Agenda Item #3.1 For Council Meeting of: April 2, 2019

## CITY OF SANTA ROSA CITY COUNCIL

TO:MAYOR AND CITY COUNCIL<br/>CHAIR AND MEMBERS OF THE PLANNING COMMISSIONFROM:AMY NICHOLSON, CITY PLANNER<br/>PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENTSUBJECT:ANNUAL REVIEW OF THE GENERAL PLAN, HOUSING ACTION<br/>PLAN IMPLEMENTATION, DEVELOPMENT IN THE SPOTLIGHT,<br/>DOWNTOWN UPDATES, AND GENERAL PLAN UPDATE

AGENDA ACTION: NO ACTION REQUIRED

## RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council and Planning Commission hold a Study Session to: (1) receive a report regarding the Annual Review of the General Plan; (2) receive an update on the progress of the Housing Action Plan implementation; (3) receive a report on development in 2018; (4) receive a report on express review of future development projects; (5) receive a report on the Downtown updates; and (6) receive a report of the General Plan update. This item is provided for Council and the Planning Commission's information only and no action is requested.

## EXECUTIVE SUMMARY

Each year, the Planning Commission and City Council review the General Plan consistent with State planning and zoning law. This study session will allow time to cover General Plan actions in 2018, housing needs information, as well as to review the operation of the Growth Management Ordinance and the Housing Allocation Plan over the last year. A review of the progress that has been made on implementation of the Housing Action Plan, as well as a report on development projects from 2018 and plans for express review of future development projects, will also be provided. Finally, the Commission and Council will receive a review of the Downtown updates, including the Station Area Specific Plan update, and a General Plan update.

## BACKGROUND

## **General Plan Annual Review 2018**

As the City's primary policy document guiding growth and development, the General Plan includes policies regarding many of the Council's goals and strategic objectives.

The Annual Review 2018 (included as Attachment 1 to this report) addresses each of the elements within the General Plan, including, but not limited to, the Economic Vitality Element, which addresses creation of a strong, sustainable economic base; the Open Space and Conservation Element, which addresses environmental preservation and greenhouse gas emissions reduction; and the Public Services and Facilities Element which includes enhancement of cultural and recreational assets and public safety.

Information on the City's progress toward the required Regional Housing Needs Allocation (RHNA) is also provided, as well as an update on the Growth Management program and the Housing Allocation Plan.

#### **Housing Action Plan Implementation**

In October 2016, the Council accepted the Housing Action Plan, which was prepared to address the City's ongoing unmet housing needs and to implement the City's General Plan Housing Element. The document consists of the following 5 program areas:

- 1. Increase inclusionary affordable housing
- 2. Achieve "Affordability by design" in market-rate projects
- 3. Assemble and offer public land for housing development
- 4. Improve development readiness
- 5. Increase affordable housing investment and partnerships

Within these 5 program areas, there are 31 program elements. Each program element is an action item addressing all 5 program areas and providing a wide range of approaches to support housing for all affordability levels. Many of the 31 program elements are underway. A complete list of program elements is available on the Housing Action Plan website (<u>www.srcity.org/HAP</u>). Below is a short list of initiatives that are currently underway or completed:

- Accessory Dwelling Unit ordinance update (complete)
- Density Bonus ordinance update (complete)
- Impact Fee Nexus Study update (complete)
- Design Review Process update (partially complete)
- Housing Allocation Plan/Inclusionary Housing ordinance update (underway)

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• Permit Streamlining (underway)

# 2018 Development in the Spotlight

In the 2018 calendar year, the City issued building permits for a total of 431 residential units (excluding the replacement of housing within the fire rebuild area), a 23% increase from 2017, and 520,669 square-feet of new non-residential construction, a 316% increase from 2017.

Of the 431 total units, 93 were permitted in southeast, 49 in northeast, 183 in northwest, and 106 in southwest Santa Rosa. Accessory Dwelling Units comprised 80 of the 431 residential building permits issued.

Notable residential projects completed or under construction in 2018 include:

- Village Station (110 attached single-family units)
- Smith Village (51 detached single-family units)
- The Villas (197 attached single-family units)
- Veteran's Village (14 detached, temporary, tiny homes for homeless veterans)

Notable non-residential projects under construction in 2018 include:

- Memorial Hospital Medical Office Building and Parking Structure (92,000square-foot office building and a 6-level parking garage)
- Coddingtown Mall (Two new tenant spaces on northern façade)
- Empire Hotel (71-room hotel)
- Airway Community Care (90-room facility)
- AC Hotel by Marriott (142-room hotel)

# Downtown Station Area Specific Plan Update

On February 13, 2018, the Council adopted the 2018 Council Goal Setting Report, which included "rebuild/build downtown and fire areas" as a Near Term (six month) priority, and "downtown housing" as a Tier 1 priority. Following the Council goal setting, City staff submitted a planning grant application to the Metropolitan Transportation Commission (MTC) to update the Downtown Station Area Specific Plan to address ways to incentivize development of new housing units in the downtown area, beyond the current projections. The Downtown Station Area Specific Plan update is currently underway, with adoption of the plan targeted for late summer to early fall of 2019.

# **General Plan Update**

An update to the Santa Rosa General Plan 2035 is slated to begin in early 2019. While regular updates of the General Plan are not required, with the exception of the Housing

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Element, which was last updated in 2014, a revision to the document has been determined to be appropriate at this time.

There are elements that need to be added and addressed in an update to the General Plan, such as adding environmental justice policies, as required by State law, and to address community planning following the wildfires and the annexation of the Roseland area. The update is anticipated to be comprehensive, addressing all elements of the General Plan, including, but not limited to Noise and Safety, Land Use, Housing, Transportation, Public Services and Facilities, and Economic Vitality. The current General Plan Environmental Impact Report (EIR) would also be updated, which would provide California Environmental Quality Act (CEQA) support for new development Citywide.

In December of 2018, the City Council held a study session regarding the potential scope of a General Plan update. Since this Study Session, funding sources to complete a comprehensive update have been identified through the City's Advance Planning account, which is generated through new development fees, and State grants. City staff are currently working toward issuing a Request for Proposal for a consultant to assist with the update.

## PRIOR CITY COUNCIL REVIEW

The Council and Planning Commission receive the Annual Review in the Winter/Spring of each year; the last report was presented on April 24, 2018.

The Housing Action Plan was accepted by the Council in October 2016.

The Council 2018 goals were adopted on February 13, 2018.

#### ANALYSIS

A report reviewing implementation of the General Plan and the Growth Management and Housing Allocation Plan Ordinances is attached to this report.

Further discussion regarding the Housing Action Plan implementation, and updates to the Downtown Station Area Specific Plan and the General Plan will be held during the study session.

## FISCAL IMPACT

This item does not have a fiscal impact on the General Fund.

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## ENVIRONMENTAL IMPACT

The General Plan Annual Review report and the study session on implementation of the Housing Action Plan and upcoming updates to the Downtown Station Area Specific Plan and General Plan are exempt from the California Environmental Quality Act (CEQA). These report and discussion items are not projects which have 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 Guidelines section 15378.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

#### **NOTIFICATION**

Not applicable.

#### **ATTACHMENTS**

• Attachment 1 – Annual Review 2018 Report

## CONTACT

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