



Task Force Meeting No. 7 Synopsis August 20, 2020

Task Force Members Present: Teresa Alvarado, David Pandori, Dev Davis, Pam Foley, Sylvia Arenas, Michelle Yesney, Linda LeZotte, Jessie O'Malley Solis, Eddie Truong, Pat Sausedo, Vincent Rocha, Nate LeBlanc, Karl Lee, Erik Schoennauer, Don Little, Harvey Darnell, Juan Estrada, Megan Fluke, Jason Su, Kevin Zwick, Leslye Corsiglia, Shiloh Ballard, Andre Luthard, Jim Zito, Sam Ho, Robert (Bob) Levy, Smita Patel, Tamiko Rast, Margie Matthews, Jesus Flores, Ray Bramson, Bonnie Mace, Susan Butler-Graham, Steven Solorio, Jeffrey Buchanan, Luis Arguello and Roberta Moore. (verified by Zoom participant panel)

Task Force Members Absent: Michael Van Every, Margie Matthews, David Bini, and Mariel Caballero. (verified by Zoom participant panel)

City Staff, Consultants and Other Public Agency Staff Present: Rosalynn Hughey (PBCE), Michael Brilliot (PBCE), Jared Hart (PBCE), Jennifer Piozet (PBCE), Kieulan Pham (PBCE), Jessica Setiawan (PBCE), Robert Rivera (PBCE), Ruth Cueto (PBCE), Kristen Clements (Housing), and Jacky Morales-Ferrand (Housing).

Public Present: 226 public attendees on Zoom, 107 live viewers on YouTube and Granicus

1. Welcome, Introductions, and Overview of Agenda

The meeting convened at approximately 6:00 p.m. The Co-Chair David Pandori welcomed the Task Force, presented the format of the meeting.

2. Approval of the July 30th Meeting Synopsis

Motion to approve by Smita Patel and second by Linda LeZotte. No Task Force members opposed.

3. Staff Recommendations on Opportunity Housing

Jessica Setiawan, Planner III of the General Plan team, presented staff's refined recommendations on Opportunity Housing.

4. Public Comment

A large showing of community members provided public comment (46) with varying degrees of support, opposition, and general questions and concerns regarding Opportunity Housing including:

- Affordable housing incentives: use policies and recommendations for Urban Villages.
- Support opportunities for homeownership (condos), property owners will work together and keep the property values stable.
- Affordable housing: burden on historic (single-family) neighborhoods to supply the affordable housing units when affordable housing requirements are waived for residential high-rise developers (from recent City Council session).
- Revisit no jobs to housing conversions. All areas near transit should allow residential.
- Concerns for environmental impacts and city and school services deteriorating from Opportunity Housing.
- Preserving historic resources and updating the Historic Resources Inventory prior to beginning Opportunity Housing.
- Need Cost Effectiveness Survey before any other studies or work move forward
- Concerns on the lower quality of life and community values from moving forward with Opportunity Housing, which allows for more rentals.
- Make Opportunity Housing citywide. Concerns with restricting the location of Opportunity Housing is burden on certain neighborhoods.
- Notify residents, conduct community outreach, and provide transparency.
- Make maps more readily available (via social media).
- Want to know more about the historic survey work.
- Should prevent developers from bidding on Opportunity Housing products because they will outbid a typical couple.
- Mandate purchaser of site with Opportunity Housing to live in it for five years.
- Design guidelines are imperative to maintain the neighborhood character.
- How will parking be addressed with multiple families living in on an Opportunity Housing site?
- Consider Opportunity Housing citywide. Current children in the city can grow and chose to own Opportunity Housing. People can move here for jobs and chose Opportunity Housing.
- Reach out to the Spanish-speaking communities on this topic. Provide translation.
- Likely with building costs, these will not be affordable units.
- Not a one-size-fits-all approach to Opportunity Housing.
- Put housing near jobs, which is not in San José.
- Consider for COVID impacts to housing and transit in the City. People are leaving the Bay Area and there may be existing affordable housing.
- Moratorium on residential development in east San José. Too many multi-family units.
- Parking and traffic will increase.
- Request mailing for notification of meetings and outreach to residential properties affected by Opportunity Housing.
- Support existing 2040 General Plan which promises to protect existing single-family neighborhoods.
- Opportunity Housing will make property values increase.

