Woodland City Council Minutes

Council Chambers 300 First Street Woodland, California

January 29, 2002

WOODLAND CITY COUNCIL/PLANNING COMMISSION JOINT SPECIAL MEETING MINUTES

7:00 p.m.

CALL TO ORDER

Mayor Borchard called the joint meeting of the City Council and Planning Commission to order at 7:03.

PLEDGE OF ALLEGIANCE

Mayor Borchard invited all in attendance to join the Council in the Pledge Allegiance.

ROLL CALL

COUNCIL MEMBERS PRESENT: Martie Dote, David Flory, Neal Peart,

Steve Borchard

COUNCIL MEMBERS ABSENT: Jeff Monroe

PLANNING COMMISSIONERS PRESENT: Steve Barzo, Dennis O'Bryant, Jim

Staker, Toni Thompson, Kevin Bryan

PLANNING COMMISSIONERS ABSENT: Julie Salley-Gray

STAFF PRESENT: Rick Kirkwood, Phil Marler, Margaret

Vicars, Debbie Grose, Steve Harris, George Bierwirth, Dean Shelton, Sue

Vannucci



COUNCIL MINUTES

None.

COMMUNICATIONS - WRITTEN

None.

COMMITTEE REPORTS

None.

PUBLIC COMMENT

Jim Staker spoke in the capacity of a citizen, not a representative of the Planning Commission. There has been a proposal to build a casino in West Sacramento which may have an impact on our City. He asked that Council consider making some type of statement on this issue. Council Member Dote asked what type of impact Mr. Staker feels it would have a negative impact on those who cannot or choose not to participate in gaming.

COUNCIL STATEMENTS AND REQUESTS

Council Member Peart said A. B. 680 has been modified. City representatives have been to the Capitol on four occasions thus far to lobby against passage. Should the Bill pass, the local sales tax dollars will shift away from the collection point and our income will drop dramatically. There is a proposal to exempt all of Yolo County from the Bill.

Council Member Dote said Gaining Ground met on the Natural Communities Habitat Conservation Plan Development. The Draft Joint Powers Agreement had come before the Council a few months ago. Items under discussion were formation of a JPA to purchase habitat conservation easements with collected funds and extension of the Memorandum of Agreement with the Resource Agencies to allow continuance of the collection of development fees. There have been some changes with the jurisdictions which are objectionable. They will return for final review and signature on the Joint Powers Agreement. The City of Davis is considering becoming a part of the Program but there is still some opposition.



Mayor Borchard is concerned that there have been statements made that the Manufactured Home Ordinance is providing a profit to the City. At the last Council meeting considerable discussion had been heard regarding cutting the proposed initial registration fees to diminish the cost to the parks. This means the City will be temporarily absorbing the costs for implementation of this Ordinance for the next three years. The implementation and administration of the Ordinance is costly. The City is not profiting from this Ordinance, which is substantiated by the independent Manufactured Homes Fair Practices Commission who holds the task of implementation and administration. Start up expenses are high as rules, regulations and procedures are put into place. The City is covering their own expenses only. The action of the Council at the January 22nd meeting smoothed these high initial expenses over three years, where they could have insisted they be paid the first year at the rate of \$100 per There have been statements made about a conflict of interest by the staff member, which have been determined to be unsubstantiated. The cost must be absorbed by those who proposed the Ordinance. Vice Mayor Flory concurred that the Ordinance is specific there will be no costs incurred by the City. The staff and Commission have been putting in extensive hours to administer this Ordinance. It is extremely complex and contains flaws which must be addressed. Council Member Dote is concerned about the inaccuracies in the letters and calls to the newspaper. The City is in the position of acting as a banking institution by spreading the costs out to help with the initial implementation fees. The City already absorbed approximately \$38,000 of those costs in relation to this Ordinance prior to adoption, not included in the implementation and administration costs, which the City will not recover at all.

City Manager Kirkwood and Council Members Dote and Peart met with Supervisor Rosenberg to attempt to be re-established in the State budget for the State match for the Flood Feasibility Study being conducted by the Army Corps of Engineers at \$200,000.

REPORTS OF THE CITY MANAGER:

REGULAR CALENDAR:

INTERIM POLICE CHIEF DEAN SHELTON

City Manager Kirkwood introduced Interim Police Chief Dean Shelton. Chief Shelton will assist the City during the recruitment process. He has extensive experience and served as Chief in South Lake Tahoe for ten years. He also was an Advisor on criminal justice, policy, budget and legislative issues for Governor Wilson, as well as, Executive Officer for the Youthful Offender Parole



Board, Director of the Office of Criminal Justice Planning and on the Board of Prison Terms.

