

Maloney, Mike

From: Jones, Jessica
Sent: Monday, February 05, 2018 12:37 PM
To: Maloney, Mike
Cc: Hartman, Clare
Subject: FW: Resilient City Ordinance -- Planning Commission Hearing Thursday
Attachments: Project for Temporary Apartments 2018-01-18.PDF

Mike,

Please add the following as public comment on the Resilient City Development Measures item scheduled for the 2/8 PC meeting.

Jessica Jones | Supervising Planner

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From: Steve Birdlebough [mailto:scbaffirm@gmail.com]
Sent: Monday, February 05, 2018 12:16 PM
To: Jones, Jessica <JJones@srcity.org>
Subject: Resilient City Ordinance -- Planning Commission Hearing Thursday

Thank you for your work on this ordinance, Jessica.

My comments below are directed to the parts of the draft that are intended to support temporary housing for the three thousand families displaced by the firestorms.

If you have questions, please call me at 576-6632.

Steve Birdlebough

On page one of the draft of Chapter 20-16, please reconsider the three year limitation on the ordinance insofar as it would affect financing of temporary dwelling units. If the ordinance expires in a short time, it will be almost impossible for builders to fund temporary housing. The financial model that we used for the attached Project for Temporary Apartments was based on three to six years of occupancy. We hear current estimates that it might be a decade before all of the housing destroyed by the wildfires is replaced.

Since many proposed housing projects take five or ten years to break ground, it seems reasonable to permit temporary housing on such sites for longer than three years.

Also on page one, Temporary Housing, paragraph A, line 2, consider replacing "converted storage containers" with "converted cargo containers." Storage containers are commonly much smaller than cargo containers, and may lack the structural strength of cargo containers.

On page three, please clarify that off-site parking rented by the temporary housing tenants will be considered if necessary to make housing units affordable for working families.

Also on page three, consider revising paragraph 6 so that it does not appear to rule out housing units that are off the electric grid, that have on-site water storage, or that employ holding tanks for sewage, or properly maintained composting toilets. Such innovations do need to be used with sound discretion, but if the ordinance seems to bar them, financing of temporary housing on some sites will not be feasible.

Also on page three, in item G. Duration of Use, please consider deleting the fixed time limit. Each project will have its particular schedule and funding horizon. A three year limit would prove far too restrictive for some needed projects, and it could cause lenders to decline funding of projects subject to the ordinance.

The ordinance needs to offer builders of temporary housing a realistic way to amortize the cost of the housing, with reasonable rent for the occupants.

PROJECT FOR TEMPORARY APARTMENTS

The recent firestorms have created a severe shortage of housing in Santa Rosa. Many families have moved away from the City and housing costs have been inflated throughout the North Bay. This project for temporary apartments is to demonstrate that hundreds of work-force housing units can be built within a very few months, close to jobs and public transportation. If this proposed ten to fifteen unit apartment project proves successful, it can pave the way for many more families to return to Santa Rosa.

TARGET LOCAL COST PER TEMPORARY (850 Sq. Ft.) LIVING UNIT is about \$39 thousand, based on \$1,500 average monthly rent for a family with average earnings of \$61,000 per year (median household income for Santa Rosa in 2016). The assumptions underlying this target are:

- 1) The modified cargo containers to be used in the project have about 70% residual value,
- 2) The emergency apartments would occupy public or private land at nominal cost during the 3 to 6-years that the units would be occupied,
- 3) Parking, if available, is "unbundled" (paid for separately),
- 4) Permitting and utility connection costs are nominal due to the temporary nature of the project,
- 5) About \$750 per month is reserved for M&O costs, allowing some \$750 per month for debt service.

NOTE: We are advised that the average cost of a new permanent apartment unit is about \$350,000, and at a 5% interest rate market rate units must rent for about \$2,500 per month. About \$21,000 per year in income is needed for debt service, plus \$9000 per year to meet operating expenses and taxes. Subsidized units depend on tax credits and Section-8 vouchers to rent for \$1,000/ month. Months or years are required to secure funding for most projects.

Various configurations for the temporary apartments could be used. It appears that an optimum arrangement might consist of four three story structures (see next page). Three 40-foot cargo containers would be used per living unit. In the United States, it seems that 5-story structures with cargo containers have been approved, but foundation costs could prove too great for a temporary installation. The apartment structure can also be elevated above an existing parking lot at additional cost.