5. Task Force Discussion

Councilmember Davis is concerned that staff time and resources to conduct and implement Opportunity Housing would not be sufficient and would detract from other General Plan processes, especially Urban Villages and the Historic Resources Inventory (HRI). She added that although Opportunity Housing is an attractive idea, it may take away from the other values in the General Plan and makes a motion to reject staff recommendation and to focus housing efforts on the Urban Villages and completing the HRI. Robert Moore seconded this motion, but Chair Pandori mentioned that discussion is important and that although motions can be made, the Task Force should listen and discuss first and will continue to listen before taking any votes.

Task Force member Ray Bramson recognized that we have an issue of limiting opportunities in a lot of our land use policies. He asserts that although this particular policy item will not single handedly yield the amount of affordable housing needed in the city, in fact it will likely have a small impact, but the city needs to start somewhere. He elaborates that this is likely the beginning of what will be a very long process and may not see results for years. Task Force member Bramson suggests a substitute motion of accepting staff recommendation with a minor amendment that Opportunity Housing be expanded citywide. He mentioned that he did not want to limit discussion before we come back for a vote on the motion.

Task Force member Juan Estrada made a substitute motion to allow up to four units on properties with a Residential Neighborhood land use designation citywide and for staff to complete the workplan outlined in the August 13, 2020 Task Force memo. Councilmember Sylvia Arenas seconded the motion. Task Force member Estrada elaborated that the city could do better than just allowing Opportunity Housing in certain areas to provide more housing and opportunities for homeownership and to undo historical exclusionary patterns that reinforce segregation. He adds that this is not about reparations, it's about providing opportunities for the future and other efforts underway should not halt progress for other efforts.

Councilmember Foley spoke against the motion on the floor – although she agrees that this should be explored and it should be citywide she expressed concern with the limited staff time and resources available at this time and asked staff to elaborate on the level of effort Opportunity Housing would need to move forward. Director Rosalynn Hughey explained that there are work groups established for different General Planning efforts and the Citywide team has more staff than it has had in a very long time. Deputy Director Michael Brilliot added that we also have an urban designer on staff, a staff member on the Zoning Ordinance team that can work on this, a grant from the California Department of Housing and Community Development, and other staff and financial resources that could be used since this would be part of the General Plan Housing Element update which could be used for staff time or to hire consultants which puts staff in a good position to tackle this effort at this time. He also adds that the Urban Village team is a completely separate team that has its own funding, ultimately it would be City Council's decision on whether or not to pursue Opportunity Housing and reallocate resources, but the work plan laid

out in the memo does not affect Urban Village efforts as they already have grants awarded and work plans laid out for the team. Director Rosalynn Hughey also added that development is allowed ahead of the Urban Village plan through the Signature Project policy, so development is not hindered by the approval of a plan. Councilmember Foley asserts she would prefer staff time and resources be used for Urban Village plans and additional ADU staffing.

Task Force member Kevin Zwick expressed support for Task Force members Juan Estrada and Ray Bramson's motion mentioning that one of the biggest mistakes in planning is reserving a majority of land for only single family development which is bad for the environment and the historic exclusionary drivers behind single family zoning which intended to keep out lower income residents and people of color out of single family neighborhoods. He mentions that it's an opportunity to right a past wrong and although he would prefer to have seen this proposal to include more units allowed on a site, this concept would provide more opportunities for housing in higher resource areas. He echoes the sentiment of Councilmembers Foley and Davis about ADUs, but notes that we are in a housing crisis and if there are more opportunities for housing in addition to ADUs and although Opportunity Housing will likely not be the solution to the housing affordability crisis and desegregation, it deserves to be studied especially citywide.

