

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: ALAN ALTON, CHIEF FINANCIAL OFFICER  
SUBJECT: PARKING AGREEMENT BETWEEN THE CITY OF SANTA ROSA  
AND 425 HUMBOLDT, LLC FOR THE USE OF PARKING  
GARAGE 3

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Parking Division of the Finance Department that the Council, by resolution, approve a Parking Agreement with 425 Humboldt, LLC, Los Altos, California to obtain permits at Garage 3 located at 735 5<sup>th</sup> Street for residential parking in connection with a proposed multi-family, mixed-use development project consisting of 299 units to be located at 425 Humboldt Street.

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EXECUTIVE SUMMARY

This agreement will provide additional residential parking in Garage 3 located at 735 5<sup>th</sup> Street, Santa Rosa, for a proposed new mixed-use development at 425 Humboldt Street, Santa Rosa. This project furthers the Council goal of meeting housing needs by supporting the establishment of residential development downtown. The proposed project was reviewed by Parking, PED, and Finance, and then approved by the CAO in July 2025.

BACKGROUND

425 Humboldt, LLC, is planning to construct a mixed-use, multi-family development project at 425 Humboldt Street. The site, located in the Parking District, will have 299 residential units, including live/work units, and one retail space. The proposed development will provide 176 on-site parking spaces and anticipate an additional need of up to 176 permits for residents. The applicant has requested a parking agreement with the City to provide parking permits for the future residential tenants of the building.

PRIOR CITY COUNCIL REVIEW

Not applicable.

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ANALYSIS

425 Humboldt, LLC has requested to secure up to 176 non-reserved parking permits in Garage 3 to provide parking for the residential tenants of the future residential project. The agreement's initial term begins with a period of fifteen years. 425 Humboldt, LLC then has three ten-year options to extend, for a total of forty-five years. 425 Humboldt, LLC will pay the Parking Fund the current non-reserved monthly parking permit rate for the permits purchased, as may be amended by the City Council, not to exceed \$70 for a period of twenty-four months. While the City retains its rights to redevelop, reconstruct or otherwise improve the lot, the City will need to undertake good faith efforts to relocate permit holders under the agreement and agrees to provide twelve (12) months written notice and provide space available in Garage 1 located at 521 Seventh Street for residential permits.

There are 708 parking spaces in Garage 3, with a current daily occupancy rate of 19%. The parking division currently sets permit availability at 635 permits, with an average of 316 permits sold monthly. This agreement will reduce permit availability to approximately 146 permits with the current availability.

FISCAL IMPACT

It is estimated that 425 Humboldt LLC will purchase 176 monthly non-reserved parking permits. The current approved non-reserved permit rate is \$70/month, generating an additional estimated revenue of \$42,240 annually to the Parking Enterprise Fund. There is no fiscal impact to the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) pursuant to:

CEQA Guidelines Sections 15301, 15378(b)(5), and 15061(b)(3).

- Section 15301 (Existing Facilities) exempts the operation and permitting of existing public facilities involving negligible or no expansion of use. The use of Garage 3 for permitted residential parking does not entail any physical modification or intensification beyond the existing use capacity.
- Section 15378(b)(5) defines a "project" to exclude administrative or organizational activities of governments that do not result in direct or reasonably foreseeable indirect physical changes in the environment. The approval of a Parking Agreement is considered a general policy or administrative activity of government that does not result in a direct or reasonably foreseeable indirect physical change in the environment. The action does not approve or entitle the associated development project itself but merely authorizes the allocation of parking permits in an existing public garage.

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- Section 15061(b)(3) provides a common sense exemption where it can be seen with certainty that the activity will not have a significant effect on the environment, as it can be seen with certainty that there is no possibility the Parking Agreement will have a significant effect on the environment. The proposed use of an existing parking structure does not involve any physical alterations or expansions and will not result in new environmental impacts.

As such, the approval of the Parking Agreement is exempt from CEQA and no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

None.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution / Exhibit A – Parking Agreement

PRESENTER

Alan Alton, Chief Financial Officer