

**PLANNING COMMISSION REGULAR MEETING
COUNCIL CHAMBERS, RICHMOND CITY HALL**
450 Civic Center Drive, Richmond, CA
May 7, 2015
6:30 p.m.

COMMISSION MEMBERS

Sheryl Lane, Chair	Ben Choi, Vice Chair
Nancy Baer	Andrew Butt
Jeffrey Kilbreth	Marilyn Langlois
Jen Loy	

The regular meeting was called to order by Chair Lane at 6:30 p.m.

Chair Lane led in the Pledge of Allegiance.

ROLL CALL

Present: Chair Sheryl Lane; Vice Chair Ben Choi; Secretary Marilyn Langlois, Commissioners Nancy Baer, Andrew Butt, Jeffrey Kilbreth and Jen Loy

Absent: None

Chair Lane and Commissioners welcomed new Commissioner Jen Loy.

INTRODUCTIONS

Staff Present: Planning Staff: Lina Velasco, Hector Lopez, Richard Mitchell, and City Attorney Carlos Privat

MINUTES

April 3, 2014

April 10, 2014

June 5, 2014

ACTION: It was M/S/C (Langlois/Choi) to approve the minutes of April 3, 2014, April 10, 2014 and June 5, 2014; which carried unanimously by the following vote: 4-0-3 (Ayes: Butt, Choi, Langlois and Lane; Noes: None; Abstain: Baer, Kilbreth and Loy.

February 19, 2015

ACTION: It was M/S/C (Baer/Kilbreth) to approve the minutes of February 19, 2015; which carried unanimously by the following vote: 6-0-1 (Ayes: Baer, Butt, Choi, Kilbreth, Langlois and Lane; Noes: None; Abstain: Loy

Secretary Langlois requested staff ensure that the Conditional Use Permit for the Central Avenue project conforms to the motion in the minutes.

AGENDA

Chair Lane provided an overview of meeting procedures for speaker registration, public comment and public hearing functions. She said items approved by the Commission may be appealed in writing to the City Clerk by Monday, May 18, 2015, by 5:00 p.m. and as needed, announced the appeal process after each affected item.

CONSENT CALENDAR

Chair Lane stated currently the Consent Calendar consists of Items 2, 3, 4 and 5. Commissioner Baer requested removal of Items 2 and 4.

ACTION: It was M/S/C (Langlois/Butt) to approve Consent Calendar Items 3 and 5; which carried unanimously by the following vote: 7-0 (Ayes: Baer, Butt, Choi, Kilbreth, Langlois, Loy and Lane; Noes: None).

Items Approved on the Consent Calendar:

- CC3. PLN15-185: Dragon Martial Arts - PUBLIC HEARING** to consider a Conditional Use Permit to operate and establish a martial arts school at 4801 Valley View Road (APN: 431-233-066). C-2, General Commercial District. Bridgewood Properties, owner; Noel Tejano, applicant; Planner: Hector Lopez; Tentative Recommendation: Conditional Approval.

- CC5. PLN15-171: Flor De Jalisco Taco Truck - PUBLIC HEARING** to consider a renewal of a Conditional Use Permit to operate an outdoor vending unit at 710 23rd Street (APN: 528-360-028). C-2, General Commercial District. Lu Nancy Chao, owner; Joaquin Rodriguez, applicant; Planner: Jonelyn Whales; Tentative Recommendation: Conditional Approval.

Brown Act – Public Forum

Cordell Hindler, Richmond, said he believes that the Nevin project should not have been approved, noting it is in a high crime area.

Items Removed from the Consent Calendar:

- CC2. PLN14-205: Westridge Apartments - PUBLIC HEARING** to consider a Conditional Use Permit for a concession related to reduced off-street parking to increase the number of dwelling units at an existing affordable housing development at 3175 South Hampton Court (414-310-008-1, 414-310-007-3, 414-300- 003-4, and 414-300-006-7. MFR-3, Multifamily High Density Residential District. Menlo Westridge Investors, owner/ applicant; Planner: Hector Lopez; Tentative Recommendation: Conditional Approval.

Hector Lopez provided a description of the request for a CUP for concessions relating to parking at an existing affordable housing development. He described the project location, project

rehabilitation work and a brief historical background of the original approval for a 100% low income affordable project, and stated staff recommends approval.

Commissioner Baer asked and confirmed the work is for renovation of 401 units and not for demolition and rebuild. She said the staff report notes there is a difference in what the zoning code states and what the General Plan states in terms of allowable density. The General Plan prevails and she wondered if any consideration was given to doing a General Plan Amendment instead of accepting the lower density.

Mr. Lopez replied that the density under the zoning code calls for 600 units. The General Plan allows only 409 units and the applicant does not wish to pursue a General Plan Amendment.

Commissioner Baer requested additional bicycle parking and Mr. Lopez indicated there will be a total of 100 stalls for bicycles.

Commissioner Butt referred to page 3 of the staff report which talks about the percentage of units available to varying percentages of median income and confirmed the report is based on the County's median income. He referred to tuck-under parking and confirmed that this has already been reviewed by the DRB.

Commissioner Kilbreth asked for the assessment and availability of street parking in the immediate neighborhood, commenting that the request is for less than 1 parking stall per unit. Mr. Lopez said there are several apartment buildings in the vicinity and many arterial and connector streets which allow for additional parking. Based on his field survey, he did not see parking as a problem.

Commissioner Kilbreth asked if it is the applicant's or the City's assumption that these units will average 1 car per unit and that the delta is between the 480 units and 410 units. Mr. Lopez said this is a 15% reduction, or 70 units without a space. Commissioner Kilbreth said many units have more than 1 car, and 70 units without any parking space will go to the street. He noted this was an issue on the Central Avenue project where San Mateo Street is currently used for parking on both sides. Mr. Lopez deferred the rationale to be explained by the applicant.

