DRAFT
HOUSING ELEMENT TASK FORCE MINUTES
October 10, 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**
Vice-Chair Cox motioned to move this item to the end to make time for residents who wished to comment on items that were on the agenda. Member Cleveland-Knowles seconded, motion passed 6-0.

3. **APPROVAL OF MINUTES** –September 26, 2011
Vice-Chair Cox noted that Vernal Larner's name was misspelled in the minutes. Member Kelly motioned to approve the minutes. Member Cleveland-Knowles seconded, motion passed 6-0.

4. **REPORT ON HCD MEETING**
Consultant Bradley began with a brief overview of what a Housing Element is for members in the audience new to the Task Force meetings. Each jurisdiction in California is required to have a Housing Element. The Regional Housing Needs Allocation, or RHNA, is a state-mandated process for determining how many housing units, including affordable units, that each community must plan to accommodate in each planning cycle. Sausalito's total RHNA for the planning cycle of 1999 – 2006 and 2007-2014 is 372, and that total number must be broken down across different income levels. In Marin County, the median family income for a family of four is very high, hence even a "very low" income level in the county is high for the Bay Area. Truly poor families would not qualify as "very low" income.

Various strategies can be employed to achieve the RHNA, and HCD prefers to see a broad-based effort to address the variety of housing needs in the community. The Housing Element could count units already built or planned for within the planning period, 2nd units or Accessory Dwelling Units (ADUs), count liveaboards (which is fairly novel and only done in two other jurisdictions in California so far), and development potential under existing zoning. Consultant Bradley also stated that this did not mean that all properties would develop to their full potential, but it is important to take credit as a planning effort. Lastly, it is possible to use a strategy to rezone certain properties to achieve densities necessary to be credited towards the City's low and moderate income RHNA needs. Consultant Bradley noted that the rezoning strategy is listed last, as the goal is for the Housing Element to maintain the unique qualities of Sausalito. The Element must be approved by the City Council, and also by HCD. Hence, M-Group is concentrating efforts on looking for "hidden" units, meaning to take credit for units where people already live that have not been included in the Census (i.e. liveaboards and ADUs), or those that could be counted under existing planning policies, without having to change any zoning or existing conditions.

Vice-Chair Cox, Member Cleveland-Knowles, Community Development Director Jeremy Graves, Associate Planner Lilly Schinsing, Consultant Geoff Bradley, and Housing Consultant

Karen Warner met HCD (California Department of Housing and Community Development) staff Melinda Coy on October 10th, 2011, from 11am-3pm. Melinda is the designated representative from HCD who will review the Housing Element for HCD approval.

At the meeting, the group discussed initial planned strategies for meeting housing requirements for HCD's feedback, and for a higher chance of having those strategies approved by HCD. Sausalito needs to demonstrate a total of 372 units, ranging from very low, low, moderate, to above moderate income levels.

M-Group has been evaluating data for existing vacant and underutilized residential parcels, paying attention to parcels that have the capacity to generate a density range which fits HCD's parameters for affordable housing. The "default density" for Sausalito is a minimum of 20 units per acre to be deeded appropriate to support development for very low / low income households, and a minimum of 12 units per acre for moderate income households.

To make the analysis more realistic, M-Group then eliminated sites that would only generate 1 additional unit, those that are over a 40% slope (which could make development difficult), underdeveloped sites that have an existing unit(s) built after 1980, and with an existing use on the City's List of Noteworthy structures (such as buildings with historic significance).

HCD also seemed to favor utilizing parcels within existing zoning regulations, and allow housing over parking or commercial where feasible, such that the City does not necessarily need to utilize a lot of land to satisfy numbers. HCD also encouraged staff to talk to developers who are building affordable housing in Sausalito to discuss their criteria.

The group also discussed the extent to which the City could use an alternative strategy such as counting liveaboards to meet requirements for very low, low and moderate income needs. City's research efforts in 2010 revealed that there are 35 liveaboard units with permits that have not been counted in the recent Census. In addition, 116 existing liveaboard units without permits were not counted in Census. The maximum number of existing non-permitted liveaboards that can be legalized under BCDC and City permit regulations is 92 (10% of docks in the four marinas without liveaboard permits). M-Group will be following up with additional data to HCD to assess whether all or a portion of these liveaboards can be considered as part of the Housing Element strategy.

The group also discussed ADUs. A survey was recently done in 2010, with over 700 total responses, and over 100 property owners with an existing ADU. HCD responded that the criteria for counting ADUs that do not have permits with the City should be similar to the criteria for liveaboards – both need to demonstrate that they were not counted in 2000 Census. If the City proceeds with an ADU amnesty program, it can require the property owner who is requesting amnesty to sign an affidavit stating that the ADU was not part of the 2000 Census count. Census workers have indicated that if there were no separate utility meters, not more than one unit was counted for that property. Follow-up site checks to verify information would be required.

