

Agenda Item #8.1  
For Planning Commission Meeting: January 26, 2023

CITY OF SANTA ROSA  
PLANNING COMMISSION

TO: CHAIR WEEKS AND MEMBERS OF THE PLANNING  
COMMISSION

FROM: AMY LYLE, SUPERVISING PLANNER  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: 2023-2031 HOUSING ELEMENT/WINTER GENERAL PLAN  
AMENDMENT PACKAGE

AGENDA ACTION: RESOLUTION: RECOMMENDATION FOR ADOPTION

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RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission hold a public hearing, provide comments, and adopt a Resolution recommending that the City Council approve the Addendum and adopt a General Plan amendment as part of the Winter General Plan Amendment Package to update Housing Element of the General Plan for the period of 2023-2031.

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EXECUTIVE SUMMARY

The purpose of this meeting is to provide an overview of revisions made to the Draft Housing Element in response to comments received from the State Housing and Community Development Department (HCD), hold a public hearing, and recommend that Council adopt the Addendum prepared for the 2023-2031 Housing Element and adopt a General Plan Amendment to update the Housing Element for 2023-2031. This 2023-2031 Housing Element will supersede the existing Housing Element, adopted in 2014, and includes a housing needs assessment, evaluation of the existing housing element, housing site inventory analysis, fair housing assessment, potential and actual government constraints analysis, analysis of the Growth Management Ordinance, housing implementation goals, policies, and programs to support housing production, housing affordability, and housing for special needs populations, among other topics. This presentation will include a discussion of edits made since the first draft Housing Element, comments received, community engagement, and next steps for review by HCD. The City Council will consider final adoption on February 14, 2023.

## BACKGROUND

On July 29, 2014, the City Council adopted the current City Housing Element, which covers the planning period of 2015-2023.

In October 2019 the Association of Bay Area Governments (ABAG) convened the Housing Methodology Committee to advise staff on the methodology to distribute to each local government a fair share of the region's total housing need that was assigned by State HCD. The Committee included local elected officials and staff, including the City of Santa Rosa.

In March 2020 the Planning and Economic Development Department commenced a comprehensive update of the General Plan including the Housing Element, referred to as Santa Rosa Forward.

On March 3, 2020, Council authorized a consultant contract (Placeworks) in the amount of \$2,500,000 (Professional Service Agreement F002144) to accomplish the General Plan Update including the Housing Element.

On October 13, 2020, Council amended the General Plan Update Professional Service Agreement to include an update to the Climate Action Plan and increase the total contract amount to \$2,599,909.

On May 20, 2021, the ABAG Executive Board approved the Final Regional Housing Needs Allocation (RHNA) Methodology and Draft Allocations. Approval of the Final RHNA Methodology followed the finding in April 2021 by the California Department of Housing and Community Development (HCD) that the Draft RHNA Methodology furthered the RHNA objectives. Santa Rosa's received an allocation of 4,685 units.

On July 20, 2021, the Commission and Council met jointly and accepted the General Plan Update Vision Statement.

On November 16, 2021, the Commission and Council heard met jointly to hear a study session on the Housing Element process.

On April 18, 2022, and May 20, 2022, the County of Sonoma submitted written correspondence to the City requesting a RHNA transfer of 1,800 units.

On June 3, 2022, the Draft Housing Element was posted for a 30-day public review period.

On June 9, 2022, a Study Session was held with the Commission to review the draft 2023-2031 Housing Element.

On June 21, 2022, a Council Study Session to review the draft 2023-2031 Housing Element. The Council discussed the County's request for RHNA transfer and did not direct staff to research the transfer as part of the Housing Element process.

On August 3, 2022, the Draft Housing Element was submitted to HCD for review. HCD had 90-days, until November 1st, to complete their review of the draft.

On October 13, 2022, staff and the consultant team met with HCD to discuss their preliminary comments prior to the end of their 90-day review. Based on the preliminary comments received, the draft Housing Element was revised, released for public review on October 20th, and submitted to HCD on October 28th.