Chair Lane asked and confirmed there were no public speakers and called upon the applicant to speak on the item.

Robert Kline, Kline Financial Corporation, said their non-profit partner could not attend tonight, but they are very close to the Hilltop Mall and the Junior College and many people walk. There are also two different high frequency bus stops adjoining the project. They have done surveys of how many people have cars and offered 34 renters a reduction of rent if they did not have a car and gave up their on-site parking space. What they found in November 2014 was that in 15 days those spaces were gone. There were some renters who moved out and in 10 days they offered those spaces again and immediately 8 people signed up, so until they receive approval, they will not offer more people that option. He noted that the situation incentivizes people who do not have a car to use transit.

Mr. Kline explained that based on surveys done by 24-hour security staff there are roughly 110 to 120 spaces that are not occupied any time of the day or night because people work varying shifts. Many students attending the junior college also save money by walking and need no cars. They also added 100 bicycle stalls for the project.

Vice Chair Choi asked if it is possible that those giving up spaces do have a car and are parking on the street. Mr. Kline said their security confirmed that these people do not have a car because over a significant amount of time, their parking spaces were never used.

Commissioner Butt asked and confirmed there are two bus lines that go through the area; 76 and 671 which stop 3 different times within the perimeter of their building. They also service the mall and also go to and from the BART station, as well.

Mr. Lopez summarized the staff recommendation and asked that the Planning Commission approve the CUP.

The public hearing was closed.

ACTION: It was M/S/C (Butt/Langlois) to approve PLN15-205 subject to proposed staff conditions; which carried unanimously by the following vote: 7-0 (Ayes: Baer, Butt, Choi, Kilbreth, Langlois, Loy and Lane; Noes: None).

CC4. PLN15-112: Taco El Chino - PUBLIC HEARING to consider a Conditional Use Permit to operate an outdoor vending unit at 2300 Humphrey Avenue (APN: 528-010-005). C-2, General Commercial District. David T. Townsenf, owner; Gilbert Arana, applicant; Planner: Jonelyn Whales; Tentative Recommendation: Conditional Approval.

Ms. Velasco gave a brief description of the request for a CUP to operate an outdoor mobile vending unit. She outlined the proposed hours of operation, uses surrounding the site, parking requirements, site amenities, and said the unit meets the 300 foot buffer between other mobile vending units. No comments have been received from the North and East Neighborhood Council and staff recommends that the CUP be approved subject to conditions as proposed in the draft resolution. She confirmed there were no public speakers on the item.

Commissioner Baer questioned where tables and chairs will be stored at the end of the day and suggested a storage shed be provided on site. Ms. Velasco said typically tables and chairs would be removed and stored off-site, as well as the mobile vending unit. If they remain on site, they would have a storage shed.

Commissioner Baer asked and confirmed that the mobile vending truck is required to be parked at an approved commissary as part of the County Health Department requirement.

Commissioner Butt referred to the site plan and asked if port-a-potties are included in the plan. Also shown is a planter around the perimeter of the eating area and he asked if this exists or if there will be new landscaping. He also referred to the sign and asked if it would have to go through some kind of design review.

Ms. Velasco replied that the Commission is to consider whether the applicant can operate to the extent of the site improvements and some items may be subject to design review. The sign would definitely require administrative review. She confirmed the applicant was not present.

In response to the port-a-potty question, it looks as though they are proposed and because they require maintenance and upkeep the Commission must note that any screenings or barriers conditioned for the project allow them to continue to get them serviced on a regular basis.

Chair Lane said typically when mobile vending units are proposed there is a business where customers are allowed to use restrooms. Ms. Velasco agreed that sometimes arrangements are made for use of restrooms; however, in some instances in this case the applicant might not have been able to work out such agreements. She stated the Health Department does require the operation to have restroom and washing facilities.

Chair Lane asked how the proposed improvements relating to fencing, trash enclosure, seating areas, etc. are enforced. Ms. Velasco said some are standard operational conditions that the County would enforce. In terms of fence repair the Commission can add conditions such as restriping of the parking lot.

Chair Lane stated that she believes that the fence repair, parking lot striping and the seating area items should be conditioned.

Commissioner Butt asked and confirmed that there is an existing chain link fence that needs to be repaired and removed. Ms. Velasco stated that the applicant will be proposing a 4 foot decorative fence; however, what is drawn is not illustrative of what the fence will look like.

Commissioner Butt asked if the fence would be privy to design review. Ms. Velasco said typically not unless it is grouped in with the larger project. Residential fences require review once they exceed a height, but performance standards can be reviewed by staff.

Commissioner Butt said he frequents a mobile vending unit in Point Richmond, and he thinks it would be nice to condition some kind of landscaping, as these sort of operations resemble a blight on the area. He suggested a condition that the fence and the enclosure around the restrooms and trash area be sent to the DRB to ensure the operation will look good.

Ms. Velasco summarized staff's recommendation to adopt Resolution 15-13 in Attachment 1 with the recommended conditions of approval and supporting statements of fact.

The public hearing was closed.

ACTION: It was M/S/C (Butt/Baer) to approve PLN15-112 subject to proposed staff conditions as well as additional condition that: 1) the applicant provide a mobile shade structure on the premises; 2) that the sign, fence and enclosure around the port-a-potty and trash and recycling area go before the DRB for review and approval; 3) that the applicant provide both trash and recycling receptacles readily available to patrons; 4) that the applicant provide 6 spaces of bike parking; and 5) by Chair Lane that the applicant provide fence repairs, parking lot striping and the seating area as listed on page 2 of 5 in the report; which carried unanimously by the following vote: 7-0 (Ayes: Baer, Butt, Choi, Kilbreth, Langlois, Loy and Lane; Noes: None).

