

CORRESPONDENCE ABOUT DRAFT HOUSING ELEMENT

ATTACHMENT D

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P A S A D E N A   H E R I T A G E

June 16, 2008

Bill Trimble  
Senior Planner  
Community Planning  
City of Pasadena  
175 North Garfield Avenue  
Pasadena, CA 91109



RE: City of Pasadena General Plan: Housing Element

Dear Mr. Trimble:

Thank you for the opportunity to comment on the Housing Element of the City's General Plan which is currently being revised. We appreciate the community participation in this planning process, and we look forward to the opportunity to help shape the Housing Element plans and policies. We applaud the City's decision to provide additional opportunities for public comment and review of the draft document prior to submitting it to the HCD.

We understand that the City has envisioned four policy pillars for the Housing Element, as well as a site-specific map of potential multi-family development parcels (which we will refer to as the "Potential Sites Map"). The four policy pillars include:

- Housing and Neighborhood Quality;
- Housing Production;
- Housing Assistance; and
- Special Needs Housing

At this time, we would like to comment on issues that relate to the first two pillars:

Housing and Neighborhood Quality

Goal 1 -- Maintain and Improve the Quality of Existing Housing, Neighborhoods, and Health of Residents

Under this Goal ten policies are outlined. However, we feel that the Potential Sites Map as currently drafted is counter-productive to the stated Goal and disregards several of those Policies:

*Policy 1.1 Preserve the character, scale, and quality of established residential neighborhoods.*

The purpose of the map is to display to the State and to potential developers opportunities to maximize density, and will be the centerpiece of the revised Housing Element. In Pasadena this means you are mapping already developed properties in long-established neighborhoods, rather than undeveloped sites. Neither Goal 1 in the Housing Element, nor Policy 1.1 is considered in the Potential Sites Map as presented. More information about how established residential neighborhoods will be disrupted in terms of character, scale and quality when existing structures are razed to be replaced by density-maximizing new structures is needed.

*Policy 1.5 Promote the preservation of historically and architecturally significant buildings and the quality of historic neighborhoods.*

Again, the Potential Sites Map does not identify which of the mapped sites are historic or architecturally-significant. Moreover, maximizing densities at hundreds of sites will certainly impact the quality of historic neighborhoods. For example, on the streets surrounding CalTech, the draft map shows dozens of existing residences that could be demolished and redeveloped, which would not comply with Policy 1.5.

*Policy 1.10 Promote preservation of existing affordable housing stock.*

We ask that an inventory of existing affordable housing stock be completed, and that the inventory document how much affordable housing is currently accommodated in historic buildings.

#### Housing Production

#### Goal 2 – A diversity of housing opportunities is an important goal for Pasadena


Sometimes, even well-intentioned efforts in expanding the housing choices have ill effects. As indicated by the prevailing sentiment at the June 10 community meeting, too often the creation of new housing, ostensibly done to advance housing diversity goals, has the effect of displacing low- and moderate-income Pasadenans. Renters frequently are unable to find housing when they are evicted by builders who want to tear down existing homes to make room for new units. We support the “no net loss” proposals offered at the community meeting:

- No safe, habitable existing low income housing should be destroyed for new construction; and
- No eviction of low- or moderate-income citizens will take place unless equivalently-priced, comparable housing in the City has been provided.

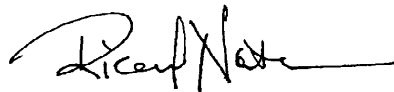
We agree with others that the Housing Element needs to begin to address the inequity and disproportionate obligations Pasadena bears because of the attitude of many of the surrounding cities. In practice, and under State law, housing diversity is a regional issue. But, over decades our neighbors have not met their Regional Housing Needs Assessment obligations. How can Pasadena ensure that it is not being burdened by San Marino, La Canada-Flintridge, Sierra Madre, Arcadia and South Pasadena’s lack of compliance?

Thank you once again for this opportunity to comment.

Sincerely,



Susan N. Mossman  
Executive Director



Richard Norton  
Secretary  
Board of Directors

June 19, 2008

City of Pasadena  
Bill Trimble, Senior Planner  
Planning Division, Community Planning  
175 N. Garfield Ave.  
Pasadena, CA 91109

City of Pasadena  
Planning Commission  
175 N. Garfield Ave.  
Pasadena, CA 91109

**RE: 2008-2014 Housing Element Update**

Dear Mr. Trimble and Planning Commissioners,

This letter is written on behalf of the Pasadena Affordable Housing Group (PAHG), a group of residents, advocates, and stakeholders who promote affordable housing in Pasadena for low and no income households and those working class persons who provide supportive and other services for such households.

We thank you and appreciate the opportunity to communicate with staff during this update process. It has helped to clarify the process and the Planning Division's orientation.

The purpose of this letter is to provide PAHG's positions on, as well as recommendations of, policies related to housing affordable to low, very-low, and extremely low-income households. Specifically, we are focused on four P's:

- (1) Production of new affordable housing,
- (2) Preservation of existing affordable housing,
- (3) Processes related to City's affordable housing related, and
- (4) Protection of tenants' rights.

The California Legislature has found that "the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian...is a priority of the highest order." Cal. Gov't. Code §65580(a) (emphasis added). Furthermore, "local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of *all economic segments* of the community." Cal. Gov't. Code §65580(d) (emphasis added). In addition, as a recipient of federal housing and community development funding, Pasadena is charged with affirmatively furthering the housing choices of these households because a disproportionately high number of these households are Latino and African American, families with children, and persons with disabilities.

The Housing Element is a component of the City's General Plan and constitutes the comprehensive mechanism provided under state law for local governments to plan for all of its housing needs. In contrast to state law regarding the role of the Housing Element and the General Plan, the dialogue of both staff and Council members suggests that the City may not view the Housing Element as its seminal housing planning document. Instead, it is viewed as a state requirement with which the City is complying in a perfunctory manner. During recent FY 2008-2009 housing budget discussions, members of Council

referred to the anticipated discussions regarding the "Agenda for (Housing) Action" as the vehicle for the City to adopt the philosophical bases for future affordable housing policy. Considerable concern regarding good government and transparency has been growing, and this cursory adherence to state law concerning this component of the General Plan was the subject of two recent community meetings.

In drafting its Housing Element; PAHG encourages the City to incorporate the following recommendations as part of its Program of Actions. While the City staff believes that the City will meet its regional housing needs assessment (RHNA) for higher income households, it does not expect to have adequate capacity to meet its low, very-low, and extremely-low RHNA numbers. PAHG's recommendations are designed to provide the City with tangible steps the City may take to facilitate and encourage the development and preservation of more affordable housing in Pasadena.

### I. Production of New Affordable Housing

#### Strengthen Inclusionary Zoning Ordinance

PAHG is committed to the production of new affordable housing first by strengthening our Inclusionary Zoning (IZ) ordinance by requiring:

- The inclusion of very low and extremely low income units;
- An elimination of the option available to developers of paying an in lieu fee; and
- An increase of the required affordable housing set-aside to at least 30% for the transit corridor areas.

There is ample precedent for these modifications in the City's ordinance. One hundred and three jurisdictions require *very low units be part of the IZ*. One county and three California cities require *extremely low income units with subsidies*; three counties and two cities require the set aside of units for *extremely low income households without subsidies*. Fifty-two of the 170 jurisdictions that have IZ ordinances do not have in lieu fees. [www.calruralhousing.org]

#### Minimize Down-Zoning and Need for Effective Funding Sources

Affordable housing production requires a certain level of density to be economically feasible. Downzoning impairs, and sometimes, eliminates the ability of developers to build affordable housing. We are committed to the production of affordable housing by increasing the findings necessary to down-zone neighborhoods and by clearly specifying methods by which advocates may up zone where appropriate. If an area is to be downzoned, an exception should be made for affordable housing developments- especially for developments designed to house low, very-low, and extremely-low income households, those residents most in need of housing and for whom development has been least abundant. Additionally, the City **must not** downzone unless the requirements of Cal. Gov't. Code §65863 are met.

PAHG recommends that the Council commit to the funding of at least \$30 million/year of General Funds which should be restricted to the preservation and production of permanent supportive and affordable housing. Funding priority should be given to those proposals that are designed to satisfy those RHNA goals that the City is furthest from meeting.

To reach the goal of producing a \$30 million annual production and preservation trust fund, the City should commit to the issuance of bonds, refinancing the existing FNMA debt and other methods by which

to leverage its limited funds. Additionally, the City should identify new sources for funding affordable housing for its most vulnerable residents, such as using municipal general funds, setting aside a marginal portion of its sales tax to be used for affordable housing, restricting a portion of the municipal construction tax to affordable housing, imposing a title transfer fee, and/or imposing a parcel tax.

