



Memorandum

TO: RULES AND OPEN GOVERNMENT COMMITTEE **FROM:** Councilmember Donald Rocha
SUBJECT: MEASURE C FOLLOW-UP **DATE:** August 9, 2018

Approved

Don Rocha

Date

August 9, 2018

1/14

RECOMMENDATION

That the Rules Committee direct staff to bring forward a report to the City Council that describes the effect of the new land use rules imposed by Measure C. Staff may wish to consider providing the following information:

1. A map of parcels that would fall under the Measure C requirements.
2. An analysis as to whether Measure C conflict with any existing City land use policies. For example, will Measure C pose an obstacle to planned housing development in any urban villages?
3. An analysis as to whether there are any landowners who we need to notify that they can no longer develop their property as expected due to Measure C. (For example, if Measure C poses an obstacle to development of urban villages, it would be courteous of us to inform property owners in those villages that a charter amendment may alter or prevent implementation of General Plan policy for their properties.)
4. Identification of any other consequences of Measure C that staff thinks are notable.

ANALYSIS

Measure C, a charter amendment approved by voters in June, would place restrictions on conversion of employment lands to housing. It applies to parcels within one mile of the urban growth boundary in the southern half of the City. The measure imposes process requirements before a conversion of employment lands in this area can be approved, and if a conversion is approved, requires that it meet certain standards. For example, any housing project approved as part of a conversion would need to designate half of its units as deed restricted affordable housing.

This measure was placed on the ballot by the City Council. Council deliberation on this proposal was conducted very rapidly; staff was not asked to provide analysis of the effects of the measure.

Now that the measure has passed, I recommend that we ask staff to conduct an analysis of the measure and inform us of implications for City land use policy. At the very least, we should have a map of the parcels that are covered by the measure. We should also evaluate whether the measure poses an obstacle to implementation of any General Plan policies. Measure C is complicated so it's hard for me to understand exactly how it would impact General Plan policy, but it seems possible that it could make it more difficult to develop any urban villages that fall within its reach. Most urban villages rely on the partial conversion of employment land to residential uses, and it's exactly such conversions that Measure C aims to make more difficult.

For example, take the Meridian Ave./Redmond Ave. urban village, located on the northwest corner of Meridian and Redmond in District 10. This village is planned for 120 housing units and currently carries a General Plan designation of Neighborhood/Community Commercial. It is located within the Almaden Planning Area and within one mile of the Urban Growth Boundary. This location, combined with the commercial General Plan designation, would seem to mean that the village could qualify as threatened employment land under Measure C, which could make build-out of the village more difficult.

There are other provisions of Measure C that complicate the analysis, however. Measure C applies to parcels of five acres or greater in size and contiguous parcels under common ownership that are collectively five acres or greater. The Meridian Ave./Redmond Ave. village is comprised of a single commercial strip center that is nearly ten acres in size. The center appears to operate as a single unit, but the assessor parcel map reveals that it is split into a series of smaller parcels. If these parcels were five acres or less in size, it seems possible that they could be developed under the urban village rules without tripping the Measure C requirements so long as they were under separate ownership; however, it seems like there would be practical challenges to developing a suburban strip center into an urban village on a piecemeal basis under divided ownership.

As you can see, the analysis of how Measure C applies to individual properties can get quite complicated. I'm not even sure that Measure C applies at all to the example I provide above—I'm just doing my best to interpret it. Property owners would likely have similar difficulty understanding it, so if there is a possibility that it will complicate or thwart established General Plan policy, the City should make analysis of the issue public and potentially inform property owners of the altered status of their property. We frequently talk about creating predictability for land owners and developers; if Measure C is going to overturn established expectations about what property owners can do with their land, we should make that known.