

Eva Kelly

From: Lee Shahinian
Sent: Thursday, March 26, 2026 1:33 PM
To: Eva Kelly
Subject: Fwd: GP2040 Unworkable Housing Density
Attachments: 5. New Dwelling Units - GP2040 Draft 1_26.pdf; 4. BIA Comments on GP 6_23.pdf; 2. Republic Urban Properties Proposal.pdf; 3. Peter Lin's Letter.pdf; 1. Hollister Parcel Map with Notations.pdf; 6. Suburban & Metropolitan Counties copy.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

----- Forwarded message -----

From: Lee Shahinian
Date: Wed, Mar 25, 2026 at 7:32 PM
Subject: GP2040 Unworkable Housing Density
To: <Rudy4district1@gmail.com>

Good afternoon Commissioner Rodriguez,

My family owns the vacant land in downtown Hollister shown in #1. The proposed GP2040 zoning for this land is MU. As demonstrated in the following documents, the required MU density does not work for Hollister.

#2: Republic Urban Properties (RUP) put significant time and effort into this mixed use proposal, including live-in commercial that would keep residents in Hollister. They were forced to abandon the project when zoning was changed from 20 du/a to 30 du/a, and walked away from \$350,000 in deposits!

#3: Peter Lin, RUP Director of Development, pleaded with the City to no avail.

#4: Dennis Martin of the Bay Area Building Industry Association states that densities above 20 du/a will not work in Hollister. We did not solicit his opinion.

#5: Density calculations based on GP2040 numbers seem to question the need for densities > 20 du/a.

#6: These county population figures demonstrate how inappropriate a Metropolitan designation is for Hollister, at odds with the rural hometown character that the City is trying to preserve.

Jon Schultz, VP of CBRE, represents our property. He has presented it to dozens of developers, and none have been willing to work with 30 du/a.

Victor Gomez, former Hollister mayor, also feels that 30 du/a will not work in Hollister.

At your Planning Commission meeting tomorrow evening, to be on public record, I will comment on the need for a GP2040 with workable housing densities.

I welcome your questions, comments, and suggestions.

Thanks for your attention to this matter,
Lee Shahinian
Managing owner

51-02

SALLY ST.

This map is NOT AN OFFICIAL DOCUMENT and is used for ASSESSMENT PURPOSES ONLY.

BK54

EAST ST.

SANTA ANA ROAD

STREET 30 20 10 1-60

03

NORTH SALLY

STATE OF CALIF. DMV

18 .58 AC.

DMV

19

1.15 AC.

051-020-019

17

3.50 AC.

051-020-017

21

.74 AC.

Starbucks Oct 2021

22

.20 AC.

23

.37 AC.

