



CITY OF NEWARK

Community Development Advisory Committee

City Administration Building, City Council Chambers

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MINUTES

Thursday, February 18, 2021

5:00 P.M.

I. ROLL CALL

Chairperson Nagy called the meeting to order, via teleconference, at 5:05 p.m. Present were members Aguilar, Bogisich, Borjon, Fitts, Freitas, Hentschke (all via teleconference). Member Lucia was absent.

II. MINUTES

Approval of Minutes of the January 30, 2020 Meeting

MOTION APPROVED

Member Freitas moved, member Hentschke seconded, to approve the Minutes of the January 30, 2020 meeting. The motion passed 7 AYES, 1 ABSENT.

III. STAFF REPORTS

A. Community Development Block Grant (CDBG) Status Report

Deputy Community Development Director Interiano (DCDD) provided the report for FY21/22. DCDD Interiano stated there are three parts to the grant, General Administration, Housing Rehabilitation, Jurisdiction Improvement funds. Staff has not received confirmation of the official amounts but estimates that the City will receive \$192,286 broken down as: General Administration \$7,800, Housing Rehabilitation \$46,383, and Jurisdiction Improvements \$138,103. As part of the Housing Rehabilitation, staff provided a history of home improvement projects completed in the City. In FY20/21, there were only two minor home repair projects completed. The County expects more applications, but residents voiced their concern with contractors coming into their home. The county used funds from the Capital Projects Pool Program (\$552,200) at the

beginning of summer 2020 to fund project RoomKey. Project RoomKey was a program where the County leased rooms from hotels to temporarily house the homeless during the pandemic. Project RoomKey is ending, and the County is trying to determine the process to transition the homeless out of the hotels into permanent or semi-permanent housing. However, decisions have not been made.

B. Recommendations for 2021-22 Jurisdiction Improvements Project Funds

(MOTION)

DCDD Interiano stated that in previous years, funds were used for ADA improvements around the City. HUD requires the funds be used to benefit low- and moderate-income households, senior, and disabled citizens. Last year, the funds were used for Bridgepointe and Sportsfield Park. Staff expects to use the funds for the same citywide ADA improvements.

Senior Civil Engineer Tran (SCE) stated the improvements will be completed at Musick Park, Silliman Center parking lot, Birch Grove Park, and Civic Center Park to remove trip hazards caused by roots, repave, and install root barriers. The repairs at Musick Park will be the entire pathway and the other parks will have spot repairs where the roots are causing a trip hazard.

Assistant Engineer Carmen (AE) asked if Mirabeau Park will be included for the repairs. SCE Tran confirmed that Mirabeau Park on the Mirabeau St side will be repaired.

AE Carmen shared images of the trip hazards due to large roots and severe weathering of the asphalt at multiple parks. The sidewalks adjacent to the parks and the curb ramps need repair as well.

Member Borjon asked if considerations are made when trees are planted to ensure there are no future issues with root uplift.

SCE Tran stated considerations are made when new trees are planted. However, the issues are from trees that were planted many years ago. Since the trees are in good shape, the parks department does not want to remove them unless they are diseased.

Member Hentschke stated the \$188k doesn't seem to be enough to complete the repairs at all the parks and asked how the repairs will be prioritized.

SCE Tran stated Musick Park is in the worst shape so it'll be repaired first and the funds from FY20-21 were not used yet so it will be combined with the funds from FY 21-22 to make it more economical for contractors to place bids.

Member Fitts moved, Member Aguilar seconded, to approve the recommendations for 2021-22 Jurisdiction Improvements Project. The motion passed 7 AYES, 1 ABSENT.

C. Affordable Housing Fund Status Report

Community Development Director Turner (CDD) provided the report for the Affordable Housing Fund. All residential and non-residential projects are charged impact fees, one of which is the affordable housing impact fee. As of last June, the City has amassed approximately \$21M in the Affordable Housing Fund. City Council took action last year to set aside \$2.7M for gap financing for the Timber Street affordable housing project for seniors. The project includes 79 units and is currently in the review process. As of November 2020, staff hired Baird & Driskell to assist in developing an affordable housing workplan to prepare for the update to the housing element and consider an inclusionary housing requirement. Instead of collecting fees, the City would require affordable units to be built within new residential communities. From the affordable impact funds, \$150,000 was used for the consultant agreement. Staff expects to have a workplan ready for review in about a month. In the past, the City has also participated in two county programs relating to homeless and housing services. The first program is the Homeless Management Information System, which is a county wide computerized system that assists the Police Department in homeless referrals and case management. The fee is spread out amongst all member agencies and the City's portion is approximately \$2,000. The second program is the Mortgage Credit Certificate Program which helps qualified first time home buyers to claim a dollar-for-dollar tax credit on their federal income taxes to adjust their income withholdings, so they have more money to pay the mortgage moving forward. This has been a popular program where 17 families were able to purchase homes through his program. However, the California Debt Limit Allocation Committee that provides funding for this program did not continue the program in 2020. As a result, Alameda County, who administers the program, was unable to hold the program this past year. Alameda County has not received confirmation whether the program will continue. Staff does not expect to pay any funds into the Mortgage Credit Certificate Program for the time being. Staff conducted 1-on-1 interviews with the Planning Commission and City Council to get their opinions about the City's affordable housing programs and policies and their priorities. Staff is extending the interview invitation to CDAC members as well.

Member Borgisich asked if the inclusionary housing requirement would allow the developers a choice between building affordable housing or paying the impact fee. CDD Turner stated the idea would be that affordable housing would be required at a certain percentage that the City would have to determine through a study. Typically, there are alternatives to providing units that are contained in inclusionary housing ordinances. However, an either-or option is not usually typical in those ordinances. Something that could be considered is that the affordable housing units are built off site.

Member Aguilar asked if Eden Housing does not receive enough financing from other sources to cover the project, will the City receive the \$2.7M back. CDD Turner replied that yes, the City will receive the funds back should Eden Housing not have enough funds to build the project. CDD Turner stated that prior to granting the funds, the City and Eden Housing will enter into an agreement that will contain several provisions that states the City will be one of the last funders for the project and for the City to reclaim the funds should the project no longer be viable.

Chairperson Nagy asked if there's a possibility of a rise in "micro" units being built in Newark. CDD Turner stated that those units are more popular in larger cities with strong transit services in a concentrated area. However, in a City like Newark, where shopping and services are more spread out, it is less likely that we will see these smaller units.

Member Borjon asked how the sites are selected for these senior housing projects and whether there is a priority for existing Newark residents to obtain affordable housing units. CDD Turner stated the City has a housing element that requires to identify opportunity sites that are most likely to be developed as housing and affordable housing. With the new housing element, the City should site housing close to transit that reduces Vehicle Miles Traveled. The idea is to place the new housing projects close to transit, shops, and services. As for the priority of Newark residents to obtain affordable housing units, the City will need to work with the County to develop a plan for that priority and discuss legal matters such as indemnify the County against any fair housing challenges.

Member Fitts stated the school district is planning to close some schools in the area and asked if the City is working with the school district to provide affordable housing on their properties. CDD Turner stated the City is currently not pursuing it but it is worthwhile to interface with the school district.

Member Aguilar asked how other cities are navigating the process to prioritize their residents for affordable housing. CDD Turner stated it will most likely be part of the displacement study but is unsure if the study will include details such as different occupations or age groups.

IV. ADJOURNMENT

Chairperson Nagy adjourned the Community Development Advisory Committee meeting at 5:51 p.m.

Respectfully submitted,



STEVEN TURNER
Secretary