

The meeting was called to order by Chair Bonilla at 7:30pm. Those present were: Commissioners Whitaker and Massey; Commissioner Hugg and Vice-Chair Drechsler were absent & excused.

The Planning Commission Chair opened the public comment period.

- Bertha Sanchez spoke to the Planning Commission regarding the late notice that was given regarding Vector Control in San Mateo County spraying for West Nile Virus between the hours of 11pm and 5am – Poplar, 4<sup>th</sup> Avenue, El Camino, and Highway 101. It was mighty short notice.

No one else to speak the Chair closed the public comment period.

#### ITEM 1

##### STUDY SESSION, Draft Housing Element Update

Julia Klein, Senior Planner and Diane Elrod, D. R. Elrod & Associates.

Ms. Elrod gave the staff presentation; an overview on what is involved with the Housing Element.

The Planning Commissioners had the following questions for staff:

- When we met back in March, there was discussion about a streamlined process. Are we still trying to go that route? *Consultant: Yes, we are. We have finished the one item that was remaining, the Reasonable Accommodation Ordinance which was outstanding and needed to be completed before submission. The City Council adopted the Ordinance on June 16<sup>th</sup>.*
- The January 31, 2015 deadline? *Consultant: That refers to the submission date for the final adopted Housing Element. The city has to submit an adopted Housing Element and the state has 90 days to review the submission and decide to grant or not grant the certification.*

The Chair opened the public comment period. The following people spoke: Doreen Brown (Joiner), San Mateo; Tracy Choi, Housing Leadership Council; Reinalda Gonzalez\*, San Mateo; Lucia Alvarez\*, San Mateo; Ana Lopez\*, San Mateo; Kathy Shea, San Mateo; Karyl Eldridge, San Mateo; Bertha Sanchez, San Mateo; Stacey Laumann, Habitat for Humanity; Amanda Kim, San Mateo.

- I have lived in San Mateo for 5 years, and I was fortunate to receive a Section 8 voucher as my salary is not enough for me to live in San Mateo in a safe healthy environment. I am supportive of rent protection being added to the Housing Element and not put off into a separate study. Tenants today are experiencing a lot of problems because of no protection. I was notified by my property management company that they would no longer accept the Section 8 voucher. Seven hundred other voucher holders in the city will be displaced if the property owners choose not to accept Section 8. For renters in San Mateo who do not have a voucher, there is additional difficulty. You are lucky if you find an apartment that you can afford but there is no guarantee that you will be able to keep it given the rate of rental increases. The demand for housing is high and availability is low. There needs to be protections from excessive rent increases and evictions without cause. Rent Stabilization, Just Cause Evictions, and enhanced relocation

benefits will provide much needed stability to those in the community who make a difference but don't have sufficient resources.

- The City of San Mateo has done a good job in committing to affordable housing through new projects. We commend the joint effort in the Grand Nexus study along with other jurisdictions. We hope that after the result of the study, the city will implement impact fees. In regards to this draft Housing Element, the need for more robust policies has reached critical levels. Demand for housing is far outpacing supply; simply building our way out of this problem is not going to be an end-all solution. Those at the highest risk of being impacted by such high housing prices are renters. Here in San Mateo they account for about 47% of the population. We urge the city to consider including policies and programs to provide renters, especially those that are low-income and very low-income with some sort of confidence that they can continue to live and work in San Mateo. When households experience sudden losses in household income or other extreme life circumstances, they could find themselves without a place to live, might find themselves homeless. When their situation stabilizes they could find themselves unable to move back into their community. We urge the city to include some type of program or policy to examine the risk of displacement, examining the impact on residents and how the city can respond. While fulfilling the statutory requirements for this Housing Element, we believe it is imperative to meet the letter of the law but also the spirit of the law.

\* - the next 3 speakers spoke in Spanish and required an interpreter.

