

SAN BENITO COUNTY

Housing Advisory Committee

Committee:

*Board of Supervisor Bea Gonzales, District 5;
Board of Supervisor Betsy Dirks, District 1;
Chair of the Planning Commission, Robert Gibson, District 4;
Planning Commissioner, G.W. Devon Pack, District 5;
Development Community Public Member, Victor Gomez;
Affordable Housing Public Member, Seth Capron, and
Financial or Accounting Public Member, Jonathan Casey*

Minutes

Monday, July 11, 2022

11:00 A.M.

San Benito County Administration Building
Board of Supervisors Chambers
481 Fourth Street, Hollister, California

Webinar ID: 880 4184 9871
Webinar Password: 431708

Pursuant to AB 361, and the resolution adopted thereunder, relating to the convening of public meetings in response to the COVID-19 pandemic, and pursuant to the recommendation from Dr. Gellert dated January 5, 2022, members of the Committee are allowed to attend the meeting via teleconference and to participate in the meeting to the same extent as if they were present.

The meeting will be available through Zoom those who wish to join or require accommodations with the instructions below:

This meeting can be accessed in the following methods:

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e. **Public Comment:** If you are using a phone, please press "*"9" (star-nine) to raise your hand, and the Zoom facilitator will unmute you when your turn arrives.

Written Comments & Email Public Comment

Members of the public may submit comments via email by 5:00 PM on the Friday prior to the meeting to the Assistant Planner, Stephanie Reck, at sreck@cosb.us

Public Comment Guidelines

A. The Committee welcomes your comments.

B. If participating on Zoom, once you are selected you will hear that you have been unmuted: At this time, please state your first name, last name, and county you reside in for the record.

C. Each individual speaker will be limited to a presentation total of three (3) minutes, or such other time as may be designed by the Chair.

D. Please keep your comments, brief, to the point, and do not repeat prior testimony, so that as many people as possible can be heard. Your cooperation is appreciated.

If you have any questions, please contact **Stephanie Reck**, at (831) 902-2289, or email sreck@cosb.us

The San Benito County Housing Advisory Committee welcomes you to this meeting and encourages your participation.

- *If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period at the beginning of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. When addressing the Committee, please state your name for the record. Please address the Committee as a whole through the Chair.*
- *If you wish to speak on an item contained in the agenda, please seek recognition from the Chairman prior to consideration of the item.*

11:00 A.M. CALL TO ORDER

1. TELECONFERENCE INSTRUCTIONS

Dana Serpa-Ostojka, Office Assistant II, read the teleconference instructions to members participating remotely.

No public comment at this time.

2. PLEDGE OF ALLEGIANCE

Betsy Dirks, Board of Supervisor, led the Pledge of Allegiance.

No public comment at this time.

3. ROLL CALL

Committee Members:

1. *Bea Gonzales, Board of Supervisor District 5;*
2. *Betsy Dirks, Board of Supervisor District 1;*
3. *Robert Gibson, Chair of the Planning Commission, District 4;*
4. *G.W. Devon Pack, Planning Commissioner, District 5;*
5. *Victor Gomez, Development Community Public Member;*
6. *Seth Capron, Affordable Housing Public Member; and*
7. *Jonathan Casey: Financial or Accounting Public Member.*

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, Betsy Dirks, Board of Supervisor, Robert Gibson, Chair of the Planning Commission, and G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, arrived in-person for the meeting. Seth Capron, Affordable Housing public member and Jonathan Casey, Financial or Accounting public member, participated in the meeting via teleconference. Victor Gomez, Development Community public member, was absent for this meeting.

4. ACKNOWLEDGE CERTIFICATE OF POSTING

Robert Gibson, Chair of the Planning Commission, motioned to pass the certificate of posting.

Betsy Dirks, Board of Supervisor, seconded this motion.

Motion passed six to zero (6/0).

No public comment at this time.

5. **PUBLIC COMMENT:** *Opportunity to address the Committee on items of interest not appearing on the agenda. No action may be taken unless provided by Govt. Code Section 54954.2.*

No public comment at this time.

REGULAR AGENDA

6. **Proposed resolution pursuant to AB 361- Adopt proposed resolution authorizing teleconferencing options for meetings of the Committee for the period of July 11, 2022, through August 10, 2022, pursuant to AB 361.**

Seth Capron, Affordable Housing public member, motioned to pass this resolution.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, seconded this motion.

Motion passed six to zero (6/0).

No public comment at this time.

7. **Adopt June 6, 2022, Minutes.**

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, motioned to adopt the minutes.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, seconded this motion.

Motion passed six to zero (6/0).

No public comment at this time.

8. **Review and provide recommendation of the Lands of Lee Affordable Housing Agreement Plan.**

Arielle Goodspeed, Principal Planner, presented the Lands of Lee Affordable Housing Agreement Plan to the committee.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that minimum unit size is defined as 80% of the average. She asked what size square footage we are looking at.

Arielle stated the market rate units range from 1,822 square feet to 2,591 square feet and ADU's are 438 square feet. If you take the average between 438 and 2,591 it comes out to be approximately 1,522 square feet. The unit sizes of the duplexes will be 1,547- and single-family units will be 1,822.

Bea Gonzalez, Board of Supervisor-Chair of the Housing Advisory Committee, reiterated that the average sizes will be 1,547 square feet and 1,822 square feet. Arielle Goodspeed, Principal Planner, stated this was correct and they will all have the same exterior as market rate units.

Seth Capron, Affordable Housing public member, asked for more clarification on how the calculation was conducted for the average square footage. He asked if the square footage of the ADU's is counted as a unit and is used to get the average footage of a unit?