HOLD OVER ITEM

- 1. PLN15-201: Housing Element Update 2014-2022** - Planning Commission recommendation to the City Council on the adoption of the Addendum to the General Plan 2030 EIR and the General Plan Housing Element Update for the current 2014-2022 planning period. The Housing Element is a state mandated element of the General Plan which assesses a jurisdiction's housing needs and provides goals and policies to

address those needs. City of Richmond, applicant; Planner: Lina Velasco; Tentative Recommendation: Recommend Adoption to City Council.

Ms. Velasco stated before the Commission are two requests. Staff is seeking the Commission's recommendation on the proposed addendum to the General Plan EIR which is related to the Housing Element Update and also seeking a recommendation to the City Council regarding adoption of the Housing Element Update. Lisa Wise and Brian Harrington from Lisa Wise Consulting are present who are the consultants assisting the City in development of the Housing Element Update.

Lisa Wise, Lisa Wise Consulting, introduced Brian Harrington and presented a PowerPoint presentation of the 2015-2023 Housing Element update. The State of California Housing and Community Development Department (HCD) reviews the City's update and previously the Housing Element was updated every 5 years; however, the State is moving to 8 year cycles, and the Housing Element was last updated in 2013.

She said components of the Housing Element include the Housing Needs Assessment, an Adequate Sites Inventory, a public input and review period, regulatory constraints, market constraints, and housing programs.

She explained that the 2023 Housing targets are called Regional Housing Needs Allocation (RHNA) which is broken out into income groups and the City's total target is 2,435 units. About 30% of the allocation is in the very low/low income category and about 70% is in the moderate to above moderate income category. The City receives credit for construction that began since 2014 and the City has done well with almost 525 units built in the very low and low categories, and the City has already exceeded its low income category.

Ms. Wise said a series of workshops and meetings were held in April wherein several attendees participated. The community voiced the need for a balance of mixed income neighborhoods, deconcentrating poverty, ensuring housing access for all income groups and special needs groups, proactively seeking funding, preserving Richmond's unique neighborhoods, improving education outreach, looking at blighted conditions, evaluating code enforcement, eviction protections for tenants, and controlling escalating housing costs.

Ms. Wise discussed the City's four major goals, as follows:

1. Balance Housing Supply – programs dealing with inclusionary housing ordinance, looking at best practices, incentives and review of recent court cases, facilitating second unit development, permit streamlining, ministerial approval of projects, continuing to be proactive in identifying funding sources; and implementation of the form based code.
2. Neighborhood and Quality of Life – types of programs look at impact fees which add to the cost of housing, modernizing public housing, looking at units at risk and monitoring them over time. Deed restricted units may potentially transition to market rate and these must not be lost, financial assistance programs, and code enforcement.
3. Special Needs Groups – This program looks at special needs groups comprised of seniors, those with disabilities, single parents, large families, and others that have special needs for types of housing, access, funding, etc. The program provides incentives for senior housing, large families, projects that include day care centers, a

reasonable accommodation ordinance, and SB 2 ordinance which should be adopted concurrently with the Housing Element.

4. Equal Housing Access for All – Some programs deal with Section 8 vouchers, expand just cause, looking for third parties to assist renters and use as referrals and a rent control ordinance study which was in the last Housing Element.

Ms. Wise then displayed and summarized the significant edits that went into the Housing Element Update. Additional programs that were revised were H.1.6.1; Low/Moderate Income Housing Assets Fund which looks at potential bond financing as a funding source since the RDA no longer exists, and H.2.5.1; the Housing Resource Center, which expands the on-line resource center which provides tenants' rights, information for property owners, renters and landlords.

Several new programs include:

1. H.2.5.12: Richmond Housing Rehab Loan – it consolidates efforts with what the City is already doing with rehabilitation.
2. A new program under the Balanced Neighborhoods Policy.
3. H.2.7.2: Looking at Balanced Housing Development – this looks at mixed income neighborhoods.
4. Housing Access and Discrimination Study – this is a study to ensure equal housing opportunity and to identify potential incentives to eliminate discrimination.

Ms. Wise said she and staff held a conference call with HCD staff who reviewed the City's Housing Element. The City did well and comments were very minor. After this Planning Commission meeting they hope to take HCD's comments and the Planning Commission's comments and package the Element so when it goes to the City Council the City will have received a clean letter from HCD with nothing else to address.

A General Plan EIR was done for the Housing Element Update and it is consistent with the General Plan buildout. The City is not looking for additional units or density, as an Addendum to the EIR was certified for the General Plan in April 2012. She said it is important to have the update certified and adopted by May 31, 2015 to comply with State law. Also, the City is in an 8 year cycle and will be eligible for One Bay Area grants (OBAG).

Lastly, next steps are that the update will go to the City Council on May 19, 2015. They hope is to have it certified by the end of May, and HCD will have a 10-day certification which was reduced from 90 days so the City can be eligible for grants.

Commissioner Kilbreth asked what the General Plan's goal is for housing units by 2030. Ms. Velasco referred to the Addendum on page 8 of the EIR Addendum attachment. The EIR assumed 15,548 additional housing units which would be developed to accommodate growth in the City.

Commissioner Kilbreth said the numbers represented for 2022 are quite modest relative to the 2030 goal and he asked if the City should move faster on developing units. Ms. Wise said the RHNA is a process that starts at the State level with HCD and the Department of Finance (DOF). They look at population projections over the total timeframe and arrive at a number. The City's Council of Governments (COG) is ABAG, and ABAG then allocates numbers locally. The

City can move faster, but this is the minimum number HCD is looking for the City to stay in compliance.