PARKING requirements would be waived due to the short-term (3 to 6 year) life of the project. Arrangements to park vehicles nearby might be facilitated, at cost to the automobile owner.

UTILITY costs and infrastructure to serve temporary housing would be minimized.

Electric Power could be provided primarily by rooftop solar units with micro-grid storage.

Water Catchment, Re-use & Storage systems to recycle gray-water might be used for non-potable uses

Potable Water Supply would require a connection to the city water system. Heated water can be provided with a solar pre-warming unit on the roof with electric demand-response heaters near faucets.

Storm Water runoff could be minimized by low impact development and living roof.

HEATING & COOLING would use efficient electric heat pumps mounted on the outside of each apartment, with an inside unit mounted near the bathroom ceiling with ducts to other spaces.

AVOID the cost of an elevator by locating all handicap apartments on the first floor

STEVE BIRDLEBOUGH

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CONCEPTUAL DESIGN FOR 3 STORY TEMPORARY APARTMENTS
[Nine 40-foot shipping containers, three per 850 Sq. ft. apartment]

HOW ARE CARGO CONTAINER CONVERSIONS INNOVATIVE AS HOUSING SOLUTIONS?

The use of converted cargo containers for housing during recovery from an emergency is innovative in many ways: 1) cargo units are designed to be stacked, and their use to quickly construct multi-unit buildings has been demonstrated repeatedly; 2) as temporary housing that can be dismantled and relocated at reasonable cost, the units can occupy urban sites where more dense future development is expected; 3) the units are designed both for storage and for ease of movement by train or boat to any area where they might be needed; 4) each housing unit is durable enough to survive moves to a succession of disaster locations over its life-span; 5) delivery and assembly of the housing units is not affected by shortages of skilled carpenters; and 6) most local jurisdictions have not yet adopted policies or funding mechanisms to address the use of converted cargo containers as temporary factory-built housing.¹

A large scale cargo container conversion project for temporary student housing commenced in 2005 in the Netherlands, and the units are now in the process of being sold for removal to other sites.² By 2008, the Travelodge Hotel chain had completed three hotels in the UK using cargo containers.³ Container units were used in 2016 to erect a 243 room Crowne Plaza Hotel in Singapore in just 26 days.⁴

All that is lacking to make similar living units available for rent after disasters like the recent firestorms in Sonoma County is a reserved source of converted containers, a process to put them on the ground and a property management system. After several years, when the displaced residents have been able to find or rebuild homes, the units can be stored in anticipation of the next disaster.⁵

HOW ARE CONVERTED CARGO CONTAINER UNITS MORE ENVIRONMENTALLY DESIRABLE THAN RECREATION VEHICLES OR MANUFACTURED HOUSING?

Recreation vehicles and stick-built manufactured temporary housing units present two environmental problems: 1) they are relatively fragile, and usually are used only at a single disaster site before being replaced, after which they probably go into a land-fill within a few years; and 2) they are best suited for rural locations that often have little or no environmentally desirable public transportation.

The estimated 40-year useful life of a converted shipping container is likely to give it a relatively lighter impact on the environment.⁶ Many displaced Santa Rosa residents have scattered to other

¹ An exception is the City of Los Angeles, which recognized cargo container conversion to building modules in June, 2017. See also, Sec.19960 et.seq. of the Health & Safety Code (factory built housing).

² See, *Keetwonen project for sale*, <https://www.keetwonenforsale.com/>

³ In Heathrow, UK, over a 21-day period in 2009, 181 shipping containers were assembled into a 307-room Travelodge hotel, the third project in which the company used such construction. http://web.cimc.com/en/business/container/news/200912/t20091221_2279.shtml

⁴ In Singapore, over a 26 day period in 2016, 252 containers were used to build a 10 storey, 243 room, free standing Crowne Plaza hotel. The project took just over six months, costing about \$12.8 million (USD). The containers were built over a 155-day period in Beijing and came with all interior furnishings completely installed. <http://www.prefabmarket.com/space-age-modular-hotel/>

⁵ See, e.g., Kates, *Reconstruction of New Orleans after Hurricane Katrina* (2006). Long-term case studies of reconstruction after disasters tells us that temporary housing is often occupied for several years, because much rebuilding takes a long time. <http://www.pnas.org/content/103/40/14653.full#xref-ref-36-1>.

