

-----Original Message-----

From: Siva Saini <[REDACTED]>  
Sent: Tuesday, October 24, 2023 1:46 PM  
To: Alan Bell <Alan.Bell@cityoftracy.org>  
Cc: William Dean <William.Dean@cityoftracy.org>  
Subject: 115 acres @ Tracy Gateway/Westside

Caution: This is an external email. Please take care when clicking links or opening attachments.

Alan,

On behalf of Rurka Capital, LLC, we are requesting that the 115 acres piece be added to the housing element .

Thank You

Siva Saini

**From:** Tina Wehrmeister <[REDACTED]>  
**Sent:** Monday, October 23, 2023 2:32 PM  
**To:** Alan Bell <Alan.Bell@cityoftracy.org>  
**Cc:** Web - City Manager <CM@cityoftracy.org>; William Dean <William.Dean@cityoftracy.org>; Kris Balaji <Kris.Balaji@cityoftracy.org>; Andrew . Mendoza <[REDACTED]>  
**Subject:** Draft Housing Element Update - Kaiser Permanente land

**Caution:** This is an external email. Please take care when clicking links or opening attachments.

Hi Alan – I'm following up on a voice mail I left you this afternoon. The remainder of a developed parcel owned by Kaiser Permanente at 2185 W. Grant Line Rd. (APN 214-020-290) is included in the draft 2023 – 2031 Housing Element. Kaiser Permanente is preparing a comment letter that will request that the site be removed from the Housing Element as Kaiser Permanente's intention is to maintain this land for future medical office expansion and there are no plans to dispose of this property.

The letter will be submitted on or before the comment deadline of November 6th. Please feel free to contact me at the number below should you have any questions.

-----  
**Tina Wehrmeister**  
Pronouns: she, her, hers  
Senior Land Use Manager

**Kaiser Permanente**  
National Shared Services Operations  
One Kaiser Plaza, 22<sup>nd</sup> Floor  
Oakland, CA 94612

[REDACTED]  
-----  
[kp.org/thrive](https://kp.org/thrive)

**NOTICE TO RECIPIENT:** If you are not the intended recipient of this e-mail, you are prohibited from sharing, copying, or otherwise using or disclosing its contents. If you have received this e-mail in error, please notify the sender immediately by reply e-mail and permanently delete this e-mail and any attachments without reading, forwarding or saving them. v.173.295 Thank you.

**Agenda Item 5.A**  
**October 24, 2023**



Setting the standard for energy-efficient homes®

Honorable Councilmembers & Commissioners of the City of Tracy,

Meritage Homes and its subsidiary MLC Holdings are very excited about the update of the City of Tracy's Housing Element. With every adopted Housing Element (HE) comes the opportunity for city driven direction on where the community would like to locate housing and what types of housing would be most beneficial. Meritage has been actively participating as a stakeholder in the discussions with the HE consultant. We hope that this process can result in a HE that allows for new families of all income levels to be able to participate in homeownership and become citizens of Tracy.

We believe that the project we have proposed for the Tracy Pavilion Site would be an excellent addition to the City's Housing Element Site Inventory and would help ensure the HE is favorably reviewed by the state Department of Housing and Community Development (HCD). Therefore, Meritage respectfully asks for the project to be included as a part of the Housing Element. Attached to this letter is some information from our land use counsel addressing the project's suitability for the City's Housing Element and how it might help the City meet its Regional Housing Needs Allocation.

Meritage and MLC Holdings have been working to add housing where it makes the most sense, adjacent to existing commercial areas with excellent access to transportation. MLC submitted an application for Tracy Pavilion in June 2022 and has since been working with the city planning staff to design a mixed-use project that will meet the growing housing demand with a large-scale community made up of medium density housing to meet the needs of young families and first-time home buyers. A Site Plan is attached to this letter for your review.