Commissioner Kilbreth asked if the City is inventorying the under-utilized and vacant commercial properties as a potential demolition for housing. Ms. Wise said the City's inventory mostly vacant land rather than under-utilized land. Since the City met its RHNA with vacant sites, they did not need to go to the next step of looking at under-utilized sites. She said they are also only identifying sites that can accommodate residential development. Therefore, if a piece of under-utilized land was in an industrial or commercial zone that is able to be developed or rehabilitated, if the zoning district did not allow for residential housing, the City did not look at it.

Commissioner Kilbreth said from his point of view having an inventory of under-utilized commercial space could be beneficial, as more growth is in residential housing rather than rehabilitating old industrial or commercial, light industrial buildings that are adjacent to residential neighborhoods. He asked how the City gages whether or not certain parcels are worth rezoning or not.

Ms. Wise said there has not been market assessment for demand of housing and the City is simply looking at what the state sets to accommodate. While an extensive analysis is done of vacant sites if the City wanted to further identify opportunities citywide in different sectors this would be an additional effort.

Secretary Langlois said at the Commission's last meeting it approved the updates of the ordinances to conform with SB 2 regarding emergency shelters, supportive and transitional housing. She asked and confirmed that this was introduced as a first reading by the City Council and the second reading and adoption is expected to occur on May 19th. Ms. Wise clarified that the City is amending the Housing Element to be clear about these facts.

Commissioner Loy referred to the Richmond Bay Specific Plan and she asked and confirmed this is the same as the South Shore Specific Plan, noting its name was changed.

Chair Lane opened the public comment period.

Public Comments:

CORDELL HINDLER, member of the Park Plaza Neighborhood Council, said he enjoyed the presentation, lives in somewhat of a blighted area and thinks properties are in need of rehabilitation. Therefore, he supported adoption of the Housing Element Update and EIR.

MARCOS MANALES, Richmond, encouraged the Commission to support the ordinance relating to just cause for eviction. He thinks the City should extend it to all residents of Richmond and believes that the City also needs to encourage adoption of the rent stabilization ordinance. Rents are increasing by 20% and they have no protection. In terms of services and housing for homeless people, having this experience for many years, the City should provide social services to find work and housing for them in the future.

OWEN MARTIN said he is hoping that when there is housing above businesses, that the City plans for parking so businesses have viable customers. He understands that bicycles play a big part in the future, but currently there are many cars and BART is not exactly filling everyone's

expectations, given break-downs. He asked that businesses be brought into the City so bicyclists can ride to work, asked to turn vacant land into housing and add business opportunities for people who live and work in Richmond. Regarding infill and higher densities, he hopes there are some bio swales and remediation so water can stay in the soil.

MELVIN BAER, Richmond, echoed comments of Mr. Manales regarding just cause for eviction for foreclosed properties and also rent control. He said when the Council was reviewing the Housing Element two years ago, they voted to study rent control further but he has heard nothing about it since that time. He is involved with community outreach and people have incurred \$50-\$300 rent increases annually. Also, people do not come to speak because they do not want their landlords see them televised, and they are living in fear from retaliation and no cause eviction. He asked that the Commission ask that the Council work towards rent control, expanding the just cause for eviction ordinance, and rent stabilization in the Housing Element Update process.

MARK PARKER echoed comments regarding problems with rent stabilization in Richmond. The proposal recognizes these problems, but building more affordable housing over a period of time is a long-term solution. They need short term solutions because pressures are mounting given the Bay Area economy on rents and housing values. He believes the proposal talks about taking up this question in one year, but asked that it be addressed much sooner.

ELI MOORE said they recently conducted a study at the Haas Institute that looked at demographic and housing change in the City and compared the situation in 2000 with the situation in 2013. It was clear that the Richmond was not going through what San Francisco has gone through or even Oakland, but was in the early and middle stages in some neighborhoods of gentrification-related demographic change. This means higher percentages of people with higher formal education, higher white population, increases in home ownership and median income. Their concern with that type of change is not the change in and of itself, but that it creates great susceptibility to displacement. What they have seen in many areas is that low income communities of color are being displaced from their historic neighborhoods.

He said Richmond is in a unique position because it could be early enough to do something about the problem. The Haas study did not look at policy solutions but trends and conditions. However, from his point of view, it is important to particularly look at vulnerable residents, low income tenants where increased housing costs would not enable them to pay for housing and push them out to Vallejo, Antioch and further out in the Bay Area, further from core jobs, services and social networks in their existing community.

Mr. Moore said his recommendation is to look more seriously at implementing rent stabilization and also some kind of ordinance prohibiting discrimination based on source of income, particularly around Section 8.

Chair Lane returned discussion to the Commission members.

Secretary Langlois thanked staff and the consultants for the comprehensive document. She is happy with the many things added and said discrimination prevention is a very important issue considering data received from Bay Area Legal Aid over a year ago. The City wants to continue making more affordable housing available, neighborhoods livable and protecting Richmond's special need population.

Overall, she is very pleased with the Housing Element and is prepared to approve it with one exception. She referred to Goal 4; Equal Housing Access for All and policy H-4.2; Tenant Protections. She is glad there is Program H-4.2-2 about expansion of the just-cause for eviction ordinance which she understands staff is working on now. As the speakers have indicated there is a crisis now with rising rents and something must be done in the short term. A rent stabilization ordinance will not solve all issues, as they can only apply to buildings built prior to 1995 and they cannot apply to single family homes. However, they can provide relief for many low income residents who might otherwise be faced with exorbitant rent increases.