Arielle Goodspeed, Principal Planner, stated this was correct that the proposal includes the ADU's as they are attached, but they are separate with a separate entrance and can be rented. This is why they wanted to include it in the square footage calculations.

Betsy Dirks, Board of Supervisor asked if the ADU's are under 500 square feet because they are attached to the home. Arielle Goodspeed, Principal Planner stated this was correct.

Jonathan Casey, Financial or Accounting public member, asked if there would be a pass-through door from the ADU to the residence. Arielle Goodspeed, Principal Planner stated there would be no connecting door and that the ADU will have a private entrance.

Joel Ellinwood, Assistant County Counsel, asked if this proposal had been received by the RMA in an official capacity. Arielle Goodspeed, Principal Planner, stated that was correct, but that they made some modifications. Joel Ellinwood, Assistant County Counsel asked if the document could be sent to him. Seth Capron, Affordable Housing public member, asked if it could be sent to everyone. Arielle Goodspeed, Principal Planner stated that she would send it out.

Bill Lee, Lands of Lee Applicant, stated that he is trying to build something a little different than the typical project that appears in the county. He stated that housing affordability is a large issue but that it is difficult for private developers to build 100% affordable as it is not feasible to the developer. That is why he has tried to build smaller units for market rate units, because this helps to build a void in this community for smaller homes. He stated that they wanted to include the ADU's as builders cannot afford to build the smaller ADU's anymore. He stated that the ADU's do not count towards their housing stock as they are still building the 15% affordable units and providing 25 ADUS in addition. He stated that he would like to pay in-lieu fees and wants to move one of the 5% tiers up to workforce housing and provide housing for firefighters, policemen, and teachers. Bill stated that the location is about five miles from the closest grocery store which would create transportation issues for low income, they want to build in categories where persons have more means to travel.

Arielle Goodspeed, Principal Planner stated that the forty-five-hundred-dollar fee comes out to five hundred and forty-four thousand five hundred and if you divide by 21 units, we are looking at just shy of twenty-six thousand down payment per unit.

Seth Capron, Affordable Housing public member, stated that he is unclear on the relationship between eliminating the requirement for low-income units and the payment of in-lieu fees.

Bill Lee, Lands of Lee Applicant, stated this proposal is based off the Lico development which was the most recent affordable development to begin in the county.

Seth Capron, Affordable Housing public member, stated that it sounds like he is meeting the unit requirements but still paying in-lieu fees because he is not meeting the low-income requirements.

Bill Lee, Lands of Lee Applicant, stated that they are taking the low income 5% bracket (1/3rd of the units) and moving it up to the next bracket and paying the fees in-lieu of providing those units as it is their contention that individuals in the low-income bracket will be having transportation issues. In exchange for moving the bracket up they will provide in-lieu fees and provide them as a down payment assistance to help the 21 affordables get into the unit.

Jonathan Casey, Financial or Accounting public member, asked if they have verified if firefighters and teachers are in the same income bracket, they are looking at. Bill Lee, Lands of Lee Applicant, stated this was correct and all the units will be deed restricted so applicants must be within the income requirements.

Seth Capron, Affordable Housing public member, asked if the duets are planned as separate lots to be build as town homes. Bill Lee, Lands of Lee Applicant stated this was correct. Seth Capron, Affordable Housing public member, stated this proposal has some good features and he appreciated the proposal for smaller units. However, Seth Capron, Affordable Housing public member, stated the shifting of low-income units to non-low-income units is a concern to the committee. Seth Capron, Affordable Housing public member, stated the rationale that low-income residents don't have transportation is not true in his experience working on low-income projects, this is more of an issue with very-low-income. Seth Capron, Affordable Housing public member, stated the plan of shifting the in-lieu fees as down payments is laudable but the goal is to include low-income.

Arielle Goodspeed, Principal Planner, stated the 2021 HUD median income is a hundred and five thousand one hundred dollars for a family of four. Bill Lee, Lands of Lee Applicant, stated in this range a family may have one car but most likely not two.

Betsy Dirks, Board of Supervisors, stated that since the level changes annually this would have to noted in the agreement to account for the annual changes. Joel Ellinwood, Assistant County Counsel, states the ordinance references the HCD published schedule, so it essentially adjusts as the schedule is updated.

Seth Capron, Affordable Housing public member, stated the rationale for transportation could be applicable to any subdivision in the county and if this proposal is accepted it would set a precedence for taking the meaning out of requiring low-income housing in all new developments.

Bill Lee, Lands of Lee Applicant, stated the precedence is set as this is what Lico did and this what the RMA told him to emulate.

Joel Ellinwood, Assistant County Counsel, stated that the Lico project was approved before the ordinance was updated in 2020 and ordinances change over time. What may have been done in the past does not necessarily apply to the present.

Bill Lee, Lands of Lee Applicant, stated they submitted their proposal before the change in the code and they did not receive their comments within 30 days and that it is his understanding

that the proposal would be held up to the old code and they did not get the comments within 30 days. His goal is to make this project work economically as it is easier to build 3,000 square footers as you get the same dollar amount on the 3,000 and 2,000 and can amortize all the cost for the individual lot on the 3,000 than the 2,000. But he has lot sizes of 2,500 with a lot of 1,800-footer not counting the 400-500 square foot ADU's which creates a significant economic burden in developing this and he hopes the committee would take this into consideration when reviewing this application.