Gas station & store

MAPLE STREET

09

REVIEWED BY	
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APPROVED BY	
DATE	
REVISIONS	
NO.	DESCRIPTION
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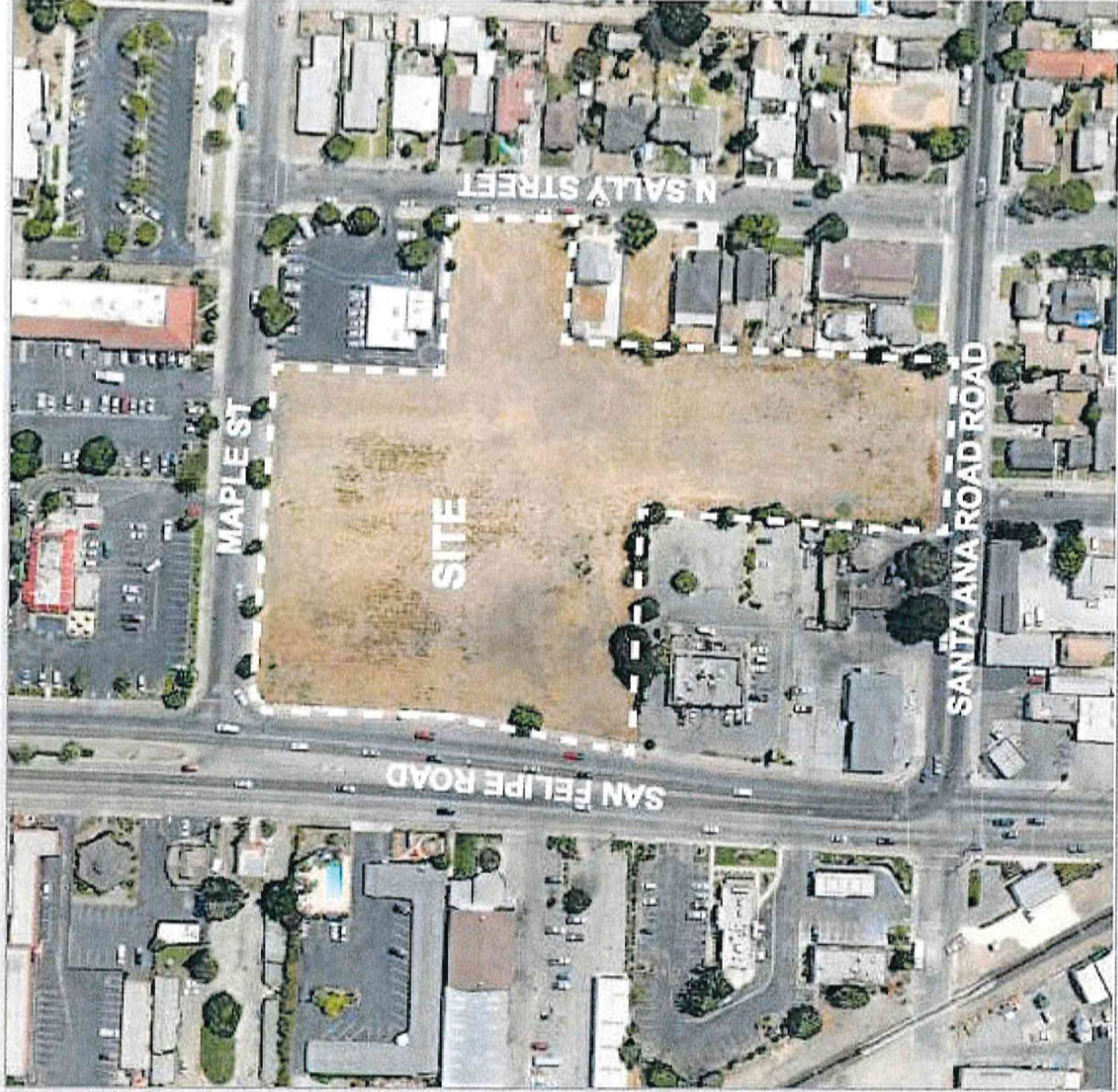
SAN FELIPE ROAD (STATE HIGHWAY)

SAN BENITO ST.

RANCHO SAN JUSTO

PTN. HOMESTEAD LOT 22

Assessor's Office, County of San Benito, Calif.



San Felipe Rd & Maple St

General Plan Amendment Initiation

December 19, 2022







Site Summary:

Total: 93 Units
 Site Area: ~4.62 Acres
 Density: 20.1 Units/Acre

Unit Summary:

For Rent Townhomes: 78 Units (1,500 SF to 1,700 SF)
 Exp. Rent Live/Work: 15 Units (~1,900 SF)
 Total: 93 Units

Required Parkings:

Live/Work: 48 Spaces
 Townhomes: 176 Spaces
 Total: 225 Spaces

Provided Parking:

Garage: 186 Spaces
 Surface: 42 Spaces
 Total: 228 Spaces

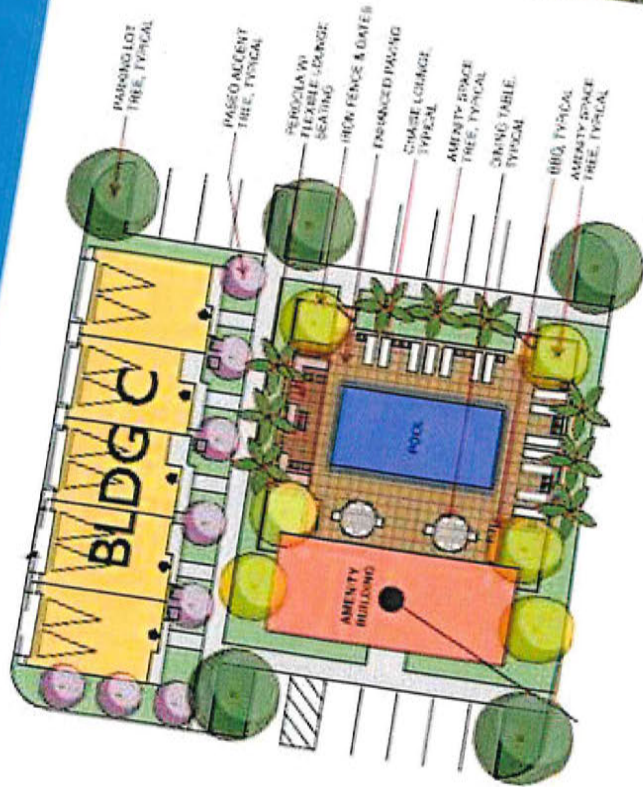
Project Features:

- Entirely For Rent:
- Onsite Pool, Recreational Facility, BBQs, Social Spaces
- Private 2 Car Garage for every Unit
- Private Porches and Upper Floor Decks
- Outdoor Passes and Other Open Space for Pets
- Professional Property Management
- Sustainable All Electric Development, No Gas Provided
- Solar Panels Installed on All Buildings
- Discounted Solar Energy Electricity for All Residents
- Smart Home Technology within Each Unit
- Award Winning Architectural and Landscape Designers

BUILD FOR RENT AMENITIES

AMENITY PACKAGE

- Pool
- Fitness room
- Parks and open spaces
- Community Room & Meeting Space



WHY BUILD FOR RENT IN HOLLISTER

DEVELOPMENT PROPOSAL

- Provides critical housing units in the Bay Area
- Provides housing for the missing middle – local teachers, fire fighters, City employees, etc.
- Designed for families, couples, and empty nesters
- Kid and pet friendly
- Single family housing lifestyle without a down payment or maintenance
 - 2 car garages, private patios



