



**City of Davis**  
**Social Services Commission Minutes**  
**Community Chambers, 23 Russell Boulevard, Davis, CA 95616**  
**Monday, March 18, 2019 at 7:00 P.M.**

**Commission Members:** Claire Goldstene, Chair; Donald Kalman; Susan Perez, Alternate; Ann Privateer; Kurt Snipes; Tracy Tomasky; Georgina Valencia, Vice Chair; R. Matthew Wise

**Council Liaison:** Brett Lee, Regular; Dan Carson, Alternate

**Staff:** Ginger Hashimoto, Management Analyst, City Manager's Office

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**1. Call to Order**

*Members Present: Claire Goldstene, Vice Chair; Donald Kalman; Susan Perez; Ann Privateer; Kurt Snipes; Tracy Tomasky, Chair; Georgina Valencia; and R. Matthew Wise*

*Also Present: Lisa A. Baker, Chief Executive Officer, Yolo County Housing; Cathy Camacho, Planner, Community Development and Sustainability Department, City of Davis; Ginger Hashimoto, Management Analyst, City Manager's Office, City of Davis; Leslie Kemp, Aggie Compass Executive Director, UC Davis; Brett Lee, Mayor/Council Liaison, City of Davis; Sherri Metzker, Principal Planner, Community Development and Sustainability Department, City of Davis; and Kelly Stachowicz, Assistant City Manager, City Manager's Office, City of Davis*

*Goldstene called the meeting to order at 7:01 p.m.*

**2. Approval of Agenda**

*Wise moved to approve the agenda with a second by Privateer.*

*The motion passed by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*

**3. Brief Announcements from Staff, Commissioners, and Liaisons**

*Hashimoto reminded Commissioners that the City Clerk's Office is hosting a Commission Chair/Vice Chair training on Thursday, March 21. She encouraged members who were available to attend.*

**4. Public Comment**

*Darla Rosenthal: Rosenthal introduced herself as a representative of Bretton Woods, formerly known as the West Davis Active Adult Community. Rosenthal provided an update on the*

*project's status since receiving voter approval in November 2018. She listed several accomplishments including submitting an annexation application to the Local Agency Formation Commission, finalizing drainage and flood control plans, and establishing an interest list. She concluded that while the timeline is still tentative, project completion is likely to be sometime between 2020 and 2023.*

## 5. Consent Items

### A. Approval of Minutes—February 25, 2019

### B. Residential Development Status Report for Calendar Year 2018 and Annual Housing Element Progress Report for Calendar Year 2018

*Valencia moved to pull both items off the consent calendar and place them for discussion after regular calendar Item 6C with a second by Goldstene.*

*The motion passed by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*

## 6. Regular Items

### A. University Research Park Mixed Use Proposal—Revised Affordable Housing Proposal

#### **Staff Presentation:**

*Sherri Metzker, Principal Planner, Community Development and Sustainability Department, City of Davis: Metzker introduced herself as the Community Development and Sustainability Department's new Principal Planner. Metzker reminded the Commission that they previously reviewed the project in October 2018. At that time, as a vertical mixed-use project, the proposal was exempt from affordable housing requirements. However, in order to meet the affordable housing criteria required to qualify under State law (SB 375) for a CEQA exemption as a transit priority project, the applicant proposed 8 (5%) very-low income units.*

*At the time, the Commission voted 5-1-0 in support of the following motion:*

- Require the applicant to lease the affordable units to a qualified renter*
- Establish a plan for what will happen if the applicant cannot find a qualified renter including a contribution to the Housing Trust Fund*
- Add an additional 5% (8) low-income units in the same diversity/composition as the 5% (8) very-low-income units—making the overall affordability 10% (5% very low and 5% low)*
- If the impending economic analysis recommends a percentage higher than 10%, then the Commission would like to see the higher percentage of affordability met*