In addition, the City's cap of \$800,000 on the tax increment set aside in the Downtown Redevelopment area that can be used for affordable housing preservation and production should be lifted. (See below) If this cap were lifted, an additional \$4 million would be available for affordable housing preservation and production. At a minimum this Redevelopment area's set aside should be increased to account for the increase in cost of living that has occurred since SB 481 went into effect.

#### Strengthen Second Unit Ordinance

Another way to support increased production of affordable housing would be an adjust to our Second Unit Ordinance through a reduction in the minimum lot size from 15,000 square feet so that it more closely reflects the county's Second Unit ordinance. PAHG proposes that the City eliminate barriers, such as the cap of 800 square feet as the maximum size of a second unit, the requirement that the second unit be placed behind the existing house, and the requirement of additional covered parking.

#### Expedite Affordable Housing Projects

PAHG endorses the Affordability Task Force's recommendation designed to expedite affordable housing projects, i.e., the establishment of a joint powers financing, planning, code and utilities committee/commission empowered to review all aspects of working drawings and to approve same.

#### Reduction in Fees for Affordable Housing Developers

PAHG recommends a reduction of the planning, permit, water and power fees charged to developers of affordable housing. These fees should not exceed those charged on historic dwellings or the actual costs of providing such services. The schedule of fees should be reduced as appropriate to facilitate the preservation and production of affordable housing.

#### Proactive Response to Foreclosure Crisis

The City should intervene to ensure that the problems raised by the subprime debacle do not unduly impact Pasadena residents. Certain lenders are prepared to make short sale and REO properties at below market prices available to non-profits, if non-profits can act quickly to acquire these properties. The City can facilitate conversion of foreclosed upon properties to affordable housing by advancing a pool of funds that can be used to initially acquire the properties and later returned when the properties are financed.

#### Affordability Covenants and Land Banking

Acquiring and imposing long term affordable housing covenants on units that are not now subsidized and land banking are important additional efforts to be undertaken by the City.

#### Universal Design

The City should also require that housing being constructed or substantially renovated incorporate universal design features.

## II. Preservation of Existing Affordable Housing

PAHG supports and advocates for preservation efforts to meet the housing needs of our low and very-low income residents. PAHG believes that there should be NO NET LOSS of the City's precious and diminishing supply of affordable housing stock. This principle should imbue all of the City's preservation efforts, thereby requiring one-for-one replacement of lost units, whether or not they are outside redevelopment areas. With respect to the preservation of the City's existing affordable housing stock, the following goals and priorities are urged:

### Monitoring of existing at-risk affordable housing units for City acquisition

Pasadena should develop a system for tracking the rents charged and the incomes of households occupying rental units in the City. More than ever before, this information is essential to develop municipal housing policies as the 2000 Census data has become dated and the 2010 Census data will no longer be efficacious on the city level. The requisite rent and household income information could be collected when landlord business licenses are issued or renewed.

Once this information is initially collected, the City should monitor buildings housing low and moderate income households as well as those charging affordable rents that are at-risk of converting to market rate rents.

### Covenants

The City can contribute significantly to the preservation of affordable housing by purchasing long term covenants to ensure that these buildings remain affordable in perpetuity.

### Retaining the Surplus CalTrans Properties as part of the City's Affordable Housing Stock

The California Department of Transportation (CalTrans) acquired dwellings along the proposed 710 route when the plans for the extension were more extravagant. The 710 project has since been scaled back. Under existing law, once these units are declared "surplus" by CalTrans they become part of the City's affordable housing stock and are to be offered to non-profit affordable housing providers. The City entered into a failed attempt to modify State law to allow Pasadena to acquire these units, sell them at market rates and deposit the proceeds into the Housing Trust fund. The City should abandon all such attempts in favor of having non-profits to continue to acquire/redevelop such units, for this approach will result in affordable rental dwellings being dispersed in areas typically devoid of same.

### Reconsideration of the City's Group Home Ordinance

The City adopted a "group home" ordinance that discriminates against redeveloping existing housing into housing for low income persons with disabilities, especially substance abusers in recovery. The State Attorney General has issued an opinion that requiring spatial separations between group homes of the type that are included in the City's ordinance violate state law. The City's spatial separation ordinance should be revoked.

### Rent Control

PAHG strongly supports the preservation of affordable housing through the enactment of rent control in Pasadena. There are a number of Southern California cities that have adopted rent control/rent stabilization ordinances. As part of the rent control enactment, PAHG suggests that the City adopt:

- A city-wide reporting/accountability mechanism to track rents and monitor affordable units
- Just cause eviction provision (Reference to Protection of Tenant Rights section)

- A provision that limits rent increases to one per year
- A cap on rent increases

### Condo-Conversion Reform

Pasadena has a severe shortage of affordable housing, especially for low and very low income households; market forces that have led to precipitous gentrification in the City are making the problem worse, resulting in displacement of low income families who cannot afford to purchase. Condo conversions continue to be a threat and disproportionately target very-low and low-income renters who cannot afford to purchase their units. Loss of affordable housing is radically changing the character of our community, as reflected by the recent loss of more than 2,000 PUSD students, 89% of whom lived in low income rental housing in Northwest Pasadena and Altadena. Preventing rental units, housing low and moderate income families, as well as units for which affordable rents are charged (i.e. rents at 30% of annual median incomes for low and moderate income households) from being converting into condominiums is an example of a program designed to implement the principle of "No Net Loss".

### **III. Processes related to Pasadena's Affordable Housing**

PAHG recommends the following with regard to municipal processes:

#### Separation of the City's Planning Functions from its Development Functions and the Establishment of a Department of Planning and Department of Housing and Community Development

PAHG believes that there was an inherent conflict of interest in combining the City's planning functions and its residential and other development functions under one director. A portion of the conflict was resolved when the City's housing functions were removed from the Planning and Development Department and placed under the direct supervision of the City Manager. The separation of functions should be completed, with planning and regulatory supports for said planning lodged in one department and residential and community redevelopment in another - especially as such efforts relate to "blighted" areas.

On the other hand, there should be coordination of policy development and activities between and among relevant departments and divisions. At this time, planning proposals are developed without vetting them with the Housing Division. For example, the group home ordinance was recommended to Council without consulting with the Housing Division. It was then learned that the proposed ordinance would negatively impact the operations of programs actually funded by the City. Proposals recommended to the Council for adoption should be analyzed for their affordable and fair housing implications.

#### A National Search for a Director of the To-be- Established Pasadena Department of Housing and Community Development

A national search should be conducted for a Director of the Department of Housing and Community Development. This person who occupies this position should have educational and professional backgrounds in real estate, residential and other financing, affordable housing and community development, insurance, planning and land use. In addition, the candidate should be able to demonstrate a successful track record in the administration housing and community development programs and a commitment to transparency in government. Of special importance is a track record of successful preservation of low income communities in cities that are undergoing gentrification.

#### A National Search for a City Manager and Assistant City Manager with Affordable Housing, Community Development, Financing and Land Use Backgrounds and Experience, so that they can Effectively Supervise the Director of Housing and Community Development



Pasadena housing efforts have been in turmoil for two and half years with its responsibilities being transferred to many different places along with many changes in personnel, some with very little housing experience and seeming to have a low commitment for the city's stated housing vision.

Pasadena residents deserve to have greater priority and attention given to their needs. Because Pasadena's affordable housing crisis is occurring in the midst of rampant gentrification, the City's housing need stability, vision and creativity is most acute.

The Expansion of the Community Development Committee's (CDC) Responsibilities to Include the Production and Preservation of Affordable Housing and Community Development Both Inside and Outside Redevelopment Areas

In addition to the staffing concerns set forth above, Pasadena has no citizen advisory body that is responsible for reviewing all aspects of affordable housing issues. The CDC and Project Area Committees are responsible for affordable housing in "blighted" redevelopment areas. Neither are officially empowered to review and advise with affordable housing concerns outside redevelopment areas. The City's redevelopment areas have traditionally been largely confluent with its Latino and African American low income communities. As demographics change, these voices are lacking in higher income areas.

Expanding the CDC's affordable housing jurisdiction to the entire City would encourage greater preservation and production of low and moderate income housing in communities where there is a growing need but presently a dearth of such units.