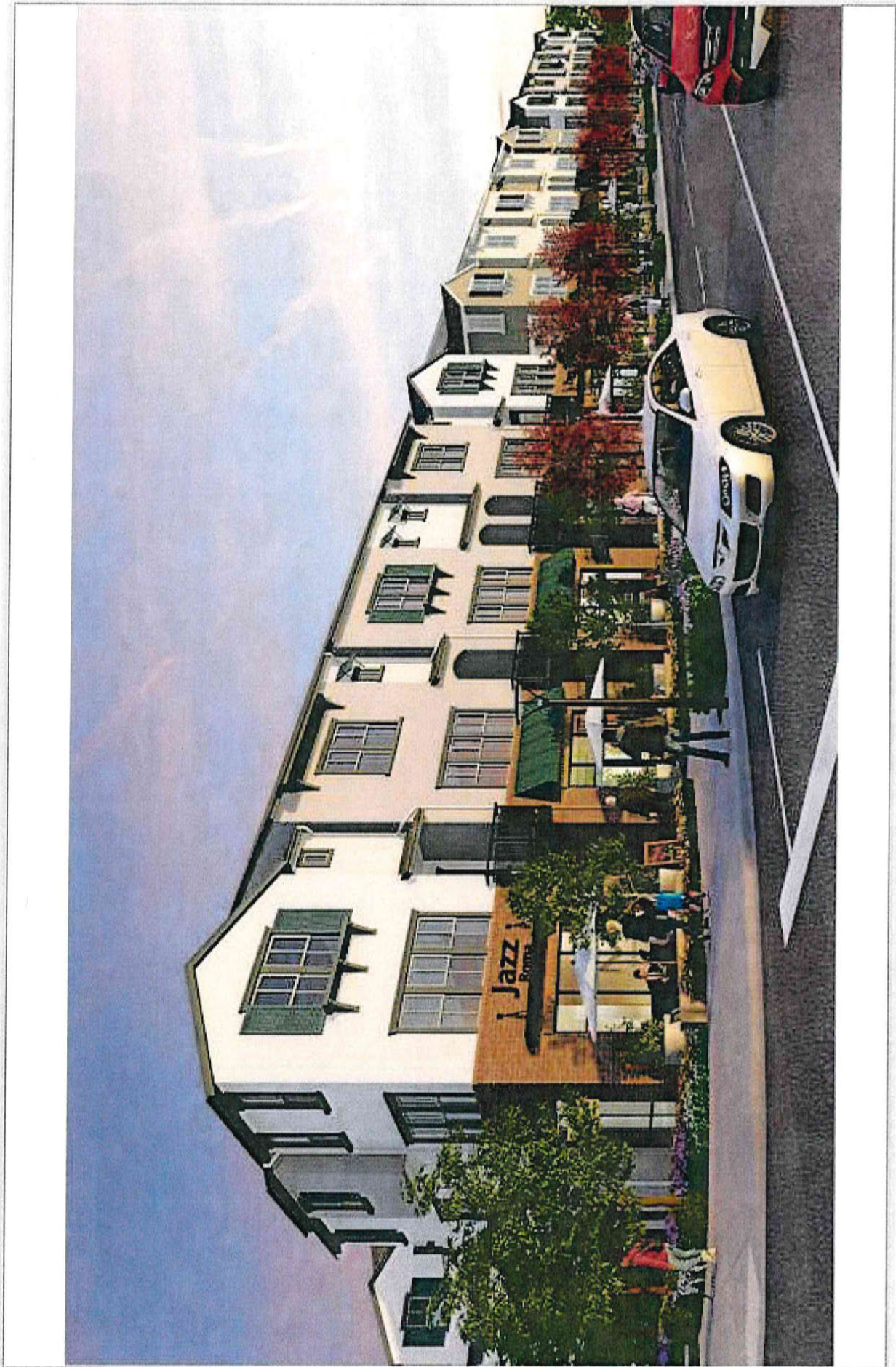
COMMERCIAL LIVE WORK UNITS

Live Work Unit Benefits

- Combines both residential and commercial uses – work from home
- No need to lease office space – saves money
- No commuting – keeps residents employed in Hollister and out of their cars
- Signage opportunities – visibility along public streets
- Supports local small businesses – artists, web designers, architects, financial advisors, real estate agents, event planners, etc.

FACT: 5,224 workers commute into San Benito County while 12,499 workers commute out







May 9, 2023

City of Hollister
Planning Department
Attn: Eva Kelly
339 Fifth Street, Hollister CA 95023

RE: Comments on the draft General Plan Update - Proposed Density Range for High Density Residential and Mixed Use Zoning Districts

Dear Eva,

Republic Urban Properties (RUP) has been in contract with the Shahinian Family since January 2021 to purchase their property located on San Felipe Road between Santa Ana and Maple Street. RUP has spent the past 2 years designing a project for the 4.65-acre property.

RUP has proposed a "Built for Rent" community that gives residents the look and feel of a single family home, but with the amenities of an apartments complex, and the flexibility of renting a new home. Built for Rent is currently one of the most sought after housing products because many people do not qualify to buy a new home, either due to the large downpayment or because of the credit requirements. This project would offer a newly built rental option that can accommodate growing families. Hollister is a perfect location for this product type, as it offers a reasonable commute distance to the core Bay Area, while also providing a non-urban lifestyle and great access to open space, shopping and dining.

As part of the General Plan Update process, the City of Hollister identified several sites in and around the San Felipe Road corridor that could accommodate High Density Residential. This was contemplated to have a minimum density of 20 Dwelling Units per Acre (DUA), as shown in the attached exhibit from PlaceWorks. Unfortunately, now that the long-awaited draft General Plan Update has been circulated, those same properties including the Shahinian Property, have been designated for a minimum density of 30 DUA.

RUP has designed and proposed a wonderful project that meets the strong need for rental housing for the "missing middle". This project was designed to conform to the proposed minimum density of 20 DUA, so the new 30 DUA density designation would render this project out of conformance, and make the project infeasible.

Republic Urban Properties **STRONGLY** requests that staff reconsiders this 30 DUA minimum density designation, and suggests going back to the 20 DUA Minimum density that has been contemplated and designed around for the past 2 years.

Regards,
Peter Lin, Development Director

A handwritten signature in black ink that reads "Peter Lin".