The consultants stated that all these strategies would be put together to find units that would fulfill the RHNA, as far as possible without resorting to rezoning.

The group also went on a site tour on October 10th with HCD staff, to get feedback and discuss the sites owned by the City and/or with the most realistic potential for development. HCD staff indicated that if units had been vacant for a long time or red-tagged, such as the property on 1751-1757 Bridgeway, all new units that created on the site could be counted as net new units towards fulfilling the RHNA.

Vice-Chair Cox opened the time for Public Comments regarding the HCD meeting.

Public Comments included the following:

- Jeff Whisennand at 211 Bridgeway: Asked for clarification on the plans for the Bridgeway site on the 1700 block. Vice-Chair Cox clarified that the site was being considered for rebuilding into multi-family housing.

Task Force Member Withy asked how long it would take to create a table for all the planned strategies, to figure out how many units are left towards the RHNA. Vice-Chair Cox clarified that the Housing Element Task Force (Task Force) has requested that M-Group submit an initial analysis for review at the October 25, 2011 meeting.

5. LIVEABOARD ASSUMPTIONS

(Document: Pages 13-14 of the "Menu of Options," Revised October, 2011
Recommended Action: Review Staff assumptions in liveaboard sections of the Menu of Options and determine an appropriate liveaboard component of the RHNA strategy)

Associate Planner Schinsing summarized that the changes that were made in the document assumptions, which now include examples of incentives for marine operators to apply for legalization of their liveaboards. These examples included potential grants to construct required infrastructure (i.e. bathrooms, pump out facilities), administrative design review of improvements, and expedited permit processing.

Housing Consultant Warner clarified that up to 92 existing non-permitted liveaboards and 22 future liveaboards that could potentially be counted towards the City's RHNA. She also stated that affordability would be based on marina rents. Currently, the rents are at the very low – low income levels, but this requires documentation in order to satisfy State requirements.

Member Withy asked how the distribution of affordability would affect the number of liveaboards counted, and if it meant that the Task Force should hold off a decision on light/medium/heavy affordable housing distribution until there is more input from the consultants. Consultant Warner clarified that the analysis will need to be made on which marinas can be effectively brought into legalization. She also stated that the Task Force could give direction and establish a target number, but the numbers will be fluid until it is clearer on the necessary steps or timing to bring the four marinas into compliance, confirmation of the marina rents, and subsequent review with HCD to assess RHNA credit.

Vice-Chair Cox moved to adopt the strategy to take credit for 92 existing and 22 future liveaboards. Member Cleveland-Knowles seconded the motion with an amendment that M-Group would return to the Task Force within two meetings with revised numbers. Vice-Chair Cox accepted the amendment to the motion. Motion passed 6-0.

Public Comments on this topic included:

- Warren Novack asked for a definition of a liveaboard, and whether it could still be considered low-income if the boat is expensive. Vice-Chair Cox explained that an inhabitant would be someone who is living on a boat that is moored on a Sausalito property (i.e., in a berth). Vice-Chair Cox clarified that parameters would need to be established to determine which liveaboards can be considered affordable.

- Elaine Kolowich, 266 Woodward Ave, asked if that liveaboard data was from 2000. Vice-Chair Cox clarified that the data was collected in 2010.

- Diane Andrews, 826 Spring Street, asked for clarification on the 10% quota for liveaboards in each marina. Vice-Chair Cox stated that the San Francisco Bay Conservation and Development Commission (BCDC) established a 10% ceiling for each marina to cover demand for liveaboard space.

6. DISCUSS SITES FOR POSSIBLE REZONING

Task Force Members had visited several sites on the list of potential sites for rezoning on October 8th, 2011.

Consultant Bradley stated that M-Group has not yet completed the full analysis of identifying sites that are within the existing zoning capacity of the City, which could potentially satisfy a significant portion of the RHNA number for planning purposes. M-Group is utilizing filters for all the vacant and underutilized sites across different zoning categories in the City, to make the analysis more realistic and justify the sites selected.

Site U-1: Valhalla and Site V-1: Sausalito Boulevard

M-Group made a recommendation to the Task Force to remove Site U-1: Valhalla site from the list of sites for potential rezoning as it is on the City's List of *Noteworthy Structures and Other Buildings that May Have Historical Significance*. M-Group also made a recommendation to the Task Force to remove Site V-1: Sausalito Boulevard (near 373 Sausalito Boulevard), owned by the City. M-Group stated that the site did not meet the State's threshold of being able to accommodate at least 16 units for sites to be rezoned to count towards lower income RHNA requirements.