Issues that Raise Affordable Housing and Community Development Concerns Should be Reviewed by the Committee Development and Economic Development and Technology (EDTech) Committees Before they are Referred to City Council

- At least once a year there should be an in depth orientation/training of all the members for both of these Committees. There should be public participation.
- Staff should analyze the fair and affordable housing implications of each proposal prior to the CDC, Planning Commission, EDETech or Council hearing the matter.
- CDC and EDETech should be charged with:
  - Recommending a 2025 housing/community vision (as set forth in the Agenda for Action) for adoption by City Council
  - Reviewing housing and affordable housing issues before they are referred to City Council
  - Ensuring that policy determinations, critical decisions, etc are made in a transparent manner which allows for appropriate public input and review
  - Providing notices of housing related matters to renters, as well as homeowners
  - Reviewing planning, land use and other issues that impact affordable housing before they are referred to City Council
  - Recommending standards/criteria by which grants, recoverable grants, below market loans and other benefits are distributed that include preferences for:
    - Re/development of bricks and mortar affordable rental housing
    - Purchase of covenants on rental housing that is presently market rate or at risk of becoming market rate
    - Re/development of rental units for extremely low, very low and low income households
    - Permanent supportive housing for homeless households
    - Preservation of existing affordable housing units
    - Preservation of units presently housing extremely low, very low, low or moderate income families
    - Not providing funding for for-sale housing, unless the City is a conduit for such monies that are derived from sources outside of Pasadena

- Developing mechanisms by which to monitor, track status of:
  - Currently restricted affordable housing units
  - Currently affordable, but not restricted, housing units
  - Rent subsidies and rent subsidy levels
  - Current and proposed siting of affordable housing
  - Efforts to preserve existing affordable housing
  - Displacement of current residents broken down by income status and other demographic characteristics
  - Impediments to affordable and fair housing choices
  - Efforts to eliminate impediments to affordable and fair housing choices
  - Affordable housing applications and projects to ensure that they are expedited
  - Efforts to leverage municipal funds to produce additional affordable housing funds
  - Rents in various sectors
  - Demographics of those in need of affordable housing
- Ensuring that all agendas, staff reports and attachments are posted on the web at least one week in advance of meetings
- For detailed or controversial issues, making materials available enough in advance CDC and EDTech meetings to allow for appropriate public input and feedback
- Routinely translating agendas and staff reports into Spanish (commencing FY 2009); routinely translating agendas and staff reports into other relevant languages (commencing FY 2010)
- Routinely ensuring that meetings are accessible for persons with disabilities

#### IV. Protection of Tenants' Rights

PAHG is very concerned with the massive displacement of the City's low and very-low income residents, as reflected by the significant loss of PUSD low-income students housed in Northwest Pasadena rental unit. PAHG urges the City to include the following as part of its Goals and Policies and Program of Actions in the 2006-2014 Housing Element:

##### Anti-Displacement

PAHG stands for the principle of community development **without displacement** of low and very-low income residents. Development should benefit the people living in Pasadena, and no one should be forced to move out of Pasadena because of development or lack of development. All too often, new re/development disproportionately impacts persons and families of color, as well as those with lower-incomes, forcing them to find housing options outside of the City, sometimes out of the State. In line with our positions on preservation of the current affordable housing stock ("NO NET LOSS" and condominium conversion reform) and the City's Housing Vision, the City should commit to a policy of development without displacement to maintain the social and economic diversity of this community.

##### Just Cause Eviction

In connection with our position on the need for Rent Control in Pasadena, PAHG recommends that the City enact a Just Cause Eviction Ordinance. Requiring just cause eviction will ensure that landlords have a proper cause, such as failure to pay rent, before evicting a tenant. The purpose of such an ordinance is to promote tenant stability and provide vital tenant protections, especially where there are low vacancy rates and high housing costs. Preliminarily, an effective ordinance should include at least the following: creation of an administrative agency to monitor and enforce; strict penalties for landlords who illegally evict tenants; expedited process to deal with illegal evictions; and application of the ordinance to all housing (not just rent controlled housing)

### Increase Relocation Benefits

Where demolition, rehabilitation, conversion, or other activities result in the displacement of tenants, the City should provide adequate relocation benefits to cover actual and reasonable moving expenses for residents. Various federal and state laws govern relocation requirements depending on the entities causing the displacement and the financing involved. However, where the power to determine the amount of relocation benefits is given to the local agency, the City of Pasadena should ensure that these benefits provide tenants with sufficient resources to relocate to a **comparable unit within the City**. This should include (a) actual costs to move- including, utilizing a commercial mover or conducting self-move; (b) amount sufficient for utility service deposits; (c) amount equal to at least 2 months of the established fair market rent for a comparable unit in the City.

### Improved Code Enforcement

Pasadena's present system of code enforcement is complaint driven. The more complaints generated from an area, the more likely that area is to be targeted by Code Enforcement officers. Low income tenants and owners report that the City's current process has been used by realtors and developers to coerce low income and senior owners into selling, i.e., owners are fined for failing to bring trash cans in a timely manner or for maintaining unsightly yards on the basis of numerous complaint calls generated by or at the behest of a realtor.

Effective code enforcement should eliminate health and safety risks to residents without displacing them. This should include developing and implementing a **proactive** strategy to identify housing in need of rehabilitation and maintenance along with effective utilization of financial resources (e.g., CDBG funds), rather than solely relying on a complaint-driven model. For example, this can include performing street-by-street exterior inspections of buildings in need of maintenance; enacting a vacant building ordinance-requiring owners to register their building within 30 days of becoming vacant and to implement a maintenance plan for such buildings; gaining control of vacant and abandoned properties. Health and Safety Code Section 17980(b)(2) requires local governments to give consideration to housing needs as expressed in the housing element when deciding whether to require vacation of a substandard building or to repair as necessary. Preference must be given to repair of the building whenever it is economically feasible to do so without having to repair more than 75% of the dwelling. To the extent that relocation is necessary, relocation benefits should be administered in compliance with Government Code Sections 7260-7277 and Health and Safety Code Sections 17975-17975.10. However, it should be the priority of the City to keep its residents safe without displacing them.

### Reasonable Accommodations

Unlawful housing discrimination includes refusing to make reasonable accommodations in rules, policies, practices, or services when necessary to allow a person with a disability "equal opportunity to use and enjoy a dwelling." Cal. Gov't. Code §12955(m), Cal. Civ. Code §51. The City should continue to provide reasonable accommodations in accordance with both Federal and California fair housing laws. Furthermore, in addition to providing reasonable accommodations directly to tenants, housing element law requires the City to include programs that remove constraints to the development and preservation of affordable housing **and** provide reasonable accommodations for housing designed for persons with disabilities. Cal. Gov't. Code §65583(c)(3) (as amended by SB 520, 2001). The City should describe its procedure for providing reasonable accommodations to address constraints on housing for persons for disabilities. To the extent the City has no formal, written procedure the City should include a program to adopt zoning provisions that allow for reasonable accommodations in zoning regulations to make development of housing for disabled persons feasible, both economically and physically.

### Effective Ban on Retaliating Against Tenants

Tenants who exercise their rights protected under the law or who voice complaints about problems in

their unit should **not** be subject to retaliation (e.g., eviction, increased rent) by their landlords, and, in fact, retaliation for exercise of particular rights under state law, and in some cases, federal law. See e.g., Civil Code §1942.5 (protecting tenants from retaliatory eviction or other retaliatory acts); Cal. Gov't. Code §§ 12955(f), 12955.7 (protecting tenants from retaliatory eviction for exercise of rights under the California Fair Employment and Housing Act) and 42 U.S.C. §3617 (protecting tenants from retaliatory eviction or other retaliatory acts for exercise of rights under the Federal Fair Housing Act). The City, including the City Attorney, should take a visible and proactive role in monitoring complaints of retaliation against tenants, informing tenants of their rights, and ensuring that tenant protections are effectively enforced. This can include holding tenants' rights forums on a regular basis, sending information on tenants' rights to both landlords and renters, and creating a tenants' rights resource section on the City's website.

Prohibit Discrimination Against Subsidy Recipients

High rents and low vacancy rates make it increasingly difficult for Section 8 voucher holders to locate suitable units. Existing federal law prohibits owners of certain types of rental housing from discriminating against voucher holders (e.g., tax credit units, HOME-funded rental units). The City, including its Housing Authority, should stay well versed in these laws, in addition to federal and state fair housing and anti-discrimination laws. This information should be effectively disseminated to both tenants (voucher recipients) and landlords via tenants' rights forums, mailers and the City's website. The City should also be monitoring and ensuring compliance with these laws in coordination with its other fair housing and tenants rights (see above) protection efforts.

Routine Translation of Materials and Proceedings

The participation of non-English speaking and limited-English speaking residents should be facilitated and encouraged by the availability of translation. Currently, such residents do not participate significantly in the City's government activities, even when their interests are directly at stake. This is likely due to the fact that they must request translation services in advance of commission or Council proceedings. These conditions restrict access to government officials and limit the ability of residents not fluent in English to petition for change. PAHG urges that the City make simultaneous translation routinely available in Spanish, as well as provide translated documents. In addition, the City should develop a plan to make similar access available to non-English speaking residents who are fluent in those languages set forth in the Voting Rights Act.

Thank you for your attention to these concerns and recommendations.