See Page 3



BUILDING INDUSTRY ASSOCIATION

June 15, 2023

City of Hollister
975 Fifth St.
Hollister, CA 95023
TRANSMITTED VIA EMAIL

Re: Comments to Draft 2040 General Plan Update

Dear Sir/Madam,

The Building Industry Association of the Bay Area (BIA) respectfully submits the following comments to the City of Hollister's Draft 2040 General Plan Update. BIA offers these comments in the spirit of collaboration and support for the City adopting a comprehensive and productive General Plan that paves the way for achieving its challenging housing goals. These comments to the Draft 2040 General Plan may also pertain to the Draft EIR as many BIA comments and recommendations would touch on the Environmental Impact Report.

BIA is concerned that political opposition to housing production in the City and San Benito County has been ingrained in the Draft 2040 General Plan. The City has worked hard to bring forward a Draft General Plan that preserves and enhances many wonderful features of the region: a productive farming industry, scenic parks and open spaces, and picturesque towns.

Integrating responsible future growth into the Draft General Plan is the key. The Draft 2040 General Plan is an excellent opportunity to balance and blend the rural, agricultural character of Hollister with future well planned residential communities that support families, business and a thriving economy.

Still, BIA remains concerned that the Draft 2040 General Plan Update has incorporated several concerning new policy proposals, actions and fees that may create major obstacles to housing production by choking off land supply, prescribing intractable new rules and burdening each home with tens of thousands of dollars in new fees.

Housing Element Law requires that the City identify adequate sites to accommodate its regional housing needs allocation (RHNA) at all income levels. BIA encourages the City Council and Staff to take steps to revise policies and actions that may potentially constrain the production of housing during the lifespans of the 2040 General Plan and 6th Cycle Housing Element.

Policies that may require the City to analyze these rules as severe constraints to housing and mitigate accordingly include:

- Constrained Land Supply – Plan for sufficient land to accommodate housing production necessitated by the City’s 6th Cycle RHNA and additional land requirements;
- Inflexible Transportation Policies – Compliance with Vehicle Miles Travelled (VMT) policies in the Plan will present an obstacle to housing under current and future transportation systems and development patterns unless mitigated with policies to offset this significant hindrance;
- Onerous Ag Land Mitigation Policies - Agriculture mitigation at a 2:1 ratio plus Agricultural Buffer Zone requirements would stymie many projects and land deals;
- Impracticable Inclusionary Zoning Policy – A requirement of 20% inclusionary affordable housing on market rate for sale and rental housing would render projects infeasible or require implementation of a massive density bonus program.

Land Use and Community Design Element

The Draft 2040 General Plan Update severely constrains production of housing through limited Development Capacity, and tight Sphere of Influence (SOI). Figure LU-2, the Draft 2040 General Plan Update Land Use Map, when compared to the current General Plan shows that the SOI and Urban Service Area are nearly unchanged.

In order to accommodate more housing growth, BIA urges the City to expand the limited proposed Sphere of Influence in the Draft Plan to coincide with the Urban Service Line especially in the East and South quadrants of the City, incorporating more land for potential development where Prime Farmland is less prevalent.

LU-1.3. Development Capacity. Housing element site inventory requirements state that the purpose of the housing element’s site inventory is to identify and analyze specific land (sites) that is available and suitable for residential development in order to determine the jurisdiction’s capacity to accommodate residential development and reconcile that capacity with the jurisdiction’s Regional Housing Need Allocation (RHNA).

In the 6th Cycle Housing Element that spans the 8 year time period from 2024 to 2032, the City of Hollister must plan the capacity for an unprecedented Regional Housing Needs Assessment (RHNA) of 4,163 housing units. In addition, to comply with the “No Net Loss Requirements Law” (Government Code § 65863), the State Department of Housing and Community Development (HCD) recommend that to reduce the likelihood of having to rezone should an identified housing site develop with less units than assigned, it is a best practice to have 30% more units listed in the inventory than are required to meet a jurisdiction’s RHNA.

Accommodating a 30%+ buffer capacity of Housing Element Site Inventories would add about 1248 units for a total housing need of 5,411 units. The Draft General Plan states capacity for 6,455 units, leaving only 1,292 units in excess capacity through 2040.

