



City of Santa Rosa

City Hall
100 Santa Rosa Ave
Santa Rosa, CA 95404

CITY COUNCIL REGULAR MEETING AGENDA AND SUMMARY REPORT MARCH 7, 2017

2:00 P.M. BOARD INTERVIEWS (MAYOR'S CONFERENCE ROOM 10)

3:00 P.M. CLOSED SESSION (MAYOR'S CONFERENCE ROOM 10)

4:00 P.M. - REGULAR SESSION (COUNCIL CHAMBER)

PUBLIC COMMENTS:

Except for public hearing items, comments from the public will be allowed on all agenda items at the time each item is called. Comments on public hearing items may be made when the hearing is opened.

Comments from the public on non-agenda items will be heard under Agenda Items 14 and 18. This is the time when any person may address the Council on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Council. The first public comment period on non-agenda items (Agenda Item 14) will begin no earlier than 5:00 p.m. and will be limited to ten speakers selected randomly by the Mayor. Each speaker will be allowed three minutes. Speakers who do not have an opportunity to speak during this time will be allowed to make public comment under Agenda Item 18.

To address the Council you are requested to complete a yellow Speaker Card and give it to the City Clerk. If you are unable to or do not wish to wait for the public comment portion of the agenda, you are encouraged to contact the Council or City Clerk directly by submitting your comments to 100 Santa Rosa Avenue, Room 10, Santa Rosa 95404 or cityclerk@srcity.org.

2:00 P.M. (MAYOR'S CONFERENCE ROOM, ROOM 10)

1. CALL TO ORDER AND ROLL CALL

2. INTERVIEWS FOR BOARDS, COMMISSIONS AND COMMITTEES

2.1 INTERVIEWS FOR BOARD OF BUILDING REGULATIONS APPEAL

The Council will interview applicants for the Board of Building Regulation

Appeals to fill four vacancies on the board. One appointment will serve the remainder of a term expiring December 31, 2018, and three appointments will serve terms expiring December 31, 2020.

Attachments [Staff Report](#)
[Applications Notice of Availability](#)
[Council Policy 000-06 Appointments to Boards/Commissio](#)
[City Code Section 18-04.050-Building Regulations Appeal](#)

3:00 P.M. (MAYOR'S CONFERENCE ROOM, ROOM 10)

3. ANNOUNCEMENT OF CLOSED SESSION ITEMS

Following the announcement of Closed Session items and prior to recess into Closed Session, the public may speak up to three minutes on items to be addressed in Closed Session.

3.1 CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)

Agency Designated Representatives: Rhonda McKinnon, Interim Human Resources Director, Jon Holtzman and Adam Benson of Renne Sloan Holtzman Sakai Public Law Group.

Employee Organizations: Santa Rosa Firefighters Association - Local 1401 (representing City Employee Unit 2); Operating Engineers Local 3, Maintenance and Utility System Operators (Employee Units 3 and 16); Santa Rosa City Employees Association (Employee Units 4, 6, 7); Santa Rosa Police Officers Association, (Employee Unit 5); Service Employees International Union Local 1021, (Employee Units 8 and 14); Public Safety Management Association (Employee Unit 9); Executive Management (Employee Unit 10); Middle Management (Employee Unit 11); Confidential (Employee Unit 12); Mechanics (Employee Unit 13); City Attorney (Employee Unit 15); Santa Rosa City Attorneys' Association (Employee Unit 17), Santa Rosa Management Association (Employee Unit 18).

RECESS CLOSED SESSION(S) AND RECONVENE TO OPEN SESSION IN THE COUNCIL CHAMBER

4. STUDY SESSION - NONE.

Study Session items are items for in-depth discussion and possible direction

to staff. No action will be taken.