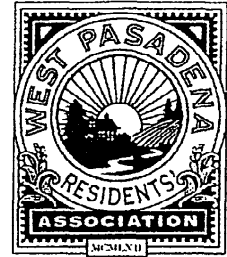
Sincerely,

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**on behalf of The Pasadena Affordable Housing Group**

cc: Bill Trimble (via electronic mail to [btrimble@cityofpasadena.net](mailto:btrimble@cityofpasadena.net))  
Pasadena Planning Commission, c/o Claudia Burciaga-Ramos, Community Planning Staff Assistant (via electronic mail to [cramos@cityofpasadena.net](mailto:cramos@cityofpasadena.net))  
Cathy Creswell, California Department of Housing and Community Development



June 27, 2008

Via e-Mail and Hand Delivery

Mr. William Trimble  
Senior Planner, Community Planning  
City of Pasadena Dept. of Planning and Development  
175 North Garfield Avenue  
Pasadena, California 91109-7215

RE: Comments on the Housing Element, General Plan Update

Dear Mr. Trimble:

The West Pasadena Residents' Association supports balanced and thoughtful development that maintains both the quality and character of our city. Housing: what kind, how much, and where built is a keystone for other General Plan elements; therefore, it is vital that any changes to the housing element be carefully crafted to sustain Pasadena's enviable livability.

We would like to note here that our city has experienced an unprecedented citywide building boom in the past five years. Pasadena's transportation and public service infrastructure is being tested as current citizens live with disruption and displacement and the changing character of their City. Our residents are apprehensive, as are many in other areas of the city, that Pasadena is on the verge of being overbuilt and that the ineffable quality of Pasadena life compromised. We would like to address housing vis a vis neighborhood quality, construction, and assistance.

**Neighborhood quality of life and housing construction**

Prior to determining where new housing should be developed, we would appreciate that careful consideration be given the following:

- Revisit and revise the site map displayed at the last community meeting that places density upon already-built areas. Recommend placement of new development along untapped transit corridors.
- Stringently examine existing neighborhood "edges" to insure smaller, multi-family and single-family residential areas are protected. (Avoiding instances such as the situation in the Marengo-Los Robles area of the City that is causing distress to current residents.)
- Sustain current policy regarding second units on small, single-family residential lots (granny flats).
- Discourage increasing density adjacent to landmark/historic districts to maintain their integrity and historic fabric.

- Proscribe the demolition/removal of existing structures to make room for new development, where existing affordable and workforce housing is lost to untracked density and market rate housing.
- Equitably distribute new construction throughout the city's transit-accessible areas. For example, corridors East of Lake Avenue have not seen the density and activity seen in Old Pasadena, the Playhouse District, and West Pasadena.

### **Housing Assistance**

We would like to ensure that there is "no net loss" of affordable housing in our City. We ask that the housing element support the following:

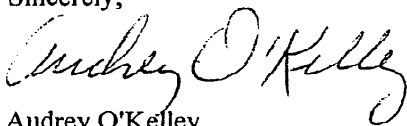
- Provide an up-to-date inventory of existing affordable-housing stock and its location.
- Effect no displacement of families/persons currently living in low-density affordable units such as SFRs, duplexes, and bungalow courts.
- Explore the feasibility of abolishing developer in-lieu fees, and the practicality of mandating on-site affordable housing for all new multi-family construction.
- Address the inaction and lack of responsibility of neighboring cities for affordable housing—legally if necessary—to mitigate the burden Pasadena is bearing for their non-compliance.

### **Conclusion**

Going forward, we have an opportunity to formulate changes in the housing element that can better serve Pasadena's citizens. How we craft the location of density, infill, and integrate new affordable housing into proposed development will profoundly affect Pasadena's livability and quality of life. We would always urge a contemplative, steady approach in developing housing for our City to ensure equity, balance, quality in design and construction, and appropriate "fit" to the fabric of our community.

We thank you for your consideration and look forward to continuing to work with you and others in the Planning Department and the City to keep Pasadena the desirable world-class city that we all value.

Sincerely,



Audrey O'Kelley  
President  
West Pasadena Residents' Association

cc: Mayor Bill Bogaard  
Vice-Mayor Steve Haderlein  
Members of the City Council  
Mr. Richard Brucker, Director of Planning and Development

September 8, 2008

Gary Johnston, Chair  
Members of Planning Commission  
Planning Commission of Pasadena  
175 North Garfield Avenue  
Pasadena, CA 91109

Re: Pasadena Affordable Housing Group Comments on Draft Housing Element

Honorable Planning Commissioners:

In preparation for the September 10th meeting, the Pasadena Affordable Housing Group (PAHG,) a grassroots organization of housing professionals and community members that advocates on behalf of low and no income residents of Pasadena, submit these comments. Our comments consist of this cover letter, which summarizes our major concerns, and an attachment that tracks the Draft Element chapters, detailing our concerns.

PAHG commends the Planning and Development staff for the work done on the Draft Housing Element, as well as staff's willingness to work with PAHG and respond to our requests for documentation. The Draft Element includes programs designed to allow elders to age in place and to prevent homelessness; these new components to the Element are not required under the State standards, but greatly enhance the document. The inclusion of programs of this kind not only distinguishes Pasadena among its peers, but keeps faith with the City's Housing Vision, which states, in relevant part:

*All Pasadena residents have an equal right to live in decent and safe affordable housing in a suitable living environment for the long-term well-being and stability of themselves, their families, their neighborhoods and their community. The Pasadena housing vision is to maintain a socially and economically diverse community of homeowners and renters which are afforded this right.<sup>1</sup>*

Evelyn Adams  
*Former Public Official*  
Karina Arabolaza  
*Director of Outreach & Education  
Housing Rights Center\**  
Remy De La Peza  
*Staff Attorney  
Public Counsel Law Center\**  
Peter Dreier  
*Director  
Urban & Environmental Policy Inst.  
Occidental College\**  
Jill Fosselman  
*Chair, Government Relations Comm.  
Unison Station Homeless Services*  
Monica Hubbard  
*Co-Chair, Women's Issues Comm.  
All Saints Church, Pasadena\**  
Adam Murray  
*Executive Director  
Inner City Law Center\**  
Kristin Ockershauser  
*President  
Pasadena Foothills Chapter ACLU\**  
Patricia O'Reilly  
*Executive Director  
ECPAC\**  
Tim Peters  
*Executive Director  
Door of Hope\**  
Rev. Hannah Petrie  
*Neighborhood Church\**  
Ashley Phillips  
*Community Outreach Coordinator  
YWCA Pasadena-Foothill Valley\**  
Marvin Schachter  
*Executive Council AARP CA  
Co-Chair,  
Senior Advisory Council\**  
Jill Shook  
*First Baptist Church  
& Missions Door\**  
Al Sorkin  
*Executive Director  
URDC Human Services\**  
Greg Spiegel  
*Western Center on Law & Poverty*  
Sieglinde von Deffner  
*Housing Works CA\**  
Michelle White  
*Executive Director  
Affordable Housing Services\**

*\*Affiliations listed for  
identification purposes*

<sup>1</sup> The City of Pasadena and Pasadena Community Development Commission shall achieve this vision by utilizing its resources to:

- Support and provide fair and equal housing opportunities for all persons regardless of race, age, income, disability, sexual orientation, marital status, household size, ancestry, national origin, religion, or color;
- Provide an adequate supply and range of housing opportunities throughout the City by assisting in the development of new housing units, preservation of the existing housing stock and being responsive to the special housing needs of certain resident populations;
- Reduce or mitigate the constraints (public and private) which hinder the production or preservation of housing, particularly affordable housing, for Pasadena residents;
- Ensure that Pasadena residents, especially those with very low to moderate incomes and special needs, are assisted in meeting their housing requirements through the provision of assistance for rental, residential rehabilitation, homeownership, housing counseling, economic/employment development and infrastructure improvements.

PAHG does, however, have a number of concerns which include the following:

**Lack of Accurate Updated Census Data:** A major flaw in the Draft is that it is grounded primarily upon 1990 and 2000 data. The City gentrified significantly between 2000 and 2007; thereafter the sub-prime market debacle occurred. These phenomena indicate that reliance upon 1990 and 2000 data is misplaced; using the earlier data paints too rosy a picture - especially as it relates to affordable housing for low and no income Pasadena residents. City planners agree that federal census data is not and will not be refined enough for local planning purposes for some time, if ever. Because the available 1990 and 2000 federal census data are not presently adequate to meet Pasadena's local planning needs, **the City should conduct a demographic survey** that assesses local housing and housing related conditions.

**General Plan Principles:** Retention of lower income families has not been a priority for the City. Until the onset of the recent round of gentrification, such an emphasis was not necessary. Although circumstances have changed markedly, the Element does not acknowledge the magnitude of the havoc wrought on Pasadena's lower income residents when 2,300 low income students and their households were recently displaced. The fact that 89% of these students lived in rental housing in Northwest Pasadena and Altadena and 30% of PUSD's African American students have now been displaced is not sufficiently addressed or rectified in the planning set forth in the Draft Element.