Seth Capron, Affordable Housing public member, stated that he has some concerns about using the square footage of the ADU's to calculate the square footage of the affordable units. He would add the square footage of the ADU's, unless there is a deed restriction that requires the ADUs to be rented, his concern is that they will end up being used as part of the living space for the main dwelling

Bill Lee, Lands of Lee Applicant, stated there is no connection to the main dwelling and the intention is to provide units for elderly, disabled family members, or rentals. They have their own entrances, and they are separate units. To add the ADU's back in would be a penalty to the applicant for offering ADU's and would make it more attractive to not offer the ADU and have the extra square footage.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked about the status of the project if it was submitted in a complete application and if it has gone to the planning commission. She asked if the purpose of presenting this was to gather their feedback on how to enhance the project to make it viable.

Arielle Goodspeed, Principal Planner, stated they are coming to the HAC prior to the release of the EIR with the final project description and want the recommendation to include in the final project.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if the applicant is correct in that he did not receive his comments within the 30-day window so he is not subject to the new ordinance, Joel Ellinwood, Assistant County Counsel, stated that he would have to review the facts from the dates of submission and responses from the county before he could answer this question. He continued to state the new ordinance does require the submission of an affordable housing implementation plan and we will have to determine if this will affect the completeness of the project.

Arielle Goodspeed, Principal Planner, stated that project has been modified through the comment and review process. Comments were sent including the existing ordinance, but when they resubmitted in August 2021, they changed their application to include a planned unit development overlay instead of just a zone change to the general plan designation of residential mixed.

Bill Lee, Lands of Lee Applicant, stated it was his understanding that the new ordinance has a section that provides for alternative plans which is what he is presenting. Arielle Goodspeed, Principal Planner, stated this was correct and that part of the planned unit development is due to the fact that the back section of this parcel is a dry creek with an elevation and is almost unbuildable. Bill Lee, Lands of Lee Applicant, stated the biggest challenge is the lack of access

to the back. He continued to state he wants the committee to take a look at the smaller homes, the ADU's, the 15% affordable units.

Betsy Dirks, Board of Supervisor, stated that she appreciates the proposal as it is something different than they have seen in the past. She is trying to look at where the new ordinance stands and where his proposal is at to come to an agreement that works for all parties as this is one of the best affordable housing proposals that she has seen.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that his understanding is that this location is about half a mile north of Ridgemark on Fairview Rd and as far as services the applicant is correct in that there are limited services nearby. There is Leal Vineyards, a restaurant at the golf course, and whatever may come in with the Gavilan extension but there are not many commercial amenities, and it would be a car dependent development.

Bill Lee, Lands of Lee Applicant, stated there is a residence at the southeast end of Old Ranch Road behind the barn that would be demolished in the first phase of development.

Robert Gibson, Chair of the Planning Commission, stated that he agrees with Seth Capron, Affordable Housing public member, and that everything built in the county will not be close to services and if we are to say this is the new standard, we need to change the ordinance as there are not stores in the county and it would not apply. He believes we are defeating the purpose of low income as we are leaving them out again in favor of people who are making 80-100 thousand a year and it is not obtaining the goals we want to obtain. We may be better served by allowing low-income people to obtain housing as well.

Jonathan Casey, Financial or Accounting public member, stated that he agrees with the commissioner's comments but that there is a middle that is missing, and we need to take these proposals in one by one. There is evidence of this being in line with what another project has done, but if we look at these one on one and look at where the project is at regarding resources this would make sense. However, there is a missing middle, and this may help fill that in, people are looking for homes with ADU's to make them more affordable and supplement mortgage with rent.

Joel Ellinwood, Assistant County Counsel, pointed out this is an advisory committee, and the role is not to approve an alternative plan, which is approved by the Board of Supervisors, this committee could make recommendations as part of the planned unit development and zone change application. The committee can make recommendations to the Planning Commission regarding approving a tentative map and the Board of Supervisors regarding remaining entitlement for this project.

Betsy Dirks, Board of Supervisor, asked for further clarity on where the Planning Commission fits into this. Joel Ellinwood, Assistant County Counsel, stated the process as whole including the tentative subdivision map, zoning amendment, and planned unit development plan will go before the planning commission who has the primary authority to approve the tentative subdivision map and would present recommendations to the Board of Supervisors regarding the other entitlements that are required, and the final decision would be made by the Board of Supervisors.

Arielle Goodspeed, Principal Planner, clarified the approving body for these plans is the Board of Supervisors. Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that one way or the other all three of these bodies would see this project.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if Bill Lee, Lands of Lee Applicant, understood the comments they have made regarding this project. Bill Lee, Lands of Lee Applicant, stated that he has heard 5 distinctive voices through this process.

Seth Capron, Affordable Housing public member, asked if this would be a good time to make a motion. Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, said yes if there is a recommendation to be made. Seth Capron, Affordable Housing public member, motioned to have the developer goes back in and add low-income units and not propose to use in-lieu fees for those units as the statement that services aren't providable for low income has not been supported with the information provided today.

Robert Gibson, Chair of the Planning Commission, seconded this motion

Motion tied 3/3

No public comment at this time.

9. Overview: Updates to Ch. 21.03 Affordable Housing Regulations.

Stephanie Reck, Assistant Planner, provided an overview of the updates to the Affordable Housing Regulation.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if these updates were based on the direction that was provided to staff during the May 24th Board meeting. Stephanie Reck, Assistant Planner, stated this was correct and the updated also include recommendations based on the June 6th Housing Advisory Committee.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, clarified that 21.03.005 has no fees from 0-5 units and the fees would start from 6 and beyond. Stephanie Reck, Assistant Planner, stated this was correct and that developers can pay in-lieu fees for fractions of less than .7, so starting at .6 and below.