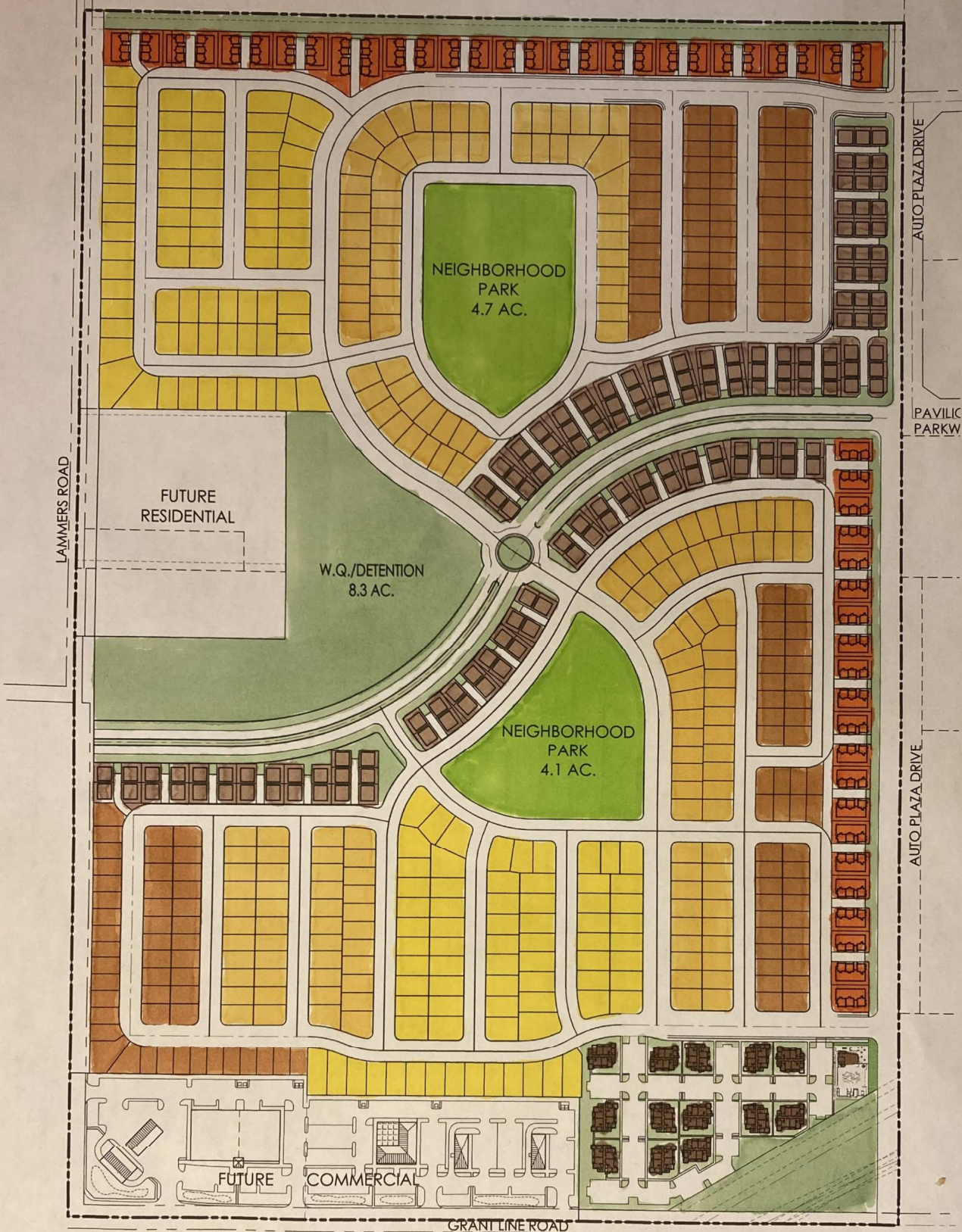
The project has evolved over the past two years and currently includes nearly 1,000 residences ranging from small lot single family homes to townhomes and apartments. The project would have robust parks and walking trails and integrate the housing into the surrounding retail and commercial. Grant Line Avenue would be improved and expanded, opening the door for additional commercial and retail to be incorporated into the community. Furthermore, the density of many of the communities and the apartments would align with the HE goal of providing housing for moderate and low income buyers and renters.

Given that the project has an application well underway to provide housing that would assist the City in meeting its RHNA allocation, we request that the City consider including Tracy Pavilion in its Housing Element Site Inventory. At the very least we ask that the Council and Commission please provide Meritage and staff with some direction regarding the desire to see a project move forward.





