

MEETING MINUTES

MILPITAS PLANNING COMMISSION Milpitas City Hall, Council Chambers 455 E. Calaveras Blvd., Milpitas, CA

Wednesday, September 10, 2014

- I. PLEDGE OF ALLEGIANCE** **Chair Mandal** called the meeting to order at 7:00 P.M. and led the Pledge of Allegiance.
- II. ROLL CALL/ SEATING OF ALTERNATE** **Commissioners**
Present: Chair Sudhir Mandal, Vice Chair Larry Ciardella, Commissioners John Luk, Rajeev Madnawat, Garry Barbadillo, Demetress Morris, Hon Lien
Absent: Gurdev Sandhu
Staff: Steven McHarris, Johnny Phan, Felix Reliford
- III. PUBLIC FORUM** **Chair Mandal** invited members of the audience to address the Commission. Frank DeSmidt announced that candidates for the Milpitas School District Board will be meeting at 7:00 on September 11 at the Milpitas Unified School District board room, and there will be a Mayor and City Council candidates forum at the Milpitas Library on Saturday, September 13, at 1:00.
- IV. APPROVAL OF MEETING MINUTES** **Chair Mandal** called for approval of the August 13, 2014 meeting minutes of the Planning Commission.
Motion to approve Planning Commission meeting minutes as submitted.
Motion/Second: Vice Chair Ciardella/Commissioner Madnawat
AYES: 7
NOES: 0
ABSTAIN: 0
- V. ANNOUNCEMENTS** Planning Director Steven McHarris introduced new Assistant Housing Planner Hang Huynh.
Vice Chair Ciardella asked for a moment of silence to honor those who lost their lives on September 11, 2001.
- VI. CONFLICT OF INTEREST** **Assistant City Attorney Johnny Phan** asked if any member of the Commission had any personal or financial conflict of interest related to any of the items on the agenda.

There were no reported conflicts.
- VII. APPROVAL OF AGENDA** **Chair Mandal** asked if staff or Commissioners had changes to the agenda.
Motion to approve the September 10, 2014 agenda as submitted.
Motion/Second: Commissioner Madnawat/Vice Chair Ciardella

AYES: 7

NOES: 0

VIII. CONSENT CALENDAR

NO ITEMS

IX. PUBLIC HEARING

IX-1 HOUSING ELEMENT UPDATE – Presentation from consultant and staff on the 2014 Housing Element Update.

Planning Director Steven McHarris introduced the item and said it would be presented by Principal Planner Felix Reliford and a consultant.

Mr. Reliford explained the purpose and process of the housing element. Stephanie Hager of BAE Consultants explained that California state law requires that each city and county create a plan to meet projected housing needs and she reviewed a PowerPoint presentation on the Housing Element.

Mr. Reliford referenced two comment letters he received in the afternoon, and said he did not have an opportunity to analyze them but will do so prior to the City Council meeting when this item is discussed.

Commissioner Madnawat referenced one of the letters and asked how the number of jobs in the city is tracked. Mr. Reliford answered this is tracked by the State Department of Finance and the County of Santa Clara, and Ms. Hager added that information is also provided by the State Department of Employment Development. Commissioner Madnawat said that one of the letters references the number of minimum paying jobs and is basing the data on that information and he questioned where they received that information.

Commissioner Madnawat asked how impact fees are calculated and Mr. Reliford explained there are various methods. Commissioner Madnawat questioned if blight areas could be rezoned and rebuilt with two-three story structures. Ms. Hager said that none of the housing sites identified in the Housing Element currently have residential development on them; however, if the zoning allows for higher density residential development there is nothing in the Housing Element that would prevent the use of those sites from being developed if already zoned as such.

Ms. Hager suggested avoiding sites that require tearing down existing housing to build something new because then there are issues about who gets displaced and with netting out those units being demolished from the total number of new units produced.

Commissioner Madnawat wondered if building affordable housing could be mandated, and Assistant City Attorney Johnny Phan said that it is possible to have programs but that under California state law it cannot be mandated. If the City wants to implement an affordable housing program a nexus study is necessary. He discussed Inclusionary Housing/In-lieu fees that require new residential developments to include affordable units or pay a fee instead, and commercial linkage fees that require developers of commercial projects to pay a fee to support affordable housing programs. Through a nexus study the city can determine what type of program it should have.