Policies and programs that welcome and retain a diverse racial, ethnic and economic population must be fortified to address the ramifications of our City's population displacement patterns. One way to elevate the importance of Housing Element is to include affordable housing and diversity principles in the General Plan. To this end, PAHG recommends that the following principles be added to those governing the General Plan:

- Pasadena will be a city where there is affordable housing adequate to meet the needs of its residents, and
- Pasadena celebrates the racial, ethnic, cultural and income diversity of its residents.

To support these General Plan principles, the Element should recommend a shift in our fiscal and programmatic affordable housing priorities, away from a disproportionately high amount of funding of for-sale units that benefit moderate income and work force level purchasers towards the preservation and production of extremely low, very low and low income units. At this point 21,000 of Pasadena's lower income households are in need of affordable housing. This number is significantly in excess of the SCAG-established regional housing needs assessment (RHNA) goals.

However, using the modest RHNA goals as a standard, Table 2-7 reveals that Pasadena:

- Has exceeded its market rate and work force RHNA goal
- Is close to meeting its moderate income RHNA goal, and
- Is far from meeting its low and very low income RHNA goals.

Income Levels	RHNA	Units	Remaining	% of
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	Goal	Produced	RHNA	Compliance
Very Low	711	103	608	14.5%
Low	452	118	334	26%
Moderate	491	396	95	81%
Market	1,215	3,734	-2,519	307%
Total	2,869	4,361		

**Public Input on Affordable Housing Funding and Other Decisions:** The General Plan’s seventh guiding principle states that “[c]ommunity participation will be a permanent part of achieving a greater city.” Community participation in significant City affordable housing decision making is discouraged. Some examples of affordable housing decision making with little or no public input are set forth below:

- Unlike in other areas of public funding decision making, City Council goes into closed session to discuss affordable housing project deal points, where the Council members also give instructions to staff. These deal points are not shared with the public. The agreements are then privately negotiated between staff and the developer; copies of the agreements are never shared with the public. Thus, affordable housing public funds are routinely expended without public input or review.
- The City has at least two ways to fund affordable housing projects - one through the Housing Division/Department where there have been funding caps and other guidelines established - and another through the Planning and Development Department where there do not appear to be any established caps or guidelines. These competing funding mechanisms have resulted in a disproportionate amount of funding being funneled to certain for-sale projects serving moderate and work force level, while rental projects of similar size designed to serve low and no income households receive considerably less funding. Because there are no publicly approved funding guidelines and the deals are negotiated and executed behind closed doors, there is no public recourse to promote the interests of the City’s most needy residents, who are at extreme risk of displacement.
- In the course of the Housing Element preparation process, the planning staff held a number of workshops. At each of these workshops, there was overwhelming support expressed for the City adopting a rent control and/or just cause eviction ordinance. The Planning and Development staff, acting as gatekeepers, decided that, despite that, despite the overwhelming public support expressed, the Draft Element would neither discuss nor recommend rent control as an affordable housing preservation strategy. Many affordable housing activists refused to participate in the workshop process because they did not believe their input would be heard or valued.

In order for there to be appropriate public input and monitoring of the City’s affordable housing policies, implementation and funding of projects, Council, Commission and staff actions must be performed with greater transparency.

**Barriers to Affordable Housing:** PAHG supports the preservation of the City’s unique historic beauty. However, the current guidelines unreasonably frustrate the development of affordable housing. For example, the development standards for second units in single family areas are designed to frustrate the development of this type of affordable housing. Since the adoption of the City’s Second Unit Ordinance in 2003, only two families have built second units. While the Draft calls for a reconsideration of the

development criteria, it does not recommend a reconsideration of the prohibition against building second units in landmark districts. The attachment to this letter sets forth more specific recommendations to eliminate these and other land use barriers to affordable housing.

**Housing Element as the City's Seminal Planning Document, with Specific Goals and Timelines:** It is disturbing that Planning Department does not view the Element as the City's primary housing planning document, but rather something produced primarily to appease State lawmakers. The Element should represent the community's articulation of innovative, sensible, and cohesive housing policies, which City Council and its staff is charged with implementing. The planning staff admitted to viewing the Element as a historic, rather than a future planning, document. The document contains very few hard and fast timelines. The Housing Element should be treated, and actually function, as the City's seminal planning document. The Housing staff did not participate in the public workshops; the absence of Housing staff raises questions about how much ownership of this document among Housing staff.

**Overall Goals and Overarching Housing Policy:** In light of the City's housing vision, PAHG recommends the City set the following housing goals:

- At least 15% of the City's entire housing stock, including its existing units, will be affordable, giving priority to those units where the City failed to meet even its RHNA goals
- Establish a policy of preserving existing units occupied by moderate, low, very low and extremely low households or arranging for the 1-for-1 replacement of such units.
- Spend no more than 10% of its discretionary housing funds on for-sale units.

These goals benefit our community and are attainable. Other cities, such as Irvine, CA, have set similar goals. Europe has dealt with its affordable housing issues without stigmatizing lower income families. In order for Pasadena to remain a cutting edge, a world class green city, with housing sufficient housing close to work for all income levels represented among our populace, we must adopt overarching housing policies designed to meet the challenges of an ever widening income divide among our residents.

PAHG deeply appreciates your attention to our recommendations and thank you for your dedicated service to our great City of Pasadena.

Respectfully submitted,

Pasadena Affordable Housing Group

If you have questions please contact:

Michelle White [affhsgservices@sbcglobal.net](mailto:affhsgservices@sbcglobal.net)

Jill Shook [jill@makinghousinghappen.com](mailto:jill@makinghousinghappen.com)

# Attachment

The following questions/concerns are raised by the various chapters of the Draft Housing Element narrative:

## Chapter 1: Involving Our Community

The first chapter of the Housing Element sets forth the work that has been undertaken by many committee and commission meetings and workshops related to affordable housing. Implicit in this section is the assumption that City Council has acted upon and adopted the majority of the recommendations of these bodies. In truth, although the Housing Affordability Task Force met for almost a year in 2002 and produced weighty recommendations, the Council has yet to calendar the most of all the Task Force's recommendations. The Agenda for Action first called for the City to develop a common vision of what the City should look like in 2025, by engaging in a process similar to that undertaken in conjunction with the adoption of the 1994 General Plan. Like the Affordability Task Force recommendations, the Agenda for Action basic recommendation was ignored.

Pasadena residents who rent should be treated with the same deference as homeowners; renters should receive all the notices that are routinely sent to homeowners. In addition, there are some issues that are citywide in scope, such as the disposition of the Desiderio and St. Luke properties. In those instances, notice should be to all residents.

Page 1-4: We are unaware of the 2007 Workforce Housing Task Force.

Page 1-7: The General Plan vision does not include anything related to affordable housing or retaining the economic, racial and ethnic diversity of the City. *The City General Plan should include the following principles:*

*Pasadena will be a city where there is affordable housing adequate to meet the needs of its residents.*

*Pasadena promotes the racial, ethnic, cultural and income diversity of its residents.*

## Chapter 2: Housing Needs

### A. Page 2-1, et seq.: Reliance Upon Outdated Data

The Housing Element is based on outdated data. The 1990 and 2000 census data reflect a better economic picture for low and moderate income households than the subsequent era. The gentrification of the City has resulted in significant rent raises and overcrowding and ultimate displacement. On all fronts, there has been an intensification of affordable housing needs among moderate, low, very low and extremely income Pasadena residents.

Pasadena Unified School District (PUSD) has documented the loss of 2,300 low income students, 89% of whom resided in Northwest Pasadena and Altadena rental units. More than 30% of the African American students were displaced. The Latino parental education group APPLE further documented that the overwhelming majority of the families migrating out of Pasadena did so because of a shortage of affordable housing. Students emigrating out of the District took with them the ADA—Average Daily Attendance (how the district is funded) causing PUSD serious financial losses.

Coupled with the crisis of affordability that is grounded in the City's galloping gentrification are the impacts of the subprime debacle. The subprime financial ramifications are still unfolding. We are not expected to hit bottom for at least two years, but housing financing is already negatively impacted. In addition, foreclosed upon homeowners are/will be competing with lower income households for rental units, thereby driving the rental rates up still further. Because Pasadena does not have any rent stabilization protections, rents can be increased 9% per month on the basis of a 30-day notice and 10%+ on the basis of the 60-day notice.

B. Page 2-7: "Work Force" Housing The term "work force" housing is used throughout the document, but not defined. Many reviewers were under the impression that "work force" housing referred to units affordable to janitors and other work-a-day residents. In truth, it refers to households making 121% to 180% of the area median. The 2006 adjusted median income for a Pasadena married couple was \$87,000/year. A "work force" level married couple makes between \$105,270/year and \$156,600/year. In comparison, Affordable Housing Services' households of four are more likely to make between \$18,000/year and \$20,000/year.