Thank you very much for your consideration.

Sincerely,

Justin Derby  
Vice President  
Meritage Homes



UNIT SUMMARY

	50'X85' LOTS - 147
	45'X80' LOTS - 173
	42'X70' LOTS - 174
	CLUSTER HOMES - 147
	TOWNHOMES - 150
	APARTMENTS - 156
	<u>TOTAL</u> 947



1331 N. California Blvd.  
Fifth Floor  
Walnut Creek, CA 94596

T 925 935 9400  
F 925 933 4126  
www.msralgal.com

Kenneth A. Stahl  
Direct Dial: [REDACTED]  
ken.stahl@msralgal.com

June 23, 2023

**VIA E-MAIL**

Alan Bell, Senior Planner  
City of Tracy  
333 Civic Center Plaza  
Tracy, California, 95376  
E-mail: [alan.bell@cityoftracy.org](mailto:alan.bell@cityoftracy.org)

**Re: Proposed Inclusion of Tracy Pavilion Housing Development Site in City of Tracy Housing Element Site Inventory**

Dear Mr. Bell:

This letter is written on behalf of MLC Holdings to propose that the City of Tracy consider the Tracy Pavilion site for inclusion in the City's housing inventory as part of its 6<sup>th</sup> cycle Regional Housing Needs Assessment ("RHNA") housing element update. The site is a 129.7-acre property located in the City's Sphere of Influence, west of the Pavilion Parkway and Power Road intersection, comprised of Assessor's Parcel Numbers 212-040-13, 212-040-16, 212-040-71, and 212-040-74.

As you are aware, under the RHNA law, the City is required to identify sites that can realistically accommodate 8,830 homes over the eight year cycle from 2023-2031, including 2,994 in the very low income category and 1,879 in the low income category. In recent years, state law has become much stricter regarding what sites cities may include in their housing element inventories as "realistic" sites for the development of housing. For example, the state imposes a high bar for including nonvacant sites in the housing element inventory, and for re-using sites from a previous housing element. Gov. Code sections 65583.2(c). In determining what sites are realistic, cities must consider a variety of factors such as typical densities for residential development at a similar affordability level in the jurisdiction, accessibility of utilities, and the cumulative effect of local land use regulations on a site's development capacity. Gov. Code section 65583.2(c)(2). For all of these reasons, cities throughout the state are finding the process of identifying adequate sites to be a challenge. In those areas that have already completed the 6<sup>th</sup> cycle RHNA process, the state Department of Housing and Community Development ("HCD") has so far found the housing elements of nearly half of all jurisdictions to be inadequate. See HCD Housing Element Compliance Report, available at: <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-review-and-compliance-report>.

In order to assist the City in meeting its RHNA obligations, we suggest the City include the Tracy Pavilion site in its housing element inventory. The site is a vacant 129.7-acre parcel located within the City's sphere of influence that can accommodate hundreds of new homes. It is surrounded by a variety of uses, including commercial and high density residential. The site has been evaluated in the City's Municipal Service Review, which shows it can be served by the City public services and has been evaluated in the City's storm, water and park master plans. MLC, a developer with a proven track record of developing homes, has already engaged with the City through the submittal of Planning Applications for a tentative map, pre-zoning and annexation request. In addition, MLC and the City have initiated the drafting of a CEQA document for a housing development project at Tracy Pavilion that calls for the development of approximately 1,000 homes. The development would include on-site infrastructural improvements, as well as extensions of the City's existing utility lines. Though the site plan is still tentative and may be updated, it gives a general idea of what the Tracy Pavilion project may ultimately entail via a variety of residential densities.

According to HCD's Site Inventory Guidebook (attached as Exhibit A),<sup>1</sup> cities may include sites outside their territorial borders in the site inventory if the housing element includes a program committing to annex the site within the first three years of the planning period and evaluates the suitability of the site for accommodating a share of the RHNA, including factors such as consistency of annexation with policies of the Local Agency Formation Commission (LAFCO), actions to pre-zone the property prior to annexation, and so forth. (Dept. Of Housing & Community Dev., Housing Element Site Inventory Guidebook at 36 (June 10, 2020)). In this case, the Tracy Pavilion Site is located within the City of Tracy's sphere of influence, and as detailed above, MLC has initiated the entitlement processes to have the site pre-zoned and annexed by the City.

