

RESOLUTION NO. PC-RES-2025-006

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA RECOMMENDING THAT THE CITY COUNCIL APPROVE A GENERAL PLAN AMENDMENT TO MODIFY THE 2023-2031 HOUSING ELEMENT TO REFLECT A TRANSFER OF REGIONAL HOUSING NEEDS ALLOCATION (RHNA) UNITS RELATED TO THE ANNEXATION OF 34.93 ACRES INTO THE CITY, AND TWO CLERICAL EDITS TO CORRECT THE TITLE OF TABLE 5-2 AND CORRECT A MATHEMATICAL ERROR IN TABLE 5-11

WHEREAS, on February 14, 2023, the City Council adopted the 2023-2031 Housing Element, which included the City's obligation for the 6th Cycle Regional Housing Needs Allocation (RHNA); and

WHEREAS, on August 22, 2023, the Sonoma County Board of Supervisors adopted the County of Sonoma's Housing Element, which included the properties located at 1601, 1680, 1696 and 1705 Lance Drive, in northwest Santa Rosa, in the County's Sites Inventory, with a total RHNA obligation of 641 units, broken down into 163 lower income units, 238 moderate income units and 240 above moderate-income units; and

WHEREAS, on August 7, 2024, the Sonoma Local Agency Formation Commission (LAFCO) approved an annexation of the Lance Drive properties, which was recorded by the Sonoma County Clerk's Office on September 25, 2024; and

WHEREAS, on October 18, 2024, pursuant to Government Code Section 65584.07(d), the City received a request from the County of Sonoma to initiate a transfer RHNA units from the County to the City related to the Lance Drive annexation; and

WHEREAS, on November 14, 2024, the Planning Commission approved a Tentative Map and Conditional Use Permit for a small lot subdivision for the Lance Drive Housing Development project, located on the Subject Properties. The project included a request to construct a 672-unit apartment complex, 98 single-family homes (Small Lot Subdivision), and 4,800-square-foot community-serving retail building and outdoor plaza on approximately 34.93 acres. The conditions of approval included a requirement to provide 34 of the units at the Very Low-Income affordability category; and

WHEREAS, on December 4, 2024, the Zoning Administrator approved Design Review for the multi-family residential and retail building portions of the Lance Drive Housing Development project; and

WHEREAS, on December 18, 2024, a joint City/County letter was sent to the Association of Bay Area Governments (ABAG) requesting a 90-day extension of the initial 90-day deadline to submit a mutually acceptable RHNA transfer agreement following annexation; and

WHEREAS, on February 3, 2025, ABAG approved the 90-day extension to March 24, 2025; and

WHEREAS, on March 4, 2025, the City Council adopted a resolution authorizing the Mayor to sign a joint agreement letter with the County outlining the agreed upon RHNA transfer; and

WHEREAS, this proposed Housing Element amendment is part of the First 2025 General Plan Amendment Package; and

WHEREAS, on March 13, 2025, the Planning Commission conducted a public hearing in compliance with Chapter 20-66 of the Zoning Code (Public Hearings) to consider making a recommendation to the Council related to the Housing Element Amendment; and

WHEREAS, the Planning Commission considered the staff report and the attachments including the attached Exhibit A which identifies recommended changes to the Housing Element; and

WHEREAS, the Planning Commission finds that a General Plan Amendment to modify the 2023-2031 Housing Element to reflect the transfer of RHNA units from the County of Sonoma to the City of Santa Rosa, as well as two clerical edits to correct the title of Table 5-2 and correct a mathematical error in Table 5-11, is justified to achieve the objectives and policies of the General Plan in that:

- A. The proposed amendment ensures and maintains internal consistency with the goals and policies of all elements of the General Plan in that the amendment reflects a transfer of RHNA units from the County of Sonoma to the City of Santa Rosa as a result of a September 2024 annexation of a 34.93 acre site into the City of Santa Rosa, as well as two clerical edits, and no goals or policies within the General Plan or Housing Element are proposed for amendment.
- B. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that the amendment consists of minor text changes to the City's Housing Element to reflect the agreed upon RHNA transfer units, as well as two clerical edits. No other changes are proposed.
- C. The site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested/anticipated land use developments in that the changes apply citywide and impacts on specific sites would be negligible because the text changes reflect existing policy.
- D. The proposed Housing Element amendment has been reviewed in compliance with the California Environmental Quality Act (CEQA). It has been determined that the proposed action falls within the scope of the Addendum to the General Plan EIR that was prepared for the 2023-2031 Housing Element Update. The Addendum concluded that adoption of the 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. Similarly, the proposed minor amendments would not result in new or more