Finally, the goal of the Draft 2040 General Plan Update is to create a vision for the City’s next 20 years of growth. BIA strongly encourages the City to assume now that the 7th Cycle Housing Element, spanning the years 2032 to 2040, may require at least another 4,000 units plus a capacity buffer of 1500 units. In other words, the Plan is grossly under capacity by more than

4,000 residential units just for the City of Hollister's future RHNA and other units that the City may need to absorb from the County.

LUD - Land Use Designations. Table LU-2 General Plan Land Use Designations shows several hundred acres identified for Medium Density and High Density Residential. Yet no market study or analysis is provided to substantiate that development of these residential densities can be feasible in Hollister.

LUD 3.3.3. Medium & High Density Residential. This paragraph is confusing as it lumps High Density Residential (30-65 DU/AC) in with Medium Density Residential (12-29 DU/AC). Medium Density may support a viable product in the Hollister market in the future, but any densities above approximately 20 DU/AC (townhouses) will be very difficult to develop. High construction costs and low market demand make the Hollister market a tough sell to unsubsidized multifamily builders.

Additionally, there is no need for High Density Residential land use and zoning in the Plan. In the Housing Element, HCD allows jurisdictions to use zoned density as a proxy for lower income, as long as certain statutory requirements are met. These include counting sites zoned at 20 units per acre as affordable because Hollister is a "suburban jurisdiction" as opposed to an "urban jurisdiction". This is called the default density. BIA strongly recommends that reliance on Medium and especially High Density Land Use Designation to achieve housing production numbers be reduced.

Policy LU-2.1. Land Supply. This policy claims to ensure that there is adequate land designated to meet the projected future housing needs of the City. However, as noted earlier in this letter, the Draft 2040 General Plan Update fails to plan for enough housing to support this policy. The Draft Plan land supply available for residential capacity must be revised to increase the residential capacity through 2040.

Policy LU-2.6. Medium and High Density Residential. Medium Density and especially High Density housing development in Hollister is generally financially challenged. For sale medium density product above 20 units an acre, such as townhouses, would likely be viable, however 30-60 DU/AC high density will present a very difficult challenge to develop.

While market rate high density housing is unlikely to develop in Hollister, subsidized 100% affordable housing may be feasible. 100% affordable projects require funding from a wide variety of sources including local sources. The City should keep the option open for market rate projects to pay inclusionary fees so as to amass local funding for affordable housing projects.

Action LU-2.1 Inclusionary Housing. No residential density or housing type is financially viable with a 20% inclusionary affordable housing requirement, according to the City's Consultant. To justify the inclusionary percentage, the City would be forced to authorize a massive increase in density in every residential zoning district, along with concessions and waivers of development standards, impact fees and other development requirements.

Open Space and Agricultural Element

Policy OS-2.1. Offsets for Loss of Agricultural Land. Requiring 2:1 offset of any agricultural land used for development is may represent a loss of developable land that could result in a severe constraint to housing, especially if that land is located within the City's Urban Service Area. Monterey County is now forming their new Agricultural Land Offset policy with a 1:1 mitigation requirement.

Ranking offsets on a sliding scale could be keyed to the soil quality of the mitigation land. For instance, the conversion of Prime Farmland might provide a 1.5:1 offset, but other classifications including Land of Local Importance, Grazing land, etc. to provide a 1:1 offset.

Policy OS-2.2. Agricultural Buffers. 200 foot buffer zones close to the City's identified growth areas would rule out many developable parcels from proceeding because so much project land would be needed for the buffer zone. This policy could be revised to apply only to annexations outside the Sphere of Influence and allow the developer to provide a buffer zone proposal for projects larger than 40 acres adjacent to productive farmland. Coordinated Ag policies with the County of San Benito is key, especially as the City and County are updating their general plans at the same time.

The policy should incorporate exemptions and variances to allow building in the buffer area. Consider establishing an "Agricultural Policy Advisory Commission" to hear proposals to build within a buffer area.