Considering that the site is vacant, in a good location with access to utilities and compatible with surrounding uses, within the City's sphere of influence, and already has a well-developed site plan proposed by a reputable developer, we think it is likely that HCD would consider the Tracy Pavilion site to be a realistic site for accommodating a significant share of Tracy's RHNA allocation, if the City committed to undertaking the annexation of the site in the first three years of the planning period and conducted the evaluation described in the preceding paragraph. Therefore, we request that you consider adding Tracy Pavilion to the housing inventory.

---

<sup>1</sup> The Guidebook is also available online at: [https://www.hcd.ca.gov/community-development/housing-element/docs/sites\\_inventory\\_memo\\_final06102020.pdf](https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf).

Mr. Alan Bell, Senior Planner  
June 23, 2023  
Page 3

If you have any questions about the contents of this letter or desire additional information, I am happy to discuss the project with you at any time. I can be reached by e-mail at [REDACTED], or by phone at [REDACTED].

Sincerely,

MILLER STARR REGALIA

*Kenneth A. Stahl*

Kenneth A. Stahl

KAS/kli



## Building Industry Association of the Greater Valley

1701 W. March Ln., Ste. F  
Stockton, CA 95207  
(209) 235-7831 • (209) 235-7837 fax

### OFFICERS

**Brian Cutting**  
Woodside Homes

**David Best**  
Shea Homes

**Jeremy Goulart**  
Meritage Homes

**Keith Jones**  
George Reed, Inc.

### BOARD OF DIRECTORS

**Greg Armbruster**  
Barbosa Cabinets, Inc.

**Randy Bling**  
Florsheim Homes

**Rey Chavez**  
Kelly-Moore Paints

**Reggie Conley**  
The Contractors Resource

**Garrett Drebert**  
Legacy Homes

**Tom Doucette**  
FCB Homes

**John Graham**  
DR Horton

**Casey Goulart**  
Fitzpatrick Homes

**James E. Jimison**  
A.G. Spanos Companies

**Brett Jolley**  
Shore, Mckinley & Jolley

**Jeremy White**  
The Grupe Company

### LIFETIME DIRECTORS

John Anderson

Matt Arnaiz

Rod Attebery

Ramon Batista

Dennis Bennett

Bill Filios

Dennis Fitzpatrick

Cathy Ghan

Mike Hakeem

Steve Herum

Wayne LeBaron

John Looper

Terry Miles

George Petrulakis

Toni Raymus

Keith Schneider

Bob Taylor

Dennis Wann

October 24, 2023

Mayor, Council and Planning Commission  
City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376

Mayor Young,

The BIA is taking an unprecedented step tonight in asking you, the City Council and the Planning Commission to reject the proposed Housing Element. We do not take this step lightly. But it has been brought to our attention from multiple builders and developers that the City has become decisively anti-housing.

Without taking any formal action through the Council or the Planning Commission, city staff has taken it upon themselves to slow down residential building to such a degree that the city itself is now a governmental constraint on the production of housing.

The Housing Element requires constraints to be analyzed and the proposed housing element misses the mark in two glaringly large ways.

### **Section III – Housing Constraints**

#### **B – Government Constraints**

**1. Transparency in Developmental Regulations; To increase transparency and certainty in the development application process as required by law, the City provides a range of information online for ease of access.**

In reality the City of Tracy is anything but transparent when it comes to how they implement their development regulations. The following are three examples of how the city has refused to work with the development community and has taken a cavalier attitude towards residential development.

Inspection Improvement Agreements are not being accepted by the city. Although no formal action has been taken there is a de facto ban in place on Inspection Improvement Agreements. This is unnecessarily causing large delays on projects.



The city has delayed or refused to explain why final maps are being held up with no explanation regarding which conditions of approval are at issue.

