

MINUTES
OF THE
SPECIAL MEETING
OF THE
CITY COUNCIL

November 29, 2005

1. CALL TO ORDER

Mayor Hosterman called the Special Meeting of the City Council to order at 9:20 p.m.

Deputy City Clerk Karen Gonzales called the roll, which is recorded as follows: Councilmembers present were: Steve Brozosky, Cindy McGovern, Matthew Sullivan, Jerry Thorne, and Mayor Hosterman. Staff members present were: Nelson Fialho, City Manager; Michael Roush, City Attorney, Jerry Iserson, Director of Planning and Community Services and Janice Stern, Principal Planner.

2. MEETING OPEN TO THE PUBLIC

Judith Geiselman, 2602 Glen Isle Avenue, indicated when she listened to Mr. Ashenbrenner describe the continuing care housing units; she heard no difference between the duets and apartments. She knows from first-hand experience that with couples that move into these kinds of residential places, sometimes one may be fine but one will need assisted living care. She believed there are people who are not living in these kinds of communities, but need to be. By the time people move into these kinds of facilities, it is because they need the care given. Originally she felt this was a wonderful way to complete the housing cap, but she did not really think the right goal is to hurry and reach the cap. She preferred to look at what is purely residential and what is not. She did not want to count any of the units at Staples Ranch toward the housing cap.

Kevin Close, 871 Sycamore Road, spoke about traffic on the loop road and expressed appreciation for the increased patrols. However, there is still a problem with speeding commercial delivery trucks in the area and he asked for assistance from the city. It is a residential area with a posted speed limit of 25 mph.

Becky Dennis, 838 Gray Fox Circle, presented a few thoughts on how to plan affordability for the community. Affordability in the categories that Pleasanton has the most challenge in providing cannot be provided by design. In reviewing some of the small condominium units in the city, they are designed to be small but still can cost up to \$500,000. She encouraged Council to review the affordability requirements for the fair share needs as an opportunity to control the price of housing in this limited category,

which will impact favorably other housing in the city not controlled by the market. She believed it was possible to set requirements in affordable housing for the residents to work in the city. Council can set requirements for the residents in affordable housing in a way that is not possible in the open market place. This would be for those just starting in the community, who serve the community and who would otherwise have to travel long distances in order to find housing they can afford. As Council considers things like reserving housing units or whether or not to count living facilities licensed as assisted living as housing, keep in mind all these have impacts on the city's ability to provide this special kind of housing that is missing. She was concerned about driving choices to smaller houses in an attempt to make them affordable, but she felt restricting the size was not the answer. There needs to be city investment in the production of the housing and in deciding who will live there based on income. She referred to Ms. McGovern's suggestion of investing in silent second mortgages for existing housing and said it was a good idea, but the problem is that is very costly for the number of units you get for that type of subsidy. The most efficient use of the city's affordable housing funds comes in the apartment format where there is the greatest opportunity to provide units that are all the same but to subsidize a certain number of them. That is the most bang for the buck.

Dolores Bengtson, 568 Hamilton Way, referred to the question of whether to count the units on Staples Ranch towards the housing cap. She believed the criterion to be used is licensing. If all units are subject to licensing, then every resident qualifies for assisted living and would meet certain criterion for living skills they can no longer achieve. That is very different from Ridge View Commons. It is not a licensed facility. She thought that all units on Staples that are subject to licensing should not count toward the housing cap.

There were no further speakers.

3. ACTION ITEMS CONCERNING GENERAL PLAN UPDATE: LAND USE

Mr. Brozosky did not believe a person had to meet the requirements for assisted living to get into the Staples facility. He thought anyone who could afford it could move in.

Mr. Ashenbrenner said a person would be entering a self-insured pool regulated by the State of California. In many states, it is regulated by the Insurance Department. The people have to qualify three ways: there must be a certain level of health when they come in. That is not because it is an independent living community. The State of California has decided that it must be licensed and operable as an assisted living community. The reason there must be a certain level of health when they come in is because there is an element of the project that is insurance. The people are provided assisted living and skilled nursing care for the rest of their life at essentially no extra cost. If many people come into the new project with Alzheimer's, for instance, there is a non-viable self-insured pool. The point is, it's insurance, it's services and a place to live all in one package. It is regulated like, insurance and under the law, it is all assisted living.

Mr. Brozosky commented that people coming into the facility have to be in reasonable health with no major problems.

Mr. Ashenbrenner said that is true, but the project must be prepared to handle their needs when they are not independent and that is unlike any other housing he knows of.