At the conclusion of the 90-day HCD review period, on November 1, 2022, the city received a comment letter from HCD regarding items that need to be corrected or further addressed. The HCD comment letter is included as Attachment 1. Following receipt of the HCD comment letter, staff and the consultant team revised the Housing Element to address all the comments in the letter.

On December 22, 2022, a revised draft Housing Element was released for public review. Minor revisions were made, and the draft was republished on January 6, 2023.

A link to the January 6, 2022, revised draft is provided, and hard copies are available upon request. Within the revised draft, **highlighted text** indicates changes that were made in response to the HCD comment letter; text that is noted using "track changes" (underlined for new text, ~~strikethrough~~ for deleted) but **not highlighted** signify changes made during the October revisions that were submitted prior to the HCD comment letter. A comment letter matrix is also provided showing where in the Housing Element each comment is addressed (Attachment 2).

## ANALYSIS

This staff report provides a summary of the Housing Element requirements, an overview of the City of Santa Rosa's draft Housing Element and how it complies with state law, and the changes that have been made to the draft Housing Element in response to HCD comments.

### **Public Outreach and Engagement**

The city must demonstrate "meaningful, frequent, and ongoing community participation, consultation and coordination" as part of the 6<sup>th</sup> Cycle Housing Element Update Process. This is intended to ensure that input has been received from groups historically and presently most impacted by fair housing issues and that local knowledge is incorporated into Housing Elements. Accordingly, the City's targeted community outreach efforts included (full list available within Section 2 of page 17 of the Housing Element PDF:

- General Plan Update Community Involvement Strategy (CIS), Summer 2020 – Ongoing

- Service Provider Interviews, November 2021 – June 2022
- City Council/Planning Commission Study Session, November 2021
- Community Workshop, March 2022
- Napa Sonoma Collaborative Equity Working Group Meetings, January – March 2022
- Online Community Survey, February - April 2022  
The survey had more than 450 respondents representative from all the city's zip codes and ages; renters (42.4%) and homeowner households (35.7%), people who speak English (96.7%), Spanish (14.9%), and other 14 languages at home (8.1%), including sign language (1.27%); as well as different races and ethnicities: White (68.8%), Latinx/Hispanic (15.4%), Asian (1.7%), Black/African American (1.5%), Indigenous/Native American (2.7%) and others (%).

The City of Santa Rosa has taken some additional steps to go beyond the State law and provide more accessible opportunities for our community to be able to receive, read, understand the Housing Element and participate by providing their feedback:

- Specific Website for the General Plan Update and Housing Element: <https://www.santarosafoward.com/HE>, June 2022 - Ongoing
- Bilingual Social Media Campaigns, November 2021 - Ongoing
- Bilingual Pop-Ups in Equity Priority Communities, March 2022 - Ongoing
- Additional channels of communication to provide feedback, including Let's Connect Platform, Text Messages, and WhatsApp, July 2022 - Ongoing
- Meetings with Housing non-profit organizations, to provide information and foster collaboration, December 2023
- Bilingual Housing Element Summary, January 2023

## **Part I: Required Components of a Housing Element**

The following section summarizes the required components of Housing Element Updates in accordance with State law, new requirements included since the 5th cycle Housing Element Update (2015-2023), and penalties for non-compliance with Housing Element Laws.

CA Government Code Title 7, Division 1, Chapter 3, Article 10.6 [65580 – 65589.11] regulates the use and requirements of housing elements in California. The state law requires that the city update its Housing Element every eight years. State law further requires the current update for jurisdictions in the Association of Bay Area Governments (ABAG) region to comply by January 31, 2023.

Pursuant to Government Code Section 65583, local governments are required to include the below items as components within their Housing Elements, and subsequent updates thereto. *Newly required components introduced as part of the 6<sup>th</sup> Cycle (2023-2031) are underlined and in blue below* and discussed in further detail within the “New Requirements for the 6<sup>th</sup> Cycle Housing Element Update” Section below.