Vice-Chair Cox stated that it was her understanding that some residents were attempting to meet the Task Force at Site U-2 (Spencer Fire Station) on the site tour on October 8, 2011, but the two groups did not manage to meet up at the site. Vice-Chair Cox explained that the Task Force had arrived early at the site and stayed until the end of the published time window for the visit to that particular site, in an effort to meet up with the resident group, but unfortunately did not see them and had to move on with the site tour.

Vice-Chair Cox made a motion to move Site U-1: Valhalla and Site V-1: Sausalito Blvd from the list of potential sites for rezoning and place them on the list of "Options Not Being Considered". Member Cleveland-Knowles seconded, and the motion passed 6-0.

Site V-6: Ebbtide Avenue

Vice-Chair Cox stated that Site V-6: Ebbtide Avenue is very constrained, and parking was not possible there. She made a motion to move the site from the list of potential sites for rezoning and place it on the list of "Options Not Being Considered". Member Withy seconded, and the motion passed 6-0.

Vice-Chair Cox suggested that the Task Force address each of the remaining sites in order as listed in the October 8th tour schedule, with the exception of sites U-1, V-1 and V-6, which would be moved to the end of the discussion.

Site U-3: 1700 Block of Bridgeway

Member Cleveland-Knowles stated that the Task Force visited this site on October 8 for the site tour, and also on October 10 with HCD staff. She stated that this site probably had the most potential for redevelopment with good access to transportation, and would like to keep that site on the list for consideration, if development should be required. Vice-Chair Cox mentioned that the Melinda Coy also considered the site to have high potential for affordable housing.

There were no public comments on Site U-3: 1700 Block of Bridgeway.

Site V-3: Rodeo Avenue

Member Cleveland-Knowles stated that this site needs more information, and had asked Consultants and staff to gather more info on this site. Vice-Chair Cox also stated that the Task Force and staff have received and noted all submitted public comments, as well as public comments made during the site visit.

Public Comments on this site included:

- Vladimir Chernoff, 137 Woodward Ave, stated that the site is dilapidated and he is unsure how development would be possible on the site. He had contacted the City's Public Works Department, and was informed that the next feasible date to patch potholes on Rodeo Avenue would be in 2013.

- Nancy Osborn, Kendal Court, stated that this site was much steeper than the previously mentioned slope of 40% as a filter. She also asked whether the conversion of open space into residential use required a public vote. Vice-Chair Cox explained that the 40% slope is a filter used by the consultants for determining capacity within the City's existing zoning, and not for this list of sites. Vice-Chair Cox stated that the Task Force is aware of site constraints and have asked staff to investigate those constraints.

- James Moushegian, 80 Rodeo Ave, wished to confirm if the Task Force and the staff had received the list of constraints submitted by Rodeo residents. He asked when the requests made of staff would be completed, who made the decisions on site constraints, and who would evaluate the constraints. He also stated that potential ingress/egress is difficult for this site, as potential access roads would be either dangerous, or cause burden to existing residents.

  The staff confirmed that they had received the list of constraints prepared by Think Sausalito and it was distributed to the Task Force for this meeting. Vice-Chair Cox explained that as soon as the information becomes available on the sites, staff would share the information with the Task Force. She also stated that the packet explains site selection criteria and how the list of nine sites was first developed by staff. The Task Force will evaluate the constraints associated with each site, if any of them are put on a list of potential development. She also clarified that this process was about designating sites for possible development, and not for actual construction.

Site V-4: 266 Woodward Ave

Member Cleveland-Knowles acknowledged concerns from the public that the property is designated as Open Space, and redevelopment would take away open space. She also acknowledged concerns about the adjacent electrical sub-station. She asked staff to look into the validity of these issues, and to what extent the station would have any impact on residential development. She stated her preference to keep this site under the list of potential sites for redevelopment, but also stated that it requires more info. She also mentioned that the public has indicated that this site may be dedicated as part of the Marina Vista development.

Public Comments on this site included:

- Walter Freedman, 20 Marin Ave, lives very close to the site. Provided substantial constraint suggestions. Major concerns of neighbors: seismic stability of site. Excavation would also cause concern to neighbors. Experiences moving earth, as experienced by neighbors. Magnificent oak trees, owls, how does one trigger an environmental impact report. If one were required, this site would have impacts and may not be buildable. Who sets parking standards, would it cause curbside parking in their neighborhood?