Task Force member Roberta Moore expressed that she is a proponent of Opportunity Housing and infill development, but she does not agree that the proposal excludes rentals and that there are other ways to minimize displacement other than excluding existing rental homes. She also expressed concern over existing services infrastructure and the impact it would have on roads and traffic. She also thinks the half mile proposal would be exclusionary and that many rentals are owned by people of color and this would prevent them from utilizing this opportunity.

Task Force member Jeffrey Buchanan expressed his support of the motion made by Task Force members Juan Estrada and Ray Bramson. He mentioned that he lives in an integrated neighborhood with this type of housing and even higher density multi-unit developments with a variety of both renters and owners and the diverse range of people that live in the community enhances the richness of the neighborhood. He also would like staff in addition to exploring ways to prevent displacement, to look at creating opportunities for community ownership such as a community land trust or co-op and to look at the Portland model for deed-restricted affordable units.

Task Force member Jim Zito echoed the concerns of Councilmembers Davis and Foley noting that there are many other planning efforts in the General Plan that have not been realized and needing additional staff for efforts like ADUs. He mentioned that staff should analyze the impact on the affordability housing stock should this go forward and consider deed-restricting units to various levels of income. He does not want this to encourage disruption and flattening of neighborhoods for financial gain and is concerned about the jobs-housing imbalance and also the strain on existing services.

Task Force member Bob Levy expressed that he would not be supporting the motion. He mentioned that although he is in support of affordable housing, he believes in the General Plan and smart growth and keeping developments near transportation hubs and corridors where transit

service is available. He is concerned that the citywide approach could undermine transit, undermine the integrity of single family neighborhoods, and could possibly be financially irresponsible. He also expressed concern over the new state bills and the not yet seen ramifications. He mentions that an analysis on fiscal impacts, level of services, impacts of COVID-19, and AB-68 should be studied before taking this on. He prefers to limit the Opportunity Housing proposal to a quarter-mile before expanding it and to include ADUs as part of the allowable four units, and establish appropriate fees to upkeep level of services, but would not support the motion as it stands.

Task Force member Leslye Corsiglia expressed support for Task Force member Juan Estrada and Ray Bramson's motion. She asserts that Opportunity Housing is only one tool in the toolbox – the city's housing needs are so great we should move forward this in addition to urban villages, ADUs, and expanding areas for development. She mentions that the Regional Housing Need Allocation (RHNA) numbers for the city will be increased significantly and that Opportunity Housing will help meet the goals of the State. She also asserts that the *Color of Law* calls out the way that cities have developed housing to exclude low income communities and communities of color and that housing policies have been directly linked to our race and equity issues. She emphasizes that extensive outreach and protection of historic homes and neighborhoods are crucial, but that this is only the first step.

Task Force member Pat Sausedo expressed that she cannot support the motion on the floor. She echoes the concerns of Councilmembers Davis and Foley regarding Urban Villages and staff and financial resources. She is concerned that the Opportunity Housing would consume too much time, and is concerned that the community already has expressed distrust. Additionally, she believes that starting out on the wrong foot is detrimental to the effort and questions what real housing would come out of Opportunity Housing.

Task Force member Susan Butler Graham expressed support for Opportunity Housing and the motion on the floor. She recognizes that the workplan will take a long time to complete, and if we do not get started now, it would take an even longer time to implement. She mentions that the City can pursue Opportunity Housing and other planning efforts simultaneously and that the Task Force should focus on the future of the city. Currently people may not like the idea, but the Task Force should see the bigger picture and who will be here in 30 or 40 years time. She emphasizes that vibrant mixed neighborhoods exist and great places to live and suggested that if people are uncomfortable doing this citywide, we should look at an alternative where Opportunity Housing is allowed along all transit corridors.