sever significant impacts. As a result, no additional environmental review is required. It has been further determined that the proposed action is statutorily exempt from CEQA pursuant to CEQA Guidelines section 15283, Housing Needs Allocations, as CEQA does not apply to regional housing needs determinations made by a city or country pursuant to Government Code Section 65584.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Santa Rosa is recommending that the City Council amend the 2023-2031 Housing Element to reflect the transfer of RHNA units to the City and two clerical edits to correct the title of Table 5-2 and correct a mathematical error in Table 5-11, as identified in the attached Exhibit A.

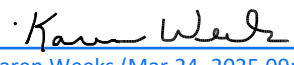
REGULARLY PASSED AND ADOPTED by the Planning Commission of the City of Santa Rosa on this 13th day of March, 2025, by the following vote:

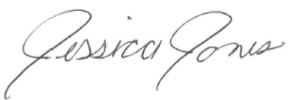
AYES: (5) Chair Weeks, Vice Chair Duggan, Commissioner Carter, Cisco, Sanders

NOES: (0)

ABSTAIN: (0)

ABSENT: (2) Commissioner Horton, Pardo

APPROVED: 
Karen Weeks (Mar 24, 2025 09:01 PDT)
KAREN WEEKS, CHAIR

ATTEST: 
JESSICA JONES, EXECUTIVE SECRETARY

ATTACHMENTS:

Exhibit A – Housing Element Redline Revisions (affected pages only)

Regional Housing Need

State law (California Government Code Section 65580 et seq.) requires the California Department of Housing and Community Development (HCD) to project statewide housing needs and allocate the anticipated need to each region in the state. For the Bay Area, including Santa Rosa, HCD provides the regional need to the Association of Bay Area Governments (ABAG), which then distributes the RHNA to the cities and counties within the ABAG region. ABAG allocates housing production goals for cities and counties based on their projected share of the region’s household growth, the state of the local housing market and vacancies, and the jurisdiction’s housing replacement needs.

ABAG is responsible for developing a Regional Housing Needs Plan (RHNP) allocating the region’s share of the statewide housing needs to local jurisdictions. The RHNA is a minimum projection of additional housing units needed to accommodate projected household growth of all income levels by the end of the housing element’s statutory planning period. As shown in Table 1-1, Santa Rosa is required to plan for 4,685,326 units during the 2023-2031 planning period at certain densities, 1,919,953 units of which must be affordable to lower-income (extremely low-, very low-, and low-income) households, 771 units must be affordable to moderate-income households, and 1,995,260 for above moderate-income households. These numbers include a transfer of 641 RHNA units from the County of Sonoma to the City of Santa Rosa, completed in March 2025, following the annexation of a 34.93-acre site into the City of Santa Rosa and a subsequent RHNA transfer agreement between the two jurisdictions. The 641 transferred RHNA units are broken down into 607 Above Moderate-income units and 34 Very Low income units.

Table 1-2 SANTA ROSA REGIONAL HOUSING NEED, 2023-2031

Income Category	2023 – 2031 RHNA	Percentage of RHNA
Very Low	<u>1,218,125</u>	<u>26</u> 24%
Low	701	<u>15</u> 13%
Moderate	771	<u>16</u> 14%
Above Moderate	<u>1,995,260</u>	<u>43</u> 49%
Total	<u>4,685,326</u>	100%

Source: ABAG, 2021

Note: It is assumed that 50 percent of the very low-income units are allocated to the extremely low-income category.

General Plan Consistency

The Housing Element has been reviewed for consistency with the City’s other General Plan Elements. The Santa Rosa General Plan has been periodically amended since the last comprehensive update was adopted in 2009 and a comprehensive update is currently (2022) in process. The policies and programs in this Housing Element are consistent with the policy direction contained in other parts of the current General Plan. The City will continue to review and revise the Housing Element, as necessary for consistency, once the comprehensive update is complete and when any future amendments are made to the General Plan.

5. Housing Site Analysis

California law (Government Code Section 65583 (a)(3)) requires that the Housing Element contain an inventory of land suitable for residential development, including vacant sites that can be developed for housing within the planning period and nonvacant (i.e., underutilized) sites having potential for redevelopment. State law also requires an analysis of the relationship of zoning and public facilities and services to these sites.

