

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: GABE OSBURN, DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
SUBJECT: PROFESSIONAL SERVICES AGREEMENT – NORTH SANTA
ROSA STATION AREA SPECIFIC PLAN UPDATE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

The Planning and Economic Development Department recommends that the Council, by resolution: 1) approve the Professional Services Agreement with BKF Engineers, Oakland, California for planning, public engagement support and environmental review services to prepare an update to the North Santa Rosa Station Area Specific Plan and Subsequent Environmental Impact Report (SEIR); and 2) authorize the Chief Financial Officer to establish appropriations of \$443,685 with the source of funds being a \$300,000 grant from the Metropolitan Transportation Commission (MTC) in the North Station Area Specific Plan Update and the Advance Planning key.

EXECUTIVE SUMMARY

The Metropolitan Transportation Commission (MTC) adopted the Transit Oriented Communities (TOC) Policy to advance equitable, transit-supportive development near transit stations and corridors to implement Plan Bay Area 2050+. As part of this effort, MTC established the \$45 million TOC Incentive Program, including the TOC Evaluation Framework and Program Guidelines for the One Bay Area Grant (OBAG) 4 program. The City may become eligible for an additional \$2 million to \$4 million in OBAG funding for qualifying transportation and public works projects if TOC Policy compliance is demonstrated by July 1, 2027.

To demonstrate TOC Policy compliance, the City must increase residential densities and commercial office intensities established through the North Santa Rosa Station Area Specific Plan. MTC has awarded the City a \$300,000 grant to support this work, with the City's Advance Planning Fund covering remaining costs.

The proposed resolution would authorize a professional services agreement with BKF Engineers, in an amount not to exceed \$443,685, to update the North Santa Rosa

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Station Area Specific Plan and prepare a Subsequent Environmental Impact Report (EIR).

GOAL

This item relates to Council Goal #2 – Invest in the Development and Maintenance of the City's Infrastructure, Council Goal #4 – Promote Citywide Economic Development, and Council Goal #5 - Plan for and Encourage Housing for All and Reduce Homelessness. The proposed update to the North Santa Rosa Station Area Specific Plan would increase residential and commercial office capacity in proximity to existing transit, retail, and services, while also positioning the City to secure additional grant funding to support the development and maintenance of critical infrastructure projects.

BACKGROUND

On September 28, 2022, MTC adopted Resolution 4530, establishing TOC Policy. The TOC Policy incentivizes local jurisdictions to plan and zone for higher residential densities and commercial office intensities in areas within one-half mile of existing and planned fixed-guideway transit stops and stations to support the region's transit investments and implement key GHG reduction strategies from Plan Bay Area 2050+. In 2023, MTC designated the Downtown Station Area and North Santa Rosa Station Area as Transit Oriented Communities within the City of Santa Rosa.

On September 30, 2024, MTC announced a Call for Projects for TOC Planning and Implementation Grants, with applications due November 22, 2024. On November 22, 2024, the City submitted a \$300,000 grant application under the TOC Specific Plans and Zoning Changes category to update the North Santa Rosa Station Area Specific Plan and prepare the necessary environmental analysis. On February 14, 2025, the MTC Planning Committee approved the City's \$300,000 grant award. The Council formally accepted the grant on July 8, 2025, to fund amendments to the North Santa Rosa Station Area Specific Plan and prepare the environmental review document required under the California Environmental Quality Act (CEQA).

On February 25, 2026, the MTC Commission adopted the \$45 million TOC Incentive Program through Resolution No. 4754, including the TOC Evaluation Framework and Program Guidelines as part of the OBAG 4 evaluation criteria. Compliance with the TOC Incentive Program qualifies the City to receive an additional \$2 million to \$4 million in OBAG grant funds to be used for qualified transportation and public works projects.

On March 19, 2026, the City released a Request for Proposals to update the North Santa Rosa Station Area Specific Plan and prepare the associated environmental analysis. On May 11, 2026, staff from the Planning and Economic Development and Transportation and Public Works Departments interviewed four planning consultant firms and selected BKF Engineers as the most qualified consultant team for the project.

