

# Town of Los Altos Hills

## City Council/Planning Commission Special Meeting

### Minutes

Thursday, March 24, 2022 – 6:00 p.m.

Council Chambers, 26379 Fremont Road, Los Altos Hills, California

This meeting was conducted virtually pursuant to the provisions of Assembly Bill 361 and Government Code Section 54953(e) related to conducting public meetings during the COVID-19 pandemic. **Vice Mayor Swan** called the Joint City Council/Planning Commission Special Meeting to order at 6:00 p.m.

#### 1. **CALL TO ORDER FOR CITY COUNCIL AND PLANNING COMMISSION (6:00 P.M.)**

##### ► City Council Ex Parte Contacts Policy Disclosure

##### A. Roll Call of the City Council and Planning Commission

Present: Vice Mayor Linda Swan, Councilmember Stanley Q. Mok, Councilmember Lisa Schmidt, Councilmember Kavita Tankha, Planning Commission Chair Birgitta Indaco, Vice Chair Jim Waschura, Commissioner Couperus, Commissioner Patel, Commissioner Smith

Absent: Mayor George Tyson

Staff: City Manager Peter Pirnejad, Planning and Building Director Sofia Mangalam, Principal Planner Steve Padovan, Management Analyst II Cody Einfalt, City Clerk Deborah Padovan

##### B. Pledge of Allegiance

#### 2. **STUDY SESSION**

A. Housing Element Update 2023-2031: Presentation by Michael Baker International, Inc. Consultant Team and Staff to the City Council, the Planning Commission, and the Community to include the following:

- An update on progress on the Housing Element update
- State requirements for sites selection
- Discuss sites inventory for RHNA allocation of 489 housing units
- Seek input on housing sites
- Next steps

**Planning Director Sofia Mangalam** introduced **Aaron Barrall** and **Dan Wery** of Michael Baker International who provided an update on the housing element.

The overview included the state-mandated schedule: 8-year cycle (2023 – 2031); the adoption deadline of January 31, 2023; the review and certification by the State Housing and Community Development Department (HCD) to determine compliance with state law. It was also stated that the Housing Element must plan for accommodating a jurisdiction's Regional Housing Needs Allocation (RHNA).

**Councilmember Schmidt** asked if senior communities count in the identified area.

**Mr. Wery** responded yes, but there are limitations on what the town could require. She also asked about the site identified and if they have made initial inquiries with the owners. **Director Mangalam** said that the work is in progress.

**Councilmember Mok** asked if it was possible to have one of the plots on the Foothill College campus location dedicated towards students and the other for staff? With respect to the median income, does it need to be a family of four that lives there?

**Mr. Barrall** replied yes, you can designate some for-student housing and others for staff. If it would meet the definition of a unit (including a kitchen and bathroom), then it would count. A dorm would not count towards the RHNA numbers based on state law. A family of four is a baseline, but anyone could live there. The median income does scale for individuals living there.

**Councilmember Mok** also asked about the penalties for the town not reaching the RHNA goals?

**Mr. Barrall** replied that a plan needs to be adopted. If a plan is not adopted, there are many issues and the state attorney general has the authority to sue the town and there are many escalating actions, but the state does have the jurisdiction to write the housing element itself.

**Councilmember Mok** further inquired if there is any credit for infrastructure?

**Mr. Barrall** replied that most cities have sewer service, but if the town doesn't, it might limit the viability of the site. There is no state funding to provide infrastructure, but there may be some creative ways to support infrastructure improvements. Infrastructure grant funding to support affordable housing.

**Councilmember Tankha** asked to the extent that the town is required to meet its RHNA obligations, is it good enough to show intent to build low- or moderate-income housing or do the units have to be built?

**Mr. Wery** replied that we need to demonstrate upfront that we have the capacity, zoning, infrastructure for each site to show it is possible to meet the RHNA. That can

help get your housing element adopted and certified. What actually gets constructed is also monitored. We have to submit an annual progress to show we are meeting our annual goals.

**Chair Indaco** asked about the 20% buffer that has been added to our RHNA numbers.

**Mr. Barrall** respond that state law requires the town to maintain capacity. If a site is planned for ten units, but a developer only builds three, the town has to make up the seven. That is why the 20% is built in.

**Chair Indaco** expressed concern about the water resources and sewer systems. In terms of water units, new units are very efficient, and it could be end up not adding that much in the way of water requirements. We must increase efficiency or conservation. The water agencies will need to help the town make room for it. She asked if there are ways of creating room rentals with a bathroom and kitchenette.. Would that count?

