in a technical appendix that would be maintained in the Community Development Department.

- Aimee Kilmer, asked if M-Group could remove the last three sites from the sites inventory if sufficient capacity was determined in the R-3 parcels that could generate

one additional unit.

5. COMMUNITY WORKSHOP

Associate Planner Schinsing stated that the third Community Workshop would be held on December 3, 2011, Saturday, at 9.30 am at the Bay Model, and the draft agenda was provided for the Task Force to review.

Vice-Chair Cox stated that she would not be able to attend the Community Workshop due to a work commitment.

Vice-Chair Cox asked if M-Group's presentation would largely track the presentation that was given tonight. Consultant Warner responded that two primary areas would be addressed: 1) goals, policies and programs; and 2) the sites strategy. The topics are similar to those covered with the Task Force, but way the meeting will be facilitated would be different as we expect a larger group. We will utilize flipcharts and have different stations throughout the room so people can give input.

Vice-Chair Cox stated that members at this meeting were concerned about some implementation measures, and emphasized that the public should get the same level of detail as was presented to the Task Force to maintain transparency about implementation measures and policies to be adopted by City so that the public can provide comments. She stated that there is a lot of new information, and there is some lack of correlation between the new policies and what the City is required to demonstrate for the sites inventory.

Member Withy agreed and added that it would be useful for the Task Force and the public to understand what is required by State law to be included in the Housing Element, versus programs that are optional that the City might want to add or consider. He stated that some members of the community may not appreciate what is dictated. He suggested that M-Group could add a column to the policies and implementation measures showing which ones are required by the State, and receive direction and feedback from the public if these policies and measures represent the community in Sausalito. Consultant Warner responded that the Element needs to demonstrate through the policies and programs how it addresses all the relevant aspects of Housing Element law, and because there are many ways to address required components of the law, it could be difficult to state which programs are specifically required. Vice-Chair Cox requested M-Group to let the community know what should be the minimum requirement in addition to State requirements, to make a feasible Element.

Public Comment on Agenda for Community Workshop: none.

6. STAFF COMMUNICATIONS

Associate Planner Schinsing distributed a letter from Elaine Engman to the Task Force.

7. TASK FORCE MEMBER COMMUNICATIONS

None.

8. AGENDA TOPICS FOR NEXT MEETING

Vice-Chair Cox asked to add an evaluation of the prior Housing Element. She stated that the challenge is the lack of institutional knowledge to determine its efficacy, and asked if M-Group could provide feedback on the Housing Element at the next task Force meeting.

Member Withy asked if M-Group could provide a preliminary table of Contents in the Housing Element at the next meeting.

9. ADJOURN

Vice-Chair Cox moved to adjourn the meeting, Member Kelly seconded, motion passed 5-0. The meeting was adjourned at 7.47 pm.

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