While the County of Santa Cruz applies a 2:1 agricultural buffer, it has established policies that ease the burden on projects by addressing buffer zone encroachment with some flexible approaches:

In most cases, agricultural buffer reductions can be approved if features are proposed or present that mitigate potential negative impacts to adjacent or surrounding commercial agricultural land. Existing mitigations can include changes in topography, permanent substantial vegetation, or other physical barriers between the agriculture and non-agricultural uses. Proposed mitigations include the establishment of a physical barrier, typically a 6 foot tall solid wood fence with a vegetative buffer and the recordation of a Statement of Acknowledgement on the property title which acknowledges the potential for conflicts between the agricultural and non-agricultural uses.

Circulation Element

4.1.5 Vehicle Miles Traveled. Mitigating VMT on a project by project basis would help pave the way to failure for housing production under the Draft 2040 General Plan Update. BIA encourages the City to complete an overarching EIR evaluating VMT for the entire City and devise cohesive City-wide policies and solutions supported by residential development mitigation fees. Impact fees, restrictive land use regulations, infrastructure costs, and rising labor costs create serious impediments to addressing the housing affordability crisis the region is facing.

It is critical that the City of Hollister continue to produce housing for all incomes. The City high housing costs is a testament to the under production of housing to meet the demands of our robust economy. Unless significantly revised, the Draft 2040 General Plan Update represents a grave threat to the City's obligation under RHNA and will almost certainly result in a constrained housing supply. The Draft 2040 General Plan Update in effect creates a housing moratorium by making it too expensive to build.

Again, BIA offers these comments in the spirit of collaboration and support for the City achieving its housing goals. BIA is committed to working with the City of Hollister to find creative and community based solutions that benefit current and future residents and support a healthy economy and lifestyle.

Please feel free to contact me with any questions or comments.

Very truly yours,

Dennis Martin
BIA Government Affairs

cc: Mayor Mia Casey
Kevin Henderson, Chair, Planning Commission
David Mirrione, City Manager
Christy Hopper, Community Development Director
Eva Kelly, Interim Planning Manager
Jennifer Woodworth, City Clerk

New Dwelling Units in the General Plan Update

From Page 35 (LU-19) of the General Plan Update:

Policy LU-1.3 **Development Capacity.** The General Plan and the General Plan Update Environmental Impact Report (EIR) assumes the following maximum development projections by the year 2040:

- 10,530 new dwelling units
- 1.1 million square feet of new commercial and office space
- 2.8 million square feet of new industrial space

However, on Page 25 of the General Plan Update, the Land Use Designations are listed with their acres within City Limits and intensity (density) ranges. Using the minimum permitted density of dwelling units/acre (du/ac):

<u>Land Use Designation</u>	<u>Acres</u>	<u>Minimum du/ac Permitted Density</u>	<u>Total Potential DUs</u>
LDR	1,365	6	8,190
MDR	445	11	4,895
HDR	250	30	7,500
MU	105	30	3,150
DMU	55	30	1,650
HO	15	11	165
WG	75	30	<u>2,250</u>
		TOTAL:	27,800

Changing minimum densities of 30 du/ac to 20 du/ac:

LDR	1,365	6	8,190
MDR	445	11	4,895
HDR	250	20	5,000
MU	105	20	2,100
DMU	55	20	1,100
HO	15	11	165
WG	75	20	<u>1,500</u>
		TOTAL:	22,950

Therefore, minimum densities of 30 du/ac can be reduced to 20 du/ac or lower and still exceed the goal of 10,530 dwelling units.

Suburban Counties 20+/acre*

2020 -2022 Population

*Default density, not compulsory

Butte	212,000	
Fresno	1,010,000	
Imperial	180,000	(least populated county in Southern California)
Kern	909,000	
Kings	152,000	
Madera	160,000	
Monterey	439,000	
Napa	134,000	Napa is largest city, population ≈76,000
San Joaquin	793,000	
San Luis Obispo	282,000	
Santa Barbara	448,000	

Metropolitan Counties 30+/acre*

Alameda	1,682,000
Contra Costa	1,166,000
El Dorado	191,000
Los Angeles	9,861,000
Orange	3,151,000
Placer	405,000
Riverside	2,418,000
Sacramento	1,585,000
San Benito	64,000
San Bernardino	2,194,000
San Diego	3,299,000
San Francisco	809,000
San Mateo	729,000
Santa Clara	1,936,000