At 7:42, Chairperson Borchard recessed the Special Council meeting and convened the meeting of the Woodland Public Facilities Corporation.

At 7:54, Mayor Borchard reconvened the Special Council meeting.

REPORTS OF THE CITY MANAGER (continued)

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 2000-01

Director Vicars announced the City has again received awards for auditing excellence by the California Society of Municipal Finance Officers and the National Government Finance Officers. The Comprehensive Annual Financial Report (CAFR) includes all operations of the various financial components of the other City financial entities. The General Fund of the City is the most widely utilized fund. We look to this fund to provide reserves. The revenues indicate more was received than anticipated but expenses were slightly more than anticipated. The largest component of that increase in expenditures was the purchase of the parking lot land on College and Court Streets. Major accomplishments tied to the budget for this past year were: continued commitment to historic preservation, planning for future growth, improvement to the economic climate, public safety. She outlined specific areas of focus throughout the year in relation to each of these categories. Council Member Peart asked for clarification in relation to the income from sales tax. These funds were placed into a special fund, not the General Fund as they are identified for specific expenditure. There is a fund balance of \$3.2 million. This is less than the previous year primarily due to the purchase of the Court/College land and personnel costs. In relation to the property value, the increase was a result of resale of homes, not new construction. The City debt service is extremely low. Council Member Dote asked if this gives the City an advantage in borrowing or a preferred interest. Director Vicars said we have not received any preferred interest but it is a very good number to indicate the City's lack of debt which would tie up our revenues for repayment.

Mayor Borchard asked what our bond rating is and Director Vicars indicated we are at an "A". Council Member Peart pointed out that in 1992 our property tax income was at \$5,422,295. Following the ERAF removal of our funding, it took until 2001 to regain back to \$5,754,784, nine years to recapture. The sales tax is saving the City from severe debt. The State is now looking at removing these tax dollars via A. B. 680.



City Manager Kirkwood said if we had grown at 3% inflation and 1.7% on population, and utilizing only those two numbers, the 1992 dollars at \$5.4 million would be at \$8.5 million today. This equates to \$1.4 million loss per year, or \$14 million to date. We did not capture the full gain on the sales tax, thereby reducing our ability to supply services. We have gained approximately \$2.9 million on sales tax. The loss in property tax is not offset by the gain in sales tax. Our operating income of \$18 million for a City of our size is not a great deal to operate on at the level desired. Finance Director Vicars corrected her previous statement on sales tax in that Measure H dollars are not in the General Fund as capital projects, but they are reported in the \$9.8 million. The general sales tax we normally receive is at \$7.6 million. Council Member Dote said the increases have been driven in measured controlled growth, both in the retail sale tax and the property valuation. We have a very conservative and conscious fiscal policy.

On a motion by Council Member Peart, seconded by Council Member Dote and carried by the members present, the Council accepted the Comprehensive Annual Financial Report for the City.

Council recessed from 8:20 through 8:31.

HOUSING ELEMENT UPDATE

Community Development Director Steve Harris said the City had utilized BRW/ Mintier and Associates in the update of the General Plan, which included the Housing Element and a new Energy Conservation Element. There have been two public workshops thus far. The information from the 2000 census has not been completely released so the 1990 data was utilized. Larry Mintier summarized the process and schedule of the study which identified the existing and projected housing needs and the resources and constraints tied to those needs. Rick Keller of Mintier and Associates went into depth on the needs assessment, resource inventory, housing constraints and status of existing programs. He also identified the demographics utilized in the process, including population and housing trends with the identified race and ethnicity of the population.

At 8:45 p.m., Chairperson Kevin Bryan called the Special meeting of the Planning Commission to order.



Lucina Vernazza then summarized the housing tenure, projected housing needs through June of 2007, reviewed the existing element and those with special housing needs such as, the elderly, disabled, larger households, farm workers, female-headed households and homeless. The affordability guidelines range from the very low of \$28,500 annual income with an affordability of \$713 per month house payment or home purchase price of \$99,334 to the moderate at \$68,400 annual income, \$1,710 per month or \$238,403 purchase price.

Mr. Mintier outlined the ability to pay for housing based on the number of persons, number of bedrooms, and rent of the units for low to moderate income. The existing housing programs in the City are under the entitlement through the Community Development Block Grant (CDBG) program, HOME, ESG and Housing Assistance for Persons with Aids (HOPWA) programs which receive annual grants from the Department of Housing and Urban Development. With those funds, the City operates a Homeless Prevention Program, Emergency Shelter Home, Daily Services Program, Fair Housing Service, Down Payment Assistance Program and First-Time Home Buyers Program. There are currently 1,055 assisted housing units in operation or under construction with an additional 132 units of public housing administered by the Yolo County Housing Authority. The planned affordable housing projects are the Yolo Wayfarer Center with 20 to 30 beds, the New Dimensions with 15 units and the Dana/Woodland Mobile Home Parks to be called the Casa Del Sol Mobile Home Park with housing for 168 families.