In truth, the term is but another name for market rate housing. In fact, in certain parts of the City, "work force" housing is more expensive than market rate housing. The nomenclature is, at a minimum, misleading.

C. Page 2-3, et. seq.: Fair Housing Ramifications of Data. The City is a recipient of federal housing and community development funds, and, as such, is charged with affirmatively furthering the housing choices of racial and ethnic minorities, persons with disabilities, families with children and others specially identified under the federal fair housing laws. At a minimum, this means that the City is required to analyze the ramifications of its programs and policies by race, national origin, families with children and other relevant criteria. The Housing Element provides only the most rudimentary racial and large family data, and no relevant analyses.

In addition, there should be set forth in the Housing Element relevant discussion of the findings made in the City's Impediments to Fair Housing Choice. It provides none of these findings and documentation. For example, it notes a continuing decline in African Americans, with increases in White, Latino and Asian populations. It cannot be discerned from the document whether the decreasing African American population has demographics similar to those who are increasing. The reasons for the differences among groups in housing retention within the City are not set forth, nor are any programs designed to address these racial disparities.

D. Housing Type While the Element identifies housing types that are occupied by middle and upper income households, it does not identify the kind and number of housing units that are typically utilized by low and no income Pasadena households, *i.e.*, single room occupancy, group homes, congregate housing and board and care dwellings. Without such comparative data, the public is without the ability to monitor the City's efforts to produce affordable housing for its lower income households.

Table 2-7 should set forth the comparative 2000 and 2008 data for the above referenced categories, especially since the City is so far from meeting its Regional Housing Needs Assessment (RHNA) goals for extremely low, very low and low income households. According Table 4-9, Pasadena has exceeded its fair share of market rate and luxury housing, *i.e.*, the housing types set forth in Table 2-7, by 2,519 units. On the other hand, none of the modest lower income RHNA goals have been met. The City's status with regard to RHNA compliance is as follows:

<u>Income Levels</u>	<u>RHNA Goal</u>	<u>Units Produced</u>	<u>Remaining RHNA</u>	<u>% of Compliance</u>
Very Low	711	103	608	14.5%
Low	452	118	334	26%
Moderate	491	396	95	81%
Market	<u>1,215</u>	<u>3,734</u>	<u>-2,519</u>	<u>307%</u>
Total	2,869	4,361		

Of course, the RHNA numbers, which are produced by regional planners, do not recount the complete Pasadena story; these numbers constitute the floor, not the ceiling, of the City's affordable housing need. Planners looking specifically at the City's needs documented that there are 21,000 lower income families in need of affordable housing, *i.e.*, paying too much for their housing, living in overcrowded or substandard conditions. Table 4-9 should detail the needs of the 21,000 households in need of affordable housing, not just the RHNA goals.

D. Page 2-9: Tenure The Housing Element notes that, according to the 2000 census, 54% of the City are renters. Many of the units 4,361 units produced since 2006 are occupied by renters, so the majority margin of renters may have increased substantially. The City traditionally only sends its land use and other Planning Department notices to homeowners, and not to renters. The failure to forward notices to renters results in homeowners having a disproportionately significant role in municipal decision making. The Housing Element should analyze the impact of the preferences awarded homeowners over renters that is played out in this and other ways.

E. Page 2-9: Vacancy The United States Postal Service reports that Pasadena had a 2008 overall vacancy rate of 1.3%. It would be helpful for the Element to identify what the vacancy rate is in Pasadena's affordable housing.

F. Page 3-3: Homeownership Prices (Page 2-11) and Development Costs. The housing market has changed. It is no longer "normal" for buyers to put 5% down; financial institutions are more typically requiring a 20% down payment. This increase in required down payments is playing havoc with the City's for-sale assistance/silent second programs. The Housing Affordability Task Force (HATF) reached the conclusion that it was inappropriate for the city to spend more than 10% of its discretionary housing funds on for-sale units. This recommendation has never been calendared for discussion in either the EDTech Committee or Council. The Element should set forth:

- The bases for the HATF recommendation in this regard
- The failure of the Council to deliberate the issues involved
- The comparative for-sale/rental subsidies
- The leveraging ramifications of the City's subsidies
- The fair housing ramifications of the City's subsidy decisions.

The recently imposed requirement by conventional financial institutions that buyers put down 20% instead of 5% has negatively impacted the City's silent second and buyer assistance programs. These impacts should be outlined in the Element. If this or other responses to the subprime meltdown have resulted in the City providing or planning to provide additional funding for for-sale units, these ramifications should be set forth in the Element.

G. Lack of Comparative Data

The Draft is most helpful in providing the public with updated, comparative statistical and other information to be used in setting housing priorities. For example, knowing that portions of Pasadena's population are experiencing housing overpayment problems is relevant. More important for priority and policy setting purposes, is a description of the segments of the City's population who are most hard hit by the phenomenon of moderate and severe overpayments. Table 2-6 should provide data broken down by race, family size, persons with disabilities, etc.

Overpayments impact a household's ability to meet emergencies, but also its ability to buy food, clothing and other daily necessities. Because of such overpayments, the City's food banks are experiencing record demands on their stocks.

Similarly, the overcrowding and other data ramifications should be broken down by race, age, family size, etc. of households affected.

## **Chapter 3: Housing Constraints**

There are additional constraints that should be addressed in Chapter 3. These additional constraints include the following:

- Page 3-5: Home Mortgage Disclosure Act. No analysis of the racial and income implications discernible from this data. These analyses should be set forth to assist in policy and priority setting.

- Page 3-6 and 3-7: Inclusionary Housing Ordinance.

The City initially set an in lieu fee that is conspicuously low; only recently has the fee been set at 100% of the affordability gap - as compared with the cost of constructing a comparable unit. The fee is still too low to compensate for the developer's failure to build units; if it is retained, it should be increased to an amount that would cover the cost of building units.

The City Attorney has said that an in lieu fee is not required, yet the Council has not eliminated the fee as an option, thereby requiring developers to either build on-site, build off-site or donate land - all of which are designed to more quickly facilitate the production of affordable units. The Element should discuss the implications of both retaining and eliminating the fee.

The fee varies according to where the housing is to be built. Building in Northwest Pasadena (NWP) is encouraged because the fee is so low for that area and once the fee is paid, none of the other options need be exercised. Until recently, NWP was home to 64% of the City's affordable housing. This percentage has dropped, in part because there is no requirement that developers building in NWP avoid displacement of low and very low income households. The Housing Element should detail the reasons for the displacement of NWP area 2,300 low income students and role that the operation of the Inclusionary Housing ordinance played.

Although the City has made a number of modifications to the ordinance, it has yet to require percentages of housing required for "very low" or "extremely low" income groups - the very groups that are being largely displaced out of Pasadena and those whose RHNA goals the City is furthest from achieving. The Element should examine the impacts of requiring such set asides, especially in combination with discontinuing the payment of in lieu fees.

- Page 3-9: Specific Plan. Although there is a statement that the General Plan precludes an affordable housing cap in Specific Plan areas, it should be noted that there is such a cap

included in the Fair Oaks/Orange Grove Specific plan. This cap is at variance with the General Plan and should be lifted.

- Page 3-12: Second-Unit Ordinance.

This discussion does not detail the fair housing implications of the ordinance's various components, especially the 15,000 s/f lot size or the requirement for a two-car garage. The fair housing ramifications should be set forth.

Also, not included in the description is the prohibition against issuing permits for new second units in historic districts. The City should reconsider this prohibition along with other aspects of the ordinance.

- Page 3-13 to 3-16: Special Needs Housing. Under SB 2, the City must designate an area where shelters may be established as a matter of right. According to the implementation strategy, the necessary re-zoning will not go into effect until 2009 - 3 years after SB 2 was adopted. In the interim since 2006, a number of agencies have been frustrated in their attempts to establish shelters.

Pages 3-13 and 3-14: Housing for persons with disabilities.

There is no discussion of universal design. If the City requires universal design features (*i.e.*, doors at least 36" wide, accessible electrical outlets and switches, accessible bathrooms, etc.) in new construction and units that are substantially rehabilitated, wheel chair users will, at a minimum, be able to visit the first floors of units. Such changes in design standards would represent little or no cost to owners/developers.

At least 5% of each component of the City's affordable housing programs is supposed to be wheel chair accessible. The Housing Element does not address whether the City is in compliance with this standard. This information should be made available, so that priorities can be set.

- Page 3-16 Single Room Occupancies (SROs).

Centennial Place does not enjoy a good reputation as a housing provider. Many homeless individuals concerned with maintaining their sobriety will not agree to live there. On site supportive services were previously available; it is our belief that these services are no longer available. If there are, in fact, supportive services available, they need to be increased substantially to address the many concerns that have been raised about the facility. The Draft should acknowledge the need to assist the tenants in securing supportive services.