She said the City worked on a model ordinance 10 years ago which would allow for rent to be increased modestly each year along the lines of the CPI. It would allow for one-time increases specifically tied to a major repair that could not be helped put off, and it could include a rent board that would be financed by fees to enforce and implement the policy and help settle disputes. The time has come to act on that and not wait any longer.

There also has been a lot of talk about the UC Global Campus that will come to the South Shoreline. Once that campus gets going the areas around it will be skyrocketing in rents. There are many apartment complexes in that area and tenants will be pushed out. It is good for a neighborhood to have more continuity. She asked to prevent displacement while still allowing landlords to have basic expenses covered and supported a strengthening of Program H-4.2.3.

Commissioner Baer questioned the amount of money in the inclusionary housing fund. Ms. Velasco said it varies and it is basically a fee assessed to new construction of residential units when they are not affordable. It depends on the year, number of permits approved, and staff has not yet modified the ordinance to include rental properties. The City spoke about the Palmer v. Los Angeles case which restricted a city's ability to have inclusionary requirements for rental properties.

Currently, the Supreme Court is looking at the Builders Association v. City of San Jose and they are challenging whether or not an inclusionary in-lieu fee is considered a tax or if it is part of a City's police powers. Depending on the outcome of that, the type of nexus and analysis the City will have to develop will be determined. She did not have an actual balance or amount, as it tends to vary based on new building permits pulled for new residential units for developments over 10 units.

Commissioner Baer asked if there has been an opportunity for the City to use the money in the fund to support very low and low income to foster more units. Ms. Velasco said the use of program funds have varied. In some case they provide loans for projects that may have some gap funding for affordable housing projects and in some cases they have been units to rehabilitate units that get resold for affordable housing.

Commissioner Baer referred to RHNA numbers and asked if the old numbers are folded into the new RHNA allocation. Ms. Wise said no, the City starts with new numbers.

Commissioner Baer said one of the actions has to do with encouraging second dwelling units, garage conversions and others, and the City was going to draft some model plans for what that could look like and make it available to applicants. She suggested one of those plans is along the lines of tiny houses. She thinks there is quite a tiny house movement developing in Richmond for people who choose to live in them, which seems like a good option to increase density. Therefore, this is an opportunity to include it in public policy.

Lastly, Commissioner Baer referred to the maps that show vacant properties. In Appendix C on pages 1-4 there is a vacant land inventory summary. When she looked at the maps which start on page 5 she could not tell which map referred to a certain category such as C-2, and asked for an explanation.

Brian Harrington responded that there is a unique identifying number for each site in the list. The vacant land inventory maps do not show zoning on them but they could. There are zoning maps included but not the ones that include the vacant opportunity sites. It is a bit of an issue because there are so many sites and they had to break it out in three maps. There are unique numbers associated with dots and he briefly explained how to use them.

Commissioner Baer asked that a map be more easily understood so one can see properties in each zoning category.

Commissioner Kilbreth referred to the vacant land inventory list of page 3 and said he found the Central Avenue project which is 3.17 acres, but it is not called out in the 100 year flood plain. He therefore questioned the accuracy of the list.

Ms. Wise said some properties do have the 100 year flood plain marked but staff can re-check this information, as their input is only as good as the GIS data.

Commissioner Kilbreth referred to Program H-123 and H-124. It states that there is a residential sites inventory which tells him there is enough vacant land in zoned residential areas to adhere to state requirements and make steady progress; however, the City does not have a way to get to their General Plan goal of 15,000 units. In Richmond there are a lot of abandoned or under-utilized commercial and light industrial properties.

For purposes of supporting the plan, he suggested a recommendation to the City Council that an inventory of under-utilized or abandoned commercial/industrial property be done and what percentage of it could be repurposed to residential given demand. To him, he does not think the vacant residential land will get the City to the overall General Plan goal.

He referred to another issue which is Program H-124; Residential Sites Marketing. He asked whether that was just for the residential inventory or whether it was also for some of the commercial property. Holding one workshop held a year is not what he would call a significant marketing program, and he suggested networking to non-profit and for-profit developers.

Commissioner Butt agreed with Commissioner Kilbreth's points and referred to his point regarding currently occupied commercial land. He asked if this is for where the current General Plan allows for potential residential or asked whether an amendment would be needed.

Commissioner Kilbreth commented that the reason this is so important is that the City will have to rezone properties to get them in compliance with the General Plan. The same way changes were made to the zoning to support the corridors or the form-based code this is the same question. Much of the land is not being used or is seriously under-utilized. Possibly half of it might not be appropriate for residential and it might just be a question of marketing.

Commissioner Butt agreed and said there probably is potentially more of that kind of developable land than vacant parcels. One example would be the International Harvester, the

large warehouse building that has been vacant for decades in the Marina Bay area proposed for residential development.

Also, one thing he did not see is alternative housing. What comes to mind is the concept of tiny housing for the homeless. Regarding Secretary Langlois' comments, he is torn on the issue of rent control and just-cause eviction and thinks City regulations can be effective tools; however, there are not many examples of where it has worked in the Bay Area. Looking at the greater issue of how they get developers to take an interest in Richmond and to fix up older dilapidated apartment buildings, there is a lot of evidence that going that route has a negative impact. If the City is not careful in what it does as a City it is highly likely it may have a very negative impact.

He said local cities that have done this are generally the most expensive cities in the Bay Area. He thinks it deserves further study and while it may be the route they end up going, he personally is not convinced that it will fix this impending problem.

Chair Lane referred to H-1.3 which is the inclusionary housing ordinance performance. She has been curious as to how much is collected, how it is used when allocated, and then its progress report. She believes it is supposed to come to the Planning Commission annually and she would like to see that actually happen yearly. She said many things related to the zoning ordinance update are dependent on that, and she asked staff when this will occur.