Arielle Goodspeed, Principal Planner, started that there is a roman numeral under the 11-unit row that needs to be changed to a number. Stephanie Reck, Assistant Planner, stated that she will fix this.

Robert Gibson, Chair of the Planning Commission, asked where the Board of Supervisors authority is written in the ordinance. Joel Ellinwood, Assistant County Counsel, stated that any decision of the Planning Commission is appealable to the Board of Supervisors so if any of the land use ordinances refer to the planning commission as the deciding body, the decision is still appealable to the Board of Supervisors.

Arielle Goodspeed, Principal Planner, also shared that in other places in the ordinance it lists the Board of Supervisors as being the deciding body. Joel Ellinwood, Assistant County

Counsel, stated this was correct and that it is a general provision in the ordinances that deal with Planning Commission authority.

Seth Capron, Affordable Housing public member, recommends that we remove the word proposed from 21.03.007 (B) and substitute previously planned or required. Stephanie Reck, Assistant Planner, stated that she would incorporate this change.

Seth Capron, Affordable Housing public member, stated that in our past discussions of 21.03.008 (C) that projects built on septic systems would be eligible for this exception. He asked if the term public sewer includes a package treatment plant at a subdivision that is not owned by a public authority?

Joel Ellinwood, Assistant County Counsel, stated that the county has previously approved County Service Areas that have included package wastewater treatment plants, examples are Cielo Vista and Rancho Larios, and both have been problematic. It is unlikely that the county would support package plant development for remote rural subdivision in the future. There are increasing regulatory requirements by the regional water quality control board that makes these types of systems more problematic. The emphasis is one regional wastewater treatment or the recycling of treated wastewater through ground ejection or use for agricultural irrigation water.

Stephanie Reck, Assistant Planner, stated the initial concerns for this section were that the language was ambiguous and unclear. Stephanie Reck, Assistant Planner, asked if the members feel this update resolves those issues.

Seth Capron, Affordable Housing public member, stated that he is concerned. It is hard to know what outcomes would be for a package treatment plant or a project that is on public sewer but not on public water. Assuming these are on city size lots there would be no reason to grant an exemption just because a project was on well water. This language could use some clarifying. He thinks we can include projects that are relying on septic systems and that could take the place of lack of water or sewer.

Joel Ellinwood, Assistant County Counsel, stated this suggestion would be the inverse of the current language and is perhaps clearer because when we talk about public water or sewer, we have examples like San Juan Oaks which is more of a hybrid of the two where Golden State Water is the provider, and it is public utility, but it is not a public entity. They would also be managing the sewer collection system and the pump stations before it is transported to the city of Hollister wastewater treatment plant. There could be regulated public utilities that provide just water or both water and sewer. This is the only project in the county that would be reliant on a regulated public utility rather than a public system that is a special district or a municipal system.

Stephanie Reck, Assistant Planner, asked if the committee members want this language to be revised. Joel Ellinwood, Assistant County Counsel, stated that substituting on septic systems for lack of public sewers would be a clearer way to do it.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, asked if we add septic systems to this language if it would constrain the ordinance in any way as this section was a main concern for the Board of Supervisors. Joel Ellinwood, Assistant County Counsel,

stated that his understanding of the main concern was the vagueness in the term “lack of access to services” which was illustrated in our previous discussion of what constitutes public services. So, this language was intended to be more specific as to what that original phrase meant. To say that projects that are on septic would be eligible for the exemption would accomplish the same objective.

Betsy Dirks, Board of Supervisor, feels like this phrasing is clearer and would take out more of the ambiguity in the phrasing.

Arielle Goodspeed, Principal Planner, asked if they would also like us to state the inverse of public water to state wells. Joel Ellinwood, Assistant County Counsel, stated the challenge with wells is the requirement between, you could have a community water system with a shared use of wells for multiple projects, and there are increased regulatory requirements for that. There is also a separation requirement from where septic leach fields are located and where domestic water is located, both of which are administered through Environmental Health and may be subject to other regulatory requirements. It is a little more difficult to specify the particulars of the public water system.

Betsy Dirks, Board of Supervisor, asked if CSA 55 is a good example of this. Joel Ellinwood, Assistant County Counsel, stated CSA 55 would be a bad example of this. It is a large lot rural development that has wells and septic on individual lots. There are some that include a common leach field with individual septic tanks. There are several variations to how this has occurred in the county.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated the main goal was to omit any loopholes in the ordinance so developers don't have wiggle room. Staff should work with County Counsel to revise this.

Joel Ellinwood, Assistant County Counsel, stated this is a function of the fact that under the current zoning standards for agricultural Productive land the minimum parcel size is five (5) acres. So, you can have five (5) acre large lot residential subdivisions that are zoned for agriculture use but are residential projects so that is why we have a number of these from the 90's era. Whether or not those types of developments are economically viable may hint to why we have not seen many of these proposals recently, but it was a style of development that occurred during that era.

Seth Capron, Affordable Housing public member, stated that in 21.03.012 to include the impact fee waiver the Board of Supervisors would need to identify an alternative source of funds for the impact fees. Seth Capron, Affordable Housing public member, asked if we need to discuss further the use of the in-lieu fund. Stephanie Reck, Assistant Planner, stated that we will discuss this during the next item on the agenda.

No public comment at this time.