**Mr. Barrall** said there is potential do that and we would need to find evidence. It is not impossible, but there is also no guarantee as there is no specified methodology to do that.

**Commissioner Couperus** asked about the Foothill College options and said he understood that educational institutions are different from the town. Would the RHNA numbers benefit the town if an endowment was created?

**Mr. Barrall** said if it is in the town, the units could be counted. The college does not have a RHNA obligation, but the town does, and if they are in the town limits, the town would get credit.

**Commissioner Patel** asked how one categorizes low income and median income. Is it dependent on the rent charged for the unit? Density per acre depending on the price of the land? How does that translate into very low-income units? What if a developer proposes building a low-income project and then rents it for higher? What can the town do to remedy the situation?

**Mr. Barrall** responded that categories for income are contingent on the rental payment. The rent on that unit would be capped so that a very low-income household could afford such a unit or 30% of gross household income on housing expenses. The density per acre is set in state law and it needs to be at least 20 units an acre. This will be challenging in Los Altos Hills.

**Commissioner Waschura** asked about requirements (20% overage on the RHNA numbers). Is that a hard requirement written into law? Or a guideline for us to follow? Or are we simply trying to write an element that gets through the first time?

**Mr. Barrall** responded that the buffer requirement is not written into law. The only requirement is the town's legal obligation to meet the 489 units. HCD still has the ability to interpret the law and can determine if we are satisfactory or not. Regardless of whether it is in the government code text itself, HCD is taking the position that a buffer is needed.

**Commissioner Smith** asked if we are going to commit subdivision and make half-acre and third-acre lots, would there be a similar change in setback regulations as a result?

**Mr. Wery** replied that that would be a new zone and appropriate standards would need to be adopted. The town's setback requirements would have to be updated.

3. **PUBLIC COMMENT (PUBLIC COMMENT IS LIMITED TO ITEMS WHICH ARE THE SUBJECT OF THE SPECIAL MEETING)**

**Bernardo Ferrari, Los Altos Hills**, suggested that the Foothill College soccer facility, the maintenance yard and abandoned Griffith house, the Poor Clare's property on Natoma and Westwind Barn as possible sites for units. He asked about the Daughters of Charity and said that a document exists that specifically precludes that the Poor Clare's property cannot be used for development.

**Betty Kayton, Los Altos Hills**, suggested that we could get another 200 units for illegal garage units. There is a lot of political effort in Sacramento to overturn these rules, and she believes that the rules will be overturned. She encouraged the Council to not take any action that would prevent us from undoing this in the future.

**Sasha Zbrozek, Los Altos Hills**, said he has provided a letter with suggestions. Has that been forwarded? Changing our rules to use more objective standards could make it possible for us to meet our numbers.

**Jason Guowei You, Los Altos Hills**, spoke on behalf of the student government at Foothill College. He said that 2% of Foothill students are experiencing homelessness.

**Angelina Li, Los Altos Hills**, said she went to Foothill College and students have experienced homelessness and asked for assistance.

**Vice Mayor Swan** asked about the Fenwick property and for a property like the Daughters of Charity, what is their incentive?

**Director Mangalam** said the first step is to get the housing element adopted by the Council and then certified by the HCD. Then the rezoning will happen. We will have to update our general plan to add the multifamily zoning. The work does not end next year, it will only be halfway done. The other half will be rezoning and development standards. The 20% buffer is a requirement, but it is something related to "no net loss"

for that, HCD came up with a technical memo; they recommended a buffer from 15 to 30%. Cities are using a buffer.

**Mr. Barrall** thanked everyone for their engagement. **Director Mangalam** thanked everyone for taking the housing element survey. They have had 480 responses and encouraged more participation.

**Duffy Price, Los Altos Hills**, thanked the Council for the discussion and said we shouldn't move too quickly, but wait to see what unfolds in the future.

**Mr. Wery** replied said he looked forward to looking at that in more detail. They have spent more time scrutinizing the site, versus the housing needs.

No action was taken at this meeting. It was an informational session for the Los Altos Hills City Council and the Planning Commission.

**4. ADJOURN**

The meeting adjourned at 7:55 p.m.

Respectfully submitted,

*Deborah L. Padovan*

Deborah Padovan  
City Clerk

The minutes of the March 24, 2022, special joint City Council/Planning Commission meeting were approved as presented at the April 21, 2022, regular City Council meeting.