Ms. Velasco said the City has released and has received two proposals in response to the RFP for the comprehensive zoning update, and interviews are scheduled for June 5th.

Chair Lane said in the last few months there have been on and off-site parking issues with new residential developments, which crowd the neighborhood. She asked how this can be addressed while also accommodating the developments.

She then saw one of the comments from someone who attended one of the meetings, which is a super density bonus related to paying prevailing wages and using local apprentices for construction workers. She thought it was interesting and asked how this would work. She said the Commission does not really have any enforcement power over that, but they typically encourage that.

Relating to just-cause and rent stabilization, these are issues that have gone on for a long time. She would prefer if rent stabilization studies could be done and would be supportive of something returning to the Planning Commission before the end of the year. In terms of just-cause expansion, she is in support of this and suggested having it for the entire City.

Vice Chair Choi echoed comments of Chair Lane, noting it has been a long time since the study was proposed. He asked if the result of discussions around rent stabilization during the General Plan Update 3 years ago was to have a study conducted.

Ms. Velasco said when the Housing Element was last adopted in January 2013 there were programs to have it completed before this time. As part of the analysis for just-cause for eviction expansion, staff has been looking at multiple cities. In many cities they are combined with a rent control board or other rent stabilization. When looking at potential constraints in terms of market conditions and how a program like that could constrain the market or not, seeking funding for this effort is where there has been a gap, but the analysis of the ordinance is on-going and there have been presentations at Housing Element Update meetings at the

various ordinances. In terms of the economic analysis component needed to add to that recommendation, the City does not have the technical expertise in-house.

Vice Chair Choi said this is unfortunate because more quantitative analysis would be useful. It would be great to have a study the City can point to and to have it done in 2015.

Commissioner Loy said she appreciates the presentation, the concern and passion speakers expressed, likes the idea of seeking funding to bring in outside experts, likes the idea of hearing back by the end of this year, but she is not convinced that she would vote for a rent control ordinance.

Commissioner Kilbreth said often people argue about this given their political views and what it will do to the market. However, other issues people raise are practical implementation issues such as how to do it without creating a bureaucracy or without spending a lot of money. He said he is supportive of a study and specialized consultants but some of this does not require a study because people of good will can work it out. He is from San Francisco and regardless of whether it was good or bad, rent control saved the Tenderloin. He asked where those people would have gone and said the point is that he does not think a study is necessarily needed, but instead to be practical.

He said Richmond has many households that make less than \$50,000 and with kids and a 20% rent increase, this is a lot for people to handle. Therefore, there must be some protection or some smoothing out in a rising market. He thinks rent stabilization is needed to protect renters making less than \$50,000 but before jumping at the study idea, he really believes there are real issues that have to be thought through and test things in the marketplace.

Ms. Wise suggested a recommendation. She said on the funding and timeframe, they propose a two-step process to do the qualitative pros and cons type of analysis. People's opinions are already document and it could be done in-house quickly. From that, the Commission could wrap its arms around this a little more and decide then what a study would look like. If any financial feasibility or market analysis is done which is more complex it would require experts or economists. They could also look at things that Secretary Langlois recommended in terms of escalation causes and how the City would finance it, but it is a more qualitative thing than a technical analysis which might be able to be done in 3 to 6 months.

Secretary Langlois said she thinks this is something that has been studied a lot by many organizations, such as Urban Habitat. The Commission's role is to make policy recommendations and she thinks they should step forward and make a strong policy recommendation. The Housing Element will not include the specifics of an ordinance, but she suggested stating the City needs a rent stabilization ordinance now. Cities have high rents because they are desirable and this is what makes rents go up.

What rent control has done in cities like San Francisco, Berkeley and Oakland is that they have been able to put some brakes on rampant gentrification. It would have been much worse and much rapid if rent control was not in place. So it helps a little bit. The reality is that there are plenty of options available to owners who want to do other things. In fact, one reason people get displaced is because owners of buildings have options such as converting apartments into condos or if buildings are old, one just cause for eviction is to completely renovate the building. They could evict people, pay relocation fees, renovate, and then rent units at market rate.

However, people do move out of rent controlled apartments for other reasons and the owner can raise the rent at that point.

She thinks if the City just has the just-cause for eviction alone, it is good but it does not address those landlords that raise rents to whatever they want to what the renter cannot pay. It is a way of disguising retaliatory evictions. She then relayed her own experience, stating she is a landlord, owns a rental property in Richmond which is a single family home. When she purchased the property, she calculated all expenses to pay including a set aside for on-going and future repairs, and she came up with a reasonable amount to charge for rent. She cannot imagine raising the rents 10% to 30% because it would be devastating for them.

Therefore, she suggested the program be named Rent Stabilization Ordinance and the following suggested language: "To study rent control ordinances in California, to ascertain best practices in preventing disclosure of low income tenants in a context of rapidly rising rents. Using the results of the study in consultation with community groups, draft and implement an ordinance in Richmond to stabilize rents and establish a rent controlled board in conjunction with the expanded just-cause for eviction ordinance."

For the quantified objective, Secretary Langlois recommended doing this as soon as possible or by the end of June. She thinks this is one way the Planning Commission can relay this is an important policy move. Low income tenants deserve this kind of protection and it was discussed 10 years ago and again with the last Housing Element, and they need to listen to residents.

The public hearing was closed.

Vice Chair Choi said he personally agrees with rent control and lived in San Francisco. He left in 2007 to move to Richmond. He said he is concerned with the OneBayArea grant and does not have much faith that a recommendation like this to the City Council would result in action. He asked if it would hold up this process. Secretary Langlois said the City Council can concur with the Commission's revisions or reject the revisions, as community groups have mobilized.