⁶ Keetwonen Project, *supra*.

cities and counties, and the rapid installation of quality container housing could attract them back quickly shortening commutes by thousands of drivers that now crowd surrounding highways and emit tons of greenhouse gas.⁷ Without action now, these problems are expected to worsen as construction workers begin arriving to rebuild homes in burn areas. Reducing transportation related greenhouse gas emissions is a goal of State policy.⁸

HOW MUCH DOES EACH UNIT COST?

The advertised price of a container living unit can range from \$40 thousand to more than \$160 thousand depending on whether the unit consists of one container or more, and depending upon the number of bathrooms.⁹ Orders for multiple units could well result in significant discounts that can only be ascertained close to the time of purchase. To provide temporary workforce housing in Sonoma County, average rent should be no more than \$1,500 per month.¹⁰

HOW LONG DOES IT TAKE TO PRODUCE AND INSTALL UNITS?

To determine a move-in date for prospective tenants, the governing factors are likely to be: 1) securing control of the site, 2) obtaining city zoning and permit clearances, 3) funding arrangements, and 4) construction of foundations, sewer, water, and utility connections.¹¹ With funding, permits, and site preparation under way, the factory can secure permits from the Department of Housing and Community Development, and begin installation of insulation, plumbing, wiring, doors, windows interior walls, etc. It has proved cost effective to produce up to 40 shipping container housing units per week in one plant.¹² Whether local assembly lines would exceed that volume depends on the expected demand. Assembly at the site takes a few weeks at most.¹³

WHAT IS THE COST OF ASSOCIATED INFRASTRUCTURE?

Infrastructure costs are site-dependent, and likely to be similar for shipping container housing as for other types of construction. Low/no impact fees could be justified for temporary housing that makes use of currently underused water and sewer capacity.

⁷ Most of these people have not appealed to the City for replacement housing, probably because no one has told them that housing units could become available within a few months.

⁸ See, e.g., SB 375, Chapter 728, 2008, the Sustainable Communities and Climate Protection Act, which supports State climate action goals to reduce greenhouse gas (GHG) emissions through coordinated transportation and land use planning.

⁹ Oct. 13, 2017 costs: <https://www.curbed.com/2017/6/21/15839730/shipping-container-house-for-sale-buy>

¹⁰ See, attached family income data for Sonoma County from the CA Budget & Policy Center

¹¹ The Keewoten project delivered over 1000 student dorm units at a construction speed of 150 units per month, from September 2005 to May 2006. <http://www.tempohousing.com/projects/keetwonen/>

¹² Tempohousing established a dedicated production line in China to produce container housing units for its Keewoten project; the products met the high building standards in Europe, *supra*. The firm has since been able to rely on production facilities in Europe.

¹³ See, Keewoten, Heathrow, Singapore, *supra*.



Sonoma County

Monthly Family Budget

Expenses Per Month and as a Percentage of Budget

This budget represents the total income required to cover a family's basic needs in this county through earnings only, without government benefits or supports.

	Single Adult	Single-Parent Family	Two-Parent Family (One Working)	Two-Working-Parent Family
Housing and Utilities	\$1,047	\$1,572	\$1,572	\$1,572
	43.0%	28.7%	32.0%	24.8%
Food	\$268	\$577	\$773	\$773
	11.0%	10.5%	15.7%	12.2%
Child Care	\$0	\$1,333	\$353	\$1,333
	0.0%	24.3%	7.2%	21.1%
Health Care (Employer-Based)	\$150	\$564	\$589	\$589
	6.1%	10.3%	12.0%	9.3%
Transportation	\$243	\$349	\$349	\$454
	10.0%	6.4%	7.1%	7.2%
Miscellaneous	\$361	\$463	\$787	\$787
	14.8%	8.5%	16.0%	12.4%
Taxes	\$369	\$624	\$496	\$819
	15.1%	11.4%	10.1%	12.9%
MONTHLY TOTAL	\$2,438	\$5,483	\$4,919	\$6,326
ANNUAL TOTAL	\$29,251	\$65,799	\$59,030	\$75,913
Monthly Total With Unsubsidized Marketplace Health Care	\$2,650	\$5,556	\$5,365	\$6,779
Annual Total With Unsubsidized Marketplace Health Care	\$31,798	\$66,675	\$64,381	\$81,353

