

CITY OF PASADENA  
Community Development Commission Minutes  
January 30, 2006 – 5:30 P.M.  
Pasadena Senior Center, Multi-Purpose Room  
85 East Holly Street

REGULAR MEETING

- OPENING:** Chair Bogaard called the regular meeting to order at 7:39 p.m.
- ROLL CALL:**  
Commissioners: Chair Bill Bogaard  
Vice Chair Steve Madison  
Commissioner Victor Gordo  
Commissioner Steve Haderlein  
Commissioner Chris Holden  
Commissioner Paul Little  
Commissioner Joyce Streater  
Commissioner Sidney F. Tyler
- Staff: Chief Executive Officer Cynthia Kurtz  
General Counsel Michele Beal Bagneris  
Secretary Jane L. Rodriguez
- PUBLIC COMMENT** No one appeared for public comment.
- MINUTES APPROVED** January 9, 2006  
It was moved by Commissioner Little, seconded by Commissioner Tyler, to approve the above minutes, as submitted. (Motion unanimously carried) (Absent: None)
- RECESS** On order of the Chair, the regular meeting of the Community Development Commission recessed at 7:40 p.m. to the regular meeting of the City Council.
- RECONVENED/JOINT MEETING** On order of the Chair, the regular meeting of the Community Development Commission reconvened at 9:04 p.m. to a joint meeting with the City Council. (Absent: None)

**JOINT PUBLIC HEARING: APPROVAL OF AMENDED INCLUSIONARY HOUSING IN-LIEU FEE SCHEDULE AND INCLUSIONARY HOUSING REGULATIONS; AND JOINT APPROVAL BY THE CITY COUNCIL AND THE PASADENA COMMUNITY DEVELOPMENT COMMISSION OF THE LOCAL PREFERENCE AND PRIORITY SYSTEM GUIDELINES**

**Recommendation of City Manager/Chief Executive Officer:**

It is recommended that after close of the public hearing:

- (1) The City Council adopt a resolution amending:
  - (a) Inclusionary Housing In-Lieu Fee Schedule as set forth in Exhibit "A" of the agenda report, and

(b) Inclusionary Housing Regulations as follows:

(i) Use of Inclusionary Housing Trust Funds to assist residential developments shall be subject to review and to threshold criteria which limits the concentration of such developments in Sub-area "B";

(ii) Eligible uses of Inclusionary Housing Trust Funds shall be expanded to include purchase of affordability covenants;

(iii) In-Lieu Fee Schedule shall be updated and adopted by the City Council every five years, based on a real estate market study, with the following provisions: 1) the updated In-Lieu Fees shall incorporate a 10% adjustment which would be fully waivable; and 2) during the five-year period the In-Lieu Fee Schedule shall be adjusted annually in accordance with Consumer Price Index (Housing Component);

(iv) City shall have a "right of first refusal" to purchase Inclusionary ownership units in the event of a resale;

(v) Preparation of a Biennial Inclusionary Housing Program Performance Assessment; and

(vi) Institution of a Preference and Priority System for local residents and employees. (Resolution No. 8558)

(2) The City Council and Pasadena Community Development Commission adopt a joint resolution approving the Pasadena Local Preference and Priority System Guidelines and its application to City of Pasadena and Pasadena Community Development Commission sponsored and/or supported affordable and workforce housing units. (Resolution Nos. 8559 and CDR-243)

The Chair opened the public hearing.

The Secretary reported the notice of public hearing was published on January 16 and 20, 2006 in the Pasadena Star-News; and one letter in opposition was received.

The Chief Executive Officer introduced the agenda item.

Mr. Greg Robinson, Housing Community Development Administrator, reviewed the agenda report, discussed the local preference and priority system and different ways of implementing the system, and responded to questions.

Mr. Brian Williams, Assistant City Manager, outlined outreach plans related to the local preference and priority system, and indicated that the Pasadena Unified School District (PUSD) would be notified about availability of housing under the preference and priority system.

The Chief Executive Officer discussed the City's role in administering the marketing and outreach strategies and procedures to ensure compliance, and responded to questions.

Discussion followed regarding the adjustment of in-lieu fees for market rate increases in the costs of housing, the City's role in the development and approval of the marketing and selection plans, development of outreach to City employees and other affected classifications regarding the availability of the local preference and priority system, the need for an educational effort to reach those people who can participate in the system, the City's role vs. the developer's role in implementing various aspects of the system, the relationship between the local preference and priority system and Section 8 housing, the need to conform the language for the priority categories, and the need to review the system for possible changes and/or additions in a timely manner.

Commissioner Tyler stressed the City's leadership role in implementing the local preference and priority system and approving the marketing and selection plans and the need to receive an annual report on the Inclusionary Housing Trust Fund.

Commissioner Little suggested staff ensure that PUSD employees are included in outreach for the system, and expressed his opinion that the in-lieu fee should be set at the unit's market value, rather than taking into consideration the affordability gap.

Mr. Brad Fuller, Assistant City Attorney, discussed legal ramifications of including specific groups of people (e.g. PUSD employees) and/or excluding protected classifications as this relates to fair housing regulations.

The General Counsel discussed legal questions that might be raised in giving priority to public employees.

Ms. Kathy Head, Keyser Marston Associates, Inc. (KMA) representative, responded to questions regarding KMA's analysis of the Inclusionary Housing Ordinance in-lieu fees and the use of the affordability gap.

The following person expressed support for the local preference and priority system and concerns regarding certain portions of the system:

Ms. Michelle White, Pasadena resident

Commissioner Holden expressed concerns regarding the possible lack of available land for building affordable units off-site.

It was moved by Commissioner Streator, seconded by Commissioner Tyler, to close the public hearing. (Motion unanimously carried) (Absent: None)

The Chief Executive Officer listed the following corrections and modifications to the agenda report and resolutions resulting from the staff presentation and Council discussion:


- Page 9 of the agenda report (Exhibit "B") – Item 4.a.vii. will read: "Substandard Housing. Written verification from a reliable, knowledgeable professional with skills consistent with those of a City Code Enforcement Officer."
- Pages 9 and 10 of the agenda report (Exhibit "B") – Items 5.a. and 5.d. – insert language that the Marketing and Selection Plans will need to be approved by the Housing Administrator.
- Page 10 of the agenda report (Exhibit "B") – Item 5.d. – insert language that the Selection Plan will be prepared and retained six months prior to the issuance of an occupancy permit and may be presented for approval in less than this six-month period.
- Page 12 of the agenda report (Exhibit "B") – Item 9.c. – could include a penalty of the City's refusal to issue an occupancy permit.
- Exhibit A of the joint resolution – Items 7.a.iii., 7.a.iv., and 7.a.v. will be corrected to conform to the language used in the Preference and Priority System section of the agenda report and will result in the use of the four categories as shown on page 3 of the agenda report.
- Staff will return to Council in less than a year with a report on how the local preference system is working.
- Staff will return to Council with an annual report on the Inclusionary Housing Trust Fund.

It was moved by Commissioner Tyler, seconded by Commissioner Holden, to approve the City Manager's/Chief Executive Officer's recommendation, as amended by the list of corrections and modifications cited above by the Chief Executive Officer. (Motion unanimously carried) (Absent: None)

On order of the Chair, the regular meeting of the Community Development Commission adjourned at 10:15 p.m.

  
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Bill Bogaard, Chair  
Community Development Commission

ATTEST:

  
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Secretary