For Board Meeting of: November 2, 2017

CITY OF SANTA ROSA BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES

FROM: COLIN CLOSE, SENIOR WATER RESOURCES PLANNER

WATER DEPARTMENT

SUBJECT: CITY OF SANTA ROSA POLICIES REGARDING THE

PROVISION OF PRIORITY WATER AND SEWER SERVICE TO RESIDENTIAL DEVELOPMENTS WITH AFFORDABLE HOUSING

UNITS

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Water Department, that the Board, by resolution, recommend the City Council re-adopt City of Santa Rosa policies 200-20 Regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units as amended.

EXECUTIVE SUMMARY

Government Code Section 65589.7, requires agencies which provide water or sewer services to adopt written policies and procedures related to the provision of water and sewer services to proposed housing developments that help meet the regional need for lower income housing. Government Code Section 65589.7 also requires that these policies be reviewed every 5 years. As such, two City policies, 200-20 Regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units, are due for review.

BACKGROUND

1. In 2005, the legislature amended Government Code Section 65589.7, requiring agencies which provide water or sewer services to adopt written policies and procedures which provide for priority of the provision of water and sewer services to proposed housing developments that help meet the regional need for lower income housing. Government Code Section 65589.7 also bans the denial or the conditioning of approval of an application for water or sewer services, or reducing

the amount of the services applied for, simply because a proposed development includes affordable housing components, except in limited circumstances. Government Code Section 65589.7 also requires the written policies to be reviewed every 5 years.

2. The two policies, City of Santa Rosa Policy 200-20 Regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and City of Santa Rosa Policy 200-21 Regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units require that the policies be reviewed and adopted or readopted at least once every 5 years after July 1, 2006.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On October 5, 2006, the Board of Public Utilities, Resolution No. 874, recommended that City Council adopt policies 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units.

On August 4, 2011, the Board of Public Utilities, by Resolution No. 1004, recommended, that City Council re-adopt as amended policies 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units.

<u>ANALYSIS</u>

The policies require that, in the event the City has limited water or sewer capacity, the City grant priority for water and sewer service to planned residential developments that include housing units affordable to lower income households, unless the City makes certain findings that it cannot grant such priority.

The policies would not change any authority of the City to require applicants to comply with conditions of approval and pay demand fees.

City staff members in the Water Department and Planning & Economic Development Department have reviewed the policies and recommend small text changes to replace "very low and low income" with "extremely low-, very low-, and low-income" in order for the policies to be consistent with the terminology used in the City's 2035 General Plan.

Re-adoption of the policies with the proposed change will allow the City to maintain compliance with the Government Code provision regarding water and sewer services and affordable housing developments.

FISCAL IMPACT

Recommending re-adoption of the policies as amended does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

N/A

<u>ATTACHMENTS</u>

- Attachment 1 Council Policy No. 200-20, Provision of Water Service to Residential Developments with Affordable Housing Units
- Attachment 2 Council Policy No. 200-21, Council Policy No. 200-21 Provision of Sewer Service to Residential Developments with Affordable Housing Units
- Resolution

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