Commissioner Butt said it is the Council's purview and they can adopt it as recommended or not, but clearly this is a politically and emotionally charged issue. Everybody realizes the problem and the need to try and come up with creative solutions. For him, he thinks there are too many potential things that could go wrong and are complicated. He thinks the matter deserves study and a combination of things needing to get done. But, it opens up an important piece of the General Plan that is tied to funding to a highly politicized issue that could hang it up, which would be unfortunate.

Commissioner Kilbreth said his point is that in studying it to death many issues are practical issues such as how to do it at low cost, with low bureaucracy, fairly, and if it takes months to get to a wise decision he is supportive of that. At the same time, he is not sure he wants to spend \$100,000 on an economist to provide a recommendation because people know Richmond's time is coming and the pressure is building. Also, the big difference between San Francisco and Richmond is that rent increases are much harder on Richmond residents.

Commissioner Butt said he would propose that a certain date should be set and to mandate a focus on the implementation rather than discussion. Generally, the momentum of the region will drive development and he thinks if the end of 2015 would be a good date to shoot for and to recommend that the study focus on implementation and how they would create it without a huge

bureaucracy and not costing too much. He also said it has always troubled him that affordable housing is compared to the County which is pretty wealthy. Even the lowest level of affordability is probably in the middle of Richmond's affordability levels. Additionally, more and more developers are using density bonus law to get concessions to build affordable housing when, in fact, it is not affordable for the majority of Richmond residents.

Chair Lane clarified that Commission Butt would like the recommendation to be to move ahead with a study to determine how rent control could be implemented effectively and that those recommendations be brought to the City Council for their ultimate decision as to whether or not it is implemented based on the recommendations. The answer may be that there is no easy way to do this.

Commissioner Butt clarified that he is not prepared tonight to request that its implementation be figured out. He would say it is worth looking into seriously about how they would do it and then making that decision.

Commissioner Kilbreth supported this direction. Because there is a lot of practical questions of how to do it well and without creating a bureaucracy and spending a lot of money, those things are not answered until an actual proposal. He would, however, indicate a date such as by October 1st just to get things moving along. The other question is, who will do the study, given staff resources.

Commissioner Baer said she is a health/social worker by background. Displacement of low income people is a bad thing and she is predisposed to supporting some kind of rent control stabilization, but she questioned how the market will react and what will happen to the whole of housing in Richmond. They are having a community conversation about that and they need to discuss all of it. She wants to understand fully what might happen.

She said she is comfortable with saying that the timeline proposed of May 31, 2015 should be accelerated and that the Commission should recommend that to the City Council. They will do whatever they feel is important in terms of reacting to the community conversation. But, it might be delayed given the City's ability and time to study the issue.

Chair Lane summarized Commissioners' comments. She is hearing from Commissioner Kilbreth that rent control is the way to go and what needs to be figured out is its feasibility and process. Based on Commissioner Baer's comments, this is aligned with what is already documented in the policy but with accelerating the period of study. Secretary Langlois is making statements that rent control is something the City needs to have and the nuts and bolts of it can be figured out later in one policy. To move forward, there were some other recommendations in individual policies to determining under-utilized commercial or industrial areas into an inventory.

Commissioner Kilbreth said he does not think there is a large gap with what he and other Commissioners are saying in the sense that the details need to be worked out. He said he would want a lot of the focus on the study to be practical implementation issues as opposed to people debating the effect on the market. He said he is much more interested in how to have a good program than he is in listening to a lot of speculation about the economy.

In that sense, he is just looking to speed things up, which is in keeping with Secretary Langlois' points. The idea of saying the Commission would like the study done by October 31, 2015 he

thinks is a reasonable amount of time, but it is a strong message from the Commission that they want to get things moving.

Commissioner Kilbreth asked if the name should be changed of H-123; the residential sites inventory or whether another program should be added called H-123(b) but effectively have an under-utilized commercial property inventory added to the mix and to evaluate that for potential zoning changes or suitability to determine what percentage of that under-utilized commercial inventory could be candidates for housing.

Commissioner Loy asked if the Commission could also request that special attention be paid to affordable housing sites. Commissioner Kilbreth said right now they are just talking about getting the potential sites inventoried and organized, and anything potential could be affordable sites.

Secondly, Commissioner Kilbreth referred to H-124 and he believes this is not an adequate marketing plan. More information and outreach is needed which takes effort, and one workshop a year will be sufficient in terms of the kind of networking the City should be doing in the development community. He suggested developing a full marketing program to develop the City with the goals of the General Plan, given 15,000 units needing to be built by 2030.

Chair Lane said her suggestion related to exploration of impact fees and the idea around a super density bonus related to paying prevailing wages and using local apprentices and construction workers. She asked that this item, which is implementation, be added to the policy which addresses impact fees. She was not sure where it should be included, but the issue continues to come up with infill and affordable housing development.

MOTION: Commissioner Butt moved and Commissioner Kilbreth seconded to adopt a Resolution recommending the City Council adopt the Addendum to the Richmond General Plan 2030 EIR and the Fifth Cycle of the Housing Element Update, with added recommendations as follows: 1) Policy H-123 be renamed to Residential Sites Inventory OR another program added such as H-123(b) which creates an under-utilized commercial property inventory added to the mix which evaluates potential zoning changes or suitability to determine what percentage of that under-utilized commercial inventory could be candidates for housing; 2) to develop a full marketing and outreach plan incorporating the goals of the General Plan in its effort to develop 15,000 housing units by 2030; 3) to explore impact fees and the idea around a super density bonus related to paying prevailing wages and using local apprentices and construction workers; 4) that there be an on-going study about alternative housing, such as tiny houses; and 5) the timeframe for study of just-cause eviction and rent control ordinance be moved up to be done by October 24, 2015 with a desire to focus on its implementation and its effect on the market.