It would be helpful to have a listing of the locations and characteristics of the other SRO projects underway and their affordability levels.

Page 3-18: Parking Standards. The parking constraints recently imposed by Council are not addressed, *i.e.*, routinely requiring two full-sized, covered parking spaces for units larger than 650 s/f. Previously, developers had the option of providing tandem or compact-sized parking. Now, in order to deviate from the full-sized parking space requirement, an affordable housing developer must use one of its regulatory concessions. This full-sized parking space requirement impedes the development of affordable housing and antithetical with encouraging smaller, more energy efficient vehicles.

- Page 3-19: City of Gardens. The City contracted with an expert to review the efficacy of the City of Garden requirements. The Element should outline the recommendations made and

whether they were implemented.

- Pages 3-21 and 3-22: Historic Preservation.

The Draft does not set forth the increased difficulty that a historic designation causes affordable housing development. The Element should analyze those difficulties and explore solutions designed to balance the historic preservation and affordable housing interests.

This section also does not deal with the fact that permit and other fee schedules for historic preservation and affordable housing projects are different; historic preservation is favored significantly over affordable housing, for example, a \$125,000 cap on the Planning Department fee reductions that an affordable housing project may receive. It is believed that there is no corresponding cap on fee reductions that apply to historic dwellings.

- Page 3-24-3-25: Accessibility. There is no discussion of the impediments to providing affordable housing for persons with disabilities created by City's Group Home Ordinance. Despite a State Attorney General opinion stating that municipalities may not require spatial separations between group homes, the City adopted such an ordinance. The Element should, at a minimum, set forth why this Attorney General opinion is inapplicable.
- Pages 3-29 to 3-31: Development Fee and Tax Constraints.

The Draft does not address the Department of Water and Power (DWP) fees and costly requirements. Although DWP is a City department, it does not reduce any of its fees to facilitate the development of affordable housing.

In addition to the failure of DWP to develop an affordable housing fee schedule, it should be noted that some its new construction and rehabilitation requirements are more costly than typical of other jurisdictions. For example, the DWP requires a subterranean vault and electric transformer if the needs of the complex require 200 amps or more. Other jurisdictions do not require such an upgrade until the complex reaches the 400 amp threshold.

Affordable housing developers wind up assuming City loans so that they can pay City fees. The Element should address the existing constraints and analyze the ramifications of reducing or eliminating DWP fees for affordable housing complexes and otherwise address the appropriateness of the DWP requirements, in the same manner that the City of Gardens ordinance was reviewed.

## **Chapter 4: Housing Resources**

### **No Expenditure of Pasadena General Funds to Produce Affordable Housing**

- Pasadena does not invest any of its general funds in affordable housing for its residents. It depends entirely upon the largess of the federal and state coffers to fund and otherwise subsidize dwellings and amenities for lower income households. The City does not utilize any of the construction tax revenues for affordable housing.
- Conversely, the City diverts a minimum of \$9 million/year Old Pasadena and Downtown redevelopment funds that would normally go into affordable housing to meet general fund obligations, *i.e.*, City contributions to police and fire fighter pensions. In addition, the Council obligated \$28 million of City general funds to provide parking for the Paseo Colorado luxury



condominiums. There was not one affordable housing unit produced in exchange for the \$28 million obligation.

- Given the level of gentrification in the City, the Draft should recommend the development of a continuously renewing \$25 million Trust Fund, utilizing City general funds to augment available federal and state funding.
- The Draft does not deal with this year's diminution of state and federal funds, and the likelihood that affordable housing funding may not be available in significant amounts for at least another year - given the wars being waged and the state of California's economy.
- The Draft also does not address the ramifications of State's failure to set aside General Funds to subsidize affordable housing.

### Comparative Spending on Rental Housing for Lower Income Households and For-Sale Housing for Moderate and Work Force Housing

According to the authors of the Draft, Pasadena has 21,000 households in need of affordable housing. They did not specify how many units are necessary to accommodate these 21,000 households, but it is clear that the number will exceed those units identified under the RHNA formula. RHNA's modest lower income goals for the City have not been met, *i.e.*, only 14.5% of its very low income, 26% of the low and 81% of the moderate income goals has been achieved. Typically, low and very low income households cannot afford to purchase housing. Subsidized rental housing is generally provided for low and very low income households. Pasadena has been providing a disproportionate high amount of its scarce affordable housing funds to subsidize for-sale units. The Element should detail:

- How much local, state and federal public funding have been utilized to subsidize for-sale housing
- The number and size of housing units produced or in the process of being produced
- The number, size and income level of the households subsidized
- The amount of subsidy per unit broken down by rental and sales units.

Only with information of this type can public policy be developed and its implementation monitored.

## Chapter 5: Program Evaluation

This chapter raises the following issues:

- Pages 5-13 and 5-14: Condominium Conversions. The proposed modifications reflect the staff's perspectives (which were twice rejected by the Planning Commission), but fails to set forth the recommendations supported a majority of the Condominium Conversion Task Force.

The evaluation also does not evaluate the impact of the City approving the conversion of subsidized rental units to condominium units. These units were to remain affordable rental units for at least 55 years. Instead, Housing Division officials waived this requirement and allowed the developer to convert the units designed for low-income households to be sold to moderate and work force income buyers.

This conversion was completed without appropriate notice to the public, especially affordable housing advocates and renters generally. The first time most advocates became aware of this City practice was when the Task Force reviewed condominium conversions generally. A City supported convention of subsidized rental units that are covenanted for 55-years is a major deviation from policy that should have been debated in a public forum.

- Page 5-18 and 5-19 Rental Assistance.

Development of housing for low and no income households is complicated by the fact that Section 8 rent subsidies cannot be used in conjunction with HOME financing. This prohibition should be listed as a constraint.

Some Housing Choice voucher holders have returned their vouchers because they have not been able to find housing. Thus, notwithstanding the fact that there is a 98.4% lease up rate, it is important that the Draft detail how many vouchers were returned unutilized, so that the lease up rate is put into context. In addition, it is important that the Draft reveal where the vouchers are being utilized, to determine whether there is an over-concentration in a certain area. Finally, for a period exception rents were disallowed. The Element should detail how long a period this disallowance was in effect and the ramifications of same.

## **Chapter 6: Community Initiatives**

- Page 6-2: 2007 Work Force Housing Task Force Advocates are unaware of the activities of this Task Force. (It would be helpful to have a copy of their report/recommendations.)
- Page 6-3: RHNA numbers are used when referring to the affordable housing unmet need. The City's "unmet need" should depict the units needed to house the 21,000 households in need of affordable housing.
- Table 6-1: Lists the programs that were purportedly suggested in the course of the community workshops. At each of these public workshops, the public recommended the City protect its low income households by adopting a rent control ordinance. Nowhere is this protection discussed or evaluated. It appears that the staff has acted as gatekeepers in deciding which public recommendations would and would not be included. All the recommended initiatives should be listed and evaluated.
- Page 6-3: Joint Powers recommendation is described and assessed. The assessment suggests that Planning routinely expedites affordable housing projects and normally assigns case managers to these projects. It is our understanding that affordable housing projects are not expedited unless the Housing Division/Department requests same. In addition, we are not aware of any case managers having been assigned to affordable housing projects. Documentation is requested to support these statements. If such programs are truly in effect for all affordable housing projects, additional information should be distributed to both developers and advocates on these programs. It is, however, our understanding that such case managers are assigned to large projects.

Page 6-11: Housing Division/Department Funding Application. The application exists primarily as a paper requirement. Although the documentation outlined in the application is eventually produced, it is not required that all of it be produced before the application is reviewed and

processed. In addition, there are at least two ways for developers to secure Housing Trust funds. One is through the Housing Division/Department; another is through the Planning and Development Department. The rules that apply to Housing (such as a cap of subsidizing no more than \$150,000/rental unit) do not apply to the Planning Department. There should not be different rules depending upon which department is processing an application for funding. The Draft assesses the differences between the Housing and Planning deals, setting forth:

1. Whether the units are for-sale and rental
2. The number, type and affordability level(s) of the units
3. The amount and type(s) of funding provided
4. The amount of leveraging in the project

- Page 6-11 Fee Waivers for affordable units.

This assessment section discusses proposed waivers as if “work force” housing is “affordable” housing. This is incorrect. In fact, “work force” housing is market rate housing in most sectors of the City and higher than market rate housing in certain areas, such as Northwest Pasadena.

There are no waivers available through the Department of Water and Power. A schedule should be developed and the \$125,000 reduction cap should be eliminated.

Affordable housing projects should be allowed the same fee waivers as historic dwellings.

- Page 6-12, Social diversity. The City’s ability to meet its obligations to affirmatively further housing choices should be assessed.

## Chapter 7

For your convenience, PAHG has set forth its recommendations in chart form, along side the Planning staff proposals are PAHG recommendations in column three and PAHG recommended timeframes are set forth in column five.

