



# **MINUTES**

## **SPECIAL MEETING**

CITY COUNCIL  
CITY OF SOUTH SAN FRANCISCO

TUESDAY, OCTOBER 26, 2021  
6:00 p.m.

**Hybrid In-Person/Virtual Meeting**  
**Municipal Services Building, Council Chambers**  
**33 Arroyo Drive, South San Francisco, CA**

*City Council conducted this meeting in-person and remotely via the ZOOM virtual meeting platform in accordance with California Governor Newsom's Executive Orders N-29-20, N-63-20, and N-08-21 and COVID-19 pandemic protocols.*

### **CALL TO ORDER**

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

### **ROLL CALL**

Councilmember Coleman, present in Council Chambers  
Councilmember Flores, present in Council Chambers  
Councilmember Nicolas, present in Council Chambers  
Vice Mayor Nagales, present in Council Chambers  
Mayor Addiego, present in Council Chambers

### **AGENDA REVIEW**

No changes.

### **PUBLIC COMMENTS – Comments are limited to items on the Special Meeting Agenda.**

- Darryl Yip

### **ADMINISTRATIVE BUSINESS**

1. Study session regarding Article 34 of the California Constitution's voter approval requirement for the city to develop, construct, or acquire certain types of "low rent housing projects." (Sky Woodruff, City Attorney)

City Attorney Woodruff presented the report and indicated that Article XXXIV (Article 34) of the California Constitution requires South San Francisco voter approval before any federal, state, or local public entity can develop, construct, or acquire certain types of low rent housing projects in the City. Under the statute, "low rent housing project" means any urban or rural dwellings, apartments, or other living accommodations for low-income residents, financed in whole or in part by the federal, state, or local government. This includes supplying labor, guaranteeing payment of liens, or other forms of financing. These projects may not be developed, constructed, or acquired by a city until the majority approves the project of the voters.

Rather than proposing that voters authorize specific projects, cities that have sought voter support for low-income housing developments have often written ballot measures to approve a specific number of units. The City Council may put a ballot measure for voters to authorize the city planning, building, or acquiring low-income housing.

*An individual provided an anonymous eComment for Administrative Business Item No. 1.*

Vice Mayor Nagales expressed his support for affordable housing and noted the need to meet Regional Housing Need Allocation (RHNA) for South San Francisco.

Councilmember Coleman expressed his support for placing a ballot measure and noted the challenges with creating affordable housing. Mayor Addiego expressed his support of placing the item on the ballot for voter approval.

City Manager Futrell indicated that staff would proceed with the project and draft a ballot measure for Council's review and approval. The measure is scheduled to be placed on the June 2022 election.

2. Continuation of a study session regarding renter protection measures for residential tenants in South San Francisco. (Nell Selander, Deputy Director, Economic & Community Development Department)

Deputy Director Selander presented the report and stated that in 2019, the City Council held study sessions to address the issue of residential evictions in South San Francisco. Staff presented several types of renter protection policies for the Council's consideration. The average rent for a one-bedroom apartment in South San Francisco in July 2019 was \$2,883, up 5% over the previous year, according to rentcafe.com. According to rentcafe.com, the average rent in August 2021 was \$2,717, down 11% from 2020. She noted that despite the decrease in rental rates, there are still affordability issues. A household must earn at least \$97,800 per year to afford a one-bedroom apartment in South San Francisco comfortably. South San Francisco has a \$105,459 median family income.

The Governor enacted AB 832 on June 28, 2021, extending COVID-19-related residential eviction safeguards until September 30, 2021. The new law doubles the amount of money available for rent relief, bringing the total to \$5.2 billion, covering all past due and future rent (March 2020 through March 2022). AB 832 also allows renters to apply for rent relief on their own, even if their landlords refuse to participate. A protection that lawmakers set up as part of AB 832 is a provision that bans landlords from evicting tenants before they get a chance to apply for rent relief through March 2022. Additionally, the legislation prevents municipalities from enacting local eviction moratoria until after the state's protections expire on April 1, 2022.

The rental aid provided by Housing is Key, the state-run COVID rental assistance program is inextricably related to the statewide eviction moratorium. There were 95 Housing is Key applications for South San Francisco families in progress as of August 25, 2021. There were also 339 active applications totaling more than \$4 million in addition to the applications in progress. Active cases have submitted funding requests currently being reviewed but have not yet been approved. In contrast, only 91 homes in South San Francisco have received \$1.5 million in aid. This data shows that while the procedure is delayed, monies are awarded to South San Francisco residents to pay past due and future rent payments.

Staff provided information on proposed renter protection measures including the creation of a rental registry, mediation, and additional rental assistance money.

*The following individuals provided comments via Zoom:*

- Nick Pappas
- Rhovy Lyn Antonio – California Apartment Association

Vice Mayor Nagales discussed the rental assistance program and the many challenges and inquired about the rental registry program and enforcement. City Attorney Woodruff discussed the City of El Cerrito Rental Registry program and enforcement.