The housing policy document will identify adequate sites, the housing goals policies and programs and the quantified objectives. It is anticipated the City needs an additional 400 units and must determine if there is an adequate supply of land. Key issues are the infill development/redevelopment, downtown mixed use units, build out of the Spring Lake Specific Plan area, possible adjustment of density ranges and possible creation of additional sites. The next steps are to complete the background report, prepare the draft goals, policies, implementation programs and objectives, submission of the draft Housing Element to HCD, the environmental review, revise the draft Housing Element and prepare the Final Housing Element, and hold a public review prior to adoption.

Council Member Dote asked if on adjustment of density ranges, they were Citywide or the remaining areas of the City to be considered for construction. Mr. Mintier said these would be in other areas of the community. This may have a redesignation of area. We do not know yet if we will have a need to so do. Council Member Dote said there is an offsite mitigation of 75 very low and low in the City. Director Harris said staff performed a study and found 66 acres of potential sites that could accommodate residential. Approximately 44 were underutilized and 22 were vacant. That would allow 20 units per acre and would add 400 units. This would include



residential uses in commercial zones. Council Member Dote asked how SACOG got these figures. With the growth of SLSP it will include affordable housing requirements. Mr. Mintier said we may be physically constrained from accepting further development following the buildout of the SLSP. It is doubtful SACOG will accept "no growth" communities in the foreseeable future. They will project some growth. He feels that SLSP was factored into the General Plan and looked at for the growth projections for setting a fair share. Director Harris said SACOG data was 12 to 18 months old.

Commissioner O'Bryant asked if the housing element will be driving the balance of the General Plan and will there be an opportunity to amend at some future point in Mr. Mintier said the current General Plan is not opening major new growth issues. They are in sync and are working with BRW on the 27 acre master plan site which will input new elements into the plan. Director Harris said 11 months ago some questions were put before the Council and Commission on the track of framing the General Plan update which included whether the current boundaries of the urban limit line be respected. The direction received was to focus on the technical update of the Chairperson Bryan asked about the SACOG numbers for household income distribution indicating that 55% of the population fall into the low or moderate range, which is about only 30% of the projected housing needs. It appears that about 10% of our population falls into the "above moderate" category, where two-thirds of the projected needs are indicated. Does this indicate a future prosperity or based on the developer advice for project feasibility? We seem to not be serving the moderate category. Mr. Keller said the lower income housing they were estimating at about 40% of the households.

Chairperson Bryan suggested we many want to look into review or conversion of illegal non-conforming uses to legal non-conforming uses. It may that this should be addressed with this element.

Commissioner Thompson said it appears that achieving parity is driving up the cost of housing. Mr. Mintier said the inclusionary requirement does drive up the cost of housing. HUD does not see the adoption of an inclusionary element as part of the requirement for a certified element. The primary obligation of the City is to show there are sites to build housing and encourage that housing be built.

At 9:45 p.m., Vice Mayor Flory and Commissioner Staker left the meeting.

Council Member Peart asked how the shortage is established. Mr. Mintier said it starts with the SACOG's numbers at 2,800 for the $7\frac{1}{2}$ year period. They then looked at the development since January 2000 and the above moderate which are subtracted.



The pipeline projects anticipated or under construction and at 1,300 for moderate, low and very low. Anticipated commitments and Spring Lake were included to reach the 400 figure. Council Member Dote said one of the funding categories is for Cal Rural Lending Program and she asked if the City would still be eligible for this. Mr. Mintier said they would need to look into this as the City is now over the population base.

John Gianola of Legal Services and Chairperson of the Yolo County Partnership for Housing thanked the City for including stakeholders in the study process. He said HCD has mentioned they are concerned about that involvement. Review of the last housing element update is important. We will be going into the SLSP with inclusionary obligations. The Southeast area plan worked fairly well. However there were only 28 very low income units build where there should have been 168. They need to find out what went wrong before the SLSP goes in. With the infill sites on vacant land, there are only four sites that can actually have affordable units built on them. Council Member Dote said the Sycamore Ranch came up very short and was that tied to the multi-family housing that was to go East of Ogden in Phase II. Mr. Gianola said it might count toward the 168 units. Council Member Dote said that was about 240 and asked that he find out how many will be affordable.

