



THE CITY OF
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CALIFORNIA

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**Planning Commission Meeting
Novato Unified School District Board Room
June 15, 2009**

Minutes

Present: Calvin Willhite, Chair
Dan Dawson, Vice Chair
Elvera Berson
Michael Blanchard
Sal Citarella
Jay Strauss
Peter Tiernan

Absent: None

Staff Present: Dave Wallace, Community Development Director
Hans Grunt, Principal Planner
Steve Marshall, Senior Planner
Public Works Director
Jessica Woods, Recording Secretary

CALL TO ORDER/ROLL CALL

Chair Willhite called the meeting to order at 7:32 pm. All Commissioners were present.

APPROVAL OF FINAL AGENDA

M/s, Strauss/Tiernan, (passed 7-0-0) to approve the Final Agenda.

PUBLIC COMMENT - None

CONSENT CALENDAR

1. Approval of Minutes of March 16, 2009

M/s, Tiernan/Blanchard, (passed 6-0-0-1) to approve the Minutes of March 16, 2009 as amended. Dawson abstained.

2. Approval of Minutes of April 6, 2009

M/s, Tiernan/Dawson, (passed 7-0-0) to approve the Minutes of April 6, 2009 as submitted.

PUBLIC HEARINGS

CONTINUED ITEMS - None

NEW ITEMS

- 3. 900, 908, 917 SHERMAN AVENUE GPA & REZONING
NEGATIVE DECLARATION
GENERAL PLAN AMENDMENT & REZONING
APN: 153-063-14 & 15; 900 & 908 SHERMAN AVENUE
APN: 153-062-16; 917 SHERMAN AVENUE**

To consider amending the General Plan land use designation assigned to the City owned parcels located at 900, 908, and 917 Sherman Avenue from community Facilities (CF) to Downtown Core (CD) and rezoning the same from Community Facilities (CF) to the proposed General Plan Amendment and Rezoning.

Steve Marshall, Senior Planner, summarized the staff report and recommended that the Commission adopt the attached resolutions recommending the City Council approve the proposed Negative Declaration, General Plan Amendment and Rezone.

Commissioner Strauss asked staff if the goals are to improve the downtown and generate revenue that maybe selling would be the better choice rather than leasing. Senior Planner Marshall explained that one reason the City is changing the designation to downtown core is that the City wants to retain flexibility to possibly go back into those facilities as civic offices. Commissioner Strauss clarified with staff that the City could determine to sell at some point under this designation. Senior Planner Marshall responded in the affirmative.

Commissioner Berson asked staff if all three buildings are currently vacant. Senior Planner Marshall responded in the affirmative.

Commissioner Berson asked staff if City offices would be moved to the downtown area. Senior Planner Marshall responded that the Council has the Civic Center Committee exploring options.

Commissioner Tiernan asked staff the status of the parking garage behind 917 Sherman. Senior Planner Marshall explained it is still a component of the downtown specific plan. There has been no movement on formalizing plans for construction of this garage, but that is part of the discussion for the Civic Center Committee

Commissioner Blanchard asked staff if City-owned buildings could possibly be painted for a more attractive appearance. Senior Planner Marshall agreed to pass along that suggestion.

Chair Willhite stated that exterior appearance of those buildings cannot be altered due to the historic district and asked staff how ADA requirements will be met without altering the appearance. Senior Planner Marshall noted that the lease terms provided in the staff report

are conceptual. As written, it would allow exterior renovations, but those renovations would be subject to City approval and must demonstrate consistency with Secretary of Interior standards in regard to the treatment of historic properties, which precludes removing character-defining features. Staff further added that there is flexibility for some changes, in particular ADA requirements.

Chair Willhite opened the public hearing on this item.

Denise Athas, Downtown Novato Business Association President believed having the existing buildings at Sherman Avenue rezoned would help revitalize the downtown area, remove the blight and bring more businesses and people to the area. The benefits of providing needed revenue to the City while maintaining ownership can be a win/win. It could also be a gateway to the downtown, which the City is lacking. She further hopes the Commission makes a positive recommendation to City Council to rezone.

There being no further public testimony on this item, the Chair closed the public portion and brought the matter back to the Commission for action.

Chair Willhite asked for a motion.

