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at 7:00 p.m. on Wednesday, May 12, 2021. 2. **ROLL CALL**

Present: Donaldson, MacLeod, Momin, Pilch, Watty Absent: None

Staff Present: Planning Manager Anne Hersch

Associate Planner Christopher Tan

MINUTES OF REGULAR MEETING

WEDNESDAY, MAY 12, 2021

Chair Watty called the regular meeting of the Planning and Zoning Commission to order

EX PARTE COMMUNICATIONS 3.

None

4. **CONSENT CALENDAR**

CALL TO ORDER

Planning & Zoning Commission Meeting Minutes of April 28, 2021

Recommendation: Staff recommends that the Planning & Zoning Commission review and approve the meeting minutes.

4-3. PA21-025 Design Review and Parking Reduction for a Single-Story Rear Addition at 532 Pomona Avenue – The applicant is seeking Design Review and Parking Reduction approval for a single-story rear addition at 532 Pomona Avenue. The subject property is a 2,750-sq.-ft. lot with a 2-bedroom, 1-bathroom, 820-sq.-ft. house built in 1930. The project scope includes an addition of 440 sq. ft. at the rear of the home to accommodate a new master suite, media room, office room and laundry area. The exterior of the addition is proposed to be clad in painted stucco siding and a gable roof to match the existing home. The existing architectural style of the home is proposed to remain. This will result in a 3bedroom, 2-bathroom, 1,260-sq.-ft. home with a maximum height of 22 feet. One (1) off-street parking space is provided in the existing attached garage. A Parking Reduction is required to waive one (1) off-street parking space triggered by the project scope.

Recommendation: Staff recommends that the Planning & Zoning Commission review and approve the proposed project subject to the attached findings and Conditions of Approval.

CEQA: The project is Categorically exempt from CEQA pursuant to Section 15303 "New Construction or Conversion of Small Structures" of the CEQA Guidelines.

4-4. **Contd. from April 28, 2021** PA21-020 Design Review & Parking Reduction for a Two-Level Addition at 970 Stannage Avenue — The applicant is seeking Design Review and Parking Reduction approval for a two-level addition at 970 Stannage Avenue. The subject property is a 2,500-sq.-ft. lot with a 2-bedroom, 1.5-bathroom, 876-sq.-ft. house built in 1952. The project scope includes a 22.8-sq.-ft. addition on the ground floor for a new interior staircase and a 421.5-sq.-ft. second-story addition to accommodate 2 bedrooms and 1 bathroom. The applicant is proposing a modern appearance for the home including exterior treatments with a combination of fiber cement & wood paneling and painted aluminum. This will result in a 4-bedroom, 2-bathroom, 1,367.3-sq.-ft. home with a maximum height of 22 feet. One (1) off-street parking space is provided in the existing, attached garage. A Parking Reduction is required to waive one (1) off-street parking space required under this project scope.

Recommendation: Staff recommends that the Planning & Zoning Commission review and approve the proposed project subject to the attached findings and Conditions of Approval.

CEQA: The project is Categorically exempt from CEQA pursuant to Section 15303 "New Construction or Conversion of Small Structures" of the CEQA Guidelines.

Motion to approve Items 4-1, 4-3, and 4-4 of the consent calendar. Donaldson Seconded by Pilch.

AYES: Donaldson, MacLeod, Momin, Pilch, Watty

NAYES: None RECUSED: None ABSENT: None **Motion passed,** 5-0-0-0

Chair Watty noted the appeal period.

4-2. PA21-028 Design Review Amendment: Roof Material Modification at 817 Carmel Avenue – The applicant is seeking a Design Review amendment to modify roofing material for a previously approved second-story addition at 817 Carmel Avenue. The subject site is a 5,000-sq.-ft. lot with a 2-bedroom, 2-bathroom, 1,875-sq.-ft. home built in 1929. The project scope includes changing the previously approved ceramic clay tile roof of the second-story addition to gray asphalt fiberglass shingles. Clay tiles will remain as trim and the roof edges. The project scope is limited to the roof material change only. The existing Spanish Revival style of the home is proposed to remain. The previously approved project scope created a 4-bedroom, 3-bathroom, 2,378-sq.-ft. home with a maximum height of

24'-11". Off-street parking is provided in the existing garage and driveway. No expansion to the home is proposed under this current project scope.