Council Member Peart said he has a concern about the SLSP and asked what would happen if it does not go forward. Mr. Gianola said there is no requirement that the City develop that much, only if they have adequate sites. He agreed it will create problems. Commissioner Thompson asked how energy data will be collected. Mr. Mintier said they are looking at a larger conservation element and they are struggling because there is little data available. Mayor Borchard asked if after SLSP is built we would still be 400 units short and Mr. Mintier said 50% is Spring Lake. If all of SLSP develops within the next five years the 400 unit deficit would be taken care of.

In reference to a structure at 520 Cleveland Street, Mayor Borchard asked if illegal non-conforming uses can be considered low or very income housing. City Manager Kirkwood said there were policies within the Neighborhood Preservation Zone on illegal non-conforming units and the degree of impact needing to be addressed City-wide. The consequences of a Policy decision would be reported back to the Council. Council Member Dote said this is where the issue of spot zoning first arose. Chairperson Bryan said they spent a lot of time on this and there is no mechanism in the zoning law to allow an illegal, non-conforming use without granting a special privilege to that property owner. It might be a time to explore a policy change.

Commissioner Thompson said illegal cannot go to legal. The City must go with today's code to make it legal, but it is still non-conforming. There are many issues of illegality and non-conforming, not just one aspect to be considered. Consideration of the issue of affordable housing and preserving the integrity and structure of the



current housing is what should be addressed. Council Member Dote suggested some sort of policy development within the housing element to allow a tool or mechanism to addressing the problem out of the Neighborhood Preservation Zone that are low or moderate income housing. Director Harris said this is the vehicle to have this discussion which provides affordable housing with some of these non-conforming uses. This particular issue is both illegal and non-conforming and must be separated. The prospective buyer may have already determined a possible solution. Council has asked the Planning Commission to determine whether the NP zone has outlived it's usefulness. He would like the Historical Commission to consider the issue and report back to the Planning Commission. It was suggested that these units be "grandfathered". If so, it would be necessary to inspect them for health and safety issues and provide them with some sort of conditional certificate of compliance to allow them to exist as affordable housing. Some of the conditions in these units are Commissioner Barzo said the Commission discussed changing the intolerable. Ordinance and the grandfathering. Director Harris covered much of the methods to accomplish this in his recommendations. He feels there are substantially more low income housing units in the City of which we are not aware. Commissioner Thompson feels if they pass health and safety that is not the concern, but feels there are many more that are unknown and unsafe. Council Member Peart feels we need to work on the seniors housing and that grandfathering may be an unwise thing to do. He feels that the majority of these units will be unsafe and then many people would be displaced upon inspection. There are some Section 202 for seniors, CDBG for seniors, which need focus.

Council Member Dote said if we ignore the units they are still unsafe the City could be liable. She would like to evaluate the magnitude of the problem prior to determining the direction Council should take. Mayor Borchard said it is a responsible direction to find out about the non-conforming buildings. He does not feel ignoring the unsafe and illegal buildings is in the City's favor. It may be costly to rectify the problems, but it is the right thing to do. Commissioner Barzo said there are landlords renting substandard buildings and we are allowing to happen. The City has a responsibility to the residents to insure their health and safety. Council Member Dote concurs but feels we need to know the magnitude of the problem prior to proceeding. Mayor Borchard feels the Council and Commission have given guidance. He would like additional information but strongly feels we need to address the safety of those who are living in substandard conditions. He asked the Commission to devote time to present a solution. Council Member Peart asked if Code Enforcement would be checking the properties, and should they find a violation not corrected, are we then liable. City Manager Kirkwood said he does not want to give a legal opinion but if there is a code violation discovered via a complaint, the City would address and enforce that violation. Should Council direct resources and staff to that issue would be a policy call.



At 10:31, on a motion by Council Member Dote, seconded by Mayor Borchard and carried, the Council extended the meeting until 10:45.

Mayor Borchard suggested the Planning Commission discuss this issue and provide input to the Council. City Manager Kirkwood said the Council had not considered the safety and health issues at the previous meetings. Mayor Borchard would like to see a memo on how the Neighborhood Preservation Zone can co-exist with the attempt to bring more sites available for low and very low income housing. Council Member Peart said there are some very big lots in the older neighborhoods which allow for possible infill.

Chairperson Bryan asked that the Consultants assist the Commission on research regarding the subject, policies and procedures from other Cities which may assist them.

ADJOURNMENT

Mayor	Borchard	adjourned	the	joint	meeting	of	the	Council	and	Planning
Commission a	it 10:37 p.i	m.								

Sue Vannucci, City Clerk	