M/s, Berson/Strauss, (passed 7-0-0) to adopt the Resolution of the Planning Commission recommending adoption of the Negative Declaration for 900, 908, and 917 Sherman Avenue General Plan Amendment and Rezoning.

Chair Willhite asked for a motion.

M/s, Berson/Dawson, (passed 7-0-0) to adopt the Resolution of the Planning Commission recommending the City Council approve the amendment of the Novato General Plan to change the land use designation for 900, 908 and 917 Sherman Avenue from Community Facilities to Downtown Core.

Chair Willhite asked for a motion.

M/s, Berson/Dawson, (passed 7-0-0) to adopt the Resolution of the Planning Commission recommending the City Council introduce an Ordinance amending the Zoning District classification applicable to parcels at 900, 908, and 917 Sherman Avenue.

4. HOUSING OPPORTUNITY SITES FOR THE HOUSING ELEMENT UPDATE

Provide input and direction on a preliminary inventory of housing opportunity sites for the Housing Element Update, Chapter three of the Novato General Plan, and provide input on rezoning options to allow increased housing density(s), that facilitate affordable housing (multi-family housing, etc) on sites included in the inventory.

Hans Grunt, Principal Planner, summarized the staff report and explained that the Commission is being asked to consider and provide input on an inventory of housing sites to accommodate Novato's Regional Housing Need Allocation (RHNA) as part of the Housing Element update. The City's General Plan update Consultant DC&E has prepared a memorandum that explains the housing sites inventory, which is attached to this staff report. Tonight DC&E will present the draft housing sites inventory and request feedback from the Commission. The housing sites inventory will ultimately be included in the updated Housing Element, which will be presented to the Commission for review and comment in the fall of 2009.

Ben Noble, DC&E Consultant, provided the Commission with a powerpoint presentation on the Housing Element Update for their consideration that included the following:

- Background:
 - What is a Housing Element?
 - What the Housing Element Contains
 - RHNA Process
 - Novato RHNA 2008-2014
 - Housing Element Law Changes Since 2001
 - AB 2348
 - SB 520
 - AB 1233
 - AB 2634
- Housing Element Accomplishments
- Key Housing and Population Characteristics
- Ownership Affordability
- Housing Element Update Schedule
- Housing Sites Inventory Requirements
- Required Density for Affordable Units
- Housing Sites Inventory – Key Numbers
 - Existing Sites – 226 units
 - New Sites:
 - 87 units - very low
 - 221 units - moderate
- Several images were shown demonstrating that housing at the same density can vary greatly in its appearance based on design.
- Draft Sites Inventory Process
- Draft Sites Inventory
 - 17 Sites:
 - Total units: 52
 - Low and very low units: 247
 - Moderate units: 265
 - Many sites proposed only for development on surplus land
- Rezoning Options for New Sites
 - Option No. 1: Rezone sites using an existing base zone
 - Option No. 2: Create a new affordable housing overlay zone that will apply to all sites

Consultant Noble desired input from the Commission on these sites, where the sites are appropriate for multifamily housing or affordable housing in order to comply with the City's site inventory requirement. He further desired preliminary feedback on the two options in regard to rezoning or creating new sites.

Commissioner Strauss requested the secondary list for the Commission to review in regard to inventory. Consultant Noble did not want to overwhelm the Commission with too much information, so they avoided a multiple list, but understands the Commission wanting to review the full menu of options. The sites eliminated, based on the Steering Committee's review, were primarily shopping center sites. It would be impossible to convince HCD (Housing & Community Development) that redevelopment of shopping centers are realistic in the five-year period. Principal Planner Grunt explained that they have gone through that exercise and any input from the Commission for additional or alternate sites would be appreciated.

Consultant Noble explained that HCD is interested in terms of feasibility of redevelopment.

Commissioner Strauss asked how the default density of 30 units per acre is allocated. Consultant Noble explained that it is decided by State law and cities that have a population over 20,000 in a metropolitan area have a default density of 30 dwelling units per acre. Rural areas are lower. It is based on the location of the municipality and its size.