Projects which were approved upon condition of forming a benefit district are being held up because the city now says they do not do benefit districts. This ad hoc change of policy has occurred with no formal action taken.

### **Section III – Housing Constraints**

#### **B – Government Constraints**

**8. Local Permits and Processing Times; The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a prime contributor to the high cost of housing. Depending on the magnitude and complexity of the development proposal, the time that elapses from application submittal to project approval may vary considerably. Certainty and consistency in permit processing procedures and reasonable processing times is important to ensure that the development review/approval process does not discourage developers of housing or add excessive costs (including carrying costs on property) that would make the project economically infeasible. The City is committed to maintaining comparatively short processing times. Total processing times vary by project, but most residential projects are approved in three to eight months.**

In reality the City of Tracy frequently exceeds the three to eight month time frame by many multitudes. The excessive delays in getting final maps approved is a governmental constraint that has resulted in discouraging developers of housing and adding excessive costs including carrying cost that have made new residential projects in Tracy economically infeasible. The following are actual projects and how long they were delayed, the specific names to each of these projects will be added when this letter is submitted to HDC. City staff is familiar with the dates on these projects. In chronological order:

Project #1

Tentative Map Submittal – 2018

Tentative Map Approval – Nov 10, 2020 (23+ months)

Project #2

Tentative Map Approval – May 15, 2018

Final Map Approval – October 4, 2022 (53 months)

Project #3

Tentative Map Approved – May 8, 2019

Final Map Approved – June 1, 2021 (24+ Months)

Project #4

Tentative Map Submitted – 2019

Final Map Approved – January 17, 2023 (36+ Months)

Project #5

Tentative Map Approved – Nov 10, 2020

Final Map Approved – Oct 19, 2021 (11 Months)

Project #6

Tentative Map Approved – November 10, 2020

Final Map Approved - October 19, 2021 (11 Months)

Project #7

Tentative Map Approved – November 10, 2020

Final Map Approved – January 17, 2023 (26 Months)

Project #8

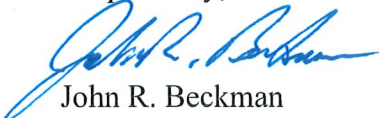
Tentative Map Submittal – January 2021

Tentative Map Approval – March 2022 (14 Months)

Final Map Approved – (Still Processing for 18+ Months)

These excessive delays have caused at least one national home builder to pull out of future land purchasing agreements in Tracy. Until affirmative actions are taken to bring these delays back into industry standard norms the City of Tracy, as it currently operates, is a governmental constraint on home building.

Respectfully,



John R. Beckman  
Chief Executive Officer

# Governor Newsom Signs Package to Streamline Housing and Expand Tenant Protections in California

Published: Oct 11, 2023

**WHAT YOU NEED TO KNOW:** Governor Newsom signs an extensive housing package consisting of 56 bills to help address California's decades-in-the-making housing crisis by simplifying and expediting the construction of new housing, protecting tenants, and keeping housing affordable.

**SACRAMENTO** – Governor Gavin Newsom today announced that he has signed 56 bills into law that incentivize and reduce barriers to housing and support the development of more affordable homes. This legislation streamlines housing developments, allows institutions like colleges and religious organizations to use portions of their property to build housing, and continues a state statute used to hold local communities accountable for their fair share of housing.

Since taking office, Governor Newsom and the Legislature have invested \$30 billion in affordable housing production and enacted dozens of CEQA reforms into law. In addition, Governor Newsom championed the creation of the Housing Accountability Unit at the California Department of Housing and Community Development to make sure cities and counties fulfill their legal responsibilities to plan and permit their fair share of housing. This focus on accountability has in part led to a 15-year high in housing starts in California.

**WHAT GOVERNOR NEWSOM SAID:** “It’s simple math – California needs to build more housing and ensure the housing we have is affordable. In partnership with the Legislature, we have advanced billions of dollars to that end. These 56 bills build on that work,

supporting tenants and ensuring cities are held accountable to plan for and permit their fair share of housing.”

“California desperately needs to ramp up housing production, and the Governor’s actions today help put us on a path to achieve that goal,” said Senator Scott Wiener (D-San Francisco). “The era of saying no to housing is coming to an end. We’ve been planting seeds for years to get California to a brighter housing future, and today we’re continuing strongly down that path.”