1. **Housing Needs Assessment:** Examine demographic, employment and housing trends and conditions and identify existing and projected housing needs of the community, with attention paid to special housing needs (e.g., large families, persons with disabilities). This Section includes a community's Regional Housing Needs Allocation (RHNA) as determined by a community's regional planning body in partnership with HCD.
2. **Evaluation of Past Performance:** Review the prior Housing Element to measure progress in implementing policies and programs.
3. **Housing Sites Inventory:** Identify locations of available sites for housing development or redevelopment to demonstrate there is enough land zoned for housing to meet future need at all income levels. [The standards for designating adequate sites were substantially changed from the sixth cycle, particularly for non-vacant sites.](#)
4. **Community Engagement:** Implement a robust community engagement program that includes reaching out to individuals and families at all economic levels of the community plus historically underrepresented groups.
5. **Constraints Analysis:** Analyze and recommend remedies for existing and potential governmental and nongovernmental barriers to housing development.
6. **Policies and Programs:** Establish policies and programs to be carried out during the 2023-2031 planning period to fulfill the identified housing needs.
7. [\*\*Affirmatively Furthering Fair Housing:\*\* Analyze and address significant disparities in housing needs and access to opportunity by proposing housing goals, objectives, and policies that aid in replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.](#)

The update of the Housing Element has been taken out of the comprehensive General Plan Update to facilitate a faster timeline. The rest of the General Plan Update will process through 2023 and all policies will be reviewed for consistency prior to adoption.

### **New Requirements for the 6<sup>th</sup> Cycle Housing Element Update**

Due to recent State legislation, the following items are also required as part of the Housing Element Update process:

1. **Affirmatively Furthering Fair Housing (AFFH).** Assembly Bill 686 (AB 686), passed in 2018, created new requirements for jurisdictions to affirmatively further fair housing. According to AB 686, affirmatively furthering fair housing means to take "meaningful actions, in addition to combating discrimination, which overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics" and is Federally mandated by the 1968 Fair Housing Act. The four main goals are to:

- a. Address significant disparities in housing needs and in access to opportunity, and
  - b. Replace segregated living patterns with truly integrated and balanced living patterns, and
  - c. Transform racially and ethnically concentrated areas of poverty into areas of opportunity, and
  - d. Foster and maintain compliance with civil rights and fair housing laws.
2. **Public Comment on Draft Revisions.** Assembly Bill (AB)215 (2021), requires local governments to make the first draft revision of their housing element update available for public comment for at least 30 days. Further, if any comments are received, a local government must take at least ten additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD must review the draft and report its written findings to the planning agency within 90 days of receiving the first draft submittal for each housing element revision or within 60 days of its receipt for a subsequent draft amendment or adoption.

### **Penalties for Non-Compliance**

6th cycle, jurisdictions face several new consequences for not having a certified Housing Element. Under legislation enacted in recent years, if a city does not comply with State housing law, HCD may refer the city to the Attorney General. Significant fines may be imposed if a city does not comply with a court order for one year. A court finding a Housing Element inadequate may limit local land use decision-making authority until the jurisdiction brings its Housing Element into compliance, or local governments may lose the right to deny certain projects.

Conversely, an HCD-certified housing element makes cities eligible for, or with higher priority for, numerous sources of funding, such as Local Housing Allocations, Affordable Housing and Sustainable Communities Grants, SB 1 Planning Grants, CalHOME Program Grants, Infill Infrastructure Grants, Pro-Housing Design funding, Local Housing Trust Funds, and Regional Transportation Funds (such as MTC's OneBayArea Grants).

### **Part II: Housing Element Contents**

The following section summarizes the contents of the City's Housing Element Update for the 2023-2031 Planning Period.