- \* I am a leader with the San Francisco Organizing Project/Peninsula Interfaith Action (SFOP-PIA) and a member of St. Matthews Catholic Church. The last year my family went through a very rough problem. We live in an apartment with 3 bedrooms where I live with my 2 sons, husband, and grandchildren. My son had an accident and had knee surgery. I needed to get 3 jobs in order to pay rent, and buy food, etc. At the time I was only working a part-time job that paid \$1,000 a month and my rent is \$2,000 a month. Even after getting two more jobs, it was still not enough to take care of rent, food, shoes, etc. for my family. I felt desperate and cried because I could not protect my family much less my family in Mexico. Another thing I did to pay the rent was to sell my wedding ring and some of my other jewelry. Even now it is hard and my son is suggesting we move to Concord. I tell him no, that my community, work, and church is here. I want to ask for protections against displacement so I don't have to live in fear of having to abandon and leave this city where I've lived for 10 years.
- \* I am a member of the St. Mathew's Church Community. I also volunteer at the library and help with a lot of activities for the Latino community. I live and work in San Mateo, I am a pre-school teacher. As a teacher I want to point out we deserve to live in this city. I use a housing voucher to pay for my rent but it is still not enough. I face discrimination by some landlords because they feel that people with these vouchers bring problems to the building. What I am asking for is policies that protect renters/residents. We need to pass on information to landlords because they do not know about these programs.
- \* I am a leader with SFOP-PIA. I am here to raise concerns about the rents in San Mateo. In the past two years I have seen our rent increase a lot. Since my mother is pregnant I have to work two jobs to help my father. I want to help my parents. Sometimes I do not know what to do to help them. As the oldest child, it is a lot of pressure to help. I wish I could do more. I would also like to go to school and I want my family to have the means to live here. Right now it is really hard to pay rent. I want to affirm the need for tenant's rights.

- Resident of San Mateo. I am a member of SFOP-PIA. After speaking with hundreds of people across the Peninsula, we have found that people are scared and afraid of increasing rents and displacement.
- Member of SFOP-PIA and my focus over the past several years has been affordable housing. As rents have increased, this community faces the prospect of massive displacements. As time moves on many people are going to be forced out. SFOP-PIA has two main priorities: 1) rent stabilization. It is not mentioned in the Housing Element and would like the Housing Element to be modified to add exploring the possibility of this stabilization. It is the single thing that would have the most effect at stabilizing the community and families. 2) Commercial Linkage Fee. The language around this is rather tepid in the Housing Element. With the Redevelopment Agency (RDA) being dissolved, we need to do everything we can to fill this void. Burlingame is trying to adopt a linkage fee within the next year. We support approval of the draft Housing Element with these modifications.
- Resident of the North Central neighborhood, which is considered one of the poor areas in the city. I am a community activist. The housing voucher, Section 8, is governed by the Federal government and administered by the County. It is issued on a sliding scale. There is also Project Sentinel that calls up to find out if discrimination is occurring. I believe we need to be careful about restrictions. We have a lot of aging seniors. As they pass on, some of these properties are going to sell at the highest price possible and might be properties that are currently rented. Rent stabilization is rent control. It should be discussed more fully and thoroughly. My family added 2 units to the city's housing stock. I would ask that rather than just asking for specific rent stabilization, I think that this issue needs to be discussed further and with more input.
- With Habitat for Humanity and we are an affordable housing provider. We are a member of the Housing Leadership Council and I would support and echo the other speaker. We would love to build more but local funding is important. The loss of the RDA has been difficult. Other jurisdictions have used the commercial linkage fee. Please consider SFOP.PIA's recommendation to fast-track the commercial linkage fee adoption.
- Want to mention that Below Market Rate units that are available in San Mateo do not accept Section 8.
- I support rent stabilization as I believe it helps to stabilize the community. We've seen people evicted because of rent increases.

The Chair closed the public comment period.