The Governor signed **SB 4** by Senator Wiener, colloquially known as Yes In God’s Backyard (YIGBY), which allows a religious institution or independent institution of higher education to build a housing development project on their property “by right.”

The Governor also signed **SB 423** by Senator Wiener, which extends the sunset on SB 35 (Wiener, Chapter 366, Statutes of 2017), requiring local governments that are failing to meet state housing planning goals to streamline affordable housing projects.

Below is a complete list of bills signed by the Governor:

- **AB 12** by Assemblymember Matt Haney (D-San Francisco) – Tenancy: security deposits.
- **AB 84** by Assemblymember Christopher Ward (D-San Diego) – Property tax: welfare exemption: affordable housing.
- **AB 281** by Assemblymember Tim Grayson (D-Contra Costa) – Planning and zoning: housing: post entitlement phase permits.
- **AB 318** by Assemblymember Dawn Addis (D-Morro Bay) – Mobilehome Residency Law Protection Act.
- **AB 319** by Assemblymember Damon Connolly (D-San Rafael) – Mobilehome Parks Act: inspectors: conflict of interest: enforcement actions: sunset.
- **AB 323** by Assemblymember Chris Holden (D-Pasadena) – Density Bonus Law: purchase of density bonus units by nonprofit housing organizations: civil actions.

- **AB 346** by Assemblymember Sharon Quirk-Silva (D-Fullerton) – Income tax credits: low-income housing: California Debt Limit Allocation Committee rulemaking.
- **AB 434** by Assemblymember Tim Grayson (D-Contra Costa) – Housing element: notice of violation.
- **AB 480** by Assemblymember Philip Ting (D-San Francisco) – Surplus land.
- **AB 516** by Assemblymember James Ramos (D-San Bernardino) – Mitigation Fee Act: fees for improvements: reports and audits.
- **AB 519** by Assemblymember Pilar Schiavo (D-Los Angeles) – Affordable Housing Finance Workgroup: affordable housing: consolidated application and coordinated review process. A signing message can be found [here](#).
- **AB 529** by Assemblymembers Jesse Gabriel (D-Encino)- Adaptive reuse projects.
- **AB 548** by Assemblymember Tasha Boerner (D-San Diego) – State Housing Law: inspection.
- **AB 572** by Assemblymember Matt Haney (D-San Francisco) – Common interest developments: imposition of assessments.
- **AB 671** by Assemblymember Christopher Ward (D-San Diego) – CalHome Program: accessory dwelling units.
- **AB 812** by Assemblymember Tasha Boerner (D-San Diego) – Housing development approvals: reserving affordable units in or near a cultural district for artists. A signing message can be found [here](#).
- **AB 821** by Assemblymember Tim Grayson (D-Contra Costa) – Planning and zoning: general plan: zoning ordinance: conflicts.
- **AB 894** by Assemblymember Laura Friedman (D-Los Angeles) – Parking requirements: shared parking.
- **AB 911** by Assemblymember Pilar Schiavo (D-Los Angeles) – Unlawfully restrictive covenants: affordable housing.
- **AB 976** by Assemblymember Philip Ting (D-San Francisco) – Accessory dwelling units: owner-occupancy requirements.
- **AB 1033** by Assemblymember Philip Ting (D-San Francisco) –

Accessory dwelling units: local ordinances: separate sale or conveyance.

