

REPORT

To the Honorable Mayor and City Council
From the City Manager

February 8, 2016

SUBJECT

Managing Growth Study Session

RECOMMENDATION

Receive background information on growth in Redwood City and solicit ideas from the Council and community members on ways to address community concerns.

BACKGROUND

The February 8, 2016 study session is intended to provide background information on growth in Redwood City, identify impacts of concern to the community and City Council, and establish next steps for addressing these concerns. This staff report provides context for current development activity, notes concerns raised to date, and suggests some potential actions for the City Council to consider. Additional ideas are expected to arise during the study session.

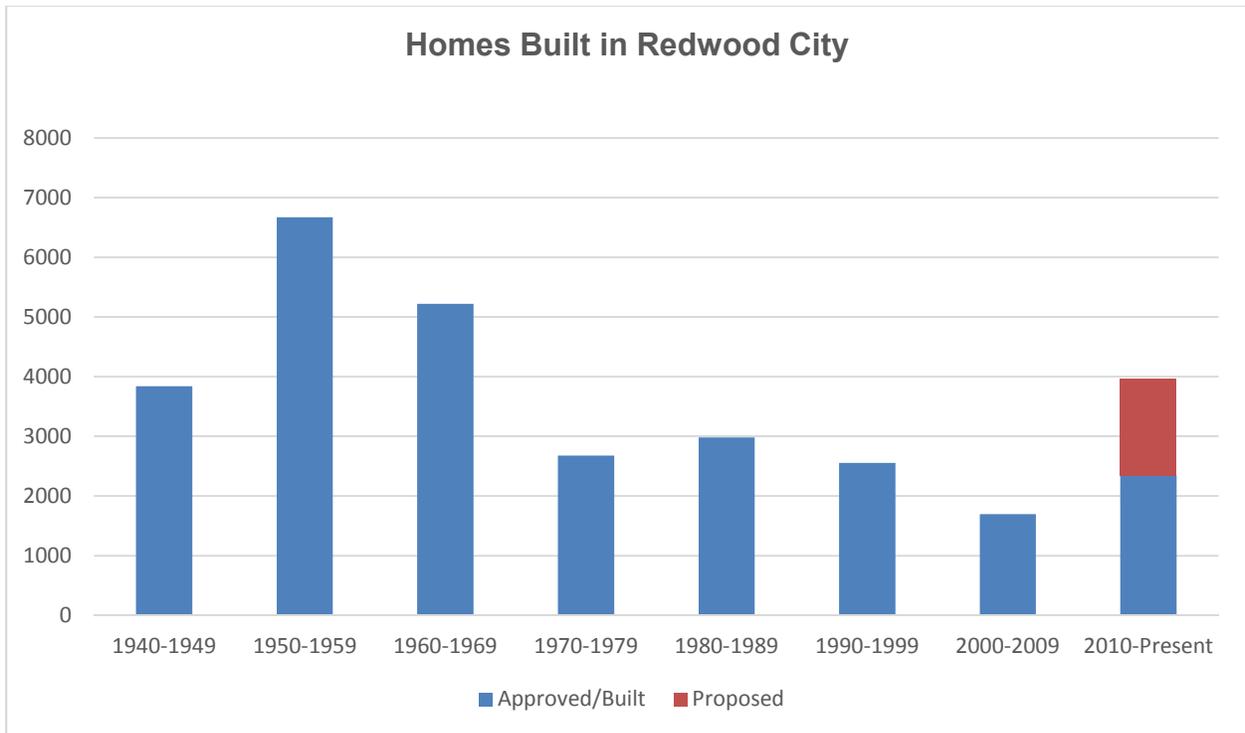
Development Framework and Experience in Redwood City

The Redwood City General Plan creates the blueprint for land use policy, development, infrastructure spending and other key citywide policies. The most recent General Plan was adopted in 2010. The General Plan was followed by the adoption of several implementing regulations, including the Downtown Precise Plan and comprehensive changes Zoning Ordinance. All documents were adopted after years of community input and deliberation.

The General Plan, Downtown Precise Plan and Zoning Ordinance (or any other land use regulation) do not actually require development to be constructed. However, the documents do create the regulatory framework for private investment to occur. In fact, State law requires that each City allow a certain amount of housing to be produced during certain time periods and prohibits cities from creating unreasonable barriers to the construction of housing at all income levels. The "Housing Element" is the only part of the General Plan submitted to the State for approval. The State approves housing elements when they are convinced that local policies will allow for the production of housing. While cities are not penalized for the private market failing to produce housing, cities can face legal repercussions if the regulatory framework for approval is absent.