Regional Housing Needs Allocation

The Regional Housing Needs Allocation (RHNA) is the State of California-required process that seeks to ensure cities and counties are planning for enough housing to accommodate all economic segments of the community. The process is split into the following three steps.

1. **Regional Determination:** The California Department of Housing and Community Development (HCD) provides each region a Regional Determination of housing need, which includes a total number of units split into four income categories. The City of Santa Rosa is within the region covered by the Association of Bay Area Governments (ABAG). HCD provided ABAG a Regional Determination of 441,176 units for the 6th Cycle RHNA (2023-2031). This is the total number of units that the cities and counties in the ABAG region must collectively plan to accommodate.
2. **RHNA Methodology:** Councils of Governments (COG), including ABAG, are responsible for developing an RHNA Methodology for allocating the Regional Determination to each city and county in the COG's region. This methodology must further specific state objectives, including, but not limited to, promoting infill, equity, and environmental protection; ensuring jobs-housing balance; and affirmatively furthering fair housing.
3. **Housing Element Updates:** Each city and county must then adopt a housing element that demonstrates how the jurisdiction can accommodate its assigned RHNA through its zoning. HCD reviews each jurisdiction's housing element for compliance with state law.

The City of Santa Rosa's share of the regional housing need was determined by a methodology prepared by ABAG as part of the Regional Housing Needs Plan, adopted in December 2021. In accordance with ABAG's Regional Housing Needs Plan, the City must plan to accommodate a total of 4,685 housing units between June 30, 2022, and December 15, 2030. In March 2025, the City of Santa Rosa and County of Sonoma signed a joint letter agreeing to a transfer of 641 RHNA units, broken down into 607 Above Moderate-incomeModerate-income units and 34 Very Low-income units, following the annexation of a 34.93-acre site into the City of Santa Rosa. Table 5-1 shows the City's RHNA by income category, including the agreed upon transfer units. Of the 4,685,326 total units, including the transferred units, the city must plan to accommodate 1,218,252 units for very low-income households, 701 units for low-income households, 771 units for moderate-income households, and 1,995,262 units for above moderate-income households.

Table 5-1 REGIONAL HOUSING NEEDS ALLOCATION, 2023–2031

Income Category	Allocation	Percentage
Very Low*	1,2181,252	2624%
Low	701	1513%
Moderate	771	1614%
Above Moderate	1,9952,602	4349%
Total	4,6855,326	100%

Source: ABAG 2021

Note: It is assumed that 50 percent of the very low-income is allocated to the extremely low-income category.

Projects Under Construction

The City may take RHNA credit for units built after the start of the planning period, which was June 30, 2022 for the 6th cycle Housing Element. The city relied on funding subsidies to credit units towards very low-, low-, and moderate- income categories. Table 5-2 shows the units currently under construction.

Table 5-2 ~~REGIONAL HOUSING NEEDS ALLOCATION, 2023–2031~~ PROJECTS UNDER CONSTRUCTION BY INCOME CATEGORY

#	Project Name	Very Low	Low	Mod	Abv. Mod	Total Units	Funding
UC-1	Mahonia Glen	26	22	50	1	99	CDBG, local
UC-2	Aviara		136			136	DIP, RED
UC-3	Bellevue Ranch 7				34	34	Market Rate
UC-4	Stony Point Flats Apartments	30	19		1	50	Local, Tax Credits
UC-5	Grove Village				78	157	Market Rate
	Total Units	56	177	50	114	476	

Planned and Approved Projects

Santa Rosa has a significant number of development projects that are seeking entitlements or that have been approved. Table 5-3 summarizes the inventory of residential and mixed-use projects that are pending approval and Table 5-4 summarizes the inventory of residential and mixed-use projects that have current active entitlements. Figure 5-1 provides a map of all approved and pending projects. Figures 5-1 and 5-2 also map the WUI Influence, Intermix, and Interface zones. The zones are defined as follows:

Accessory Dwelling Unit Potential

California Government Code Section 65583.1(a) states that a town, city, or county may identify sites for accessory dwelling units (ADUs) based on the number of ADUs developed in the prior Housing Element planning period, whether the units are permitted by right, the need for ADUs in the community, the resources or incentives available for their development, and any other relevant factors. Based on recent changes in state law reducing the time to review and approve ADU applications, requiring ADUs that meet requirements to be allowed by right, eliminating discretionary review for most ADUs, and removing other restrictions on ADUs, it is anticipated that the production of ADUs will increase in the 6th-Cycle Housing Element planning period.