#### **Housing Needs Assessment**

As part of the Update process the city is required to analyze the existing and projected housing needs of Santa Rosa including its fair share of RHNA requirements. This chapter describes the characteristics of Santa Rosa's population and housing that are essential

to understanding the City's housing needs. The following information about the Santa Rosa is included:

- Population Characteristics
- Household Characteristics
- Employment Trends
- Housing Characteristics
- Housing Cost and Affordability
- Special-Needs Groups
- At-Risk Housing

If you would like to read the complete Housing Needs Assessment, you can find it in Section 3 on page 27 of the PDF.

### **Fair Housing Assessment**

California State law requires that all housing elements contain an "Assessment of Fair Housing (AFH)". AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." The law requires the City of Santa Rosa and all jurisdictions in the state to complete three major requirements as part of the housing element update:

1. Do an "Assessment of Fair Housing (AFH)" with a summary of fair housing issues; an analysis of available data to identify patterns of segregation or other barriers to fair housing.
2. Prepare the Housing Element Land Inventory and identification of sites through the lens of AFFH.
3. Include a program in the Housing Element that helps fair housing and supports housing opportunities throughout the community for protected classes and addresses contributing factors identified.

To assess patterns of segregation and integration, the city has analyzed 6 characteristics: diversity, household income, rates of poverty, rates of overcrowding and overpayment, familial status, and rates of disability.

This Housing Element Summary contains only the Assessment of Fair Housing and the programs in the Housing Element that help fair housing opportunities. The complete Assessment of Fair Housing (AFH) can be found in Section 4 (page 67 of the PDF) of the draft Housing Element.

### **Affirmatively Furthering Fair Housing**

Assembly Bill 686 (AB 686), passed in 2018, created new requirements for jurisdictions to affirmatively further fair housing as part of the Housing Element Update process. These requirements found in Government Code Section 8899.50 are intended to address racial inequalities seen today throughout the Bay Area which developed through historical policies and practices enacted at federal, state, regional and local levels and across the public and private sectors. Though many of these explicit forms of

historical discrimination have been outlawed, the results of these systems have left a lasting imprint on both the Bay Area region and the city. Racially explicit practices (e.g., racial covenants) which excluded persons of color from predominately white neighborhoods have been replaced with race-neutral land use policies that continue to exclude these same groups. Furthermore, rapidly increasing housing costs have deepened racial and economic disparity and segregation, displacing many low income and people of color to the peripheries of the region or out of the Bay Area all together.

Accordingly, the city must incorporate fair housing considerations into its 6<sup>th</sup> Cycle Housing Element Update to increase housing opportunities in high resource neighborhoods and bring additional resources to traditionally under-resourced neighborhoods. This can be found in Section 4 (page 67 of the PDF) of the draft Housing Element.

### **Regional Housing Needs Allocation (RHNA)**

In January of 2022, HCD approved ABAG’s adopted *Final RHNA Plan for the San Francisco Bay Area: 2023-2031* which establishes a total RHNA for the San Francisco Bay Area of 441,176 residential units for the 6<sup>th</sup> cycle housing element update 2023-2031 planning period. ABAG’s *Plan* further distributes this RHNA across the bay area’s nine counties, and 101 cities based on demographic and population data received from the California Department of Finance (DOF). Local jurisdictions must then utilize their ascribed RHNA to update the housing elements of their general plans for the 6<sup>th</sup> cycle planning period, inclusive of identifying eligible land resources to accommodate this RHNA. See the Sites Inventory Section below.

RHNA requirements are organized into four affordability categories, established according to the Area Median Income (AMI) of a geography. These categories include very low-income residential units, which are affordable to households earning less than 50% of AMI; low-income residential units, which are affordable to households earning between 50% and 80% of AMI; moderate income residential units, which are affordable to households earning between 80% and 120%; and above moderate-income residential units which are affordable to households earning upwards of 120% of AMI. The City of Santa Rosa’s RHNA is included below in Figure 1.

