



MINUTES

SPECIAL MEETING

**CITY COUNCIL
CITY OF SOUTH SAN FRANCISCO**

**WEDNESDAY, FEBRUARY 16, 2022
6:00 p.m.**

Teleconference via Zoom

The City Council may meet by teleconference, consistent with the Brown Act as amended by AB 361 (2021). Under the amended rules, the City will not provide a physical location for members of the public to participate in the teleconference meeting.

CALL TO ORDER

Mayor Nagales called the meeting to order at 6:00 p.m.

ROLL CALL

Councilmember Addiego, present
Councilmember Coleman, present
Councilmember Flores, present
Vice Mayor Nicolas, present
Mayor Nagales, present

AGENDA REVIEW

No changes.

PUBLIC COMMENTS

None.

ADMINISTRATIVE BUSINESS

1. Report regarding recommendation to establish Citywide Wireless Utility to address Digital Equity (*Tony Barrera, Director of Information Technology*)

Information Technology Director Barrera provided an overview of the project and indicated that the department issued a Request for Proposal (RFP) to conduct a Broadband and Wireless Feasibility Study as part of a city initiative to bridge the digital gap. Technology and Trends, Policy Analysis, Service and Infrastructure Analysis, Site and Market Analysis, Needs Assessment and Outreach, and Utility Formation Study were all included in the RFP's scope of work. Based on their findings, the selected consultant would produce a strategic technological implementation strategy for broadband and public Wi-Fi infrastructure. In South San Francisco, the strategy would assess demand and need for gigabit broadband services among communities of need. Jory Wolf, Project Executive with Magellan Advisors, provided an overview of their findings and recommendations. Preston Young, Project Manager, discussed technical innovations of the projects and the proposed Pilot Public Wi-Fi Network in the downtown area.

Councilmember Addiego requested clarification with the Zone 2 proposed Wi-Fi area. Information Technology Director Barrera provided an overview of the Zone 2 area and noted that the area is included based on the 2020 census data received for this census block.

Mayor Nagales inquired about Wi-Fi services in the Westborough neighborhoods and noted the lack of providers for the area. He asked if Digital Inclusion Fees are standard amongst other local government agencies. Project Executive Wolf indicated that he was not aware of other agencies but suggested that the state and federal government offer grant funding for Digital Inclusion programs and encouraged the city to work with community stakeholders to assist with infrastructure needs and support. Information Technology Director Barrera noted that Comcast and Wave offer low-income internet services for a monthly fee of \$10.00.

Councilmember Addiego noted that the city collected Franchise Fees and suggested that the Budget Sub-committee explore allocating those fees to expand the pilot program potentially.

Councilmember Flores requested clarification on the proposed bandwidth and Wi-Fi access points. Project Executive Jory Wolf and Information Technology Barrera provided an overview of the proposed technology.

Councilmember Coleman requested clarification on the advantages and disadvantages of using an ISP. Project Executive Jory Wolf explained the proposed technology.

Vice Mayor Nicolas expressed her support of the project and noted that providers are limited throughout certain city areas. Project Executive Jory Wolf provided clarification of the providers available in the area.

PUBLIC COMMENTS

The following individuals provided public comment:

- Leah Taylor
- Oscar
- Rick
- Henrick Chang

A consensus of the Council to continue with the project and close the Digital Divide.

2. Report regarding an analysis of the City of South San Francisco's Inclusionary Housing Ordinance and incentives to provide additional affordable housing units. (*Julie Barnard, Acting Deputy Director of Economic and Community Development*)

Acting Deputy Director of Economic and Community Development Barnard presented the report following the City Council's interest in revising the City's inclusionary housing policy. She noted that while the State Density Bonus helps deliver more housing units, it results in a development with a low proportion of affordable units than the City's inclusionary requirement of 15%.

Staff reviewed possible incentives that could encourage developers to build more affordable homes than required. Staff hired BAE Urban Economics as a consultant to advise the city on the benefits and drawbacks of offering incentives or concessions to raise the overall number of inclusionary units. She noted that Council specifically asked that parking regulations be reduced and waive costs.

As a policy intervention, the Council expressed interest in considering an affordable housing overlay. In exchange for providing a specified degree of affordability, affordable housing overlays allow developers to create multi-family housing more readily in specific regions. South San

Francisco already allows medium and high-density housing in highly desirable locations - such as near transit and job centers - and requires a minimum level of affordability in all residential developments over five units. A housing overlay district would have little impact on how housing is permitted in the city.

South San Francisco has also supported affordable housing by establishing exemptions that streamline project approvals at no cost to developers. South San Francisco has identified potential housing sites around the city as part of its General Plan update and is taking steps to encourage affordable housing through land-use rules. To guarantee compatibility with state law requiring faster approval of housing projects, maximum densities without needed community benefit contributions, lower parking ratios, and less discretionary processes are all planned for new housing. The staff does not believe that a traditional overlay is necessary for South San Francisco. The consultant analysis of incentives that could encourage a developer to provide more affordable units as a percentage of their citywide development is, in essence, an affordable housing overlay. These incentives aim to increase the availability of affordable housing while also allowing developers to be more flexible in their planning. The State Density Bonus and the city's existing Inclusionary Housing Ordinance are available to developers in the City of South San Francisco to help them enhance densities.