*The Commissioner voting no preferred to delay making any recommendations until the City completes an update of its inclusionary housing requirements.*

*Metzker further elaborated that since the Commission's review, however, the applicant received construction and labor cost estimates that were higher than originally anticipated. Therefore, the applicant revised the affordable housing plan from the provision of 8 very low-income units to the payment of \$600,000 in-lieu fees (\$75,000 per unit).*

**Public Comment:**

*None*

**Commission Questions:**

*Wise asked the applicant to elaborate on the revised project pro forma. The applicant responded that their original proposal contained some historical numbers and upon receiving new estimates, some projections increased by 25%, which made the project financially precarious.*

*Wise asked that given the revised inclusionary requirement for vertical mixed use of 5% low-income, does the applicant believe that his project is unique or does the applicant believe it will be difficult for any vertical mixed-use project to meet the new inclusionary requirement. The applicant replied that he believes the recent economic analysis accurately captured how expensive vertical mixed-use projects can be. The applicant added though that the project architecture is high-end and therefore costs more than basic architecture.*

*Wise asked whether the applicant had considered making an ongoing contribution to the Housing Trust Fund rather than a one-time in-lieu fee. The applicant responded that he would need to review the numbers.*

*Kalman asked why the applicant would use old numbers in their original pro forma. The applicant replied that it was a matter of timing, particularly when drawings were complete.*

*Valencia posited that according to her calculations, the annual difference between the rental income earned by the affordable units versus market units is roughly \$80,000-\$100,000. Valencia continued that if that amount of money causes the project to fail then it makes her question the project. The applicant responded that he would need to see the numbers she used to comment further.*

*Kalman asked staff about timing and the value of bringing an affordable housing project before the Commission prior to possessing a complete budget. Staff responded that the previous time it went before the Commission it was a land use designation/zoning application, but since that time the applicant added*

*design, which helped provide additional details about the project's potential cost.*

***Commission Discussion:***

*The Commission discussion centered on the following notions:*

- *Questioning whether the City needs such a high-end project that will charge above market rate*
- *Favoring at least some on-site units instead of in-lieu fees or increasing the in-lieu fee amount*

*Wise moved that the Commission recommend that staff review the following three options and identify the most appropriate option:*

1. *If in-lieu fees, consider a higher amount*
2. *If in-lieu fee, consider the possibility of the applicant making an ongoing payment as opposed to a one-time payment to the Housing Trust Fund*
3. *Consider 5% low-income onsite units consistent with the recently amended inclusionary housing requirement for vertical mixed-use projects*

*Goldstene asked Wise to clarify the third option. Wise explained that rather than the Commission's previous recommendation of 10% affordability (5% very low and 5% low income) that the Commission could adjust the recommendation to 5% low income as per the amended ordinance.*

*The motion failed as it did not receive a second.*

*Valencia moved that the Commission recommend the following:*

1. *Maintain 8 (5%) low income onsite units; and*
2. *Require an additional \$600,000 (\$75,000 for 8 units) in in-lieu fees or an ongoing contribution to the Housing Trust Fund in a comparable percentage as proposed by the Chiles Road applicant*

*Wise seconded the motion.*

*Perez asked for clarification regarding whether the in-lieu amount is based on low or very low. Staff responded that the amount is based on an average.*

*The motion passed with a tied vote of 6-1-0:*

*AYES: Goldstene, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: Kalman*

*ABSTAIN: None*

*Kalman stated he could not support taking action on in-lieu fees, when he believes the amount is too low.*

**B. Public Hearing: 2019-20 CDBG/HOME Funding Deliberations and Recommendations**

**Staff Presentation:**

*Goldstene opened the public hearing.*

*Lisa A. Baker, Chief Executive Officer, Yolo County Housing: Baker underscored some notable highlights about this year's applican including that Farm Davis voluntarily withdrew their application and Yolo Hospice as well as Davis Oral Health Project are new applicants from last year.*