**Figure 1: City of Santa Rosa Regional Housing Needs Allocation (RHNA)**

Income Category	2023 – 2031 RHNA	Percentage of RHNA
Very Low	1,218	26%
Low	701	15%
Moderate	771	16%
Above Moderate	1,995	43%
Total	4,685	100%

Source: ABAG, 2021



## **RHNA Buffer**

New “no net loss” provisions of Government Code Section 65863 require the City to ensure an adequate supply of land resources to be made available for housing development throughout the duration of the 2023-2031 planning period. This means if housing sites identified within the City’s 6th cycle housing element update are developed with non-residential uses, lower residential densities, or residential uses at affordability levels higher than anticipated by the Housing Element, the City’s Housing Element could be determined to be out of compliance. Accordingly, the City’s RHNA requirement, which is met by the Housing Element inventory, is further buffered by identifying locations for an additional 2,577 units to ensure compliance with “no net loss” provisions.

## **Housing Resources and Sites Analysis**

As part of the 6th cycle housing element update, the city is also required to identify resources available for the preservation, rehabilitation, and production of housing throughout the community. This includes programmatic and financial resources, such as those offered locally or through State or Federal partners. These resources also include land resources within Santa Rosa that were identified as eligible for accommodation of the City’s RHNA Requirements. Pursuant to Government Code Section 65583.2(a) the following land resources are eligible for accommodation of the City’s RHNA: vacant sites zoned for residential use; or vacant sites zoned for nonresidential use that allows residential development; or residentially zoned sites that are capable of being developed at a higher density; or sites zoned for nonresidential use that can be redeveloped for residential use. There are no rezoning requirements as part of the draft Housing Element. The Housing Sites Analysis, and associated maps and tables, can be found in Section 5, page 167 of the PDF.

## **Housing Constraints Analysis**

In addition to analyzing the existing and projected housing needs of the City of Santa Rosa, the Housing Element Update must also identify and analyze potential and actual governmental and nongovernmental constraints to the maintenance, improvement, or development of housing for all income in the community, regardless of protected class.

**Governmental Limitations:** They can happen if the regulations increase costs or limit opportunities for housing development. Potential constraints to housing development in Santa Rosa vary by area, but generally could include infrastructure, residential development fees, land use controls, development standards, development and building permit application processing times, and resource preservation.

**Nongovernmental Limitations:** Housing purchase prices, financing costs, cost of land and improvements, construction costs, property taxes, profit, and rent rates continue to be the biggest constraints to housing access for households with lower and moderate

incomes. Housing costs will continue to be a factor in accessibility to housing, especially for people in the extremely low-, very low-, and low-income groups.

The City of Santa Rosa will continue all possible efforts to conserve existing affordable housing stock and to increase the number of affordable units. The larger factors of construction and financing are beyond the City's direct influence.

**Energy Conservation:** The City has made strides in reducing greenhouse gases and utilizing green energy sources. The City will continue to work toward greater energy efficiency, reduced water usage, and more sustainable building practices in residential development.

A complete summary of constraints to the development and improvement of housing within the city is included within the draft Housing Element in Section 6, page 193 of the PDF.

### Evaluation of Past Progress

Pursuant to State Law the Housing Element summarizes the implementation status of Goals, Policies and Programs from the city's 5<sup>th</sup> cycle Housing Element Update. The 2015–2023 RHNA prepared by ABAG determined that zoning to accommodate 5,083 additional housing units needed to be in place in Santa Rosa during the prior planning period to meet regional housing needs. ABAG disaggregated this allocation into four income categories: very low, low, moderate, and above moderate. The following table compares the 5th Cycle RHNA to the building permits issued during 2015 to 2021. The City issued permits for a total of 3,920 units (77% of the RHNA) from 2015 to 2022. Among these, approximately 18% (696 units) were for homes affordable to lower-income (very low- and low- income) households. This section of draft Housing Element and can be found in Section 7 (page 235 of the PDF).