Task Force member Harvey Darnell does not support the motion on the floor. He expressed displeasure that community outreach has fallen short and concerns over the jobs and housing imbalance since most San Jose residents commute to other cities for work. He also mentioned that the areas recommended by Planning staff are park poor and would rather support getting transit-oriented Urban Villages built, while entertaining Opportunity Housing as an idea for the future as he believes that the services for increasing the density in the surrounding neighborhoods should be provided first. Task Force member Darnell added that he does not believe Opportunity Housing would be affordable and is concerned that it would set off a bidding war in areas that are

already the most affordable. He added that developers will likely demolish a site and build rental properties rather than condos and is concerned about the added pressure to existing City services that homeowners or smaller developments may not be able to afford. He clarifies that he is supportive of Opportunity Housing as a concept, but that this might not be the right time for it.

Task Force member Vince Rocha supports the motion on the floor as it would be an equitable scenario. He acknowledged that it would be incremental and it would take a long time to fully implement Opportunity Housing. He also recognized that many arguments against Opportunity Housing were used against ADUs and that although number of ADUs are increasing in the city, it is minor when comparing to the single-family neighborhood parcels citywide. He added that if we build great standards on the front end, we could have good building products and that this is just one step in making the city more inclusionary and providing additional housing, which is the message the Task Force should sent to City Council.

Task Force member Smita Patel asked staff to clarify whether Opportunity Housing could be done without permission and if requirements or conditions are required. Staff responded that there would be criteria, projects would need to comply with design standards and zoning, a building permit would be needed, and a more specific permit process would be established in the long range work plan. She recognized that not everyone can use public transit and that in many instances workers who may not need affordable housing may be more suited to be near transit, than those with jobs that cannot necessarily jump on a train or bus to get to work and therefore supports the motion on the floor to bring Opportunity Housing citywide. She proposed a friendly amendment, to also consider parking considerations in the motion.

Task Force member Shiloh Ballard expressed support for the motion on the floor and would like to hear more from those representing the historic preservation perspective. She mentioned that she submitted two reading documents for the Task Force and public to review prior to the meeting, one which included an interactive redlining map based on maps of San Jose in the 1930s which were used by banks for lending and determining where investments should go. She questioned the role of zoning especially since it is apparent from the redlining documents that deed restrictions and zoning were used to keep people of color out of certain neighborhoods. She also shared that she is a product of Opportunity Housing-type housing in west San Jose in a single-family neighborhood and benefitted from good schools and wonders what the fear is really about. Task Force member Ballard also reiterated that the vote is only to start a process and that ultimately the recommendation is up to City Council going to council, but that the Task Force should make a strong statement that housing is important, affordable housing is important, and analyzing single-family zoning is a worthwhile endeavor.

Task Force member Karl Lee expressed that Opportunity Housing is a concept worth exploring and if it does not move forward it would never be explored. He added that deed restrictions and zoning in the past and mentioned in Color of Law have been exclusionary and that Opportunity Housing provides the possibility of opening up different neighborhoods. He mentioned that although many comments have been heard, they are not from all communities and would also like to see an interactive discussion and community engagement should this move forward. Task Force member Lee reminded the Task Force that their objective is to look down the road of what

kind of community San Jose should be and that this concept should likely have been explored years ago as it will take a long time to implement.

Task Force member Michelle Yesney echoes comments made by Task Force member Darnell. She recognized that many cities built housing in the bay area to keep other people out and now we are trying to correct that by bringing in a lot more people. She fears that even though design standards are promised, attractive Opportunity Housing projects are shown, there are also a lot of bad examples around San Jose. She is concerned that jumping to a citywide scope would not give the proper time for staff to do it correctly and brought up the first residential design guidelines of the city which were comprehensive but not received well by the development community. She expressed that Opportunity Housing citywide would be a large undertaking that should not be done quickly and sloppily and is not sure San Jose should be a petri dish for this experiment. She expressed support for Opportunity Housing, but a preference for the original half-mile staff proposal and associated workplan, with an option to expand it citywide if done carefully and thoughtfully.