10. Discussion: Mechanism and Trigger for Expenditure of In-Lieu Fund.

Stephanie Reck, Assistant Planner, reminded the committee the status of the in-lieu fund is nine-hundred seventy-eight thousand, five hundred and forty-three dollars. Stephanie Reck, Assistant Planner, then presented the historical background of discussion regarding the use of

this fund. Stephanie Reck, Assistant Planner, presented three viable options; (1) saving the funds for use on a large project, (2) backfilling the impact fee waiver, or (3) creating a down-payment assistance program or closing cost program.

Jonathan Casey, Financial or Accounting public member, stated that he would love to have a large amount of funds to use for a big project, but he does not feel this would be feasible. He feels the backfilling of the fee should come from the regular budget and not use this fund. He is in favor of option 3 to create down-payment assistance or a closing-cost program for folks who meet the affordability requirements. He realizes this would be another program to run but it would highly benefit the community.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that in the long-term saving the funds to grow the funds may be a good idea. He wants the county of San Benito to develop a sovereign wealth fund to grow the funds that exist in the long run. In the short term this fund could reach maximum effectiveness by being an alternative option as an emergency grant to ensure a funding option in the event a funding source falls through for an affordable housing project.

Betsy Dirks, Board of Supervisor, asked Seth Capron, Affordable Housing public member, to comment on how frequently funds promised to an affordable project fall through. Seth Capron, Affordable Housing public member, stated that it is not uncommon for funding sources to fall through. He thinks it would make more sense to target the money for projects in general who may have funds fall through or are having challenges obtaining funds.

Seth Capron, Affordable Housing public member, stated that it is his understanding that jurisdictions can obtain funding sources to run down payment and closing costs programs through HCD. The difficulty would be having staff or consultants available to write the grant, but this would be a good way to spend the money for staff time or having outside consultants come in and write the grants. Having the funds available for larger projects will result in the most impact to affordable units and can be leveraged with state and federal funds to have projects built.

Seth Capron, Affordable Housing public member, asked if the loan to CHISPA was a long-term or short-term loan during the construction period.

Jamila Saqqa, the City of Hollister Housing Coordinator, stated that she has a correction regarding the CHISPA loan and that it was funded through a HOME grant and not the in-lieu fund. She stated the most recent activity was supporting Health and Human Services to provide assistance for them to complete emergency housing on Southside Road. They had some building fees they couldn't pay based on calculations of increased cost for materials. So, we provided money as a gap. The CHISPA loan was long-term but through the HOME grant program. Same idea that we are providing gap funding to these developments. This has helped to incentivize other lenders, like Wells Fargo, who were supportive as these developments had jurisdictional backing.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that if we do something like the CHISPA loan again, we need to ensure the allocation goes to residents as the million-dollar supported CHISPA to clear their roster of other individuals who were not local residents. She wants to tie the money up to ensure it is for local individuals

Jamila Saqqa, the City of Hollister Housing Coordinator, stated that she agrees with Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, and that we would have to find a way with fair housing laws of how we can be able to dictate that given that it was money from this county.

Betsy Dirks, Board of Supervisor, stated that we are hiring a grant writer through the county, and we should make it a priority of theirs to look at this. Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that she agrees with this.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that to clarify, if we set up a down-payment or closing-cost program it seems we can do this one of two ways. One is to have the grant writer handle the process and the other is to have it handled by the RMA. He asked Arielle Goodspeed, Principal Planner, to discuss the manpower it would take to administer this program.

Stephanie Reck, Assistant Planner, stated that we would need to allocate resources for a County Housing Coordinator to run and administer the program. Stephanie Reck, Assistant Planner, clarified that her official title is a planner and that she is not funded to perform Housing Coordinator duties.

Stephanie Reck, Assistant Planner, summarized what she has heard and stated that some of the committee members are interested in the down-payment assistance program by utilizing grant funds for this purpose and not the in-lieu fund. Stephanie Reck, Assistant Planner, Stated that it appears the majority of committee members are interested in saving the funds to be used for a larger project.

Robert Gibson, Chair of the Planning Commission, stated that we should not completely discount the option for backfilling the impact fee waiver for 100% affordable projects because if the board cannot find funds what would we tell the developer.

Seth Capron, Affordable Housing public member, stated that the idea of backfilling the impact fee waiver is essentially providing a subsidy to a project, at what point would it be simpler to just provide a subsidy, because if we are taking the in-lieu fees to use for this we are just giving money back to the project.

Stephanie Reck, Assistant Planner, asked if the HAC would like staff to recommend to the Board (1) saving the funds and (2) using the funds to backfill the impact fee waiver. Stephanie Reck, Assistant Planner, then clarified that option 3 is not off the table, but that we could look into other funding sources, such as a grant, to establish this. Arielle Goodspeed, Principal Planner, stated that the HAC comes up with the options then when a project comes in that requires the grant the individual project approval would then go to the Board. Joel Ellinwood, Assistant County Counsel, stated the Board makes the final decision on all of this.

11. Discussion: Identifying surplus land for Affordable Housing Developments.

Stephanie Reck, Assistant Planner, presented five (5) different properties in the City of Hollister and the County of San Benito that were explored as locations for affordable housing.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, wanted to clarify if there was soil contamination at 0 Tierra Del Sol due to the fact that the wastewater treatment plant is failing. Stephanie Reck, Assistant Planner, stated this was correct.