ANALYSIS

OBAG funds are federal transportation funds distributed by MTC to support eligible capital improvement, transportation, and public works projects. In the previous OBAG cycle, the City received approximately \$13 million, which helped fund projects such as the Hearn Overcrossing, Hearn Multi-Use Path, Fulton Road Widening, and the Highway 101 Bike and Pedestrian Overcrossing.

MTC's TOC Incentive Program establishes an additional \$45 million in OBAG funds available for Bay Area jurisdictions that demonstrate TOC consistency. Cities with three TOC areas or a population of at least 100,000 are eligible for awards ranging from \$2 million to \$4 million.

Santa Rosa has two TOC areas, the North Santa Rosa Station Area and the Downtown Station Area, where TOC compliance would be applicable. The TOC Policy focuses on the following core elements to implement Plan Bay Area 2050+ strategies:

1. Minimum residential and commercial office densities for new development.
2. Policies for affordable housing and commercial stabilization.
3. Parking management.
4. Transit station access and circulation.

Jurisdictions are evaluated on a 100-point scale, with a score of 85 or higher considered consistent with the policy, providing flexibility to adopt policies that align with local priorities and available resources. The deadline to meet TOC Policy requirements is July 1, 2027, and no credit will be given for work in progress. Since release of the TOC Policy Administrative Guidance, staff from Planning and Economic Development, Housing and Community Services, Parking, and Transportation and Public Works have reviewed and analyzed the requirements to assess steps needed to achieve compliance for the City's two TOC areas.

The Downtown Station Area Specific Plan currently meets TOC policy requirements related to residential and office development. However, amendments to the North Santa Rosa Station Area Specific Plan are needed to meet residential density and commercial intensity requirements. To support this effort, staff have secured \$300,000 in grant funding for land use density amendments. These funds, combined with appropriations from the Advance Planning Fund will support consultant services to update the North Santa Rosa Station Area Specific Plan and prepare the required environmental analysis.

The North Santa Rosa Station Area Specific Plan update will also integrate and reference the remaining TOC Policy topics, including:

- Affordable Housing and Commercial Stabilization

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- Parking Demand Management
- Station Access and Circulation

The current action before the Council would approve a Professional Services Agreement with BKF Engineers and authorize execution of related documents. These actions will enable adoption of TOC-consistent land use policies in the North Santa Rosa Station Area, positioning the City to maximize eligibility for OBAG TOC Incentive Program funding.

FISCAL IMPACT

The cost of the North Santa Rosa Station Area Specific Plan update and SEIR is not to exceed \$443,685 with the source of reimbursement funds being the \$300,000 grant from MTC and the Advance Planning Fund. The Advance Planning Fund was created to develop and/or update land use policy documents, including Specific Plans. As such, it is being requested that the Chief Financial Officer establish appropriations of \$443,685 with the source of funds being the MTC grant and Planning and Economic Development's Advance Planning Fund JL Key 08015. Therefore, there will be no impact to the General Fund.

ENVIRONMENTAL IMPACT

The proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378 and 15061(b)(3). Approval of the professional services agreement and related funding actions do not approve any land use changes or physical development and do not have the potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In addition, it can be seen with certainty that there is no possibility that the recommended action may have a significant effect on the environment.

Adoption of the North Santa Rosa Station Area Specific Plan update will require preparation and certification of an SEIR in accordance with CEQA. The recommended professional services agreement includes preparation of the required SEIR.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

No notification is required for the professional services agreement resolution before the Council. All future policy efforts to comply with TOC policy, including community engagement opportunities, will be noticed to the community in accordance with State law and other best practices.

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ATTACHMENTS

- Attachment 1 – CC – RES-2025-122
- Attachment 2 – North Station Specific Plan Area
- Resolution/Exhibit A – Professional Services Agreement with BKF Engineers

PRESENTER

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Planning and Economic Development Department