Task Force member Jessie O'Malley Solis expressed that Opportunity Housing in the staff proposal does not go far enough to support transit. She addressed that complaints about transit ridership and lack of transit is directly tied to land use and density which equate to lower ridership. She expressed support for the current motion on the floor because it captures both the widely accepted bikeshed and walkshed distances from transit. She also asked - what history are we protecting when we cover single family neighborhood and is it worth protecting? She elaborated that zoning and properties have historic deed restrictions for the exclusion of ethnic groups which is clear evidence of system and institutional racism in the city and supports Opportunity Housing and other ways to provide housing to the city's most vulnerable populations.

Task Force member Andre Luthard recognizes that the pressure to increase housing is rising and that change is inevitable. He expressed that although it is helpful to bolster density near transit corridors, some people need affordable housing further away from transit. He also mentioned that most of the already affordable denser housing stock already lie near transit corridors and that historic neighborhoods already bear the brunt of density. He noted that historic preservation is one of the biggest concerns and that with a commitment to update to Historic Resources Inventory, design guidelines to ensure compatibility to historic homes, and commitment to staff resourcing for historic resources and within planning, he believes Opportunity Housing can be done properly. Task Force member Luthard expressed support for the motion on the floor and expressed the desire to make meaningful progress of our housing needs and systemic issues that lead to segregation and inequality.

Task Force member Sam Ho expressed that community outreach is the most important step and should be done thoroughly to include all voices. He noted that although we need more housing, how much would be too much and that while creating new homes quality of life should also be maintained. He agrees that Urban Villages and other planning efforts for housing should be up-kept throughout the City, but that this can be done simultaneously. He mentioned that most of the Task Force and San Jose residents would not be able to afford the homes that they currently live

in and teachers and average workers should be able to afford an average home. He expressed support for Opportunity Housing to create opportunities for future generations of buying a home and maintaining quality of life for neighborhoods simultaneously.

Task Force member Bonnie Mace expressed that she supports Opportunity Housing as a concept, but she has concerns. She expressed that the key issue is trust with the community and if it is not done right, it would hurt us later on. She supports Opportunity Housing but not citywide and can not support the motion on the floor. She proposed an idea of a pilot project to start with something small and make sure it is done right and then expand it to other parts of the city. She suggested that Opportunity Housing starts small, that the staff conduct a fiscal impact study, and focusing on Urban Villages and other planning efforts while still using Opportunity Housing as one way to increase number of housing units.

Task Force member Jesus Flores expressed support for Opportunity Housing citywide. He believes that by only allowing Opportunity Housing within half-mile of a Transit Urban Village may just be another form of redlining. Areas such as Alum Rock and East Ridge are Latino and Southeast Asian communities that are already overcrowded. By limiting it to only a half -mile it would not make the policy as effective as it should be.

Task Force member Linda Lezotte echoes concerns around Urban Village and ADU efforts, however, she would prefer to move forward with Urban Villages and ADUs while we also look at Opportunity Housing noting that it will be a multiyear process to get approved and even longer to fully see development. She support moving forward with the motion on the floor and letting Council direct staff on Opportunity Housing. She proposes a friendly amendment to the motion on the floor to prioritize Urban Village planning for the duration of Opportunity Housing workplan so that Urban Villages can continue to move forward.

Task Force member Megan Fluke expressed support for the motion on the floor but explains that for her Opportunity Housing is less about building more housing, but more of an important first step in a multistep prong approach to desegregate San Jose. She mentions that although diversity is present in San Jose, segregation is present and visible. Task Force member Fluke hopes that the Task Force votes to start this process for Opportunity Housing with equitable public outreach and inclusive feedback loops over a multiyear process.

Task Force member Tamiko Rast supports the concept of Opportunity Housing and would like to see it citywide however she expressed some concerns including the additional burden on existing services, preservation of historic properties and districts, and new building features that should be of high quality and environmentally friendly. She adds that quality is more important than quantity to preserve the characteristics of the neighborhood.

Chair Pandori provided a short presentation on the original Scope of Work for Opportunity Housing as issued by the City Council and emphasized that the City council did not want this citywide but only to provide a balance and gradual transition from high density Urban Villages to surrounding low density neighborhoods.