Recommendation: Staff recommends that the Planning & Zoning Commission review and approve the proposed project subject to the attached findings and Conditions of Approval.

CEQA: The project is Categorically exempt from CEQA pursuant to Section 15303 "New Construction or Conversion of Small Structures" of the CEQA Guidelines.

In reply to Commissioners' questions, Associate Planner Christopher Tan advised that the asphalt shingle roof will likely not be visible from ground level at the street front. The existing roof is asphalt shingles. Chair Watty noted that the addition in general is not visible from the street. The change in roofing materials will probably not be visible from the street.

PUBLIC HEARING OPENED

None

PUBLIC HEARING CLOSED

Motion to approve PA21-028 for 817 Carmel Avenue pursuant to the proposed findings and Conditions of Approval. Donaldson

Seconded by Momin

AYES: Donaldson, MacLeod, Momin, Pilch, Watty

NAYES: None RECUSED: None ABSENT: None **Motion passed,** 5-0-0-0

Chair Watty noted the appeal period.

5. ANNOUNCEMENTS/COMMUNICATIONS

5-1. San Pablo Avenue Specific Plan Schedule

Planning Manager Anne Hersch reported an initial draft of polices for the Specific Plan will be presented to the Commission on May 26, 2021. Staff will present sections of the draft Specific Plan during the second meetings in June and July for Commission review and public comment.

Commissioner Pilch proposed that the Economic Development Committee review the draft Specific Plan because the Specific Plan may impact businesses.

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PUBLIC HEARING OPENED

None

PUBLIC HEARING CLOSED

6. **PUBLIC COMMENT**

None

DISCUSSION & POSSIBLE ACTION ON MATTERS RELATED TO THE FOLLOWING 7. **ITEMS**:

None

8. **NEW BUSINESS**

8-1. 2023-2031 Housing Element Work Session – The Planning & Zoning Commission will receive a background report on the policy implementation from the 2015-2023 Housing Element.

Recommendation: Staff recommends that the Planning & Zoning Commission receive the consultant presentation. This is a Study Session and no action will be taken.

CEQA: Staff will work with a CEQA consultant on a proper analysis of environmental impacts.

Barry Miller, Housing Element Consultant, presented the staff report dated May 12, 2021.

Commissioner Pilch noted Albany residents want modern and larger houses. Policy 1.5 may not be meeting its goal or perhaps the goal needs to be revised. People are looking for more diverse housing types in single-family neighborhoods. To maintain an inventory of moderately priced owner-occupied housing, the City may need to allow lot subdivisions or increased unit capacity.

Chair Watty recalled prior Commission discussions of the current floor area ratio (FAR) limit. "Maintain floor area ratio limits" in Policy 1.5 may need to be revised. Small singlefamily homes in Albany are a great resource for accessible, entry-level homes. That should continue as a goal, but some lots in Albany can accommodate greater density and need a higher allowed FAR. The language should not limit the ability to change zoning in the future.

Commissioner Pilch questioned whether a home costing \$1 million or more could be considered entry level. The more single-family homes in R-1 zones are preserved, the more other uses are precluded and the more the number of units that can be accommodated is constrained.

Commissioner Donaldson advised that Policy 1.5 is intended to discourage demolition of existing homes. He could not recall a single home that has been demolished and a larger home built to replace it since the Housing Element was adopted. The existing standards seem to be working to limit the size of homes. He concurred with Mr. Miller's suggestion to review and revise as necessary.

Commissioner MacLeod felt Policy 1.5 conflicts with Policy 1.9. Shared housing is addressed to some extent with accessory dwelling units (ADU) and junior accessory dwelling units (JADU). An option is to revise single-family home zoning to allow duplexes. This should be included in the Commission's work plan. Some people have interpreted zoning for single-family homes as exclusionary. Adding living space to existing homes should be encouraged rather than discouraged. Policy 1.5 needs to be renamed. He questioned whether an FAR standard is needed, especially along San Pablo Avenue, if the goal is to increase density. Short-term rentals probably do not displace many Albany residents. Policy 1.9 could be revised to include ADUs. Lots in Albany are not large enough to accommodate co-housing, and there may not be any demand for co-housing.