### Regional Housing Needs Allocation, 2015-2022 (5<sup>th</sup> Cycle Housing Element)

Income Category	2015 – 2022 RHNA	2015 – 2021 Building Permits Issued	Percent of RHNA Accomplished
Very Low	1,041	356	34%
Low	671	340	51%
Moderate	759	271	36%
Above Moderate	2,612	2,953	113%
<b>Total</b>	<b>5,083</b>	<b>3,920</b>	<b>77%</b>

*Source: ABAG Regional Housing Needs Allocation (RHNA) Plan, December 2021, City of Santa Rosa, March 2022*

### POLICIES AND PROGRAMS

The Housing Element Update includes a set of goals, policies, and implementing programs intended to promote the preservation, rehabilitation, and production of housing throughout the city. Goals are long-range, broad, and comprehensive targets that describe future outcomes the city desires. A policy is a specific instructional guideline that seeks to promote goals. Together, goals and policies are implemented through a series of programs that identify specific, quantifiable actions the City will undertake during the 6<sup>th</sup> cycle planning period.

### **Proposed Goals of the Housing Element**

*H-1: Encourage the development of housing to meet the needs of all Santa Rosa residents.*

*H-2 Conserve and improve the existing affordable housing stock.*

*H-3: Increase special needs housing opportunities and supportive services for lower income households, families with children, seniors, persons with physical and developmental disabilities, farmworkers, female headed households, and people who are experiencing homelessness.*

*H-4: Ensure equal housing opportunities for all residents, regardless of their special characteristics as protected under state and federal fair housing laws.*

*H-5 Reduce or remove government constraints on the maintenance, improvement and development of housing where feasible.*

*H-6: Develop energy-efficient residential units and rehabilitate existing units to reduce energy consumption.*

The policies and programs are at the end of the draft Housing Element and can be found in Section 8 (page 299 of the PDF) of the draft Housing Element.

### **Review Process**

#### **HCD Findings Letter – Outstanding Comments**

Pursuant to Government Code section 65585, subdivision (b), HCD reviewed the draft Housing Element and reported the results of its review.

A summary of the major changes to the revised draft Housing Element is included below. All edits have been included as track changes in the revised draft.

#### **Prior to Receiving the HCD Letter**

Informal comments received from HCD on October 13, 2022, included:

- Public Comments – clarify how comments and feedback have been incorporated and addressed.

- Housing Needs – identify the percentage of homes in need of rehabilitation and services for persons with disabilities and residents experiencing or at risk of homelessness.
- Fair Housing – expand on the regional comparison analysis, expand on the displacement risk analysis, prioritize programs and include metrics, milestones, and geographic targeting in programs.
- Sites Inventory – identify project densities to support realistic capacity, include affordability restrictions for projects, discuss development standards in the DSASP (Downtown Station Area Specific Plan).
- Housing Constraints – analyze cumulative impact of development standards, analyze design review process and findings, and evaluate the Growth Management program for compliance with SB (Senate Bill) 330.

In response to these informal comments, the city made several revisions that were released for public review on October 20, 2022, prior to submittal to HCD on October 28, 2022.

The city expanded the summary of public comment that was received during the update process and identified how it was used to inform development of the Housing Element. Within the Housing Needs Assessment, staff added an inventory of resources available in Santa Rosa and the surrounding region for persons with disabilities, identifying the provider, the service area, and services available to meet the needs of this population.

In the Fair Housing Assessment, the city expanded the regional comparison analyses for income patterns, educational opportunities, and employment opportunities. Additionally, the local analysis of geographic patterns of income and poverty within the city was expanded to support the regional comparisons and discussions of racially concentrated areas of affluence (RCAAs). Staff expanded the analysis of homelessness to include an assessment of demographic characteristics of the homeless population as compared to the citywide and countywide population to determine whether targeted outreach to specific groups was necessary. The Displacement Risk analysis was expanded to include statistics on home prices, wages, and a comparison between neighborhoods on the impact of these economic conditions on displacement risk. Based on the findings of this expanded assessment, programs were prioritized to address the most pressing needs.

Staff identified the development standards within mixed use zones, expanded the analysis of the design review process to include the steps applicants follow and the findings that must be made, and identified inclusionary requirements. Based on the design review analysis, the city added language to Program H-40 to monitor the design review process to ensure it does not constrain development.