- Ash Henry, Marin Ave, asked a general question on what were the guidelines and strategies for protecting open space. Vice-Chair Cox responded that a change in zoning is the last resort for this planning effort. Preserving open space is one of her goals and is a goal for many Task Force members.

Site V-5: Butte Street

Member Cleveland-Knowles stated that she was aware of some site constraints, and also saw water running down the street today during the site visit.

Public Comments on this site included:

- Veronique Stamets, 205 Buchanan Drive, stated that this site was already targeted for redevelopment in 2005, but was denied. She said that there are floods every year, and

the water runs into neighbors' backyards. She submitted a copy of a letter dated 1986 to the City Engineer, and the City proposed the idea of a single trench to alleviate flooding, but the project was never completed. She also had concerns about environmental studies for any potential project, as there is a lot of wildlife in the area that would have no place to live if the land was developed.

- Marsha Armitage-Briston, on Lincoln Drive, stated that she lived above the site. She stated that she would assume the City would require an Environmental Impact Report (EIR) by an independent firm prior to making decisions regarding development, but wants to know what agency has jurisdiction has over the trees. She stated that trees are sliding at the site, that that there are native grasses and indigenous trees on the property. She also mentioned that residents pay dues on trees. She stated that the area is a collection basin for the surrounding hill, causing water runoff. She questioned the logic of destroying the natural environment, and stated that with all the work required on the site for development, the site could become unaffordable in any case. She also stated her concerns about increased traffic in the area due to any new development.

- Burt Drobnis, 45 Anchorage Rd, stated that the land belongs to the City, and hence people should get to decide what happens to the trees. If the property is considered for possible development, he requested that the City Attorney to look into the state constitution. He stated that he believed California constitution had provisions that any development of low-rent or low-income housing required a vote of the people. Mr. Drobnis also stated that the City could be exempt from having to respond to RHNA, as the Association of Bay Area Governments (ABAG, which set the RHNA) is considered a private organization.

Site U-2: Spencer Fire Station

Vice-Chair Cox stated that this site had constraints to development, including a high pressure gas line and its steep slope.

Public Comments on this site included:

- Chuck Donald, 254 Spencer Avenue, stated that he lived two houses from the site. He stated that there is a high pressure gas line that runs by the site. He was concerned about the stability of site, as half of the site is on fill and suffers earth movements, as evident from the way trees grow on the site. He stated that there are longitudinal cracks in the street. Water comes out of those cracks and flows into soil under the road, and bubbles up through the pavement. Mr. Donald also mentioned that after rains, the water remains in the road for a while.

Site V-2: 800 Block of Bridgeway

Observed extremely steep slope. A project previously approved at this site had a unique excavation plan to deal with the slope. Observed parking and access issues.

- Elaine Engman, 176 Bulkley Avenue asked what was the slope of the site. Vice-Chair Cox stated that the slope is not yet known yet. Ms. Engman asked about the selection of the site as the slope seemed much steeper than 40%. Vice-Chair Cox clarified that 40% was a filter used by the consultants to analyze the development potential of properties under the existing zoning capacity in the City, and was not applied to the list of potential sites for rezoning. Ms. Engman asked if there would be development required, and who would be doing the development. Vice-Chair Cox stated that she hoped that the rezoning sites would not have to be used, and that the developer is unknown as this analysis is purely for planning purposes.

- Cynthia Harris, 186 Bulkley Avenue, stated that if any remodeling was done on Bridgeway, it would likely shut down the neighborhood for a few days as the sewage system is old, and traffic would be unbearable. She also stated that residents living on Bridgeway end up parking on Bulkley, causing residents who pay for parking on Bulkley to have no parking spots. Ms. Harris stated that any development here would greatly

impact the residents of the City.

- Tracy St-John, 180 Bulkley Avenue, stated that her property is currently under construction, and that she had gone through three difficult revisions of the structure on her property due to seismic issues, causing problems such as springs erupting in the basement. She questioned the seismic stability of any new development, and stated that she had even bigger concerns about traffic on Bridgeway due to tourism. She stated that she could not imagine more cars on Bridgeway.

- CJ Spady stated that the City's residents came together prior to the site visits, and felt that the attendance at the meeting tonight was an indication of the passion and heart of residents. She also stated that she had submitted 11 pages of comments and would like to see that incorporated in the final document. She also commended Vice-Chair Cox for conducting an orderly meeting with the goal of receiving all comments in a civil manner.

Sites not to be considered

Vice-Chair Cox opened for Public Comment on the sites that were removed from the list this evening.

Public Comments included:

- Jeff Whisennand asked if the density on remaining properties would increase due to the removal of sites.