The Planning Commission had the following questions:

- What is staff's position with respect to the proposals made tonight and in the public comments, specifically the package of protections we are being asked to add to the Housing Element. *Staff: These are not currently in the draft Housing Element; should the City Council request that they be added, we will do so. We are indicating that we feel we have a Housing Element that meets the state law and addresses the Regional Housing Needs Allocation for the upcoming years.*
- Proposal regarding the commercial linkage fee. What is the status? *Staff: All the San Mateo county jurisdictions formed a working group, called 21 Elements. All are working together to share resources as we work on our Housing Elements. A number have been interested in a commercial linkage fee and together we've hired a consultant to do a Nexus study. The*

*information will be broken out for each jurisdiction. It is underway and we expect it to be done by end of 2014. We would take it to the City Council in 2015.*

- Bring the finished study to the Council in 2015 along with recommendations? *Staff: Staff would support the adoption of Commercial Linkage Fee. There was a separate Affordable Housing Impact Fee that was initiated earlier, which would have conflicted with Measure P, and ultimately did not receive community support. That fee is not likely to move forward.*
- A Commercial Linkage Fee is not impacted by Measure P? *Staff: No.*
- Source of Income Anti-discrimination and specifically for Section 8. I reviewed the ordinance adopted by Foster City, and I didn't find that it committed the city to doing anything. Is there any value for San Mateo in considering an ordinance of this nature? *Consultant: I know of some ordinances that address anti-discrimination, broadly speaking, and not Section 8. They address discrimination against people whose income is from a government program. To focus it on one source of income is problematic. Section 8 is a federal program and the city has nothing to say about how it is administered. It would create a locally protected class of people that cannot be discriminate against for this reason. It is difficult to be too specific, especially for a program that the city does not control. Staff: The city contracts with Project Sentinel which investigates discrimination issues. Source of income is not a stated class for investigation.*
- Under attachment 8, the listing of the adequate sites survey, the project at 888 North San Mateo Drive shows up on the underutilized, per the numbers on the chart. It looks as though it's built to the max. *Staff: The Department of Housing and Community Development allows one year of double-counts, where cities are allowed to count housing towards production, as well as include certain sites in the inventory of available sites. It depends on where the project is in the pipeline between January 1, 2014 and January 31, 2015.*
- Again, in attachment 8, at bottom of vacant sites list, there is a number under final adjustment of RHNA numbers and I've figured out that number comes from subtracting units currently in the pipeline. *Staff: Correct. We are accounting for sites already in the pipeline.*
- On the last page, the reference notes, there is one sentence that I cannot figure out the meaning. Under realistic capacity, it reads, "...furthermore the analysis shows that the maximum density can be reached with non-residential uses associated with the project." It isn't making sense to me. *Staff: We have mixed-use projects that have included ground floor retail and it is still possible to achieve residential densities with a mixed use project.*
- Do we have any knowledge of any other landlords denying Section 8 vouchers? *Staff: I think in this situation, the tenants were Section 8 and the landlord chose to opt out. I don't know that this speaks to how many who do not want to participate. The county administers the Federal Section 8 Housing Choice Voucher program. Once you receive a voucher it is a dollar-amount of money based upon income. You are given a fixed-amount of voucher dollars to be paid against the rent.*
- Is there an agreement/contract with the county? *Staff: There is a contract with the county and the landlord. The money is paid directly to the landlord. The county inspects the property to ensure that it is meets health and welfare standards, etc.*
- If the landlord chooses to opt out, what do they do? *Staff: They are required to provide 90 days' notice if they choose to opt out.*
- In the draft Housing Element, in the chart on page 44, it talks about commuting patterns of local workers and is based on 2010 statistics. In the City of San Mateo, 87% of the workforce commutes into the city and 88% of the workforce commutes out. Do we have any data on the

number of persons who live & work in the City of San Mateo? Is there any way to get that percentage? *Consultant: Not that I am aware of. Due to budget restrictions at the federal and state levels, some of that data are no longer available; we don't get all of the information we used to.*