Joel Ellinwood, Assistant County Counsel, stated the septic field is located in the northernly parcel of 0 Tierra Del Sol is where the wastewater treatment plant is located. There may have been issues with the leach field in the past, but if the wastewater treatment plant and the septic field were removed the property could be used for a variety of land use.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that we may need to conduct some environmental analysis to reduce potential liability of 0 Tierra Del Sol. The question we need to ask is what the degree and scale of contamination is and if that makes any health risks to residential development

Joel Ellinwood, Assistant County Counsel, stated this is something that would be evaluated at the time the property at 0 Tierra Del Sol becomes available for potential reuse.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated the property located at 1795 Sunnyslope Rd is not really an option for developing affordable housing as it is so small and would be restricted to one unit

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that if Habitat for Humanity were able to support with one self-help home it would just be a drop in the bucket.

Betsy Dirks, Board of Supervisor, stated the only way development on 1795 Sunnyslope Road would be feasible is if a duet home were built on this location.

Jonathan Casey, Financial or Accounting public member, asked why the property located to the east of 0 Buena Vista Road would need to be annexed into the city for the parcel in question to be annexed. Joel Ellinwood, Assistant County Counsel, stated that annexation requires contiguity, it must be continuous areas as you cannot have an island annexed into the city. The adjacent property would have to be annexed in at the same time. Jonathan Casey, Financial or Accounting public member, asked if the eastern parcel is a vacant lot. Joel Ellinwood, Assistant County Counsel, stated there is at least one residence located on the eastern parcel, but he is not aware of the current state of cultivation or if there is an active orchard or not.

Betsy Dirks, Board of Supervisor, asked if annexation would require the resident of the eastern parcel to opt in. Joel Ellinwood, Assistant County Counsel, stated this was correct.

Seth Capron, Affordable Housing public member, asked if staff have reached out to this resident to see if they would be willing to annex into the city. Stephanie Reck, Assistant Planner, stated that staff have not gone that far just yet as the goal was to present these options to the Committee then conduct further research on the parcels that have been identified as viable options for affordable housing. Seth Capron, Affordable Housing public member, stated the 0 Buena Vista Rd property is a good location for single-family self-help housing being its location is little farther from town. It would be less appropriate for multi-family

due to its location, but multi-family homes would be an opportunity for serving very low and extremely low-income families. The utilities and annexation are not insignificant given the political climate but if that could be overcome this would be a good opportunity to provide more affordable housing.

Betsy Dirks, Board of Supervisor, Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, Jonathan Casey, Financial or Accounting public member, verbally stated their agreeance with Seth Capron, Affordable Housing public member, comments regarding the 0 Buena Vista Rd property.

Betsy Dirks, Board of Supervisor, stated is her understanding that the fire department could not use the property located at 5292 Fairview Rd due to flooding issues. Have staff investigated what it would take to mitigate the flood risk to this parcel.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that she is on the facilities committee, and they are looking at valuation of the property at 5292 Fairview Rd to see what it is currently worth. They will bring this back to the Board of Supervisors to discuss liquidation or repurposing of the property. Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that we should not earmark this property for affordable housing and that the Buena Vista property appears to be a better option.

Seth Capron, Affordable Housing public member, asked if staff have analyzed to potential risk of the flood zone for housing development on the parcel at 5292 Fairview Rd as typically that is problematic. Sometimes you can mitigate the challenges but often times you can't, and development does not occur. Stephanie Reck, Assistant Planner, stated this research has not been conducted yet.

Arielle Goodspeed, Principal Planner, stated that we have a floodplain ordinance that requires specific additional building requirements and other items including density. We can bring this back to the HAC

Seth Capron, Affordable Housing public member, asked if any soil testing has been conducted on this property acquired by the Health and Human Services Agency located at N. Chappell Rd to see if there have been any soil contamination from past farming activities.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, (filling in for Enrique Arreola, Deputy Director of Community and Workforce Development) stated that she was unaware if any testing like this has taken place at the property located at N. Chappell Rd.

Stephanie Reck, Assistant Planner, stated that she will connect with HHSA to determine if any soil testing has been conducted on this property and if they have any specific intended use of the property in mind.

Seth Capron, Affordable Housing public member, asked if HHSA has any type of housing in mind for this parcel currently or if it is available for affordable housing. Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that the two residences will be used for transitional housing for the homeless.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, clarified that we are interested in any plans for the undeveloped portion of the parcel, and not the two residences. Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that additional information from Enrique Arreola, Deputy Director at Community and Workforce Development, would be necessary.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that her understanding is that the planning for this parcel is still in progress. They were looking at modular homes. Santa Cruz County was going to donate these modular homes. Enrique Arreola, Deputy Director of Community and Workforce Development, and Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, even went to view these modular homes. Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, does not have any further information and suggests connecting with Enrique Arreola, Deputy Director of Community and Workforce Development. Stephanie Reck, Assistant Planner, stated that she would do this.

Betsy Dirks, Board of Supervisor, asked if this has been annexed into the city and if they have public sewer or water. Joel Ellinwood, Assistant County Counsel, stated this was correct. Betsy Dirks, Board of Supervisor, and Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated they would like to see tiny homes be built on this property.

Joel Ellinwood, Assistant County Counsel, stated that the county also has half of the super block at Flynn Road where the jail and the juvenile facility are located on the west half. And this was potentially proposed as a safe camping ground, but that consideration was not followed through or denied by the Board at the time. That is still county owned property that is available for affordable housing

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that at the last Facilities meeting they explored using that property at Flynn Road to use as county wide storage or a storage facility, however this has not gone to the Board yet. In the past they have spoken about using this place as a homeless encampment, but, given some restrictions at that specific property and the objection of some of the businesses in the area to use it as homeless encampment it was unfavorable.

No public comment at this time.