Mr. Brozosky asked if in his other facilities, people moved from the community into his facility or did they move in from all over outside the community.

Mr. Ashenbrenner said 70% of the residents come from within 15-30 miles of the facility. About 20% of the residents come to live near their children. He believed that would occur in the Pleasanton facility.

Ms. McGovern referred to pictures for the proposed facility showing very active seniors and did not want the community to think this was not a fun place to be. It is not a place to go to end your life.

Mr. Ashenbrenner agreed it was a quality place to live independently. He said people live better and longer in communities like this.

Ms. McGovern strongly supported having a facility like this Pleasanton. If fulfills a need.

Mr. Brozosky asked how this facility compared to a community like Rossmoor?

Mr. Ashenbrenner said the senior age group has become a large continuum. Rossmoor is for those 55 and older, mostly from 55-75. Those residents live there for activities, not for health care or for food. They want to own their own property and have all the responsibility of ownership. All that property falls under the purview of the Department of Real Estate or the landlord/tenant common law of the state. In a continuing care retirement community, that is for people who are older. Under the law, they must be at least 60 years old. Under the laws for providing food, the people are 62 and older. These people are very different – they don't want to own property or shouldn't own property and the principal reason to come to the facility is not for the property, but for the services, activities, amenities and insurance protection so that if either spouse becomes ill, that the costs are all covered. He commented that communities like Rossmoor generally are feeders to communities like the one proposed for Staples Ranch.

Mr. Brozosky referred to the comment that residents are in Mr. Ashenbrenner's facility for 12-15 years and asked how many years they live independently before moving into assisted living?

Mr. Ashenbrenner said on average the people live independently eight years, then two-four years in assisted living and possibly a few years in the skilled nursing facility.

Mr. Sullivan believed that Council was split on whether to count the units and felt he needed more information. Instead of basing the decision based on what the units look like, or how they are licensed, he wanted to look at how the people are living, whether independent or truly assisted living. He felt there must be some profile that shows the numbers for people moving in and how they transition to assisted living. Then base the number of units to count towards the cap on that information. He felt it would be an easy formula to develop and would meet the intent of the voter-approved housing cap.

Jerry Thorne believed that whether or not this is counted toward the housing cap has a lot to do with the impact on the infrastructure, schools, traffic, etc. He felt this facility had a very low level of impact.

Ms. McGovern agreed there is not enough information and also felt this is not the time to say what Council will do with the units in that area. It is more to do with density transfer and other issues.

Mayor Hosterman was a little disappointed because she wanted to settle on some numbers in order to move on with the workshop discussion. She acknowledged Council wanted more information.

It was moved by Mr. Sullivan, seconded by Mr. Brozosky, to request staff to look at similar continuing care facilities and obtain a profile of independent living vs. assisted living and to return that information to Council at a regular meeting.

The roll call vote was as follows:

AYES: Councilmembers – Brozosky, McGovern, Sullivan, Thorne, and Mayor Hosterman

NOES: None

ABSENT: None

ABSTAIN: None

It was moved by Ms. McGovern, seconded by Mr. Thorne, to establish policies within the General Plan that would enable the City to update the Growth Management Ordinance while also maintaining the current practices of metered growth on an annual basis and in moving forward with the existing General Plan Update to establish a reserve ranging anywhere from 200 to 500 units remaining under the housing cap for future General Plan updates.

The roll call vote was as follows:

AYES: Councilmembers – Brozosky, McGovern, Sullivan, Thorne, and Mayor Hosterman
NOES: None
ABSENT: None
ABSTAIN: None

Mr. Sullivan supported the motion and wanted to maintain the 350 unit cap in place while revising the growth management reporting process.

Ms. McGovern expressed concern about when staff could come back with the revisions.

Mr. Fialho indicated it would be part of the implementation of the General Plan. Policies would be established to allow an update to the growth management. The only distinction is the concept of setting aside a reserve.

Mr. Sullivan want to make certain there was flexibility in setting aside a reserve as Council moves forward with the General Plan.

Regarding the jobs/housing balance, Ms. McGovern suggested putting something in the General Plan that there be a condition to move towards some type of housing units for people who live and work in Pleasanton.

Mr. Fialho believed that something could be included in the affordable housing program that would set parameters for criteria for eligibility.

Mr. Sullivan commented that the Planning Commissioners indicate that policy is already in place.