Finally, the city adjusted the programs to include Policy H-1-4 in a program instead, expanded on the fair housing intent and objective on targeted programs per HCD guidance, and added language to prioritize water and wastewater for affordable projects in compliance with SB 1087.

## In Response to the HCD Letter

The following section outlines HCD's required changes, including information on the city's response. Please refer to Attachment 1 for a copy of HCD's Nov 1, 2022, 90-day review letter. The HCD review letter requires more information to evaluate the effectiveness of several programs that were included in the 5th Cycle Housing Element. The specific comments from HCD are provided below.

### Part 1: HCD Comment Letter – Comments Regarding the Previous and Current Programs

Review and Revise: The element should evaluate the effectiveness of Program H-D-12, H-D-13, H-D-14, H-D-15, and H-D-16. These programs should provide a description of the actual results or outcomes of the prior housing-element's goals (what happened), objectives, policies, and programs. The results should be quantified where possible (e.g., number of units rehabilitated) and may be qualitative where necessary (e.g., mitigation of governmental constraints).

Program H-20 (Housing for Persons Experiencing Homelessness): Currently the program commits to explore new models for providing temporary housing solutions in response to emerging needs and emergency situations, including non-congregate shelters. To demonstrate Program H-20 will have a beneficial impact within the planning period, the program should be amended to include specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. For example, the element could commit to an action, such as adoption of policies to promote new models or allocation of funding for new models.

Constraints on Housing for Persons with Disabilities: While program H-34 commits to review and revise reasonable accommodation findings including the finding regarding "potential impacts on surrounding uses" the program should also ensure that the revised reasonable accommodation procedure is consistent with federal and state guidance related to reasonable accommodation.

In response to these comments, staff added additional information to the listed programs from the 5th Cycle Housing Element including the amount of funding invested in homelessness services and resources and additional information on projects that have received density bonuses. Further, Program H-24 (previously Program H-20) was modified to commit to adopting a policy to promote housing solutions to address homelessness and meet with services providers, and Program H-38 (previously Program H-34) to review and revise the reasonable accommodations ordinance to ensure compliance with State law.

HCD requires additional information in the Assessment of Fair Housing to clarify patterns. The specific comments from HCD are provided in Table 2 below.

## **Part 2: HCD Comment Letter – Comments Regarding the Assessment of Fair Housing**

Enforcement and Outreach: According to third party comments received there are multiple lawsuits against the City related to violations of unhoused people’s civil rights and discrimination against people with disabilities. The element must include findings, lawsuits, enforcement actions, settlements, or judgments related to fair housing or civil rights.

Integration and Segregation: The element includes data on integration and segregation at the local and regional level for race, disability and familial status; however, it does not include sufficient regional information to adequately compare income to the City. The element must include additional information related to income on a regional level.

Access Disparities in Access to Opportunity: The element provided information on education on a local level; however, it does not provide sufficient regional information to adequately compare education to the City. For example, the element could provide a comparison on a local and regional level based on statistics such as performance levels of school districts. In addition, for economic the element states the city has similar unemployment rate as other jurisdictions in the North Bay region, however it does not provide statistics on similarities.

The City added an acknowledgement of the open case against the City regarding potential discrimination (*Coser v. City of Santa Rosa*) and expanded Program H-30 to commit to working with interested and impacted parties, as needed, upon settlement of the case. Further, staff added statistics about poverty rates, median income, and school performance scores in nearby jurisdictions to compare to patterns within Santa Rosa.

The HCD comment letter requires more information to evaluate housing needs and resources in the city. The specific comments from HCD are provided in Table 3 below.

## **Part 3: HCD Comment Letter – Comments Regarding Housing Needs and Resources**

Housing Conditions: While the element includes some information on the age of the housing stock, it must also estimate the number of units in need of rehabilitation and replacement. For example, the analysis could use code enforcement activity to calculate a city-wide estimate.