The chart below details per-decade housing production in Redwood City. Like most cities along the Peninsula, Redwood City saw a spike in housing development in the 1940s, 1950s and 1960s. Housing construction boomed based on post-World War II demand and the availability of vast amounts of inexpensive, undeveloped land.

From 1970-2010, however, housing production fell significantly, and was primarily focused in the Redwood Shores area, rather than in the city core. A similar development pattern occurred up and down the Peninsula. Regionally, residential development shifted to the South Bay and East Bay regions.



While housing production slowed between 1970-2010, job growth did not, particularly in Silicon Valley.

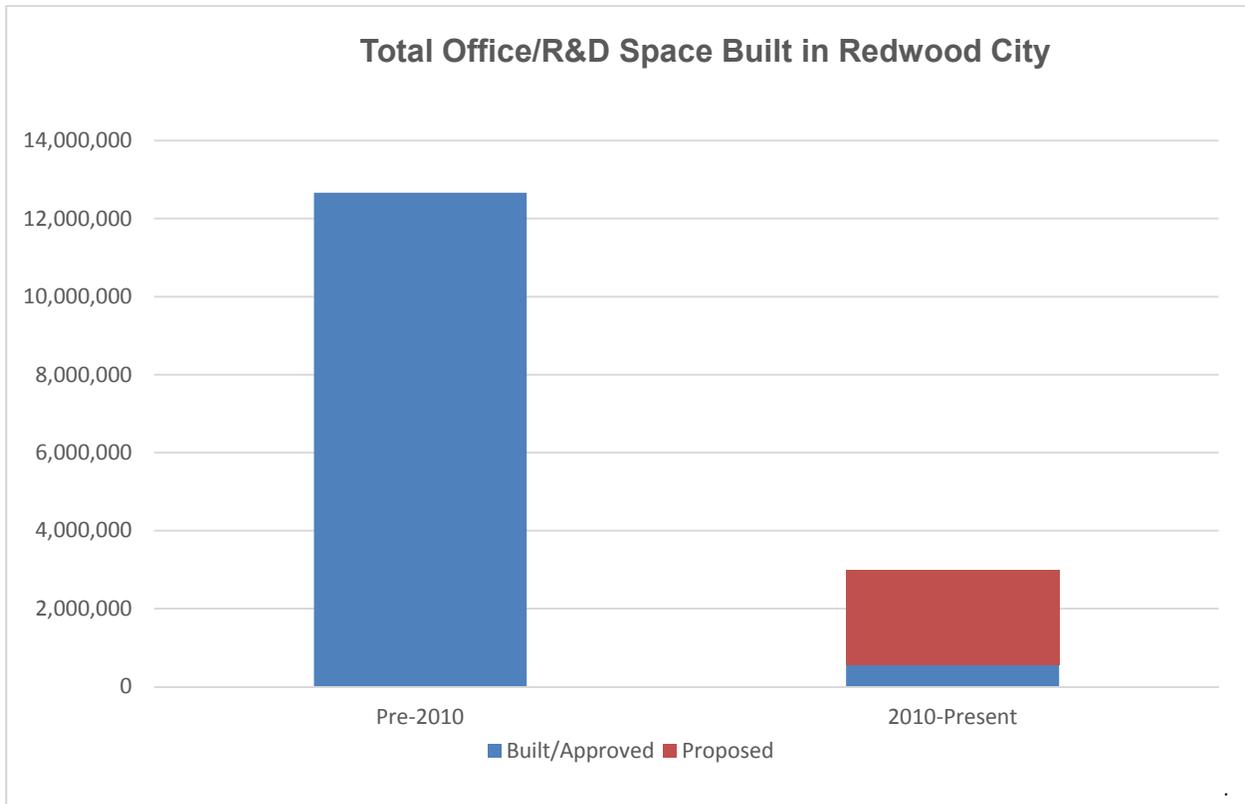


Constant regional job growth, combined with a low housing production, created the context for changes in State law. In short, “job-rich” areas such as the Peninsula are now required to allow for the most housing production.

Over the past decade, the State further refined where housing must be built through a series of laws. SB 375, which followed AB 32, tied land use policy with transportation policy in an effort to reduce greenhouse gas emissions. The State now disproportionately allocates housing requirements and transportation funding to areas where transportation choices exist (trains, buses, etc.). Given State requirements, the legal question for cities is not *whether* housing should be allowed, but *where* it should be built. Consistent with State law, the City’s General Plan primarily calls for growth to occur in the Downtown area and along several commercial corridors. This approach also protects the character of existing residential neighborhoods in Redwood City.