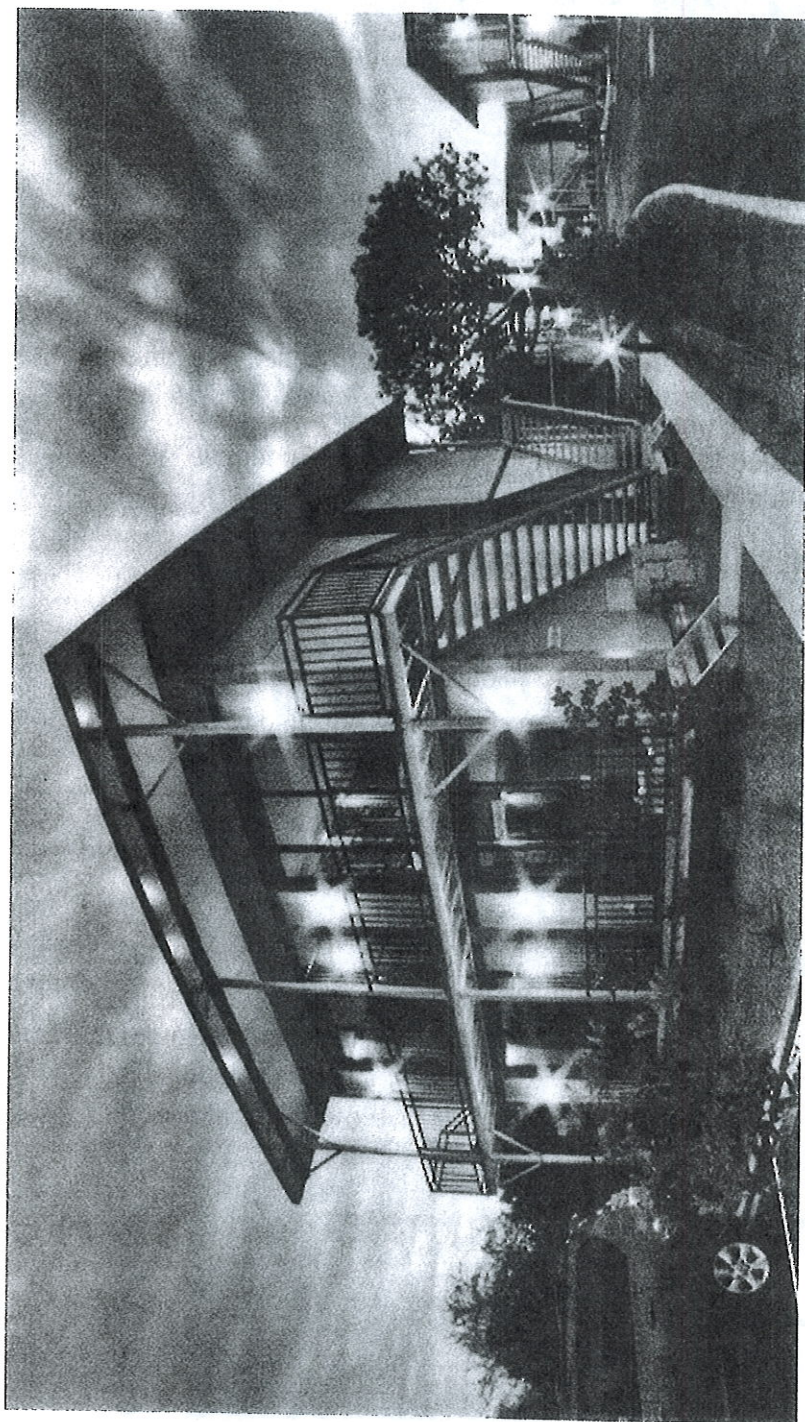
Note: All family types except "single adult" are assumed to have two children, one preschool-aged and one school-aged. Main budget totals include health care costs with employer-based health insurance, while totals with unsubsidized marketplace health care include health care costs with unsubsidized health insurance purchased on the individual marketplace (Covered California). Amounts correspond to calendar year 2017. Numbers and percentages may not sum due to rounding. For methodology details, see the full 2017 *Making Ends Meet* report.