Chair Willhite asked if owners and/or tenants on the list were contacted because they are generating revenue and are viable entities and he is not sure they are interested. Consultant Noble responded in the affirmative. City staff contacted each property owner on the list to inform them that the City is considering rezoning their property to address the statutory requirement. If the City is interested in promoting affordable housing, it makes sense to identify sites that have the most realistic potential for redevelopment. However, from HCD's perspective, it is most important that the City demonstrate that there are or the City will create adequate sites. It is a bureaucratic exercise to some extent, but also a legitimate and important objective, which is to make sure opportunities are available in Novato for housing. He further noted that there are both City goals and State requirements.

Commissioner Blanchard wanted clarification as to who pays for all this and what can ABAG do if this housing is not developed. In his view, there is no teeth in that organization. It is being sold as workforce housing, but sees nothing that leads him to believe that these units will be given to teachers, fireman or police officers, which must be separated out in order to make reasonable decisions. Principal Planner Grunt stated that the City risks loss of funding opportunities for various projects including CIP projects and the City would be subject to challenges of other entitlements. Consultant Noble noted that the State sets the table and the cities are required to ensure that units may develop. The City is required to provide for appropriate zoning in order to accommodate the development and "*appropriate*" defined by HCD is a certain density. There is no penalty to the City if that development does not occur overtime, but the City must make sites available with appropriate zoning to set the table.

Commissioner Blanchard did not believe the taxpayers have enough input as to where the money is spent. Principal Planner Grunt explained that there are a number of tax credits from the State. Also, redevelopment monies for Hamilton were channeled toward subsidizing affordable levels for those units in the area along with other funding sources. In-lieu fees go into the City's fund and are used to help subsidize affordable housing projects as well. In terms of the level of structure for the units at Hamilton, there was priority selection, along with a lottery process.

Consultant Noble believed several questions and concerns of the Commission would be addressed in the goals and policies section of the Housing Element. In regard to being concerned that affordable housing is not sufficiently available to certain types of employment groups or employees of this City or public agencies, they can prepare a program doing a better job targeting those groups. There are legal constraints, but that type of concern can be addressed in the goals and policies section of the Housing Element.

Consultant Noble has been talking to City staff and on sites where they are considering development on surplus land, they have only looked at the net acreage in order to calculate density. In terms of the church parcel, they determined that there is half an acre on that site that is surplus and assumed 30 units per acre and arrived at 15 total units. Principle Planner Grunt noted that the intent is to take an aggressive but conservative view, it was not to disrupt existing uses.

Commissioner Berson discussed the overlay zone and wanted to integrate market rate, moderate and low-income housing in the same vicinity. She believes they should all live together for a better quality of life. If at all possible, she wanted to see a program to allow that type of environment. Consultant Noble agreed that is an excellent point that communities do not want concentration of affordable housing, but integration, and wished there was an easy way to respond and explain how the sites inventory relates to this concern. The sites inventory is not requiring or expecting any site to be developed exclusively with below market housing, it is not the objective. The purpose is to demonstrate that there is adequate land to accommodate new development and what actually gets developed is another story.

Commissioner Dawson asked if the proposed densities do not assume the State's Density Bonus. Consultant Noble responded in the affirmative. If they were to use the default density of 30 units per acre, they would need to look at each specific site and make sure 30 units per acre applies on that individual site. With R20 zoning some sites are 20 units per acre but allow a maximum density of 30 units per acre with the density bonus. They must look carefully at the specifics of each site and what the zoning will allow. If the zone allows for 30 units per acre, HCD will accept, but they must look at each site on an individual basis.

Commissioner Dawson asked if HCD would consider jurisdictions previous performance. Consultant Noble stated that there is a certain dance that occurs with HCD. Novato's production of affordable housing in prior development periods, such as Hamilton, shows that Novato has been a good citizen with regard to providing its fair share. That will help the City to convince HCD that the Housing Element being presented is in good faith.

Commissioner Dawson asked staff if conventional zoning districts have floors built in. Principal Planner Grunt responded that they have a range, but that the floor can be lowered, if a property owner is not able to achieve the minimum density expressed.

Commissioner Tiernan believed there are other sites such as Indian Valley College (IVC) that should be considered. Principal Planner Grunt talked about IVC being a potential site and it could be included and examined.

Commissioner Tiernan discussed page 73 in regard to Railroad Avenue and Redwood Avenue, and believed the vacant Italian restaurant should be considered a possible site. He discussed the corner of Diablo and Redwood in regard to the Mission Inn as a possible site. Principle Planner Grunt indicated that the Mission Inn site is not identified for housing, but a village concept with a small-scale commercial endeavor. Staff added that it could warrant further consideration if that is the pleasure of the Commission.