Mayor Nagales noted his support for reducing parking for projects near transportation hubs to bring more affordable housing units to assist the city in meeting the Regional Housing Needs Allocation (RHNA) numbers. Acting Deputy Director of Economic and Community Development Barnard provided an overview of the city's affordable housing units. Director of Economic and Community Development Selander provided clarification of the RHNA requirements.

Councilmember Addiego expressed his concern with the proposed project. Councilmember Coleman encouraged staff to explore reduced parking requirements while ensuring labor requirements are met for all proposed projects. Acting Deputy Director of Economic and Community Development Barnard explained the current parking requirements.

Vice Mayor Nicolas encouraged staff to keep parking requirements, expressed her concern with the loss of Impact Fees, and noted the benefits to the community. Councilmember Flores concurred with Vice Mayor Nicolas and expressed his desire to address traffic congestion and alternative transit options.

The following individuals provided public comment:

- Javi
- Rick
- Jordan Grimes – *Peninsula for Everyone*
- Jennifer Garstang

Acting Deputy Director of Economic and Community Development Barnard indicated that staff would continue to explore Options 1, 3, and 4. Once complete, the team will return to Council and present their findings, approximately summer 2022.

3. City Council study session to consider a potential ballot measure authorizing the City of South San Francisco to develop, construct, or acquire affordable, low-rent housing units pursuant to Article XXXIV of the California Constitution and to provide direction to staff. (*Sky Woodruff, City Attorney and Nell Selander, Director, Economic & Community Development Department*)

Assistant City Attorney Claire Lai provided an overview of a prospective ballot initiative authorizing the City of South San Francisco to develop, construct, or obtain affordable, low-rent housing units pursuant to Article XXXIV of the California Constitution will be discussed at a City Council study session. Article XXXIV of the California Constitution (often known as "Article 34") was approved as Proposition 10 in 1950 and became law in 1976 under Health and Safety Code section 37000 et seq. It necessitates previous voter approval before any federal, state, or local government agency can build, construct, or acquire certain types of low-income housing developments in that city. While Article 34's scope is broad, statutory exemptions exempt certain projects from voter approval and stipulate that certain public entity acts are not deemed to create, construct, or acquire a low-rent housing project.

Staff developed an approach to a potential Article 34 measure and prepared a draft ballot measure question based on feedback from the City Council at previous study sessions. Rather than allowing a predetermined number of units to be built each year, the draft ballot question would allow the city to develop, construct, or acquire a number of units equal to 1% of the total number in the city from year to year over thirty years. If approved by the voters, the city would be authorized to develop, construct, or acquire low-rent housing for thirty (30) years. An ordinance addressing the approach's specifics would be included in the bill.

For putting the proposed initiative on the ballot for the June 2022 Statewide Election, the San Mateo County Elections Office has offered a high-cost estimate of \$206,000 and a low-cost estimate of \$172,000, respectively.

Councilmember Coleman expressed his support of building city-owned and operated housing units to maximize community benefits. He supported placing the measure on the ballot and inquired about the cost of putting it in the November 2022 election. City Manager Futrell indicated that City Clerk Govea Acosta would reach out to the County of San Mateo Elections office to solicit an estimated cost but noted that the cost would be relatively lower.

Councilmember Addiego expressed his support of the proposed ballot and noted the importance of the project and the city's commitment to the community.

Vice Mayor Nicolas expressed support for placing the measure on the November 2022 ballot and her concern with managing the housing.

Councilmember Flores concurred with Councilmember Coleman, including families, people with disabilities, and veterans, and agreed to move the ballot to the November 2022 election.

Mayor Nagales expressed his support for placing the ballot on the November 2022 election and requested clarification on the rollover number of units. Director of Economic and Community Development Selander provided an overview of the RHNA numbers and property acquisition.

The following individual submitted eComment:

- Roderick Bovee

The following individuals provided public comment:

- Javi
- Rick
- Ethan Mizzi

- Jennifer Garstang
- Alex Melendrez – *Peninsula for Everyone*
- Leah Taylor – *South San Francisco Housing Authority*
- Denton Murphy
- Jordan Grimes – *Peninsula for Everyone*

Councilmember Addiego encouraged the community to participate in the conversation and share their concerns with their neighborhoods and expand communication. At the request of Vice Mayor Nicolas, Director of Economic and Community Development Selander provided an overview of the methodology used to determine the proposed 1%.

A consensus of the Council to move forward with the ballot and place in the November 2022 election. City Manager Futrell indicated that staff would update the ballot measure language to reflect a change in the election date. The item will be brought to Council in August 2022 for formal approval.

ADJOURNMENT

Being no further business Mayor Nagales adjourned the meeting at 8:23 p.m.

Submitted by:

Approved by:

Rosa Govea Acosta, MMC, CPMC
City Clerk

Mark Nagales
Mayor

Approved by the City Council: ____ / ____ / ____