Vice Chair Ciardella asked what a typical in-lieu fee is and Assistant City Attorney

Phan answered that locally the fee ranges between \$15,000-30,000. per unit. Ms. Hager added that the nexus to determine the fee rate would set a limit to the maximum amount that can be charged and it would be at the city's discretion to decide what is appropriate for the city.

Commissioner Morris asked for an explanation of "boomerang funds" and Mr. Reliford explained they were funds from the state with no requirement to be used for funding and that a decision was made to use the funding in other ways. Mr. McHarris added that the funds were used to balance the city's budget and pay for City of Milpitas essential services including police and fire services. Commissioner Morris recommends completing a nexus study.

Commissioner Barbadillo feels that there should be a requirement for affordable housing or land that has to be developed as affordable housing. Assistant City Attorney Phan believes this can be achieved by conducting a nexus study to determine the options, and likely one of the three fees discussed would be an option.

Commissioner Barbadillo feels there should be other programs in addition to the three fees discussed, including rezoning land to be devoted to affordable housing. Assistant City Attorney Phan said that rezoning property would violate the constitution and would not pass a court challenge.

Chair Mandal asked what it would take to do a nexus study and Ms. Hager answered that staff would need to hire a consultant firm to look at the current housing market and estimate the demand for affordable units.

Commissioner Madnawat said that besides complying with state law, he feels it is the city's social responsibility to provide affordable housing and he believes that re-zoning is the most powerful tool that every city has and suggests looking into creative zoning for affordable housing.

Chair Mandal opened the public hearing.

Pilar Lorenzana-Campo from the Non-Profit Housing Association said she submitted one of the comment letters referenced. She congratulated staff for the work done on the Housing Element so far and said there has been good progress but is worried that the city will backslide due to the loss of funding and will see low percentages of the requirements in the future. She believes it is very important to take action and make a recommendation to the City Council to include programs in the Housing Element to conduct a Nexus study.

Ms. Lorenzana-Campo said there may be funds that can be relied on to help pay for the cost of a Nexus study and she will forward that information to Mr. Reliford, and in regards to creative zoning solutions she will also forward information to him on affordable housing overlay zones.

Lastly, she feels there should be a longer conversation on boomerang funds as she received numbers from the State Department of Finance which shows that Milpitas is one of six cities in the County of Santa Clara that does have recurring boomerang funds.

Bill Ferguson said it is very important to provide affordable housing and supports the housing impact and commercial linkage fees and feels the commission should take the first steps necessary to have these fees in the future.

A resident spoke about the total number of units built in Milpitas, most priced for households with above moderate incomes. He feels the city is behind when comparing the 44% of units for the very-low income group compared to the 686% built for the above-moderate income group. He feels money should be allocated for low income residents instead of those that have higher incomes.

Motion to close the public hearing.

Motion/Second: Commissioner Madnawat/Vice Chair Ciardella

AYES: 7

NOES: 0

Commissioner Morris said that she wants the city to be proactive and wants to see a Nexus study done.

Commissioner Madnawat would like Mr. Reliford to submit an overview of the changes made to the Housing Element based on the Planning Commissioner's comments, and he said he will submit that after the City Council and community meetings.

Motion to forward a recommendation to the City Council authorizing staff to submit the Draft General Plan Updated Housing Element (2015-2023) to the California Department of Housing and Community Development for review and certification in accordance with State law, and a recommendation to City Council to conduct a Nexus Study.

Motion/Second: Commissioner Madnawat/Commissioner Luk

AYES: 7

NOES: 0

ABSTAIN: 0

X. NEW BUSINESS

NO ITEMS

XI. ADJOURNMENT

The meeting was adjourned at 9:05 PM to the next meeting of September 24, 2014.

Motion to adjourn to the next meeting.

Motion/Second: Commissioner Madnawat/Commissioner Luk

AYES: 7

NOES: 0

ABSENT: 0

*Meeting Minutes submitted by
Planning Secretary Elia Escobar*