



City of Davis

Social Services Commission Special Meeting Minutes
New Meeting Location - Community Chambers Conference Room
23 Russell Boulevard, Davis, CA 95616
Thursday, December 17, 2015
7:00 P.M.

Commission Members Present: Claire Goldstene, Donald Kalman, Ann Privateer, Tracy Tomasky, R. Matthew Wise (Chair)

Absent: Bernita Toney, Mindy Romero, Robb Davis

Staff Present: Danielle Foster, Housing and Human Services Superintendent
Adrienne Heinig, Administrative Aide

Public Present: Lisa Baker, Chief Executive Officer, Yolo County Housing, Darryl Rutherford, Sacramento Housing Alliance, Bill Powell, Davis Senior Housing Cooperative

1. Call to Order & Roll Call

The meeting was called to order at 7:04 p.m. by Chairperson Wise.

2. Approval of Agenda

Commissioner Tomasky moved to approve the agenda. Commissioner Kalman seconded this, and the motion passed unanimously.

3. Brief Announcements from Staff, Commissioners, and Liaisons

Staffperson Heinig updated the Commission on Council actions on the changes to the CDBG and HOME Request for Funds (RFP) process, as well as the Critical Needs List and the request to issue an RFP for the 2016-2017 program year.

Staffperson Foster also updated the Commission on the staffing of an overnight supervisor at the Interfaith Rotating Winter Shelter, in partnership with the City and Davis Community Meals, and relayed that the County Board of Supervisors approval of the New Pathways project to house chronically homeless individuals.

Staffperson Foster also provided an update on the former Hackberry land dedication site.

4. Public Comment

Darryl Rutherford spoke at public comment to voice his disappointment with the pending Council decision on the Hackberry site. He stated his disagreement with the developer receiving payment and encouraged offer of the site through an RFP. He also stated support for sale of the GAMAT units.

5. Regular Items

A. Pacifico Affordable Housing Financing.

Staffperson Foster introduced Lisa Baker, Chief Executive Officer of Yolo County Housing, to discuss the financing and renovation plan for the Pacifico project rehabilitation. Staff stated that Yolo County Housing has managed the property, maintained it and brought it to full occupancy over the last five years. Staff further explained that rehabilitation would change the format of two buildings from dorm-style housing to apartments and would include ownership transfer to Yolo County Housing. It was noted that the financing of the project is being structured so that units can still serve students. In response to a question from Commissioner Goldstene, Ms. Baker stated that without the funding from the City, the affordability of the project would be impacted and the scope of the project could be reduced further.

Following a brief discussion of the item, Commissioner Kalman moved, seconded by Commissioner Tomasky, to approve the staff recommendation to support the project, and recommend that the City Council proceed with transferring ownership of 1752 Drew Circle to Yolo County Housing. Further, the Commission approved the staff recommendation to provide a \$500,000 permanent loan to the project, and include a \$220,000 short-term bridge loan until the County of Yolo can provide its affordable housing funds to the project, with a term not to exceed 18 months. This motion passed unanimously.

B. Affordable Housing Ordinance Revisions - Mixed Use & Stacked Flat Condos.

Staffperson Foster presented the analysis on the feasibility of affordable housing requirements in mixed-use and condominium projects. She stated that historically, developments in the downtown area (predominately mixed-use in recent years), have had the option of paying a reduced in-lieu fee, as they tend to be costly and difficult to develop. Staff noted that in looking at these requirements, the city contracted with a consultant to analyze these types of projects to see if any affordable housing requirements would be feasible. Staff reviewed that as presented in the report, a requirement of 10% affordable units for a development of stacked flats of 5 stories or less, and 5% for vertical mixed-use projects is recommended for these projects, and determined to be financially feasible. Staff noted the need for additional research on condominium developments of more than 5 stories. The Commission reviewed the fiscal analysis from A.Plescia and asked a number of questions, including how the application of the in-lieu fee was calculated for each type of project and whether or not the consultant was able to apply the unique characteristics of the Davis housing market to the analysis. Staffperson Foster stated the consultant has worked on multiple projects for the City and the analysis was tailored to the Davis market. Commissioner Goldstene voiced concerns about the targeted high return on investment for the developer, as well as the size thresholds used to determine if the project would require onsite affordable units.

This item was opened for public comment and the following comment was received: Darryl Rutherford stated that his agency, Sacramento Housing Alliance, had submitted suggested revisions to the affordable housing ordinance earlier this year. He stated his beliefs that the affordable housing needs of Davis are unique and developers would not

run away, even if the city requires more to meet the affordable housing ordinance. He suggested that staff and his agency continue to work together. He added that height restrictions, such as the three-story maximum in the downtown area, play a role in restricting the stacked flat and mixed-use developments.

Commissioner Goldstene asked if there would be a mechanism for review in case the ordinance needed to be amended further, **particularly if the thresholds for project size could be lowered to require more affordable units onsite**. Staffperson Foster indicated that it is in the council goals to revisit the ordinance; however, the Commission can recommend a timeframe.

Following this discussion, Commissioner Goldstene moved to approve staff recommendation to accept the economic analysis, and the affordable housing ordinance amendments as presented, with the inclusion of language to revisit the ordinance for review in three years. This motion was seconded by Commissioner Kalman and passed unanimously.

C. Buyer/Tenant Selection Criteria for Affordable Housing Sites.

Staffperson Foster presented the report on buyer/tenant selection, including review of the current lottery system, put in place in 2006, to link local housing needs to the community. Commissioners were asked to review the current system and assess whether or not it is the best mechanism for buyer or tenant selection. Next, the City process was compared to the Yolo County Housing tenant selection system, which utilizes a computerized weighted system for tenant selection. In their comments on the system, the Commissioners agreed that the Yolo County Housing system seemed to be based more on need than the random lottery system the City has in place, and suggested to staff to review the process to see if the City could implement a similar system. When discussing the topic of giving priority for housing in Davis to Davis residents, members of the Commission voiced concern for limiting the pool to Davis residents, since many people who work in Davis live in the surrounding communities. When discussing the possibility of the priority being given to residents of Yolo County, there was continued concern that residents of Solano and Sacramento Counties would be excluded. Members of the Commission agreed that it is important to balance the needs of the local community as well as the workforce when considering whether to update the buyer/tenant selection process.

6. Commission and Staff Communications

A. Social Services Commission Workplan.

Staffperson Foster reminded the Commission that the January meeting will be on the 25th, due to the holiday on January 18th. The Commission will review the affordable housing plan for 2100 Fifth Street.

7. Adjourn

Commissioner Goldstene made a motion to adjourn the meeting, seconded by Commissioner Kalman. The motion passed unanimously. The meeting ended at 8:33 p.m.

Respectively Submitted by,

Danielle Foster
Housing and Human Services Superintendent