12. Discussion: Limits on Rent Increases Between Tenants.

Stephanie Reck, Assistant Planner, provided an overview of staff research into setting limits on base rent charged.

Joel Ellinwood, Assistant County Counsel, clarified that we are not legally allowed to set regulations base rent charged for a unit due to the Costa-Hawkins act that was passed in 1995 which prohibited rent control for units developed after that date. There are some exceptions that may apply to mobile home parks, but generally the state does not permit new rent control ordinances to be adopted.

Stephanie Reck, Assistant Planner, provided an overview of AB 1482 the Tenant Protection Act of 2019 and how it protects tenants.

No public comment at this time.

13. Overview: Support for At-Risk Tenants with Children in School.

Stephanie Reck, Assistant Planner, provided an overview of ordinances in metropolitan areas which protects tenants from eviction if they have children under the age of 18 who are in the school year or if the tenant is an educator. Stephanie Reck, Assistant Planner, stated that staff did not find any rural jurisdictions that had similar provisions. Stephanie Reck, Assistant Planner, asked if the committee members were interested in developing a provision such as this for the County of San Benito.

Robert Gibson, Chair of the Planning Commission, stated that he does not think we should explore this further.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated that staff should reach out to Krystal Lomanto, San Benito County Superintendent, to see if there is a perceived need, but if there is not a perceived need for low-income school children who are having this challenge, we don't need to explore this option further. We should see if there is any input from the County Board of Education.

Betsy Dirks, Board of Supervisor, stated that she agrees with G.W. Devon Pack's, Planning Commissioner-Vice Chair of the Housing Advisory Committee, comments and that there is definitely a homeless population within our school system that we should explore.

Stephanie Reck, Assistant Planner, stated that she will conduct this research.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, stated this is going towards the idea of a range of categorical protections for certain peoples in certain conditions. There are also military service persons protections, which is basically to protect families for military personnel for family who have members overseas, there is this phenomenon where they come home from tour and their family have been evicted. This may be a narrow category as he does not know how many veterans are in San Benito County. We should talk with local veterans' groups to see if there is a perceived need.

No public comment at this time.

14. Discussion: Rent support for At-Risk Tenants.

Stephanie Reck, Assistant Planner, provided an overview of the Health and Human Service Agency General Assistance Programs.

Stephanie Reck, Assistant Planner, then invited Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, to present on a few more programs HHSA runs that can support at-risk tenants.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, presented an overview of rent support programs for at-risk tenants.

Betsy Dirks, Board of Supervisor, asked what the income eligibility level is for the TBRA (Tenant Based Rental Assistance Program) program. Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that she does not have the income guidelines on hand but that she can email the information out. Betsy Dirks, Board of Supervisor, asked how many persons are being served by the TBRA program and Housing Support Program. Betsy Dirks, Board of Supervisor, also asked what the current need is and if we have a waiting list. Overall, she wants to know how many persons are being served through these programs TBRA, Helping Hands, and the Housing Support Program and how many persons still need support if there is a waiting list.

Betsy Dirks, Board of Supervisor, then stated that if there is a grant in particular that may be more wholistic for this type of thing are we are trying to address homelessness, this may be something the grant writer for the county could support with.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that she can get this information for us. Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, then stated that the TBRA program is supporting 26 families, some have exhausted the 12 months. This program is only until February of 2023. The total is 26, but some families have come in and are at the 6-month mark. The income eligibility is based on family size and monthly income. A family of 4 cannot make more than sixty-three thousand and sixty.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated the Helping Hands Program has 11 units that are all currently supporting families with a total number of 20 persons being supported.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, the Housing Support Program is run by CalWORKs so she doesn't have this information, but she can help to gather the information.

Ruby, Soto, Employment and Training Supervisor at Community Services and Workforce Development, stated that Enrique Arreola, Deputy Director of Community and Workforce Development, is working with Anthem Blue Cross to secure a grant to have Anthem provide case management services for homeless individuals in the County. They brainstormed ideas and addressed mobile shower units, tiny homes- like the ones in Santa Cruz County at the Homeless Campus.

No public comment.

15. Discussion: Enforcement of Monitoring of Affordable Units.

Stephanie Reck, Assistant Planner, invited Jamila Saqqa, the City of Hollister Housing Coordinator, to come up to the podium to support with this item as it is a joint task between the County of San Benito and the City of Hollister.

Stephanie Reck, Assistant Planner, presented an overview of HCD's guidelines for monitoring rental and homeowner units. Stephanie Reck, Assistant Planner, provided an overview of the county's current monitoring procedures and options for new procedures.

Betsy Dirks, Board of Supervisor, stated that she likes the ideas of a wellness check and the summons. She does not prefer the lien option as she does not want to contribute to debt for the individuals.

Robert Gibson, Chair of the Planning Commission, stated that he has a concern about sending a single individual out to a home to conduct a wellness check unless there is a secondary or a sheriff's deputy. Betsy Dirks, Board of Supervisor, stated that she agrees with this and wouldn't want anyone to be at risk if someone feels threatened.

Stephanie Reck, Assistant Planner, stated that we can make it a provision to conduct the wellness checks with more than one person or with a sheriff for safety.

Seth Capron, Affordable Housing public member, stated that sending a sheriff may make the resident feel threatened. He thinks sending two county employees would be fine. Typically, these are homeowners who are not renters and have stake in the community. The things we are concerned about is that the home is insured and that they are not renting it out. The Riverview II loan agreements list out that the county has the right to inspect the units as it is in our interest to maintain them. He stated it would be important to look at future documents to ensure the language is clear. It is important the county enforces the requirement that they not be rented so having a mechanism for pursuing these issues is worth while.