Task Force members absent from the voting: Don Little, Erik Schoennauer, and Nate LeBlanc.

Motion #1

Co-chair Teresa Alvarado ask for motion to call to question (to close the discussion/debate).
Second by Linda LeZotte. The motion passed 28 to 6.

Motion approved by (28): Shiloh Ballard, Karl Lee, Michelle Yesney, Smita Patel, Bonnie Mace, Teresa Alvarado, Leslye Corsiglia, Jesus Flores, Linda LeZotte, Jessie O'Malley Solis, Councilmember Pam Foley, Kevin Zwick, Shawn Milligan, Megan Fluke, Tamiko Rast, Susan Butler-Graham, Juan Estrada, Sam Ho, Ray Bramson, Jeffrey Buchanan, Councilmember Dev Davis, Roberta Moore, Steve Solorio, Vince Rocha, Luis Arguello, Councilmember Sylvia Arenas, Jason Su, Eddie Truong

Motion is opposed by (6): Harvey Darnell, Andre Luthard, Jim Zito, Bob Levy, Pat Sausedo, and David Pandori.

Motion #2:

Juan Estrada's motion is to approve staff's recommendation with a modification to eliminate the location criteria of ½ mile from transit Urban Villages and have the concept be implemented citywide. He recommends "allowing up to four units on parcels with a Residential Neighborhood land use designation citywide and to proceed with the subsequent steps identified by city staff in the 8/13/20 memo to the Task Force with the subject line "August 20, 2020 Task Force Meeting."

The motion passed: 22 to 12.

Motion approved by (22) Juan Estrada, Linda LeZotte, Ray Bramson, Teresa Alvarado, Andre Luthard, Jason Su, Jeffrey Buchanan, Jessie O'Malley, Jesus Flores, Karl Lee, Leslye Corsiglia, Kevin Zwick, Megan Fluke, Sam Ho, Shiloh Ballard, Smita Patel, Susan Butler-Graham, Tamiko Rast, Vince Rocha, Steve Solorio, Luis Arguello, and Councilmember Arenas.

Motion opposed by (12) Roberta Moore, Harvey Darnell, Shawn Milligan, Bob Levy, Bonnie Mace, Jim Zito, Councilmember Foley, Pat Sausedo, Councilmember Davis, Eddie Truong, Michelle Yesney, and David Pandori.

Motion #3:

David Pandori asked if there are additional motions.

David Pandori asked Ray Bramson and Smita Patel if they any additional motions. Ray Bramson did not add a motion. Smita Patel's comment is that staff build in parking, aesthetics, environmental improvements in the building of Opportunity Housing. She did not add a motion.

Linda LeZotte made a new motion to recommend that "during the period of study [for Opportunity Housing] that staff prioritize Urban Village implementation." Second by Lesley Corsiglia.

The motion passed: 27 to 6 with one member abstained.

Motion approved by (27) Sam Ho, Shiloh Ballard, Roberta Moore, Michelle Yesney, Tamiko Rast, Ray Bramson, Leslye Corsiglia, Councilmember Davis, Bonnie Mace, Councilmember Foley, Eddie Truong, Kevin Zwick, Linda LeZotte, Smita Patel, Harvey Darnell, Karl Lee, Andre Luthard, Jessie O'Malley, Susan Butler-Graham, Pat Sausedo, Megan Fluke, Teresa Alvarado, Jason Su, Jim Zito, Bob Levy, Shawn Milligan, and David Pandori.

Motion opposed by (6) Vince Rocha, Councilmember Arenas, Steve Solorio, Jeffrey Buchanan, Juan Estrada, and Luis Arguello.

Abstain from motion by: Jesus Flores.

Motion #4:

Roberta Moore made a motion to recommend to not exclude Opportunity Housing from rental properties and there are strong protections against displacement. No motion to second. Motion failed.

6. Adjourn

Co-chair David Pandori adjourned the meeting at approximately 10:30 p.m. The next meeting will reconvene on September 21, 2020 at 6:00 p.m.