Commissioner Citarella noted that above moderate sites are identified and he is very surprised that they are looking out for those that are able to look out for themselves. Consultant Noble stated that the State identifies housing needs for above moderate. Cities do not pay much attention to above moderate units. It is really affordable units everyone is concerned with. There is sufficient land zoned single family to accommodate that remaining need, so above moderate is not a focus of discussions at this time. They will demonstrate that there are adequate sites to accommodate those market rate units when they submit to HCD.

Chair Willhite asked the consultant to define the entire universe of available sites and to explain the rationale used and criteria used in narrowing down the sites to those on the list. Also, he wanted to define the term "*underutilized*." He wanted to know the "*practical*" definition. He doubts Sloat Garden Center believes their property is underutilized. Novato has been a good citizen, as stated, but they cannot put much stock in some assumptions. The previous rapid growth was due to the closure of the former Hamilton Army Base. To project that rate of growth on the City into the future is not feasible. He asked the consultants to examine that assumption in light of what is actually going to be really possible. While lining out criteria, take into account adequate infrastructure. Is there enough water? Water supply is becoming a huge problem. A section should be added in regard to the impacts on schools as well. He asked the consultants to go back to staff when looking at No. 15, the Commissary. When that land was transferred it came with a recreational land use covenant, not residential. He suggested going down each and every one of the sites identified as being somewhat probable, contact the owners and explain the process. Also, contact the churches to find out if that is a "*real life*" opportunity, not just bureaucratic.

Commissioner Dawson explained that the State assigns a number of units to the Bay Area and ABAG determines the methodology to allocate those units to individual jurisdictions and the 1241 units are based on that formula. If it was suggested to reduce the number of units for Novato, then another jurisdiction must pick-up those units. It is a zero sum gain for the state as a whole, so right or wrong that is the situation.

Chair Willhite opened the public hearing on this item.

Meadow Park resident expressed concern that Novato is trying to increase the number of affordable housing, and yet City Council just recently turned three of the affordable housing units over to the open market because the City could not afford to buy them back. He believed that is a real problem. He expressed concern for segregating affordable housing as well as concentrating affordable housing in specific areas. He wanted to avoid ghettoizing certain areas in the City.

Chair Willhite queried the Meadow Park resident that with the decline in market rate housing prices, is it true that units at Meadow Park have now declined to levels that are at or less than those subsidized units? The speaker replied that when a Meadow Park resident is trying to refinance, he is about \$80,000 in the hole, so he agreed the market price has declined.

Novato Boulevard resident appreciated the presentation by DC&E Consultants. He indicated that he received no notice that his property is under consideration. His property is not vacant; it is a single-family residence on a large lot that happens to be about one acre. When the consultants talked about overlay zones, it seems to be the ideal solution. It would maintain the existing zoning with an affordable housing overlay. The study states that the property was selected for this zoning because it is compatible with adjacent development and asked when updated, that his property be reflected correctly because he is surrounded by single-family homes, not multifamily. He believed it would have been great if those selected had an opportunity to provide feedback and better understand the plan. He noted that there is a problem with accuracy and he is not sure of the ramifications on his property values.

Commissioner Tiernan explained that no one is being forced; options are open as indicated by the consultants.

Clay Court resident has lived in Novato for seven years and lives in affordable housing. She spends 30% of her income on housing and must budget for all living expenses and all necessities. Several are not as lucky and asked the Commission to make sure they have viable sites at 30 units per acre for low and very low-income families. The site inventory needs to include enough sites to reach the housing needs assessments. She then asked those in support for affordable housing to stand, which was the majority of the audience.

Novato Housing Coalition & Marin Continuum representative submitted a letter requesting that the Commission consider their points as it discusses the DCE memo and the Housing Element site inventory. He encouraged the Commission to reconsider the projected need for affordable housing. Numbers are based on expected job growth during the planning period and are unrelated to the ongoing unmet need for workforce housing, housing for people with disabilities and for seniors. Several resources speak to this such as the recent homeless count and foreclosure numbers show a greater need for affordable housing, especially low-income families. He believed it was important to include reality in deliberations, set policy and zone sites to meet the greater need outside the RHNA numbers. Utilize minimum density set before AB 2348 of 30 units per acre. The letter submitted provides specific examples of sites listed under Table 4. Novato did not approve or construct sufficient very low income units to

meet the RHNA number for the last planning period in addition to the RHNA need for the current 2007-2014 planning cycle, nor does it address the timing of that rezoning.