Commissioner Donaldson stated a decision to implement shared housing is made by the homeowner. The City does not prohibit shared housing and would probably support it. Shared housing may be viable for seniors who own large homes. Albany is one of the densest cities in the Bay Area, and single-family neighborhoods in Albany are some of the densest in the Bay Area and maybe California. The concept of eliminating single-family housing must be linked to single-family homes taking up too much land. Few lots in Albany are large enough to accommodate a fourplex. He wanted more information about the concept and suggested the concept needs to be studied. Measure D disallows the conversion of single-family lots to multifamily lots in much of the City unless neighbors agree. He suggested replacing secondary dwelling unit with ADU in Policy 2.5.

Commissioner Momin related that the inclusionary housing program has not been effective and hoped the San Pablo Avenue Specific Plan will help generate affordable housing units. He proposed the use of rezoning strategies to create more affordable housing. The R-2 zone currently allows single-family housing and duplexes, but the FAR is 0.55. The City may need to create more areas for development of affordable housing and link that to affordability rather than allowing standard development on R-2 parcels.

Commissioner Pilch questioned whether emphasizing home ownership is realistic when most people cannot afford to purchase a single-family home. Perhaps the City needs to encourage the development of small condominiums to create entry-level for-purchase homes. The staff report seems to suggest that the City explore financing. Because of

 the City's small staff, City programs to help finance housing probably are not viable. A City program to help people identify sources of financing may be viable.

Commissioner Donaldson noted other cities' 20% inclusionary housing requirement seems to be effective. The City may want to increase its requirement from 15% to 20%.

Commissioner MacLeod believed an inclusionary housing requirement should be considered in conjunction with the State Density Bonus Law. Housing production stems from housing constraints. Developing a program that achieves Policy 2.2 seems difficult. Smaller-scale affordable units should blend into the neighborhood and have a look and feel that are consistent with surrounding houses. Scattered site affordable housing is a good idea. An inclusionary housing requirement creates lower rents for a certain number of units in a development, and the developer compensates by raising rents on the market-rate units. The two need to be balanced.

Chair Watty proposed deleting the clause from Policy 2.5 because State law prohibits parking requirements and design review for ADUs. As written, Policy 2.5 sets unrealistic expectations for the community.

Commissioner Pilch concurred with conducting a nexus study as proposed in Program 2B. He wanted to know about other cities' affordable housing impact fees and inclusionary housing requirements. Staff may be constrained in implementing Program 2E, but the City can partner with other organizations. Providing incentives for Program 2H may be more effective than staff presentations or contacts. Collecting as much information as possible about ADUs is a good idea, and the data will be useful.

Commissioner Momin expected in the next planning cycle, larger development projects along San Pablo Avenue will include live/work units and be subject to the inclusionary housing requirement.

Chair Watty suggested Policy 3.4 is an opportunity for the City to provide FAR bonuses for developers and property owners who incorporate components of universal design in projects.

Commissioner Pilch questioned whether the City should downplay Goal 3 programs that comply with State law and that the City is not actively pursuing. A reference to a Council Member serving on the Board of EveryOne Home in Program 3G may not be relevant.

Commissioner MacLeod suggested the mechanisms for achieving some of the Goal 3 policies are difficult to understand. Several applications before the Commission could have included universal design but did not. The City is taking a regional approach for Policies 3.7, 3.8, and 3.9.

 Commissioner Donaldson believed the federal infrastructure bill contains substantial funding for expanding the housing voucher program. The County of Alameda's administration of the voucher program is constrained by funding rather than capacity. Program 3D should include language for the City to act quickly if funding is approved.

Commissioner Pilch proposed the City offer incentives for the development of low-income senior housing.

Commissioner MacLeod noted a recent multistory housing project before the Commission did not provide an elevator. This deliberate omission excluded a whole group of people from living in or visiting the project. The City may need to consider a requirement for elevators.

Commissioner Pilch supported Policy 4.7. The staff report's statement that all residential districts allow a diverse range of housing types does not sound correct. FAR bonuses are being offered in areas other than San Pablo Avenue and Solano Avenue to increase housing. Elevating Policy 4.7 to a program in order to prioritize a Housing Coordinator position is a valid suggestion.

