

DRAFT

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

REGULAR MEETING ACTION MINUTES

MARCH 20, 2014

MEMBERS PRESENT: Donna Cox Commissioner
Lee Ellak Commissioner
Mike Graves Chair Pro Tempore

MEMBERS ABSENT: None

STAFF: Jacky Morales-Ferrand City Staff, Housing
Dave Bopf City Staff, Housing
Paul Lippert City Staff, Housing
Robert Lopez City Staff, Housing

- (a) **Call to Order/Orders of the Day**—Commissioner Graves opened the meeting at 5:50pm.
- (b) **Introductions**—Commissioners, staff, and audience introduced themselves.
- (c) **Approval of Chair – Pro Tempore** – Chair Pro Tempore made the motion to Cox nominated Commissioner Graves to be Chair Pro Tempore for the meeting. The motion passed. (3:0)
- (d) **Approval of the Action Minutes for the February 18, 2013 Special Meeting**—Chair Pro Tempore Graves made a motion to change for Martha O’Connell’s Open Forum comment concerning City Ordinance 36, Anti-Bullying ordinance and how a particular audience member exhibited inappropriate behavior toward her at prior meetings. Commissioner Ellak also recommended a change to his name in the minutes where it read “Lee” to “Ellak”. The motion was seconded by Commissioner Cox. The motion passed unanimously (3:0).
- (e) **Second Public Hearing – Needs Assessment for the FY 2014-15 Annual Action Plan (D. Murillo, Housing Department)**

Commissioner Graves invited comment from the public.

Ron Johnson (Affordable Housing Network [AHN]) stated that he and AHN have 6 principles that they recommend to solve the affordable housing problem: (1) identify additional federal, state, and local funds that would expand section 8 type housing vouchers; (2) for people who can’t immediately be housed, save lives by planning now to rent and open up vacant buildings, as well as hotel rooms, accessible to downtown areas to serve as emergency shelters; (3) pass an affordable housing impact fee in San Jose set at the highest level permitted by law; (4) impose commercial impact fees to offset the demand of affordable housing created by Silicon Valley corporations; (5) relieve the stress of the disabled and part-time low wage workers and establish a new income category to fund construction of housing for families that are in the 15% median income; and (6) extend and strengthen San Jose’s rent control ordinance to the maximum extent permitted including the genuine just cause eviction provision.

Brian Darby (Winchester Ranch) stated that he would like to see a pause in the rapid development of urban villages, specifically the Winchester Ranch area, which is existing affordable housing.

Martha O’Connell stated that seniors need affordable housing, but the Urban Villages are designed for workers. She stated that she fears that there is too much emphasis on people who are able to work, but not enough on the subsection that does not/can not work.

Marie Hayter commented that no low-income housing would be included in Urban Villages and that low income housing should be included as it is near transit.

Commissioner Cox commented that the low-income thresholds are too high and not reflective of the reality of the City of San Jose and that more low income housing should be built.

(f) Public Hearing – Review and discuss the Proposed FY 2014/15 Fee Structure for the Rental Rights and Referrals Program and possible recommendation to the City Council

(1) Apartment Rent Control Fee: increase from \$7.50 to \$12.50 per unit

(2) Mobilehome Rent Control Fee: increase from \$17.00 to \$21.25 per unit

(3) Mediation for Apartment Non-Rent Control Fee: retain at current rate of \$1.00 per unit

Housing staff person Paul Lippert explained fee options and staff recommendation and the goal is 100% cost recovery. The recommendation brings the Apartment Rent Control Fee to 100% cost-recovery. The Mobilehome Rent Control Fee recommended would bring the Program to 78% cost recovery. Dave Bopf added that the reason for the proposed fees are due to increased costs associated with a higher volume of rent mediation and arbitration hearings in the current year and a projected increase in salary for the Administrative Hearing Officers (AHO) in FY 2014-15. The projected shortfall in the Mobilehome Rent Control Program will be funded by a loan from unrestricted money in the Multisource Housing Fund.

Martha O'Connell commented that salaries are public information and should have been on the handout. She also stated that she is opposed to any vote because there are not enough people to vote on this serious issue and suggests the vote be deferred. She also stated that she supports the fee because the program needs to be funded and is an important need for the Mobilehome community.

Brian Darby commented that the program should be funded and supported the fee increase.

Commissioner Cox mentioned that she would prefer having additional commissioners appointed to the HCDC before the Commission make a recommendation on this subject.

Commissioner Cox made the motion to defer the meeting until April with a second by Commissioner Ellak. The motion passed (3:0).

(g) Review and discuss Proposed Mobilehome Petition Filing Fee of \$15,000 per petition filing and possible recommendation to the City Council.

Mr. Bopf explained that staff is proposing a new fee to the mobilehome rent ordinance program of \$15,000 which reflects the average cost of a paying an AHO to oversee and complete the administrative hearing for a mobilehome rent petition. Staff would like the City Council to determine if the rent petition hearing costs for a specific mobilehome park should be paid for by all of the other park owners and residents (as is currently required per the Mobilehome Rent Ordinance) or if some of these costs (not all) should be paid directly by the park owner that is seeking a space rent increase above the annual increase allowed without the need for a hearing. Given the potential for future space rent increases, this new fee would offset new fees assessed to all parks. Mr. Bopf mentioned that this fee would only be implemented if and when City Council passed an Amendment to the existing Mobilehome Rent Ordinance.

Martha O'Connell: commented that she supports the proposal in concept, but is concerned that the fee has been run by the attorneys and that it is defensible in case of litigation.

Commissioner Cox made the motion to defer the item to the April meeting with a second by Chair Pro Tempore Graves. Motion passed (2:0).

(h) Director's Report

J. Morales-Ferrand stated that the Department has been moving forward with homeless housing initiatives and anticipates going to City Council concerning hotel conversions. She also stated that the Department is still working on the housing impact fee and hopes to bring it up again in the Spring.

Chair Pro Tempore Graves asked about background on homeless motel conversions. J. Morales-Ferrand suggested agendaizing the subject for to next meeting.

(i) Open Forum---

Commissioner Ellak made the comment to educate the commission on urban villages and how it affects mobilehome parks. Chair Pro Tempore Graves suggested having a 3 minute update at the next meeting.

Martha O'Connell commented that she would like to commend Jacky for following rules on discussion during open forum, concerning the Brown Act and would also like to redact email addresses if letters are put in packet.

Brian Darby commented that he does not know how urban villages can be built without considering infrastructure, specifically the traffic on Winchester near Winchester Ranch.

(j) Adjournment—The HCDC meeting adjourned at 7:07pm.