- Leda Sanford, 100 South Street, asked who made the selection of the sites. Vice-Chair Cox stated that the staff made an initial choosing of sites based on criteria, but without initial site visits and research. She restated that the Task Force did not wish to resort to rezoning to any site. Ms. Sanford stated that she understood the response, but wished to make a point that the community did not have to get upset in order to achieve these objectives.

- Rosalind Hudson, on Central Ave, asked whether the Task Force would possibly bring the Valhalla site back into consideration. Vice-Chair Cox stated that it is the advice of the consultant to remove the site, and the Task Force has adopted that advice. Vice-Chair Cox also stated that the consultants have done a lot of work, and was hopeful that the remaining work to be done to achieve the RHNA numbers would be minimal and not major. Ms. Hudson asked how the citizens could ensure that these sites would not return into consideration. Vice-Chair Cox stated that the community had continued opportunities to voice their concerns, including the upcoming Community meeting on December 3, 2011, where implementation measures would be discussed.

- Elaine Kolowich, 266 Woodward Ave, stated that many homeowners were not aware of the Accessory Dwelling Units (ADU) survey held in 2010, and asked if the City could consider conducting the survey again so that more owners could respond to it.

- James Moushegian asked if the Task Force would place other sites on the list for potential rezoning, after the elimination of the three sites. Vice-Chair Cox stated that hopefully there would be better numbers from the consultants at the next meeting, which would determine whether any sites would require rezoning. The hope was that there would be sufficient capacity found within the City's existing zoning capacity and that no rezoning would need to be considered.

- John Flavin stated that he had previously sent a letter regarding ABAG and 2009 projects, stating that ABAG needed to comply with the California Environmental Quality Act (CEQA), and wished to retract his statement as he found out that CEQA does not apply to ABAG. He asked whether a development recommendation such as those made in the Housing Element would trigger CEQA. Community Development Director Graves responded that as the Housing Element progresses, an Initial Environmental

Study will be prepared to identify the type of environmental review required for the Housing Element update. After HCD's review of the Housing Element, the environmental document must be adopted by the City Council before the adoption of the Housing Element, as an amendment to the General Plan.

Community Development Director Graves also reminded the attendees to put their emails on the email list to stay in touch and receive more information, including agenda packets for the Task Force meetings.

7. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA
(This item was moved by motion to the end of the meeting.)

Public Comments on items not on the agenda included:

- Jeff Whisennand, 211 Bridgeway, recapitulated an earlier discussion about amnesty for ADUs that were not counted in last Census. He wanted to know if units that were counted but were not legalized would have amnesty too. Mr. Whisennand also stated that land not developed in Saus alito is undeveloped for a reason. He stated that Sausalito is running out of space, and asked if the Task Force would consider the future process in five years when the City has to consider the next planning cycle for housing.

- CJ Spady stated that residents have been received a listing of expected topics for the next few meetings. However, there was also discussion about ADUs, underdeveloped parcels, etc. prior to the involvement of the consultant. Given a small number of meetings left, she was concerned about the lack of involvement preceding August where other topics were discussed, and asked how the Task Force would go about bringing the citizenry into the conversation of those strategies. Vice-Chair Cox clarified that before August the process was mostly data gathering, and some easier chapters of housing element were written. She asked that residents stay in touch through email list to participate in upcoming meetings.

7. STAFF COMMUNICATIONS
Associate Planner Schinsing indicated that staff had passed out correspondence received at the site visit and late communications received via email.

8. TASK FORCE MEMBER COMMUNICATIONS
None.

9. AGENDA TOPICS FOR NEXT MEETING
Vice-Chair Cox asked to add a status report on meeting the RHNA numbers to the draft agenda of the next meeting. Member Withy stated that a major topic for the next meeting would be looking at overall sites and the rezoning strategy. He wanted to ask if that would be a continuation of today's discussion, or if it was a look at the entire picture, in light of the numbers of the other strategies.

Consultant Bradley stated that M-Group would have completed a preliminary sites analysis by the next meeting and would report on that. Member Withy asked if the Task Force should also consider lists of other strategies submitted by residents. Consultant Bradley responded that it would be helpful to document in the Housing Element the reasons why some strategies are not pursued, so that this information is stated objectively in the records, to better inform the next planning cycle in five years. Vice-Chair Cox reminded the consultants that HCD staff asked to separate numbers out by previous and current planning cycles.

10. ADJOURN
Member Mike Kelly made a motion to adjourn. Member Cleveland-Knowles seconded. The motion passed unanimously and the meeting was adjourned at 7:30 p.m.

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