Program	City Objective	PAHG Recommendations	Responsible Agency	Funding Source	PAHG Timeframe	Time Frame
Ia. Citywide Code Enforcement	Continue program implementation	Reform the code enforcement process so that it not solely or primarily individual complaint driven. Ensure that code enforcement is not used to or has the effect of unfairly displacing or targeting low-income households. Set up an appropriate evaluation of the program.	Dept of Planning and BNR Division	CDBG; GF	By the end of 2009	Ongoing
Ib. Emergency Enforcement	Continue program		City Prosecutor	CDBG; GF		Ongoing
Ic. Neighborhood Revitalization	Continue program	The Draft states that the City solicits public support by organizing projects, securing Volunteers, conducting neighborhood outreach. This was true in the past, but needs to happen again.	Dept of Planning and BNR Division	CDBG; GF		Ongoing

Program	City Objective	PAHG Recommendations	Responsible Agency	Funding Source	PAHG Timeframe	Time Frame
2a. Neighborhood Impact	Provide assistance to 25 households; continue to program parameters to use and address housing.	Conduct a housing conditions survey, link the program's marketing efforts with NRP Program and evaluate recent marketing efforts	Pasadena Neighborhood Housing Services	CDBG	By September 2009	Ongoing
2b. Rebuilding Together Pasadena	Provide assistance to 12 households annually under Rebuilding Together.	Evaluate the program and increase funding if needed	Rebuilding Together Pasadena	CDBG; HOME		Ongoing
2c. Neighborhood Organizations	Continue program implementation	Change the standards for the recognition of neighborhood associations; only those groups whose decision making structures reflect the racial and socio-economics of their service areas should be recognized.	Human Services and Recreation Dept.	GF	By the end of 2009	Ongoing
3a. Occupancy Inspection	Continue program		Dept. of Planning and Development and BNR Division	GF		Ongoing
3b. Quadrennial Inspection	Continue program		Dept of Planning and Development and BNR Division	GF		Ongoing
3c. Lead-based Paint Hazards	Train code compliance and inspectors to identify hazards. Conduct community and outreach on lead hazards and prevention.		Public Health Dept.	GF		Ongoing
4a. Maintenance Assistance to Homeowners	Provide assistance to 20 households on an annual basis.	Improve path by which trainees become employed within a timely manner. Design method of trainee and employee participant evaluations.	Dept. of Planning and Development BNR Division	CDBG	By the end of 2009	Ongoing
4b. Multi-family Rental Rehabilitation	Evaluate modifications to enhance utilization.	Loan public funds with the requirement that affordability must be in perpetuity. Work with HUD to eliminate the prohibition against the use of Section 8 funds in HOME financed units.	Housing Dept.	HOME; State		End of 2009
4c. Multi-family Acquisition and Rehabilitation	Establish program guidelines for an acquisition/ rehabilitation program, and specific goals and work plan for the first two years.	Develop a vision for what the City should look like in 2015. Loan public money with the requirement that rental affordability is in perpetuity. Amend program objective to ensure establishment of project parameters, defining the process, and identification of a dedicated funding stream.	Housing Dept. and City Council	IHTF; RDA; State; Federal	By June 2009	End of 2009

Program	City Objective	PAHG Recommendations	Responsible Agency	Funding Source	PAHG Timeframe	Time Frame
5a. Historic Preservation	Implement the Historic Preservation Ordinance.	Allow for Second Units in Landmark Districts. Amend program to include: (1) study the impacts of historic preservation on the stock of affordable housing. (2) ameliorate or eliminate any constraints on affordable housing and (3) balance historic and affordable housing needs.	Dept. of Planning and Development Planning Division	GF	Re-evaluation of the Second Units on Historic Properties by June, 2009. Complete study of impacts on affordable housing by end of 2009.	Ongoing
5b. Historic Preservation Incentives	Advertise available incentives for historic preservation and assist property owners in determining incentives for their properties.	Evaluate how historic preservation may function as a barrier to affordable housing.	Dept. of Planning and Development Planning Division	GF	By end of 2009	Ongoing
5c. Historic Home Rehabilitation	Continue Program	Produce documentation on the nature and benefits of program	Dept. of Planning and Development Planning Division	CDBG; GF	End of September 2008	Ongoing
6a. Preservation of At-Risk Housing	Contact property owners of at-risk projects to initiate preservation discussions. Based on outcome, 1) Provide preservation incentives; 2) Work with priority purchasers; 3) Provide technical assistance; 4) education to affected tenants; 5) Provide financial assistance	Revisit Rent Control as a method to preserve affordable housing. Establish a program objective of preserving all 800 affordable units at risk of conversion. Establish a goal that at least 15% of all of the city's housing stock, including its existing units, will be affordable. Establish the policy of preserving or arranging for a 1-for-1 replacement of units now housing low, very low and extremely low residents.	Housing Dept. and City Council	IHTF; RDA; State; Federal	By the end of 2009  By April 2009  By September 2009  By the end of 2009	Ongoing
6b. Condominium Conversions	Provide tenant protections through implementation of the City's current Condominium Conversion Ordinance. Provide City Council with the Task Force analysis of models to link affordability requirements to condominium conversions, and prepare ordinance revisions as directed.	Allow condo conversions only if one-third of the tenants in the complex qualify to stay.  Adopt the recommendations that the majority of the Condo Conversion Task Force supports.	Housing Dept.	GF	By end of 2008	End of 2008
7a. Land Use Element and Sites	Continue to provide appropriate land use designations consistent with regional housing needs for mixed use and infill development near transit and other amenities. Maintain an inventory of potential sites to provide to developers in conjunction with information on development incentives for affordable units.	Have a team visit the sites to make sure they are appropriate.  Ensure that the land use and open space elements, which will be developed in late 2008/2009, are consistent with the goal of preserving and producing at least 15% of the City's housing stock as affordable	Dept. of Planning and Development Planning Division	GF	By Oct. 2008  By Oct. 2008	Ongoing

Program	City Objective	PAHG Recommendations	Responsible Agency	Funding Source	PAHG Timeframe	Time Frame
7b. Housing Diversity	Continue to facilitate and encourage the broadest range of housing types.	Explore Community Land Trust and co-op housing as additional housing opportunities.  Until the RHNA goals are met, give funding priority to facilitating housing for extremely low, very low and low income housing.	Dept. of Planning and Development Planning Division	GF	By end of 2010	Ongoing
7c. Second Units	Review the City's second-unit standards, and evaluate changes to the ordinance to better facilitate second units in the context of maintaining neighborhood quality.	Use the same incentives as is provided for historic preservation (p. 7-13). Reduce the lot size from 15,000 to 5,000 s.f. if a unit is created within the foot print of the home; reduced to 6,500 if the unit is attached to the home and if detached at 10,000 or above	Dept. of Planning and Development Planning Division	GF	By June, 2009	Ongoing
8a. Inclusionary Housing	Continue to monitor the effectiveness of the Inclusionary Ordinance and expenditure of Inclusionary Housing Trust Funds, including preparation of an Annual Performance Assessment. By 2009, study modifications to the inclusionary program in light of the City's housing needs and market dynamics.	Eliminate the in-lieu fee and require that units will be built on or off site, or that developers provide a land donation. . Increase the percentage to 30% along transportation corridors and at least 20% elsewhere. Until the City's RHNA goals are met, developers of rental housing should aside 10% for very low income households and 10% for low income households.	Housing Dept.	IHTF; GF	By the end of 2009	
8b. Density Bonus Ordinance	Continue program implementation	Amend language to include quantified objectives of number of projects using the Density Bonus over the planning period and more specific steps by which to publicize the incentives available under this program to developers	Dept. of Planning and Development, Planning Division	GF	By the end of 2008	Ongoing
8c. Parking Incentives for Housing	Continue program implementation	Eliminate the requirement that affordable housing developers provide two full sized spaces. Allow affordable housing developers the option of providing compact or tandem parking without having to exercise a waiver. Reduce the parking spaces required for second units.	Dept. of Planning and Development, Planning Division	GF	By the end of 2008	Ongoing
8d. Consolidated Affordable Housing Review	Assess the development review process for affordable housing projects	Provide a consolidated affordable housing review	Housing Dept.	GF	By June 2009	By 2010
9a. Housing Opportunity Fund	Continue to provide financial support for affordable housing through the Housing Opportunities Fund. Develop an Affordable Housing Strategy to guide expenditure of funds consistent with Pasadena's housing needs.	Develop a Housing Trust that has \$25 million annually available, utilizing City general funds if necessary.  Discontinue the diversion of Downtown Redevelopment affordable housing funds to pay for City employee pensions.  Provide for transparency and public input on the use of these	Housing Dept.	GF	By the end of 2010  By June 30, 2009  By September, 2008	By 2010