

RESOLUTION NO. RES-2019-067

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA RESCINDING RESOLUTION NO RES-2018-168 AND SETTING FORTH THE REVISED SCHEDULE OF PARK FEES CHARGED PURSUANT TO CHAPTER 19-70 OF THE SANTA ROSA CITY CODE AND ESTABLISHING A REVISED RESIDENTIAL PROJECT INCENTIVE PROGRAM TO INCREASE HIGH DENSITY DEVELOPMENT AND AFFORDABLE HOUSING DOWNTOWN AND REQUIRING THAT 100% OF PARK FEE REVENUE BE SPENT WITHIN THE DOWNTOWN STATION AREA SPECIFIC PLAN AND THE GENERAL PLAN DOWNTOWN CORE BOUNDARY FOR THE CREATION, EXPANSION, AND/OR ENHANCEMENT OF PARKS AND RECREATION FACILITIES

WHEREAS, Chapter 19-70 of the Santa Rosa City Code (City Code) includes formulas for establishing park land dedication and park impact fees; and

WHEREAS, City Code section 19-70.030 provides for the City Council to adopt, by Resolution, parkland dedication standards that reflect the ratio of parkland to residents, as set forth in California Government Code Section 66477 (Quimby Act); and

WHEREAS, City Code section 19-70.050 provides for the City Council to adopt, by Resolution, the amount to credit a developer against the park impact fee for dedicated park land; and

WHEREAS, City Code section 19-07-090 provides for the City Council to adopt, by Resolution, park standards for acquisition and development and to adopt park impact fees pursuant to California Government Code Sections 66001 (Mitigation Fee Act); and

WHEREAS, City Code section 19-70.100 provides for the City Council to establish, by Resolution, the cost of park land acquisition and park development per acre; and

WHEREAS, on May 22, 2018 the City Council passed Resolution RES-2018-083, adopting the Impact Fee Program Update report dated February 2018, and establishing park fees and authorizing periodic adjustment; and

WHEREAS, on September 25, 2018, the City Council passed Resolution No. RES-2018-168, establishing a residential project incentive program to increase high density development and affordable housing Downtown and requiring that 100% of the Park fee revenue be spent within the Downtown Station Area Specific Plan and the General Plan Downtown Core Boundary for the creation, expansion, and/or enhancement of Parks and Recreation facilities by setting forth the schedule of Park Fees charged pursuant to Chapter 19-70 of the Santa Rosa City Code and Amending Resolution No. RES-2018-083; and

WHEREAS, following the adoption of RES-2018-168, it was discovered that several of the City's zoning districts that allow multi-story residential development, and would otherwise be eligible to receive benefits from the Incentive Program, were inadvertently omitted from the Resolution; and

WHEREAS, there is a need for additional housing units and the City embarked on a major effort to address the current housing crisis that has existed since before the October 2017 fires; and

WHEREAS, the City Council has an interest in incentivizing the location and development of high density residential units within the downtown area and close to transit pursuant to a high-density residential incentive program (Incentive Program); and

WHEREAS, the City Council has an interest in incentivizing development of affordable housing projects that include construction of on-site affordable units; and

WHEREAS, an independent assessment of the need for an Incentive Program provided by real estate consultant, Keyser Marston Associates, Inc., illustrates the unique challenges facing high-density projects in the Downtown Station Area Specific Plan and General Plan Downtown Core Boundary and affirms the need for incentives to enable projects to move forward in the near term; and

WHEREAS, the City has an interest in rescinding RES 2018-168 and adopting the revised schedule of park fees to ensure that all eligible residential projects within the Downtown boundaries receive program benefits consistent with the intent of the Incentive Program; and

WHEREAS, residential projects located within the boundaries of the Downtown Station Area Specific Plan or General Plan Downtown Core Boundary as depicted on Exhibit A attached hereto (collectively, the “Downtown”) shall be eligible for the Incentive Program if such projects meet the following criteria:

1. The project must include primarily residential uses:
 - a) For projects located Downtown on parcel(s) zoned CD-7 and/or CD-10: the project must be four or more stories in height, with at least three floors dedicated to residential use.
 - b) For all other projects located Downtown: the project must be three or more stories in height, with at least two floors dedicated to residential use.
 - c) For affordable/inclusionary housing projects located Downtown: the project must construct affordable units on-site pursuant to the City’s Housing Allocation Plan.
2. The project applicant is not seeking overlapping fee reductions, such as the Park Impact Fee credit for the provision of private open space as defined in Ordinance number 3216.
3. The residential project must break ground before August 31, 2023. “Breaking ground” is defined as securing a foundation permit; and

WHEREAS, for purposes of the Incentive Program, floors are considered “residential” if at least twenty-five (25%) of gross floor area is dedicated to habitable space; and

WHEREAS, the City Council determines that this Incentive Program is not a “project” under CEQA and is therefore exempt from review pursuant to CEQA Guidelines section 15378(b)(4), and further determines the fee modification is exempt from CEQA pursuant to Public Resources Code section 21080(b)(8) and CEQA Guidelines section 15273(a)(4) in that the fee modification is for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas, , and further determines the fee is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) in that the activity in question will not have a significant effect on the environment.

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NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa hereby rescinds Resolution RES-2018-168 and adopts the following revised park fees as part of the Incentive Program:

- a) For residential projects located Downtown on parcel(s) zoned CD-7 and/or CD-10: Park Impact Fees for projects proposing four or more stories, with at least three stories dedicated to residential use shall be calculated based upon the first three residential floors only, and any additional floors dedicated to residential use shall be exempt from additional Park Impact fees.
- b) For all other residential projects located Downtown: Park Impact Fees for projects proposing three or more stories, with at least two stories dedicated to residential use, shall be calculated based upon the first two residential floors only, and any additional floors dedicated to residential use shall be exempt from additional Park Impact Fees.
- c) For Downtown affordable/inclusionary housing projects that construct the affordable units on-site pursuant to the City's Housing Allocation Plan: Park Impact Fees for non-exempt units shall be reduced to \$2 per square foot. The reduced Park Impact Fees for non-exempt units shall be applied based upon the project's classification under subsection (a) or (b) above.
- d) For all residential development within the Downtown: 100% of Park Impact Fee revenue collected under the Incentive Program shall be used solely in connection with the creation, expansion, and/or enhancement of parks and recreation facilities located within the boundaries of the Downtown.

IN COUNCIL DULY PASSED this 18th day of June, 2019.

AYES: (6) Mayor Schwedhelm, Vice Mayor Rogers, Council Members Combs, Fleming, Sawyer, Tibbetts

NOES: (0)

ABSENT: (1) Council Member Olivares

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM:

City Attorney

Exhibit A - Downtown Station Area Specific Plan and General Plan Downtown Core Boundary