Arielle Goodspeed, Principal Planner, stated that as an option we could send a code enforcement officer instead of a county sheriff.

Stephanie Reck, Assistant Planner, then stated it is the goal to make this procedure standard for the city and the county.

Jamila Saqqa, the City of Hollister Housing Coordinator, added that monitoring compliance issues was a challenge she had when she was supporting the county. She has the same issue at the city and had about the same return rate, however she monitors more properties. It was even harder the past few years to conduct the monitoring due to COVID. However now that things are returning to normal, next year will be the time to test this out as the monitoring is conducted in January.

Betsy Dirks, Board of Supervisor, stated that she is happy to see how we are working together, and it is a good example of bridging the gap between the city and county.

No public comment at this time.

16. Discussion: Updated Rental Data for Inclusionary Housing Study.

Stephanie Reck, Assistant Planner, presented updated rental data that continues to show a negative cost in return for rental units for the county and are still infeasible to the developer.

Seth Capron, Affordable Housing public member, asked if this was based on the price of rent which is making it infeasible to the developer.

Stephanie Reck, Assistant Planner, stated that it was based on two affordable rental developments that were produced in the county.

No public comment at this time.

17. Discussion: Preliminary Housing Element Workshop for Community Development.

Stephanie Reck, Assistant Planner, presented an overview of the purpose and planning for the housing element workshop.

Stephanie Reck, Assistant Planner, stated that staff are interested in having an elected official join the event to provide opening comments.

Betsy Dirks, Board of Supervisor, stated that she would be happy to be the opening speaker.

Stephanie Reck, Assistant Planner, invited the Monterey Bay Economic Partnership (MBEP) to provide additional details.

Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership, stated that we welcome any Supervisor or HAC member to attend or provide comments on our role within the San Benito County housing ecosystem.

Bea Gonzales, Board of Supervisor-Chair of the Housing Advisory Committee, stated that she is happy we are having this conversation now as her and Betsy Dirks, Board of Supervisor, are both on the AMBAG Board and have been attending these meeting for Monterey and Santa Cruz County.

Betsy Dirks, Board of Supervisor, asked when we would know the official date of the workshop. Stephanie Reck, Assistant Planner, stated that we are hoping for September 22nd and asked if this works for everyone's calendar.

Seth Capron, Affordable Housing public member, stated that he is not available on September 22nd but would be available for the September 29th date.

Stephanie Reck, Assistant Planner, asked Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership, to provide expectation for the time frame of the opening speech. Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership, stated the speech can be somewhere in the realm of five minutes.

Stephanie Reck, Assistant Planner, stated that she will connect with the planning team for the workshops to verify the date of the event and will provide the HAC with an update.

Betsy Dirks, Board of Supervisor, asked if this would be a public event and Stephanie Reck, Assistant Planner, stated this was correct and the event would be a public forum.

Betsy Dirks, Board of Supervisor, stated that her only concern for the 29th is that it is the Thursday before the San Benito County Fair and community members may be busy preparing for that during the week. She would like staff to take this into consideration when planning for the event.

Betsy Dirks, Board of Supervisor, asked if the meeting would be virtual, Stephanie Reck, Assistant Planner, stated that our goal is to have a hybrid meeting. Stephanie Reck, Assistant Planner, stated that we are also planning for a bi-lingual event and that Abraham Prado has offered to be the translator for the event. Stephanie Reck, Assistant Planner, stated that staff are having bi-weekly meetings with MBEP to plan for this workshop so staff will have more updates at the next HAC meeting.

Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership, stated that we are also going to record the event in real time so anyone who cannot make it can watch the event. Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership, also stated that if any HAC member who cannot attend has any questions they can connect with Elizabeth Madrigal, Housing Associate at the Monterey Bay Economic Partnership.

Stephanie Reck, Assistant Planner, stated that the City of Hollister will have representation at this workshop and that we are working on connecting with the City of San Juan Bautista to include them in the workshop.

No public comment at this time.

18. Confirmation: Next Meeting Date

Stephanie Reck, Assistant Planner, stated the proposed meeting date is August 1st at 11 am.

There were no conflicts with this meeting time from HAC members.

No public comment at this time.

19. Additional Items to be Addressed on the Next Agenda

No additional items to be addressed at this time.

Seth Capron, Affordable Housing public member, asked when the ordinance revisions would be going to the Board and if the HAC would see the upcoming revisions.

Arielle Goodspeed, Principal Planner, stated the revisions would be coming back to the HAC in August and it would go to the Board possibly the second meeting in August.

No public comment at this time.

ADJOURNMENT:

As required by Gov. Code Section 54957.5 any public record distributed to the San Benito Housing Advisory Committee less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the office of the Clerk of the Board, San Benito County Administration Building, 481 Fourth Street, Hollister, CA 95023. Public records distributed during the meeting will be available for public inspection at the meeting if prepared by the County. If the public record is prepared by some other person and distributed at the meeting it will be made available for public inspection following the meeting at the office of the Clerk of the Board.

G.W. Devon Pack, Planning Commissioner-Vice Chair of the Housing Advisory Committee, moved to adjourn this meeting.

Betsy Dirks, Board of Supervisor, seconded this motion.

Motion passed six to six (6/6).

In compliance with the Americans with Disabilities Act (ADA) the Board of Supervisors meeting facility is accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the Clerk of the Board's office at (831) 636-4000 at least 48-hours before the meeting to enable the County to make reasonable arrangements to ensure accessibility.