- **AB 1114** by Assemblymember Matt Haney (D-San Francisco) – Planning and zoning: housing development projects: post entitlement phase permits.
- **AB 1218** by Assemblymember Josh Lowenthal (D-Los Angeles) – Development projects: demolition of residential dwelling units.
- **AB 1287** by Assemblymember David Alvarez (D-San Diego) – Density Bonus Law: maximum allowable residential density: additional density bonus and incentives or concessions.
- **AB 1308** by Assemblymembers Sharon Quirk-Silva (D-Fullerton)- Planning and Zoning Law: single-family residences: parking requirements.
- **AB 1317** by Assemblymember Wendy Carrillo (D-Los Angeles) – Unbundled parking.
- **AB 1319** by Assemblymember Buffy Wicks (D-Oakland) – Bay Area Housing Finance Authority: housing revenue.
- **AB 1332** by Assemblymember Juan Carrillo (D-Palmdale) – Accessory dwelling units: pre-approved plans.
- **AB 1386** by Assemblymember Jesse Gabriel (D-Encino) – Veterans housing: tenant referrals.
- **AB 1449** by Assemblymembers David Alvarez (D-San Diego) – Affordable housing: California Environmental Quality Act: exemption.
- **AB 1474** by Assemblymember Eloise Gómez Reyes (D-San Bernardino) – California Statewide Housing Plan.
- **AB 1485** by Assemblymember Matt Haney (D-San Francisco) – Housing element: enforcement: Attorney General.
- **AB 1490** by Assemblymember Alex Lee (D-San Jose) – Affordable housing development projects: adaptive reuse.
- **AB 1508** by Assemblymember James Ramos (D-San Bernardino) – Department of Housing and Community Development: California Statewide Housing Plan

Development: California Statewide Housing Plan.

- **AB 1528** by Assemblymember Mike Gipson (D-Los Angeles) – Housing authorities: property taxation.
- **AB 1620** by Assemblymember Rick Chavez Zbur (D-Los Angeles) – Costa-Hawkins Rental Housing Act: permanent disabilities: comparable or smaller units.
- **AB 1633** by Assemblymember Philip Ting (D-San Francisco) – Housing Accountability Act: disapprovals: California Environmental Quality Act.
- **AB 1734** by Assemblymember Reginald Byron Jones-Sawyer Sr. (D-Los Angeles)- Local Government: Surplus Land Act: exemptions.
- **AB 1764** by the Committee on Housing and Community Development – Housing omnibus.
- **SB 4** by Senator Scott Wiener (D-San Francisco) – Planning and zoning: housing development: higher education institutions and religious institutions.
- **SB 34** by Senator Thomas Umberg (D-Santa Ana) – Surplus land disposal: violations: County of Orange.
- **SB 82** by Senator Seyarto (R-Murrieta) – Property taxation: disabled veterans’ exemption: eligibility letters.
- **SB 229** by Senator Thomas Umberg (D-Santa Ana) – Surplus land: disposal of property: violations: public meeting.
- **SB 240** by Senator Rosilicie Ochoa Bogh (R-Yucaipa) – Surplus state real property: affordable housing and housing for formerly incarcerated individuals.
- **SB 267** by Senator Susan Talamantes Eggman (D-Stockton) – Credit history of persons receiving government rent subsidies.
- **SB 341** by Senator Josh Becker (D-Menlo Park) – Housing development.
- **SB 423** by Senator Scott Wiener (D-San Francisco) – Land use: streamlined housing approvals: multifamily housing developments.
- **SB 439** by Senator Nancy Skinner (D-Berkeley) – Special

motions to strike: priority housing development projects.

- **SB 482** by Senator Catherine Blakespear (D-Encinitas) – Multifamily Housing Program: supportive housing: capitalized operating reserves.
- **SB 520** by Senator Kelly Seyarto (R-Murrieta) – Property taxation: homeowners’ exemption.
- **SB 593** by Senator Scott Wiener (D-San Francisco) – Redevelopment: successor agency debt: City and County of San Francisco.
- **SB 684** by Senator Anna Caballero (D-Merced) – Land use: streamlined approval processes: development projects of 10 or fewer residential units on urban lots under 5 acres.
- **SB 713** by Senator Steve Padilla (D-San Diego) – Planning and zoning: density bonuses: development standard.
- **SB 734** by Senator Susan Rubio (D-Baldwin Park) – Property tax: possessory interests.
- **SB 747** by Senator Anna Caballero (D-Merced) – Land use: surplus land.
- **SB 789** by Senators Ben Allen (D-Santa Monica) : Elections: Senate Constitutional Amendment 2 of the 2021–22 Regular Session and Assembly Constitutional Amendment 5 of the 2023–24 Regular Session.

For full text of the bills, visit: <http://leginfo.legislature.ca.gov>.

###