Church Board Member indicated that they were not notified other than the letter dated June 5th. The Church has owned the property since 1945 and has worked hard to serve the community in many ways with over 200 participants in church activities. After listening to the presentation from DC&E, he appreciated the way the Commission approached this topic. As a citizen, he truly appreciated their thoughtfulness. He is not sure about the concept of only building on surplus land. They dreamed for many years of building a basketball gym due to the lack of gyms in Novato. He is not sure about the temptation for overlay zoning for a church. They want to continue serving the community and take part in all discussions.

Commissioner Strauss noted that the City is identifying sites and no one is being forced to convert their properties to housing.

Commissioner Dawson stated that the idea is not that the church would go away, but if it is a desire, when there is a surplus of land, it is possible that housing could accommodate lower income families, including church staff. He further noted that they are just trying to provide an opportunity.

Marin Landscape owner was not contacted about selling her property. They have no intention to close their business. She did not understand why the City would rezone commercial use to housing and lose all sales tax. In her view, to lose revenue does not make sense. Her business donates funds to little league fields as well as sandbags during floods. The School District is looking at eliminating transportation tomorrow night, so the Commission must think about tracts of housing and students having to walk to school.

Glen Hill Court resident discussed page 59 in regard to housing opportunity sites, which was a big issue 20 years ago to find opportunities for affordable housing. Housing creates traffic and density problems. He encouraged the Commission to add IVC as a potential housing site. It has a tremendous amount of flat land that could be rezoned. He suggested considering the entire San Andreas site for affordable housing as well.

Del Monte Highlands HOA & Marin Interfaith Worker Justice representative believed it is important to have adequate affordable housing. This is not a bureaucratic exercise. Clergy need affordable housing. Several cannot live in Marin and it affects the congregation's ability to call pastors. She is very concerned about viability of sites and accountable development. San Marin Drive does not have adequately controlled intersections. The Commission must carefully review and make sure these are viable sites rather than just satisfying a requirement. The City must build affordable housing in walkable communities. She wanted good affordable housing in neighborhoods.

San Marin Improvement Association representative believed all residents in the San Marin area must be notified that the San Andreas school site is a potential area for affordable housing. There are over 1700 households in San Marin and no one knows the school site is a potential housing site. The City must notify all residents so they can speak up and provide

input. The school property has problems. There are wetlands, runoff issues and strings attached to that land. If that land is sold, that money must be used for future construction of schools. She appreciated all comments and questions. She believed this is a great process. The Commission must re-evaluate all of the sites. All Saints Church has several activities and they use their land. Affordable housing is not appropriate at Our Lady of Loretto. In terms of the Mission Inn site, the library wanted to relocate and tried to get on the ballot to raise sales tax to build a new building with adequate parking. She suggested moving the library to that site as a welcome to Novato and the old library site on Novato Boulevard could be used for affordable housing.

San Marin resident discussed the necessary infrastructure and assumed that includes all types of civic infrastructure including police. The number of crime-related incidences occurring in and around affordable housing sites has increased and asked if crime has been considered. Harmonic integration is a nice thought, but in reality funding for police is needed for the increased crime that comes with increased population. The Commission must evaluate how this will work and it would be helpful to understand the total cost divided by the number of units, cost per unit and who specifically will pay for it and how much will come from taxpayers. Also, what are the income levels being discussed, he heard so-called moderate to low to very low levels in Marin, which are relatively high compared to other areas.

Chair Willhite replied to that question and pointed out that in 2008, the median family income in Marin County was \$91,000. Income levels for four-person households are defined as follows:

- Extremely Low Income: \$27,300
- Very Low Income: \$45,500
- Low Income: \$45,500 to \$72, 800;
- Moderate Income: \$72,000 to \$109,200
- Above Moderate Income: Over \$109,200.

Athas & Associates Real Estate representative stated that Novato has been experiencing short sales and foreclosures and it would be great if those homes could be considered for workforce housing. Since the Bay Area is experiencing foreclosures, it is time to see if they can purchase some properties for affordable housing to help Novato.

