

**DISCUSSION OF COMMENTS FROM THE PUBLIC
2008 COMMUNITY MEETINGS AND CORRESPONDENCE**

ATTACHMENT B

Comments from the Public: 2008 Community Meetings and Correspondence

Staff received comments at all four community meetings during 2008 and in correspondence (Attachments C and D). Most of the comments in the community meetings were made in the discussions, but some were added on comment sheets that were available. In almost all cases, the written comments repeated comments that were heard in the discussions. However, some comments were submitted only in writing.

Social and Economic Diversity

The housing vision in the Draft Element, which was developed originally in the Housing 2000 meetings, emphasizes maintaining “a socially and economically diverse community of homeowners and renters....” (Page 7-2) The goals and policies of the Draft Element, however, speak of diversity of housing opportunities but not of social and economic diversity of the population (Page 7-4). Some participants commented that the Draft Element should incorporate social and economic diversity of the population in the goals and policies. The Draft Element maintains the vision of a diverse population, but the goals and policies address specifically the opportunities for housing, including diverse prices and types, as a means of accommodating social and economic diversity.

Preservation

Several speakers commented on the importance of preservation, both of physical structures and of affordability. The Draft Element includes several policies that support preserving neighborhoods, affordability, significant structures and neighborhoods, and landscape amenities (Page 7-3). It also supports programs to assist with the preservation of affordability, including financial resources, partnerships, and others (Page 7-5). State law, however, emphasizes adding affordable units, primarily through new construction, and strictly limits the options for counting affordable units that are acquired or preserved. The Draft Element, of course, lists many programs to support of preservation. Preservation does not substitute for new construction under the state law requirements for the Element, however.

Rent Control

Many participants spoke in favor of controlling rents. After several years of comparatively small changes locally, rents escalated rapidly beginning in 1998. Rapid increases resulted for many in greater overpayment or inability to absorb

the new expense. Rent control has been proposed and discussed in several forums during the decade but has not received general support. It is not included as a proposed program.

Inclusionary Housing Program

Several speakers objected to allowing developers to comply with the inclusionary housing program by paying a fee in lieu of actually constructing affordable units. The inclusionary program requires that 15 percent of the units in projects of ten or more units be restricted for affordability. The program allows three alternatives to providing the units onsite: off-site units, donation of land, and payment of a fee in lieu of providing the units. Flexibility has been an important aspect of the program, for both legal and practical reasons, but it has also led to complaints about the rate at which affordable units are produced. The Draft Element proposes no change to the program but does include a program to study possible modifications (Page 7-17, Program 8A).

“No Net Loss” of Affordable Housing

Many participants spoke in favor of a policy of “no net loss” of affordable housing. Three options were discussed. The most widely supported option was that a new development project or the conversion of rental units to condominiums would be allowed only when existing affordably priced units are either maintained as affordable units or are replaced one-for-one. Under a second option, no affordable unit would be demolished or converted, unless the tenants of that unit are immediately provided another affordable unit. The third option would not allow demolition of any habitable unit that is being rented at an affordable price. A strong majority supported the first option, and a lesser majority supported the second. A minority supported the third.

The question of “no net loss,” which the Condominium Conversion Task Force discussed without resolution, has been controversial. Staff expects the City Council will provide direction in relation to condominium conversions during the next few weeks. A policy on “no net loss,” either for new construction or for conversions, is not included in the Draft Element. The Draft Element does include a program that is less specific for condominium conversions (Page 7-15, Program 6B).

Universal Design and Visitability

Accessibility and usability vary dramatically among residential buildings. They affect both occupants and those who are visiting. As a large share of the population ages, both existing multifamily housing and new housing must serve more people with one or more disabilities. One speaker emphasized that accessibility is both a characteristic of a building itself and also of its location in relation of transit. The Draft Element includes a program to evaluate the feasibility of new requirements for accessibility and universal design in new and rehabilitated housing (Page 7-30, Program 17B).

Existing Local Need in addition to RHNA

The RHNA allocation is a share of future regional growth in the demand for housing, including growth generated locally. It is not a quantification of existing local need resulting from overcrowding or overpayment. The Draft Element describes both overpayment and overcrowding in the city (Pages 2-14 through 2-15). Although most of the programs associated with housing production and housing assistance serve existing residents, the total needs of current residents are not included as quantified objectives. State law requires that the Housing Element identify programs to meet the quantified future RHNA but does not have a similar emphasis on quantified existing local needs. Some participants desired that the quantified total needs of current residents be added to the quantified future RHNA need for the programs, making more explicit an emphasis on the needs of households already in Pasadena.

The Draft Element includes numerous programs that assist Pasadena households that may be overpaying or overcrowded. These programs typically serve current residents more than people seeking a place in Pasadena. Although the program objectives do not quantify the total number of households needing assistance, such assistance is emphasized in the policies and the programs.

Second Units

The city's zoning requirements for second units were described as overly restrictive by some and as appropriate by others. Minimum lot sizes, the two-space parking requirement, and exclusion for historic landmark and hillside overlay districts were the primary standards and regulations participants cited. Program 7C is a review and evaluation of the standards currently regulating second units (Pages 7-16 and 7-17).

Tax Increment Set-Aside for Affordable Housing

Some speakers said the current distribution of Downtown Redevelopment Area tax increment inappropriately limits funding for affordable housing. SB481 (1988) placed a limit of \$800,000 per year on the share of the Downtown Redevelopment Area tax increment that is set aside for low- and moderate-income housing. The state legislation limited affordable housing funding from the Redevelopment Area in order to direct revenue to the Fire and Police Retirement System (FPRS), which otherwise would have required revenue from the City's general fund. The limit of \$800,000 has not been adjusted since SB481 was adopted.

Although FPRS is not available to new employees, its funding is necessary for beneficiaries. The City issued \$140 million in Pension Obligation Bonds to fund the basic benefits of the plan. The associated debt service of approximately \$14 million per year is serviced by the Downtown Redevelopment Area tax increment. In addition, annual supplemental contributions ranging as high as \$6 million are

projected to be required in order to meet the City's obligation under a contribution agreement with the Fire and Policy Retirement System.

Emphasis on Performance of Other Cities

Many participants said the Element should describe the performance of neighboring cities and emphasize the lack of housing production, especially affordable housing. The Element notes that increased costs for housing, ownership and rental, are in part the "result of historic underproduction of housing throughout the region" and that in the San Gabriel Valley one new home was added for every eleven additional residents (Page 3-2). However, it does not specifically describe the performance of other cities.