Commissioner MacLeod supported the elimination of minimum parking standards, implementation of a standard for maximum parking per unit, and car-free living. Innovative housing types are impacted by Building Code requirements. He encouraged the consideration of eliminating FAR and revising height limits along San Pablo Avenue and perhaps even Citywide.

Commissioner Pilch supported Program 4A(1). He questioned whether the Council would strengthen the rent review board or expand its role since Program 5E has been achieved.

Mr. Miller encouraged Commissioners and the public to submit written comments.

PUBLIC HEARING OPENED

Clay Larson remarked that the Municipal Code is very prescriptive, but without enforcement no one takes the requirements seriously. The City needs to figure out a way to establish code enforcement. The Housing Element Update process should have begun with an analysis of housing sites previously identified and the new Regional Housing Needs Allocation (RHNA) requirements. The analysis would show the real quantitative goals and actions needed to achieve the goals.

PUBLIC HEARING CLOSED

8-2. Planning & Zoning Commission 2021-2022 Work Plan – The Planning & Zoning Commission will review the draft Work Plan for the 2021-2022 appointment period.

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Recommendation: Staff recommends that the Planning & Zoning Commission review the draft Work Plan and provide feedback.

CEQA: N/A

Planning Manager Hersch presented the staff report dated May 12, 2021.

Commissioner Pilch suggested listing the number of projects anticipated with a note that the Albany Bowl housing project is a significant project rather than calling out the project separately.

Commissioner MacLeod suggested additional topics of a Citywide zoning review and amendments, Measure K revision, and revision of development standards for specific zoning districts.

Commissioner Donaldson remarked that planning occurs first, and zoning implements planning. The Housing Element Update constitutes the planning phase. CEQA work for the Specific Plan and Housing Element may be highlighted in the work plan.

Commissioner Pilch indicated that the Commission will be reviewing zoning as a follow up to the Specific Plan and Housing Element, and it may be included in the work plan. If the Council wishes to proceed with Measure K, the Commission will need to begin work on it.

Chair Watty supported the proposed work plan.

City Attorney Correspondence Inclusionary Housing and Live/Work Units -8-3. Receive informational memo with a legal determination on live/work units being subject to inclusionary housing requirements.

Recommendation: Receive report

CEQA: N/A

Planning Manager Hersch presented the City Attorney's memorandum dated May 6, 2021.

PUBLIC HEARING OPENED

Richard Tapp, architect for the 904 Masonic Avenue project, reviewed the project's progress through the review process and extensive discussions regarding an elevator and the live/work unit. The City Attorney has interpreted the Municipal Code as a live/work unit is a dwelling unit. There is no precedent in the City of Albany for the City Attorney's interpretation. Live/work space is a separate residential use and is not

considered a single-family, duplex, or multifamily dwelling unit. Live/work space is not permitted in any residential zoning district because live/work has been considered a hybrid use that is acceptable on the ground floor in a commercial zoning district. A footnote in the Municipal Code states live/work space should be calculated as a commercial use for floor areas within a mixed-use building. Under the current Municipal

Clay Larson noted the omission of public comment for Agenda Item 8-2 is a Brown Act violation.

Code and the ambiguity around live/work space, the project should be allowed.

PUBLIC HEARING CLOSED

Chair Watty indicated the memorandum helps clarify issues around the project and concurred with the City Attorney's direction.

Commissioner Pilch related that the City Attorney's input is meaningful and expressed concern that a project with housing has run into several hurdles. He hoped to find a way to salvage the project. If provisions of the Municipal Code are causing problems for the production of certain housing types, they may need to be addressed.

Commissioner MacLeod did not disagree with the City Attorney's memorandum. Code provisions are not necessarily mutually exclusive. A live/work unit certainly appears to be a dwelling unit as it is designed for living, sleeping, and eating. The project has been a nice project in many respects.

9. NEXT MEETING – May 26, 2021, City Hall Council Chambers, 1000 San Pablo Avenue or virtual meeting pursuant to state and county guidance

10. ADJOURNMENT

The meeting was adjourned at 9:50 p.m.
Submitted by: Anne Hersch, Planning Manager
Jeff Bond, Community Development Director