This estimated family budget is from the California Budget & Policy Center report, *Making Ends Meet: How Much Does It Cost to Support a Family in California?* (December 2017).

Visit calbudgetcenter.org/MakingEndsMeet.



MODS WORKFORCE APARTMENT UNIT [USA]



HOTEL, CHINCHILLA, AUSTRALIA [onsite assembly completed in seven days by six workers]



INTERIOR [double-wide]

Maloney, Mike

From: Jones, Jessica
Sent: Monday, February 05, 2018 12:37 PM
To: Maloney, Mike
Cc: Hartman, Clare
Subject: FW: DRB - Re: 6.1 ZONING CODE TEXT AMENDMENT REPORT

Mike,

Please add the following as public comment on the Resilient City Development Measures item scheduled for the 2/8 PC meeting.

Jessica Jones | Supervising Planner

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From: Michael Burch [<mailto:mburch@scottag.com>]
Sent: Friday, February 02, 2018 8:28 AM
To: _CityCouncilListPublic <citycouncil@srcity.org>; _PLANCOM - Planning Commission <planningcommission@srcity.org>
Cc: Rose, William <WRose@srcity.org>; Hartman, Clare <CHartman@srcity.org>; Jones, Jessica <JJones@srcity.org>
Subject: DRB - Re: 6.1 ZONING CODE TEXT AMENDMENT REPORT

Good Morning-

I wanted to forward my own informal list of comments regarding the draft Resilient City Development Measures ordinance. The DRB reviewed this as a report item with Staff - zero public comment or attendance.

I believe in improving the process, I believe in defending the City's zoning code against neighborhood interests. I also believe strongly in making developers toe a fair and well understood line.

As drafted there are issues with this ordinance. Staff has been tasked with a difficult problem to solve. As a starting point this is essentially deregulation at the extreme. Public process is diminished and the City's exposure to perception of political influence is increased. There is no doubt a middle ground that will speed up the process can be developed.

As drafted, this ordinance will have an impact on temporary housing and structures. The sunset date should be adjusted to allow for a period of time for the permits to run rather than a fixed date from the start of the ordinance. Smaller pieces of the housing objective will likely be met through relaxing the review authority and "by right" projects for more zoning districts.

However, we need creative solutions to land the blue chip residential projects that will have the greatest impact. We need to qualify applications for completeness and financing. Staff should only be spending time and money on applications that will come to market. Impact fees, water and sewer hook up, the specter of Santa Rosa as a rent control city - these issues are hampering these projects from coming to market well before fear of the PC and the DRB.

Add to that - these are the projects that require thorough review by the PC and DRB. PC needs to make brave decisions to protect opportunity sites from lower density projects. The DRB must have authority over the design of projects at this scale.

Thank you for taking the time to consider my point of view. Please feel free to call or email to discuss.

Thank you.

Michael Burch
ScottAG
Managing Partner

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mburch@scottag.com

1275 N. Dutton Ave.
Santa Rosa, CA 95401

On Feb 2, 2018, at 7:59 AM, Burch, Michael <mburch@srcity.org> wrote:

I kept notes on a few of the items that came up yesterday. This is NOT a DRB response - My observations of suggestions only

Notes

1. Can we seat a DRB member or members with the ZA for ZA hearings.
2. Can DRB trigger final DR to come back to DRB - DRB discretion
3. Why are hotels, hospitality and B&Bs included? Understand the need but we are told by applicant s that these projects pencil now.
4. Is 3 years long enough for the life of this ordinance?
5. Can the City track the successes and failures of the program? Request reports
6. Affirm in this ordinance the ability of DRB to bring an applicant back for another Concept Review
7. Where is the analysis regarding how much housing and development will be created as a result of this ordinance?
8. Can we set thresholds for getting projects that will come to market more quickly. Qualify applications for completeness and financing.
9. Upgrade checklist for concept design review.
10. Reduce Design Review to 1 meeting but as a public hearing.

11. Concept design reviews before Planning Commission or land use action
12. Should ZA meetings be held in the evening to allow for greater attendance.
13. Try as an emergency ordinance first for a shorter time and then lock in for longer period.
14. Assign a planner to concept design review
15. Set a second threshold by sq. Ft. # of units and additional triggers for projects to follow the existing pasty of review authority.

Sent from my iPad