Immediately following the adoption of the General Plan, Downtown Precise Plan and Zoning Ordinance, the region bounced back from the Great Recession. The economic upswing, combined with the recent General Plan and Zoning changes, created the basis for a period of relatively rapid growth in Redwood City. Although the City has not returned to the pre-1970 housing production numbers, the City has seen a substantial spike in housing development over the past five years. As new jobs are being produced, the City has also seen an increase in development of commercial space. The chart

below illustrates the production of commercial space in Redwood City over time. Recent commercial development is particularly noticeable as it follows a ten year period, between 2001-2012, when no major office projects were approved.



This relatively rapid increase in development has generated concerns on topics such as traffic and congestion, housing affordability and displacement, the architectural style of new buildings and development approval process, impacts on neighborhoods, public safety, and community engagement.

ANALYSIS

At the February 8, 2015 Study Session, staff expects the public to give a considerable amount of input on the subjects noted above and more. Those comments, along with Council input, should be the primary basis for Council direction. Below, staff outlines some potential next steps that may be useful as a starting point for discussion and direction. These steps are based on previous Council discussions, community input and policies in nearby communities.

Potential Next Steps:

Traffic and Congestion: A Citywide traffic study could be funded through the FY 2016-17 budget process. The study could examine key commercial areas, as well as residential neighborhoods, and help identify areas where capital improvements can be

made to help alleviate traffic congestion. This comprehensive approach is unique, so staff would recommend that the scope of study be refined through the Complete Streets Advisory Committee prior to Council approval of a consultant contract, and that the Complete Streets Advisory Committee review study findings and provide recommendations to the City Council.

Additionally, the Council could ask staff to report on transportation demand management strategies in use now and provide suggestions on enhancement. Locally, Mountain View, Palo Alto, and San Mateo have all established, or are in the process of establishing, transportation management associations to coordinate transportation solutions in key areas of their cities.

Housing Affordability and Displacement: Building on the policy direction adopted by Council in 2015, staff suggests that the Council ask the Housing and Human Concerns Commission to discuss potential tenant protection measures, such as minimum lease periods, which could be considered by the City Council. Additionally, the Council could ask the Council's Finance and Audit Committee to explore funding sources for affordable housing, potentially in partnership with others, for City Council consideration. In both cases, this work would be informed by approaches that have been utilized in other cities.

Development Review and Downtown Experience: Staff recommends the Council consider giving staff a direction on the following items:

- Increase the level of review for major developments so that a minimum of Planning Commission review is required for approval. This is the subject of a separate agenda item on February 8, but has been a community concern as certain applications currently can be approved solely by the Zoning Administrator.
- Establish a process to allow any project which requires a General Plan Amendment and/or Zoning Change to first be reviewed by the City Council. This process would allow the City Council to determine when the legislative change applications should be reviewed based on existing workloads and available resources. Similar processes are currently used in Mountain View and Palo Alto.
- Require that staff bring an annual development report to Council. This would allow the Council to give policy direction on a periodic basis and make changes to existing regulations as necessary.
- Develop mechanisms for enhanced public involvement in the architectural review process.
- Develop protections for retail uses downtown.
- Ask staff to provide an update on downtown parking and traffic management efforts.

Neighborhood Experience: Staff continually receives requests to implement “traffic calming” measures in all areas of Redwood City. The community process for most neighborhood traffic calming efforts is intensive, and opinions on the specific measures usually vary. Given staff resource and capital constraints, it is not possible to immediately implement all requests. The Council could ask the Complete Streets Advisory Committee to review the current traffic calming program and recommend opportunities for improvement. The Complete Streets Advisory Committee could also review the current permit parking program and recommend opportunities for improvement.

Public Safety: Some members of the community have raised questions about the ability of our police and fire departments to keep up with calls for service. The Council could ask staff to assess current calls for service and propose adjustments, if needed, to staffing and/or service approaches as part of the FY 2016-17 budget process.

Community Engagement and Integration: A final category of interest may be framed as community engagement and integration. This includes enhanced opportunities for residents to be involved in City decision-making, community building, and opportunities for community members to be in constructive dialogue together. The Council could ask the Council Communications Committee to identify strategies to increase community engagement and community building, and ask staff to propose any needed adjustments as part of the FY 2016-17 budget process. This could include both online and in-person opportunities for residents to be active in the community, and in dialogue with each other.

Staff looks forward to the generation of ideas at the February 8, 2016 study session and the opportunity to support steps the City Council wishes to undertake.

ALTERNATIVES

There are no alternatives necessary as part of the Study Session discussion.

FISCAL IMPACT

There are no fiscal impacts associated with this report.

ENVIRONMENTAL REVIEW

This study session is not a Project under CEQA.



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