Mr. Fialho indicated staff would confirm whether that is a general policy and find a way to include it in the General Plan. In terms of jobs/housing balance, staff had several recommendations on page 6 of 9 of the staff report.

Mr. Sullivan was comfortable with the policies presented by staff and acknowledged that a balance is not achievable at this time based on the housing cap and amount of commercial/office development in the city. Articulating some policies that work toward that end is a better approach.

Ms. McGovern asked if these were changes to current practice.

Mr. Fialho said some of the suggestions have been done and some are silent in the General Plan. Staff is saying it recognizes it cannot achieve a jobs/housing balance because of external factors. For general policy purposes and land use planning purposes, these are some of the things the city could consider to maintain the existing

balance, to recruit and retain quality businesses while providing a mix of affordable housing that meets the community's needs.

Ms. McGovern did not think the phrase "workforce housing" made sense. Every house with a working resident is "workforce housing". She did not think a development like Oak Grove could be required to have small houses.

Mr. Thorne indicated there is developable acreage in the city that will not have small or affordable houses, such as the south Pleasanton hills. He wanted to make certain that was clear in the motion.

Mr. Brozosky indicated these are policies for what to do with the rest of the land use and where to rezone. Once the land use is done, these are not relevant any more. He felt these were good guidelines as the process goes through the rest of the land use changes, but he did not see, once the decisions are made, how these specific things were really relevant any more.

Ms. Stern said these are a guideline for the next couple of workshops to determine where the development sites would be and what those sites would look like, size of units, density, etc.

Mr. Brozosky felt these were not actual policies.

Ms. Stern replied that some were, such as the one about making the remaining housing under the cap a good fit. A large part of that is looking at where to put that housing, near transit, etc. A large part of that will be done over the next few work sessions and will not necessarily be translated into additional policies.

Mr. Brozosky did not agree with everything on the report, but agreed they are good concepts to think about. He asked if these were concepts or exact things to be included?

Ms. McGovern did not want to be tied into any particular development, such as Hacienda, and asked if that motion tied her to any development?

Mr. Fialho said no.

It was moved by Mr. Sullivan, seconded by Mayor Hosterman, to support staff's concepts as reflected on page 6 of 9 of the staff report (1. making the remaining residential potential under the cap the best for the workforce where appropriate in terms of location, affordability and type of units; 2. supporting transit improvements that would make it easier for in-commuters to take public transit to job centers in Pleasanton rather than driving; 3. economic development policies; and 4. encouraging walkable, mixed-use, activity areas) as a way to address the jobs/housing imbalance, while also recognizing that the imbalance

will continue into the future due to continued economic growth and limited residential growth as the city approaches build out.

The roll call vote was as follows:

AYES: Councilmembers – Brozosky, McGovern, Sullivan, Thorne, and Mayor Hosterman
NOES: None
ABSENT: None
ABSTAIN: None

Ms. McGovern recused herself from discussion of the definition of gross developable acreage.

Mr. Brozosky thought that Council had the right to determine how many houses to approve during the PUD process. He wanted PUD applications to indicate what the number of units would be at the midpoint for total acres vs. what would be allowed minus 25% slopes for informational purposes.

Mayor Hosterman agreed Council has ultimate discretion, but based upon earlier discussion, she supported a motion to table the issue.

Mr. Sullivan understood what the Planning Commission was trying to do, but felt to inject that at this time would undermine the process of negotiation. He felt there was plenty of time to discuss this later, but for now wanted to be silent.

Mr. Brozosky disagreed and felt this was for something in the future and the plans are going ahead before the changes to the General Plan. He wanted to set a policy or guideline that the community does not want acres in the 25% or high slope areas to be included in the developable acres. He believed it was already in other sections of the General Plan. Since the General Plan must be consistent, he felt this should be included in the Land Use element to keep it consistent. The community has told Council it does not want to count the acreage of the hills and Council should do something about it.

It was moved by Mr. Sullivan, seconded by Mayor Hosterman, to table the definition of gross developable acreage for PUD's to enable staff to work with property owners and adjacent neighborhoods to discuss land use options for the area that are usually beneficial to area residents and the property owners, while also maximizing the preservation of open space in the Southeast Hills.

The roll call vote was as follows:

AYES: Councilmembers Sullivan, Thorne, and Mayor Hosterman
NOES: Councilmember Brozosky
ABSENT: None
ABSTAIN: Councilmember McGovern was recused

Mr. Sullivan said there has been much discussion about affordable housing, ways to achieve it and ways to fund it. As part of the General Plan update process, he would like to have a workshop specifically on affordable housing, the best way to do it, options, what the community wants, and see if there is interest in pursuing those goals.