Commissioner Strauss asked whether having overlay zones designated in certain areas for low-income housing would lower property value. Athas & Associates Real Estate representative responded that good people qualify for affordable housing. The current list of affordable buildings in Novato is far from ghetto. She did not believe it lowers property values and added that it comes down to quality construction.

Eden Housing representative was recently approved for a senior development at Diablo and explained the funding sources needed to build this type of housing. They must leverage several different funding sources, which is extremely difficult in this economy. The State is running out of money and local funds are becoming scarce. Affordable housing must be located next to critical amenities. Sites not located next to critical amenities will not be competitive or feasible. They must create walkable communities. DC&E Consultants are

aware that these sites must be located near amenities, and wanted to reiterate that fact this is critical to getting affordable housing constructed and occupied.

Portsmouth Drive resident asked the Commission to consider integrating affordable housing into market rate housing. He suggested, if appropriate, to engage in discussions and develop a mission statement as to what is preferred in regard to affordable housing. He desired an integrated system.

Simmons Lane resident stated San Marin is a very family oriented community and was not notified about this matter. She had no objection to workforce housing, but it must be done right. There are 17 different sites, but Millworks and Fireman's Fund were not discussed. This is future development, so it must be carefully considered. She wanted to know how it would be integrated. In 2007, the economy went upside down, which was not expected; so all aspects must be considered and she recommended taking a step back in order to do it right.

Novato resident asked the Commission to be very careful in their calculations. Most of the sites on Table 4 are not realistic sites because they are developed and are viable commercial uses.

San Carlos Way resident questioned the viability of some of these sites, especially Our Lady of Loretto. She pointed out that it is very important that children are able to play, and if the playground is taken away those standards would not be met. In terms of the San Andreas site, it has terrible egress and ingress, so several streets in the area would be impacted. Several discussions have occurred in regard to adding stop signs, so she is very interested in the infrastructure directly related to her home. Commissioner Dawson noted that if a school was built on the Junior High School site that the impacts would be similar to those from affordable housing. He pointed out that unless the site remains completely vacant in perpetuity, there are potential traffic impacts either way.

Greenbelt Alliance representative stated that when looking at lower income housing their rate of car ownership is much lower. Vehicle trips decrease. Greenbelt Alliance is very supportive of building homes near transit in order to have walkable communities, which is good for downtown businesses as well. There is a misunderstanding of an overlay zone. It allows low density and when projects build affordable units they get higher density. There are a number of studies that show affordable housing does not impact property values. What impacts property values are foreclosures, which kills neighborhoods. Subsidized housing adds to property values.

There being no further public testimony on this item, the Chair closed the public portion and brought the matter back to the Commission for discussion and action.

Principal Planner Grunt responded to comments that unit counts from the last planning period are not carried forward and noted that the City's certified housing element met the requirements of the prior planning period.

Commissioner Berson discussed Table 5 and expressed concern for the sites located near the railroad, which will carry freight and did not believe affordable housing near the railroad is appropriate.

Commissioner Strauss asked if properties in the R5 zone that are made R20 or overlay zone to accommodate affordable housing, might affect other vacant lots in that neighborhood. He then asked if it precludes from building single-family homes in either case. Consultant Noble responded that it must be thought through when crafting the overlay zone approach. The initial reaction overall, no they would not want to preclude the ability to develop single-family homes, but that must be further discussed. The basic concept is to have base zone standards and use regulations along with additional standards that supplement it and to the extent on a vacant lot, one would be permitted to development single-family homes, but HCD might want to see stronger requirement that precluded the ability to develop lower density.

Chair Willhite noted that the Commission is to provide input tonight, so no action would be taken. In terms of the overlay zones, it provides additional standards that supplements zoning and he wanted to know the ramifications, which are not clear. He asked the consultants at the next presentation to make that very clear.

Commissioner Strauss wanted to keep the inventory “*real*.” He understands the bureaucratic process required in the present situation. The City must be part of the process and real constituencies in this community want affordable housing, but cynicism of the process driven by identification of properties did not seem real. The City must contact owners and understand if they have any intention of selling. Property owners must believe this is a real process. The law requires realistic identification of properties, not just going through the motions. With respect to overlay zoning, he has real concerns. Affordable housing should be integrated within the community, not concentrated. He is concerned that the overlay zone will over time end up in concentrations, which is not desired and he would rather see spot-by-spot rezoning.