Homelessness: Pursuant to third party comments there is a significant concern on how the City is addressing homelessness. The element should describe in more detail the Community Homeless Assistance Program (CHAP), its use, and if there are any constraints in the use of the program. In addition, the element should also analyze the types and characteristics of shelter options within the city and their accessibility to people with varying types of disabilities including developmental and mental health.

Staff added additional information regarding the condition of the housing stock, specifically regarding rehabilitation and replacement needs and added Program H-11 to complete a housing conditions survey to determine the degree and areas of need for rehabilitation assistance. Further, the city expanded on the CHAP, including operation of the program, funding, and services.

Finally, HCD requires additional information on development processes and controls, including analysis of these as potential constraints on housing production. The specific comments from HCD are provided in Table 4 below.

#### **Part 4: HCD Comment Letter – Comment Regarding Housing Development Constraints**

Processing and Permit Procedures: The element must evaluate the processing and permit procedure impacts as potential constraints on housing supply and affordability. The element should describe and analyze the total permit and entitlement process for a typical single-family unit, subdivision, and multifamily project. Description should include typical processes required for single-family and multifamily projects and an estimate of total typical time necessary to complete the entitlement process. The element should clarify how the estimated total processing time on Table 6-7, page 6-22 aligns with the timelines for permit procedures on Table 6-8. In addition, the element states the streamlined process for housing projects within the City's PDAs (Priority Development Areas) sunsets in December 2023. The element should evaluate this requirement and what happens after December 2023.

While the element describes the design review findings and process, it must analyze the requirements. As shown on page 6-24, many of the findings for approval are subjective and must be evaluated for impacts on housing cost, supply, timing and approval certainty. This is particularly critical as it appears that every application for development permit must go through a design review.

Growth Control: While the element states the City is exempt from the growth management aspect of The Housing Crisis Act (Government Code section 66300, subdivision (b)(1)(D)) because the City is located with an agricultural/rural County, it must support this statement by describing how the County meets the "predominantly agricultural county" designation pursuant to Government Code 66300(b)(1)(E).

The city provided clarification on the timeframes for review and processing of typical projects, including single-family units, multifamily projects, and subdivisions, to determine that these processes do not unduly delay or constraint development. Staff also added analysis confirming that Sonoma County is a "predominantly agricultural county," and the City of Santa Rosa is therefore exempt from restrictions on growth management controls pursuant to Government Code 66300(b)(1)(E).

#### **FISCAL IMPACT**

There is no fiscal impact related to this item as the funding has already been allocated to the General Plan Update (Santa Rosa Forward). The Housing Element update is a component of the authorized work plan.

### ENVIRONMENTAL IMPACT

The draft Housing Element has been reviewed in compliance with the California Environmental Quality Act (CEQA). The Addendum to the General Plan 2035 EIR concludes that adoption of the General Plan Amendment/Housing Element would not result in new or more severe significant environmental impacts compared to the impacts previously disclosed and evaluated in the 2035 General Plan EIR. Consequently, no additional environmental review is required. In accordance with CEQA Guidelines Section 15164(c), an addendum need not be circulated for public review, but can be included in or attached to the Final EIR or adopted MND. Per CEQA Guidelines Section 15164(d), the decision-making body shall consider an addendum with the adopted Final EIR prior to making a decision on the project.

### ATTACHMENTS

Attachment 1 – HCD Letter received on November 1<sup>st</sup>, 2022

Attachment 2 – HCD Comment Letter Matrix

Attachment 3 –2023-2031 Housing Element :

[https://www.santarosafoward.com/files/managed/Document/756/SANTA%20ROSA\\_2023-2031%20Housing%20Element\\_Adoption%20Draft\\_1.19.23.pdf](https://www.santarosafoward.com/files/managed/Document/756/SANTA%20ROSA_2023-2031%20Housing%20Element_Adoption%20Draft_1.19.23.pdf)

Resolution 1- Housing Element Recommendation

Exhibit A- Draft 2023-2031 Housing Element

Exhibit B- 2023 Addendum to the General Plan EIR for the Housing Element

### CONTACT

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