Secretary Langlois reminded Commissioners that the Housing Element is a guideline and not a hard and fast direction to staff with deadlines. Any of these studies will have to come from the City Council with specifics and with deadlines. The Council gave staff direction to study the just-cause eviction and return with an ordinance by May, so this lays the groundwork for the Commission to request the Council to return with this specific direction.

She suggested a substitute motion would include all comments in the previous motion minus the part about rent control. She proposed the following language regarding rent control: Under Program H-4.2.3, instead of rent control ordinance study, it would be called Rent Stabilization Ordinance, as follows: "Using results of available studies that ascertain best practices in

preventing displacement of low income tenants in a context of rapidly rising rents and in consultation with community groups, draft and implement an ordinance in Richmond to stabilize rents and establish a rent control board in conjunction with the expanded just-cause for eviction ordinance, and to have this quantified objective be recommendations in draft ordinance by July 31, 2015.”

Vice Chair Choi seconded the substitute motion.

Ms. Velasco clarified that the motion should not include Program H-4.2.2, expansion of just-cause, because its deadline is May 31, 2015.

Commissioner Kilbreth clarified that there are many studies that have been done as well as experts in the community. If the City does not have money for a study, they could still have it done. Secretary Langlois noted that staff has done work on just-cause eviction without problems in-house. She suggested they can work on an ordinance to form a rent control board. She noted that this is a statement of principle and a guideline for the City Council to consider.

Commissioner Loy said this sounds attractive, but it seems very fast for staff to figure it out and how to do it well, given it is such an important issue. Secretary Langlois said if the City Council adopts this, the goal is to get it done by July 31st. It might take longer, but she thinks about vulnerable residents and she would like to see the Council direct staff to get it done, regardless of it taking longer. The just-cause part might not be completed by July 31st, but that is the stated goal.

MOTION: It was M/S (Langlois/Choi) to adopt a Resolution recommending the City Council adopt the Addendum to the Richmond General Plan 2030 EIR and the Fifth Cycle of the Housing Element Update, with added recommendations as follows: 1) Policy H-123 be renamed to Residential Sites Inventory OR another program added such as H-123(b) which creates an under-utilized commercial property inventory added to the mix which evaluates potential zoning changes or suitability to determine what percentage of that under-utilized commercial inventory could be candidates for housing; 2) to develop a full marketing and outreach plan incorporating the goals of the General Plan in its effort to develop 15,000 housing units by 2030; 3) to explore impact fees and the idea around a super density bonus related to paying prevailing wages and using local apprentices and construction workers; 4) that there be an on-going study about alternative housing, such as tiny houses; and 5) regarding rent control, Under Program H-4.2.3, instead of rent control ordinance study, it would be called Rent Stabilization Ordinance, as follows: “Using results of available studies that ascertain best practices in preventing displacement of low income tenants in a context of rapidly rising rents and in consultation with community groups, draft and implement an ordinance in Richmond to stabilize rents and establish a rent control board, and to have this quantified objective be recommendations in draft ordinance by July 31, 2015.” The motion failed by the following vote: 3-2-2 (Ayes: Choi, Kilbreth, Langlois; Noes: Baer and Butt; Abstain: Lane and Loy).

Chair Lane stated the original motion is still on the table. Commissioner Kilbreth asked about those Commissioners voting no and asked if they were concerned with the timeframe or deadline to get the ordinance completed.

Commissioner Baer said this was one concern, but she is also not sure what level of study is needed.

Chair Lane asked the Commission to take up the original motion.

ACTION: It was M/S/C (Butt/Kilbreth) to adopt a Resolution recommending the City Council adopt the Addendum to the Richmond General Plan 2030 EIR and the Fifth Cycle of the Housing Element Update, with added recommendations as follows: 1) Policy H-123 be renamed to Residential Sites Inventory OR another program added such as H-123(b) which creates an under-utilized commercial property inventory added to the mix which evaluates potential zoning changes or suitability to determine what percentage of that under-utilized commercial inventory could be candidates for housing; 2) to develop a full marketing and outreach plan incorporating the goals of the General Plan in its effort to develop 15,000 housing units by 2030; 3) to explore impact fees and the idea around a super density bonus related to paying prevailing wages and using local apprentices and construction workers; 4) that there be an on-going study about alternative housing, such as tiny houses; and 5) the timeframe for study of just-cause eviction and rent control ordinance be moved up to be done by October 31, 2015 with a desire to focus on its implementation and its effect on the market. The motion passed by the following vote: 5-0-2 (Ayes: Baer, Butt, Kilbreth, Loy and Lane; Noes: None; Abstain: Choi and Langlois).

COMMISSION BUSINESS

6. Reports of Officers, Commissioners and Staff

Ms. Velasco reported that staff is currently planning for a June meeting for the form-based code, and will announce the actual date in June. In addition, they have released the South Richmond Transportation Connectivity Plan and it is available to the public for comment by June 1st.

Commissioner Butt referred to the form-based code and revisions to certain areas and their zoning and he asked and confirmed that a June meeting is being planned. Commissioner Butt asked if this exercise is tied to the RFP for the comprehensive zoning change. Ms. Velasco said it is tracking separately. It more an issue of staffing constraints and making sure the Housing Element gets completed. Staff is working towards getting the information out and they are working on a revised map which would be part of the noticing. Hopefully some of the questions will be resolved by looking at the map.

Commissioner Baer asked and confirmed that the meeting in June will be for the form-based code is specific to the Livable Corridors and revisions to its mapping.

7. Adjournment - The meeting was adjourned at 9:30 p.m. to the next regular meeting on June 18, 2015.