The City issued the following ADU building permits over the last four years:

- » 2018 – 80 ADUs received building permits
- » 2019 – 50 ADUs received building permits
- » 2020 – 63 ADUs received building permits
- » 2021 – 95 ADUs received building permits

This analysis assumes that the number of ADU applications and permits will average 72 ADUs per year, for a total of 577 ADUs over the eight-year planning period. To promote ADUs, the City has included Program H-5 promote the construction of affordable ADUs through several actions.

To determine assumptions on ADU affordability in the ABAG region, ABAG conducted a regional analysis of existing ADU rents and prepared a draft report in September 2021. The analysis resulted in affordability assumptions that allocate 30 percent of ADUs to very low-income households, 30 percent to low-income households, 30 percent to moderate-income households, and 10 percent to above moderate-income households. Affordability of ADUs projected to be built in the city during the planning period were based on the ABAG analysis. Of the 577 ADUs projected to be built, it is estimated that 173 will be for very low-income households, 173 will be for low-income households, 173 for moderate-income households, and 58 for above moderate-income households.

Summary of Capacity to Accommodate the RHNA

Tables 5-10 and 5-11 compares the City's RHNA to its site inventory capacity. Accounting for projects currently under construction, Table 5-10 shows the city's remaining RHNA that needs to be accommodated within the planning period. Looking at the capacity in Table 5-11 and accounting for approved and pending projects, capacity within the DSASP, the vacant site capacity (outside of the DSASP area) and the projected ADUs, the City has a total surplus of 2,3142,100 units. Breaking this down by income category, the City has a surplus of 861-827 units in the lower-income (including extremely low-, very low-, and low-income) category, a 493-313 unit surplus in the moderate-income category, and a 1,260961 unit surplus in the above moderate-income category.

Table 5-10 REMAINING RHNA AFTER UNITS CONSTRUCTED CREDITED

Income Category	RHNA	Projects Under Construction - June 30, 2022 and later*	Remaining RHNA
Very Low	1,919,193	233	1,686,170
Low			
Moderate	771	50	721
Above Moderate	1,995,602	114	1,881,488
Total	4,685,326	397	4,288,929

Source: ABAG 2021, City of Santa Rosa, December 2022

*See Table 5-1A

Table 5-11 SUMMARY OF RESIDENTIAL CAPACITY COMPARED TO THE 6TH CYCLE RHNA BY INCOME CATEGORY

Income Category	Remaining RHNA	Approved/Pending Project Capacity	DSASP Vacant Site Capacity	Vacant Site Capacity ¹	Projected ADUs	Total Capacity	Surplus
Very Low	1,686,170	725	1,022	454	346	2,547	861,827
Low							
Moderate	721	129	0	662,732	173	964,103	193,313
Above Moderate	1,881,488	1,616	340	1,241,435	58	3,255,349	1,260,961
Total	4,288,929	2,470	1,362	2,358,261	577	6,766,730	2,314,210

Source: ABAG 2021, City of Santa Rosa, December 2022

¹ Outside of the DSASP area

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Final Audit Report

2025-03-24

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By:	Madeline Brown (MBrown@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAX-KEN3VPNu10e7u8OZaC0SF3m5v7mWgF

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2025-03-24 - 8:50:49 AM PDT
-  Document emailed to Karen Weeks (kweeks@srcity.org) for signature
2025-03-24 - 8:52:59 AM PDT
-  Email viewed by Karen Weeks (kweeks@srcity.org)
2025-03-24 - 9:00:06 AM PDT
-  Document e-signed by Karen Weeks (kweeks@srcity.org)
Signature Date: 2025-03-24 - 9:01:24 AM PDT - Time Source: server
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2025-03-24 - 9:01:24 AM PDT






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Status:	Signed
Transaction ID:	CBJCHBCAABAAeH6v048UAn6Dg8wmbZiMbkm4VM8c7m2y

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-  Document emailed to Jessica Jones (jjones@srcity.org) for signature
2025-03-24 - 9:08:31 AM PDT
-  Email viewed by Jessica Jones (jjones@srcity.org)
2025-03-24 - 9:22:32 AM PDT
-  Document e-signed by Jessica Jones (jjones@srcity.org)
Signature Date: 2025-03-24 - 9:22:59 AM PDT - Time Source: server
-  Agreement completed.
2025-03-24 - 9:22:59 AM PDT