

**Joint City Council/Planning Commission
Special Meeting
April 27, 2005**

CALL TO ORDER

Mayor Richard Ortiz called the Joint special meeting of the City Council/Planning Commission of the City of Soledad to order at 4:30 p.m.

PLEDGE OF ALLEGIANCE

Mayor Richard Ortiz led the Pledge of Allegiance.

ROLL CALL

Present when the meeting was called to order were:

For the City Council - Councilmembers: Christopher Bourke, Stefanie De La Rosa, Patricia Stephens, Mayor Pro Tem Juan Saavedra and Mayor Richard Ortiz.

For the Planning Commission - Planning Commissioners: John Ordunez

Commissioners Honorio Della, Darrell Sinclair, Vice Chair Michael Laroco and Chairman Tom Stewart were absent.

PUBLIC COMMENT

None

WORKSHOP ON INCLUSIONARY HOUSING

Draft Inclusionary Housing Ordinance

Community Development Director Fleming stated that at the last meeting on March 30, 2005, the fourth draft of the ordinance was reviewed. He said there was extensive discussion on the possible additions and modifications to the ordinance but no real consensus was reached. Staff was asked to develop a proposal for equity recapture which is included in the memorandum. He said that he had also included a copy of the Bay Area Economics report prepared for the City of Salinas, a letter from Matthew Company with the analysis of our draft ordinance prepared by Brian Finnegan and a letter from the Home Builder's Association.

Council and Planning Commission Discussion & Direction

Councilmember Bourke asked if the line of credit would exceed the value of the unit. Assistant City Manager De La Rosa stated the City would determine the value of the unit in all cases.

Mayor Pro Tem Saavedra stated he did not want to see what happened in Moro Cojo to happen to Soledad and would like to somehow flag the unit before it is sold. Assistant City Manager De La Rosa stated it would be best to put a 2nd lien on the property for a small amount such as \$1,000. Councilmember De La Rosa asked if the City would pay the interest on the \$1,000. Assistant City Manager De La Rosa stated it could be a zero percent interest lien.

Assistant City Manager De La Rosa stated that the formula developed is for 45 years, not forever. This will make the unit affordable for 45 years. Councilmember Stephens stated did we want to hold it at 45 or 50 years or keep it affordable forever.

Councilmember De La Rosa felt that if the home was sold at 20 years, the recapture should start at the beginning again with 45 years. Assistant City Manager De La Rosa stated that with the CHISPA homes the City is asking that if the home is sold that the affordability should be started again.

Mayor Pro Tem Saavedra and Councilmember De La Rosa would like to have something on the books now and review it in one year to see if changes need to be made.

Councilmember Bourke stated we needed to decide if the affordability should cease after the 45 years from the date of the first sale, all the sales or after construction.

Councilmember De La Rosa felt that if the original owners lived in the house for the 45 years, they should get the equity but if they sell it in the first 10 years, the affordability should start at 45 years again.

Councilmember Bourke stated that he thought staff was requested to add the definition of 'workforce' to the document. After little discussion, they all agreed to not include it.

Councilmember Bourke stated that since commercial developments were not included in the inclusionary housing, that staff add to definition "F" the words 'mixed use' referring to housing.

Trevor Smith of Matthew Homes and Beverly Bryant of the Home Builders Association stated they were concerned with the 'like for like' units being similar in size and design. Mayor Pro Tem Saavedra again stated the intent was to get affordable units. Community Development Director Fleming stated these had to be similar not necessarily 'like for like' units.

NEXT STEPS/PROJECT SCHEDULE – STAFF

Assistant City Manager De La Rosa stated they would work on the language to reflect the recapture according to suggestions made this evening and send it out for review. Community Development Director Fleming stated if there were no comments after this, he would present it to the Planning Commission for their recommendation and then to the Council for approval.

ADJOURNMENT

There being no other business to come before the City Council and the Planning Commission, Mayor Ortiz adjourned the meeting at 6:22 p.m.

RICHARD V. ORTIZ, Mayor

THOMAS STEWART, Chairman

Approved: October 19, 2005

NOELIA F. CHAPA, City Clerk

DON FLEMING, Secretary