Councilmember Nicolas inquired about outreach to stakeholders on the proposed rental registry program for the city. Deputy Economic and Community Development Director Selander indicated that staff has begun conversations and will continue to outreach to stakeholders. She also noted that the registry is a great start to address housing needs, but it would not resolve the issue and challenges of implementation.

Councilmember Flores requested clarification about the City of El Cerrito Rental Registry program, including data gathering and lessons learned. Deputy Economic and Community Development Director Selander provided an overview of their program and noted that it was not robust for reporting or data gathering. City Attorney Woodruff indicated that they were updating the platform to implement a new database. Councilmember Flores noted that El Cerrito implemented a Tenant Protection Task Force to assist property owners and renters. He encouraged staff to review the model for possible implementation in our city. The Council expressed support of forming a task force.

Deputy Economic and Community Development Director Selander requested clarification on the role of the Tenant Protection Task Force, including mediation. Vice Mayor Nagales requested a right to counsel in mediation like the City of Palo Alto Tenant/Landlord Mediation Program. Councilmember Flores inquired about the \$35-70k estimated cost. Deputy Economic and Community Development Director Selander indicated that the exact cost is unknown and clarified that the cost presented to Council is a cost estimate without the proposed mediation services.

Vice Mayor Nagales provided an overview of the Rental Assistance Program and the challenges with subtenants. He supports a program where landlords are willing to participate for subtenants by offering direct assistance to the landlords and not the master tenant ensuring no retaliation against the subtenants.

*Four individuals provided anonymous eComments for Administrative Business Item No. 2.*

*The following individuals and two guest users provided Public Comments for Administrative Business Item No. 2:*

- Ethan Mizzi
- Roderick Bovee

*The following individuals provided comments via Zoom:*

- Sarah Funes
- Nick Pappas
- Rhovy Lyn Antonio – California Apartment Association

City Manager Futrell indicated that staff would continue to outreach to stakeholders and residents.

3. Study session regarding two Capital Improvement Projects (CIP) at Orange Memorial Park; the Sports Field Project and Pool Replacement Project with recommended bond funding strategies. (Sharon Ranals, Assistant City Manager, and Janet Salisbury, Finance Director)

Deputy Director of Capital Projects Vitale presented the report and provided an overview of the Sports Field Project, including cost and estimated completion date. Deputy Director of Parks and Recreation Mediati discussed the Orange Memorial Park - Pool Replacement Project, including existing conditions and needs. Deputy Director of Capital Projects Vitale provided an overview of the feasibility study and proposed site relocation with the project schedule. Finance Director Salisbury discussed possible funding solutions.

Mayor Addiego requested clarification on funding opportunities that align with other municipalities. Finance Director Salisbury explained the funding process and the city's allocation. City Manager Futrell indicated that staff would move the project forward with the feedback from Council.

4. Report providing an update on the City's Pension obligations as it relates to its current unfunded actuarial liabilities ("UAL") and facilitating a discussion in terms of various strategies to improve the funded status of the City's retirement plans. (Janet Salisbury, Director of Finance, Jason Wong, Deputy Finance Director, Wing-See Fox, Managing Director from Urban Futures, Inc., and Julio Morales, Managing Director from Urban Futures, Inc.)

Finance Director Salisbury presented the report and provided an overview of the city's pension obligation and the city's AAA credit rating. Deputy Finance Director Wong provided an overview of the city's unfunded accrued liability and funded ratio compared to other cities. Finance Director Salisbury presented case studies and suggested a pension policy to address funding. See Fox and Julio Morales with Urban Futures reviewed the anticipated CalPERS adjustments and net impact to the city.

Councilmember Nicolas expressed concern with the city's pension obligation fund and requested clarification. Finance Director Salisbury provided an overview of the proposed bond.

Vice Mayor Nagales expressed concern about the absence of a formal pension policy and requested additional information. Finance Director Salisbury indicated that the information presented was preliminary, and if directed by the Council, staff would conduct further research.

Mayor Addiego expressed support of a feasibility study with a 10-year projection. Finance Director Salisbury noted that the survey would provide significant information for the Council to consider before deciding.

Finance Director Salisbury indicated that she would continue with the evaluation process to develop a pension policy and meet with Councilmembers individually to discuss their concerns. Once the study is complete, the item would return to Council for additional feedback.

## **ADJOURNMENT**

Being no further business Mayor Addiego adjourned the meeting at 9:02 p.m.

Submitted by:

Approved by:

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Rosa Govea Acosta, CMC, CPMC  
City Clerk

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Mark Addiego  
Mayor

Approved by the City Council: \_\_\_\_ / \_\_\_\_ / \_\_\_\_