Mr. Brozosky indicated the Housing Commission has been asked to prioritize the in-lieu fee, which is just part of this. There is confusion on what is workforce housing and affordable housing, whether it is only subsidized or affordable by design. The Housing Commission does not look at affordable by design, it looks at how to get to the low and very low-income housing and that can't be done with affordable by design. Mr. Brozosky had this discussion at the Chamber of Commerce meeting a couple of weeks ago and there is no general consensus on what all these things mean or how to accomplish it. He was uncertain a joint workshop is the way to do this or to ask a Commission to review the matters.

Ms. Roberts believed a commission had several workshops on affordable housing four or five years ago.

Mr. Brozosky said that was more on opportunities in the Tri-Valley but did not include definitions. It was a forum to present different programs as opposed to getting feedback from the community.

Mayor Hosterman felt that as we move through the subject matter, there are different special interest groups that come up with great ideas. Every time they do, a new word is added to the vocabulary. Most think they understand what it means, for instance workforce housing, but as months and years go by and new words pop up, people are no longer certain of definitions.

Mr. Fialho indicated there are three or four workshops reserved for the future and suggested setting aside time to discuss some of the techniques for establishing affordability. The Council and community can be informed and can set forth what kind of broad policy perspective to take as part of the General Plan update.

Ms. McGovern felt it was not just the type of affordable housing offered but also the city's ability to meet the needs from a financial standpoint. She did not think the community realized that low and very low income housing is always subsidized and the city has to find out how to do that financially, especially when approaching build out when there will not be many more units built.

Mr. Fialho suggested starting at a broad level and then refine concepts later.

Ms. McGovern asked if the increased density downtown would be part of future workshop discussions.

Mr. Fialho said staff has not included anything downtown because it was one of the areas specifically excluded from this General Plan update.

Ms. McGovern asked if people come forward with ideas for increased density in specific projects, would it be addressed?

Mr. Fialho said yes, on a case-by-case basis. If property is rezoned from commercial to residential, it will decrease the housing cap. That could be addressed later. He noted there were two other topics staff requested direction on, specifically the topic of larger homes and the reduction of the housing cap. On the reduction of the housing cap, he believed he had heard an interest in setting aside a reserve, which by default meets the concern about reduction of the housing cap.

Ms. McGovern said there was already a motion to set aside 200-500 units from the cap.

Mr. Fialho said there had been discussion to reduce the housing cap from 29,000 to 28,000 or less and he has not heard consensus to do that. He asked for discussion of the larger homes.

Mr. Sullivan felt some of the other things discussed at the meeting such as the four points regarding jobs/housing balance are in that same direction. The affordability workshop also goes in that direction. He understood the position of the Planning Commission and realized it cannot tell an applicant it does not like large houses and to come back with a design for small houses.

Mr. Fialho explained the current General Plan contemplates larger homes in the southeast hills and what staff is looking for with regard to the 2,500 to 1,600 remaining units is a way to say it is looking for smaller homes.

Mr. Brozosky said Council wanted to encourage condominiums and smaller homes because there are not many of them in this community. There are many large homes and it is time to use in-fill to build homes for smaller families.

Ms. McGovern referred to the Merritt property, which is outside the city limits, has a zoning designation and is counted in the housing cap. She did not want to tell a person who has purchased five acres of land that they cannot put a large home on it.

Mr. Iseron acknowledged that there are large parcels left, such, as on the west side of Foothill Road, where which would apply. What staff is looking at are areas that are not now designated for residential and have the capability of being rezoned in the future. Perhaps the key word is in appropriate locations.

It was moved by Mr. Brozosky, seconded by Ms. McGovern, to encourage developers to build apartments, condos, and smaller units in appropriate locations and move away from policies that encourage the construction of larger homes and to direct staff to schedule a time for a future workshop to discuss existing affordable housing techniques.

The roll call vote was as follows:

AYES: Councilmembers – Brozosky, McGovern, Sullivan, Thorne, and Mayor Hosterman

NOES: None

ABSENT: None

ABSTAIN: None

Mr. Arkin said it would be useful to see the ballot language and arguments from the 1996 election when people voted on the housing cap to see how current discussions relate to that.

4. ADJOURNMENT

There being no further discussion, the special meeting was adjourned at 10:13 p.m.

Respectfully submitted

Dawn G. Abrahamson
City Clerk