Commissioner Blanchard agreed with comments made by Commissioner Strauss. It is very hard to walk away from this meeting not feeling it is a bureaucratic exercise. He felt they are going through the motions. The idea that the actual property owners are not the first link in the chain is a phenomenal mistake. All he sees on the list is the future of standing in front of several angry property owners. This must get more real than it is and the list before the Commission is not serious about affordable housing.

Commissioner Berson wished they had Hamilton again. Affordable housing was concentrated at Hamilton that provided more than needed. They should have integrated the market rates homes at Hamilton. Affordable housing does not lower property values and can be integrated into the community. She reiterated her concern about placing units near the railroad. They must review again; but in reality, this is required by the State.

Commissioner Dawson stated that San Francisco has been built out since the 1950s and San Francisco residents continue to re-event themselves. His concern with this process is doing

spot zoning, which is one of the outcomes. The notion of applying an overlay zone is a concern as well. He believed IVC should be considered as a site and dialogue should occur with the College. Fourth and Grant and the northeast corner of Third and Grant should be considered as well. He is not sure if the list before the Commission will be sufficient.

Commissioner Tiernan stated that more staff reports should be available to better inform the public. He added that we need to both cluster and have inclusionary housing for affordability. The policy in town when developers have a project with seven or more units they either pay fees or build a unit. The idea that they have affordable stock that is already built is a great idea to capture foreclosures, but still those units are out of reach and not at the degree of affordability. He is frustrated because they are asking for suggestions of sites, not knocking down all items proposed. They must be more on the positive side. They need affordable housing and they must help facilitate that process. Affordable housing makes sense in the community. Having housing located along railroads is not a bad idea. That is an infrastructure challenge to work around. They need to become more efficient with rail. He then suggested that staff consider the following locations: Hilltop Café; 1700 Redwood Highway; 1400 Block of Novato Boulevard; 1000 Novato Boulevard; behind Land Village; De Long and Redwood (Mission Inn); mobile home parks; and Crossroads. The Marin Valley Mobilehome Country Club needs to be contacted as those residents want to preserve and add to the affordable housing stock.

Commissioner Citarella had nothing further to add.

Chair Willhite stated that the use if the old military PX is still owned by the U.S. Government. The consultants must review the minutes as to who owns what parcels at Hamilton and their land use covenants, but agreed it is a blight and needs attention.

5. CAPITAL IMPROVEMENT PROGRAM BUDGET 2009/10

Provide a report to the City Council regarding the conformity of the proposed Capital Improvement Program Budget for Fiscal Year 2009/10 with the Novato General Plan.

Senior Planner Marshall summarized the staff report and recommended that the Commission adopt the attached resolution reporting to the City Council that the CIP budget for fiscal year 2009-2010 is consistent with the Novato General Plan.

Commissioner Tiernan asked staff how minor is the Sunset Parkway storm drain replacement project. Public Works Director, Glenn Young, responded that this would be funded by the City. The project involves the repair and replacement of a minor section of the storm drainage system. It is replacing the catch basins and corrugated metal pipe. The project would last a couple weeks.

Commissioner Tiernan asked staff if the commissary building is the one with the asphalt grinding pile nearby. Public Works Director Young responded in the affirmative. In regard to the gymnasium, it is still in proposal stage. It is a joint project with the School District, who is an important contributor. The gym would serve both youth and adult recreational archives, special events and private event rentals. It is currently at a very concept level.

Chair Willhite opened the public hearing on this item, and seeing no one wishing to speak, the Chair closed the public portion and brought the matter back to the Commission for action.

Chair Willhite asked for a motion.

M/s, Dawson/Tiernan, (passed 7-0-0) to adopt the Resolution of the Planning Commission reporting to the City Council that the Novato CIP budget for Fiscal Year 2009-2010 is consistent with the Novato General Plan.

GENERAL BUSINESS - None

UPCOMING AGENDAS AND QUORUMS

ADJOURNMENT

By order of the Chair, the meeting adjourned at 10:30 pm.

Respectfully submitted,

Jessica Woods

Recording Secretary