**Public Comment:**

*Alan Pryor, Davis Oral Health Project: Pryor asked the Commission for their support of the Davis Oral Health Project. He emphasized that oral health is an unmet need in the community because low-income individuals often do not have the tools for preventative dental care.*

*Parker Evans, Mutual Housing California: Evans thanked the Commission for considering funding Mutual Housing's proposal to build a 38-unit affordable housing project on 5<sup>th</sup> Street.*

*Louise Joyce, Yolo Hospice: Joyce explained that Yolo Hospice recently merged with Citizens Who Care. Joyce expressed appreciation for the Commission's consideration in support of establishing an adult day program.*

**Commission Questions:**

*Tomasky asked staff why Farm Davis withdrew their application. Staff answered that they received an email from the Director and knew no further information.*

*Privateer asked if the Davis Oral Project scope included dental work. Pryor answered the organization is focused on preventative care, but they used to partner with CommuniCare Health Centers.*

*Perez thanked the representatives for attending the meeting, but underscored the importance of sustainability. Thus, she posited using CDBG funds to support growth, rather than encourage reliance as a continual funding source. All entities recognized that they need to explore other funding sources outside of CDBG dollars. Yolo Hospice added that once the program starts up, they will be instituting a fee, which they will use to subsidize programming costs long-term.*

*Goldstene closed the public hearing.*

***Commission Discussion:***

*The Commission agreed to separate the discussion into the following categories (1) CDBG public service dollars; (2) CDBG administration, fair housing, and public facility dollars; and (3) HOME dollars.*

***CDBG Public Service Dollars:***

*Valencia asked staff to explain their thinking for allocating money to all organizations, given the limited amount. Staff responded that the Commission is welcome to advise staff on how to allocate the funding differently, as staff's primary focus was vetting the applications to ensure eligibility as well as alignment with the critical need's list.*

*Goldstene asked what happens if the ultimate allocation is lower than what we expected. Staff replied that even though staff used a conservative approach, staff would return to the Commission and suggest a formula for how to make reductions while still maintaining the \$5,000 minimum.*

*Goldstene asked for clarification on who is staffing the grant administration and monitoring. Staff confirmed that the City contracts with Yolo County Housing.*

*Goldstene followed up by asking if any grantees are struggling to comply with any grant requirements. Staff answered the most common problems arise with tracking recipients, meeting insurance requirements, and maintaining an adequate general ledger.*

*Snipes questioned whether a \$5,000 allocation was enough to make a difference.*

*Kalman moved to accept the staff recommendation for CDBG public service dollars and if the final allocation is lower or higher would return to the Commission with a second by Tomasky.*

*Snipes issued a friendly amendment that any additional money allocated goes toward homeless services. The motion maker, Kalman, declined to accept the friendly amendment, citing that he feels all causes are important.*

*The motion passed unchanged by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*

***CDBG Administration, Fair Housing, and Public Facility Dollars:***

*Baker summarized that this portion of the City's CDBG allocation is for fair housing and city administration, which is capped at 20%. Baker further*

*elaborated that the remaining funds are for public facility projects, which must benefit low/moderate income clientele. However, since the City does not have a low/moderate income area, the City primarily uses these funds to make public facilities accessible for persons with disabilities, as this is a by-right activity.*

*Wise moved to accept the staff recommendation for CDBG administration, fair housing, and public facility dollars with a second by Kalman.*

*The motion passed by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*

*HOME Dollars:*

*Baker summarized that the HOME dollars have an administration component and a 15% mandatory set aside for Community Housing Development Organizations (CHDOs). Baker noted that there is a current legislative push for public housing authorities (PHAs) to qualify as a CHDO because PHAs currently do not. For the regular component of HOME dollars, however, the City received one application from Mutual Housing for an asset repositioning and improvement.*

*Valencia asked for clarification regarding the proposed cost to beneficiary numbers. Staff clarified that the numbers reflect only what is allocated in one year.*

