

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: DAVID GOUIN, HOUSING AND COMMUNITY SERVICES  
DAVID GUHIN, PLANNING AND ECONOMIC DEVELOPMENT  
WALTER KIESER, ECONOMIC AND PLANNING SYSTEMS

SUBJECT: SANTA ROSA HOUSING – REPORT 5: HOUSING ACTION PLAN

AGENDA ACTION: MOTION

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RECOMMENDATION

It is recommended by the Housing and Community Services and Planning and Economic Development Departments that the Council, by motion, accept the Housing Action Plan and authorize staff to develop the work plan for prioritizing the housing initiatives outlined in the report.

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EXECUTIVE SUMMARY

Santa Rosa faces a significant shortage of housing, particularly that available for moderate and lower income families. Following two housing-focused study sessions in fall 2015, the City Council embarked on a six-part housing series to address how Santa Rosa can increase production, achieving a goal of “housing for all.”

Reports 1 and 2, focused on funding resources and development process improvements, were held on February 23, 2016. Reports 3 and 4 were presented on April 19, 2016 and provided a summary of developers’ perspectives on housing development in Santa Rosa and an outline of housing initiatives that has been refined into a Housing Action Plan that is the subject of this report.

BACKGROUND

Santa Rosa faces a significant shortage of housing, particularly that available for moderate and lower income families. The Council conducted study sessions in fall 2015 to understand housing needs, to review existing housing programs and funding opportunities, and to identify new approaches to increasing housing supply. A six part housing action plan report series is being developed to respond to Council direction provided in these sessions.

On February 23, 2016, the Council received a report regarding funding approaches to develop more housing in the community. The Council directed that staff proceed by:

1. Sustaining General Fund support for housing;
2. Increasing housing impact fees (inclusionary fees), offset by regulatory and financial incentives, to assist for-sale affordable housing;
3. Conducting a commercial linkage fee nexus study and consider imposing a fee at a level deemed not to inhibit development;
4. Seeking voter approval of a tax measure providing support for housing programs and homeless services;
5. Considering short term investments in housing programs and planning services with high potential to stimulate production and economic development;
6. Considering increased housing funding using an Enhanced Infrastructure Financing District or similar mechanism;
7. Considering a non-discrimination ordinance for Veterans' Affairs Supportive Housing, HUD, and other voucher users.

Also on February 23, 2016, the Council received a report outlining improvements made and underway to facilitate housing through changes to the development review process.

On April 19, 2016, the Council received a report regarding developers' assessment of housing production in Santa Rosa and an outline of potential housing program initiatives. The Council directed refinement of the housing initiatives into a Housing Action Plan, including an organizational plan, an outreach plan, and a financial plan.

#### PRIOR CITY COUNCIL REVIEW

The Council conducted a study session on October 20, 2015 to define affordable housing needs, document current housing inventory, document existing housing programs and funding and estimate the cost of achieving affordable housing production as set forth in the General Plan Housing Element.

The Council conducted a second study session on November 10, 2015 to consider opportunities and actions to increase affordable housing supply, conserve and rehabilitate existing affordable housing, and provide direction regarding increasing affordable housing production.

On February 23, 2016 the Council considered two housing related items: Housing Report 1, focused on funding approaches, and Housing Report 2, regarding development process improvements. On April 19, 2016, the Council considered developers' assessment of housing in Santa Rosa and proposed housing initiatives to spur housing development.

## ANALYSIS

A draft Housing Action Plan is attached to this report as Attachment 1. The plan sets forth a multi-faceted approach to achieve construction of “housing for all.”

## FISCAL IMPACT

Implementation of the Housing Action Plan will require additional funding, likely from the General Fund. In addition to funding for homeless and affordable housing programs and for greater support in planning, engineering, and building services proposed in the FY 2016/17 budget, it is recommended that \$3 million be appropriated for utilization as incentives for housing developers to include inclusionary housing units in for-sale projects.

Programs included in the Housing Action Plan are being evaluated for future budget needed for implementation. Staff and consultant resources are anticipated to be required to complete outlined programs, and staff will return to the City Council with additional information regarding future budget needs.

## ENVIRONMENTAL IMPACT

This is an informational report that is not a project under the California Environmental Quality Act.

## BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

## NOTIFICATION

A community engagement and communications plan was developed announcing and promoting the series of six housing reports in early 2016. Notification about the series was provided through ads in local publications, development of a website, and via email and social media outlets. For the June 7 report, these methods, along with others, have been used to inform residents of the housing series and the “Housing for All” plan. These include briefings to City boards and commissions, inclusion in City newsletters, and television and radio interviews.

## ATTACHMENTS

- Attachment 1 – Housing Action Plan

## CONTACT

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