- Would it be possible to take a number in the chart of the number employed in 2010 and then work in the %'s to see if we can figure it out? *Consultant: We can look into it and report back when the Housing Element comes before the Commission for a final recommendation.*

The Planning Commission had the following comments:

- The more I delved into the materials, the more nervous I got and the more agitated I became. It is a very large problem, the jobs, etc. In reading through the comments from the public I believe there is a misconception that by putting a number on housing units, the fear is that the city is going to rush out and build 3,100 units over the next several years. It is up to the private market to build the projects, not the city. In looking over the statistics for the 2007 to 2013 period, past Housing Element, San Mateo's total allocation number was 3,051 units and during that time 991 units were provided.
- I would be interested in further discussion/study/implementation of four things: 1) rent stabilization; 2) housing overlay zones; 3) commercial linkage fee, last discussed by City Council in 2008; 4) parking. I would add tenant's rights policies: just cause evictions, rent stabilization. I'm also interested in hearing how the other commissioners' feel about those topics.
- Section L of Housing Element, the qualified objectives section that contains the city's projection of how many housing units are going to be built. It looks like the city expects to see enough housing units constructed when compared to the Regional Housing Needs Assessment (RHNA) need allocations. That's a big change from last time. We will produce more market rate and not as many units for low-income, very low-income, or extremely-low income. *Consultant: That's correct.*
- I think the draft Housing Element should be submitted to the state for their review. It is well prepared and shows that we meet or exceed the statutory requirements which this element was prepared to meet. This document has been written for a specific purpose. The Housing Element is not the best place to address the other issues brought up in the public comments. The issues raised here are serious and should be reviewed carefully. This is not the place for that review. These issues should be analyzed and studied separately. We have a serious problem and we are not alone in it – the bay area has the problem as well. It indicates that while San Mateo is seen as an affluent community, 40% of our population is low-, very-low, extremely low-income. The housing stock is not affordable to that 40%. The question then becomes what do we do about it? We have heard a lot about rent stabilization: stabilize the community, the rents, etc. By doing so we solve the problems we have today. Stabilizing or freezing our housing arrangements is not a prescription for the longer term future. Growth is a very charged issue in this community. We could provide more lower-income housing if developers could build beyond 55 feet. The voters said no and we respect that. This impacts our ability to develop affordable housing. I do think the issues we have heard tonight should be studied by the city separate from this Housing Element. We need to address the economic disincentives that come along with rent stabilization.
- We used to live in a society where one could work, and not have to have 3 jobs to live. Now, we live in an economy where multiple jobs are necessary. I wished we lived in a world where we

did not have to have affordable housing. I agree that the Housing Element is not the place to address rental control/stabilization, etc. The Housing Element document tells the state that we are doing what we are supposed to be doing per state law. Concerned about jobs and housing imbalance. I understand people feeling ashamed about asking for help much of the time. I would hope that people could work and have the funds to live in dignity. I would urge that we move this document along to the City Council with the verbiage that we would like to see additional studies be done on topics covered tonight. Also, would like to see the city move the commercial linkage fee along.

#### Announcement/Communications

1. Announcement from Staff
  - a. The draft Housing Element is scheduled for the July 21, 2014 City Council meeting.
  - b. June 24, 2014 Planning Commission meeting has been cancelled.
  - c. We will know within a week if we have items for July 8, 2014 Planning Commission meeting.
  - d. Commissioners Hugg & Chair Bonilla are not available in July.
  - e. Commissioner Massey is out in September.
  - f. Sustainable Streets Plan's Taste and Talk Series is scheduled for July 10, 2014; at Draper University auditorium room in Downtown San Mateo.
  - g. The Schmier planning application reviewed at the last Planning Commission meeting has been appealed to the City Council.
2. Announcements from Commissioners

The meeting was adjourned at 9:07 pm on Thursday, June 19, 2014.