*Tomasky moved to accept the staff recommendation for HOME dollars with a second by Wise.*

*The motion passed by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*

**C. Aggie Compass Presentation**

***Presentation:***

*Leslie Kemp, Executive Director, Aggie Compass: Kemp introduced herself and explained that the Center opened in June 2018, as a result of Global Food Initiative seed money provided to the UC campuses to combat food insecurity. Kemp explained that the Center is a brick-and-mortar building that houses basic need services that aims to address the following four pillars among UC Davis students: (1) food security; (2) housing; (3) mental health; and (4) financial security. Kemp further provided some examples of current services*

*including walk-in services, access to organic fresh produce twice per week, a food pantry, and emergency meal program.*

**Public Comment:**

*None*

**Commission Questions/Discussion:**

*Valencia asked whether the Center utilizes any of the products being produced by the University. Kemp answered that while work is underway to partner with the labs to utilize excess products such as meat and produce, the Center does recover excess food from the dining commons.*

*Perez commended the Center, but cautioned about requiring coursework as an added burden. Perez also suggested looking into supporting students with families, ensuring services are delivered in a cultural competent manner, and research using Air B&Bs as emergency shelter for students.*

*Goldstene asked about the long-term stability of the Center's funding. Kemp answered that once the UC's Global Food Initiative money was expended, the Center received SB 85 monies. Kemp further elaborated that the UC Davis Chancellor is also extremely supportive.*

**D. Consent Items: February 28, 2019 Minutes and Residential Development Status Report for Calendar Year 2018 and Annual Housing Element Progress Report for Calendar Year 2018**

**Commission Questions/Discussion:**

*Valencia stated the minutes and the Housing Element Progress report do not align in terms of characterizing middle income housing. As such, she requested staff amend page 3, paragraph 3 of the minutes by striking the following sentence: "This is because the existing Housing Element does not properly document/substantiate the City's desire for middle-income housing."*

*Additionally, Valencia requested that this month's meeting minutes reflect that the City suspended its middle income housing ordinance and that is why the Chiles Road applicant opted not to proceed with the middle/moderate income on-site housing option.*

*Valencia moved to approve the amended minutes with a second by Snipes.*

*The motion passed by the following 7-0-0 vote:*

*AYES: Goldstene, Kalman, Privateer, Snipes, Tomasky, Valencia, and Wise*

*NOES: None*

*ABSTAIN: None*



*Kalman expressed his concern and asked for clarification regarding the bed/bedroom/unit section of the Residential Development Status Report for Calendar Year 2018 and Annual Housing Element Progress Report for Calendar Year 2018. Staff explained that the affordable bed/bedroom rentals do not count as credit towards City's Regional Housing Needs Allocation, but staff is actively working on trying to develop a methodology for how to convert the bed/bedroom rentals into unit equivalency credit. Goldstene followed by stating that if the City receives any other bed/bedroom rental proposal, the City Council should advocate for unit rentals until this issue is resolved.*

*Wise asked for clarification regarding the sentence stating that the Sterling affordable site was not included as a housing site in the Housing Element. Staff answered that it was not included because it was the former site of Families First and therefore not on staff's radar as a potential location to put housing.*

## **7. Commission and Staff Communications**

### **A. Development Project Update.**

*Hashimoto reiterated that the 3820 Chiles Road development project is tentatively scheduled to appear before the City Council on March 19.*

### **B. Social Services Commission Long Range Calendar**

*Hashimoto reviewed the planned long range calendar items planned for April.*

*Valencia advertised an upcoming affordable housing forum hosted by the Davis Vanguard on March 21 at Repower Yolo. Hashimoto thanked Valencia for bringing the forum to her attention and promised to share information with the entire Commission even though it conflicts with the City Clerk's Chair/Vice Chair training.*

## **8. Adjourn**

*Goldstene adjourned the meeting at 9:48 p.m.*

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