4:00 P.M. (CITY COUNCIL CHAMBER)

5. ANNOUNCEMENT OF ROLL CALL

6. REPORT, IF ANY, ON STUDY AND CLOSED SESSIONS

7. PROCLAMATIONS/PRESENTATIONS

7.1 PROCLAMATION - WOMEN'S HISTORY MONTH

Attachments [Proclamation](#)

8. STAFF BRIEFINGS

This time is reserved for City staff to provide a five-minute briefing to the Council on departmental issues of interest. No action will be taken on these matters except to possibly place a particular item on a future agenda for Council consideration.

8.1 ARTSPACE MARKET STUDY OF ARTISTS', CREATIVE INDIVIDUALS', AND ARTS ORGANIZATIONS' SPACE NEEDS AND PREFERENCES

The City contracted with Artspace Projects, Inc., to conduct a market survey of artists' and creative individuals' space needs and preferences. This is to report the findings and outline next steps.

Attachments [Staff Report](#)
[Attachment 1](#)
[Presentation](#)

9. CITY MANAGER'S/CITY ATTORNEY'S REPORTS

10. STATEMENTS OF ABSTENTION BY COUNCILMEMBERS

11. MAYOR'S/COUNCILMEMBERS' REPORTS

11.1 MAYOR'S/COUNCILMEMBERS' SUBCOMMITTEE AND LIAISON REPORTS (AND POSSIBLE COUNCIL DIRECTION TO BOARD REPRESENTATIVE ON PENDING ISSUES, IF NEEDED)

11.1.1 Council Subcommittee Reports

11.1.2 Sonoma County Transportation Authority/Regional Climate Protection Authority (SCTA/RCPA)

11.1.3 Sonoma County Water Agency (SCWA) - Water Advisory Committee

11.1.4 Association of Bay Area Governments (ABAG)

11.1.5 Sonoma County Agricultural Preservation and Open Space District Advisory Committee

11.1.6 Sonoma Clean Power Authority (SCPA)

11.1.7 Sonoma County Waste Management Agency (SCWMA)

11.1.8 Other

11.2 BOARD, COMMISSION & COMMITTEE APPOINTMENTS

11.2.1 Council may vote to make appointments to the following board:

Board of Building Regulations Appeals - four positions

12. APPROVAL OF MINUTES

12.1 January 31, 2017, Regular Meeting.

Attachments [Draft Minutes](#)

12.2 February 7, 2017, Regular Meeting.

Attachments [Draft Minutes](#)

13. CONSENT ITEMS

13.1 RESOLUTION - EXTENSION OF PROCLAMATION OF LOCAL HOMELESS EMERGENCY

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Council, by resolution, approve an extension of Resolution No. 28839 which formally proclaimed a local homeless emergency within Santa Rosa.

Attachments [Staff Report](#)
[Resolution](#)
[Presentation](#)

14. PUBLIC COMMENT ON NON-AGENDA MATTERS

This is the time when any person may address the Council on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Council. This public comment period will begin no earlier than 5:00 p.m. and will be limited to ten speakers selected randomly by the Mayor. Each speaker will be allowed three minutes. Speakers who do not have an opportunity to speak during this time will be allowed to make public comment under Agenda Item 18.

15. REPORT ITEMS

- 15.1** REPORT - CALLING A SPECIAL ELECTION TO BE HELD ON JUNE 6, 2017 AT WHICH TIME THE PORTIONS OF ORDINANCE NO. 4072 THAT ADD CHAPTER 6-90 TO THE SANTA ROSA MUNICIPAL CODE, SHALL BE SUBMITTED TO A VOTE OF THE REGISTERED VOTERS OF THE CITY OF SANTA ROSA, AND RELATED ACTIONS

BACKGROUND: On September 26, 2016, a timely Referendum Petition was filed with the City Clerk challenging portions of Ordinance No. 4072, establishing rent stabilization, eviction control, and other residential tenant protections in Santa Rosa. The Petition challenged all provisions of the Ordinance except the provision of the Ordinance that repealed both the 90-day moratorium on rent increases (which took effect on July 7, 2016) and the Just Cause Eviction Ordinance (which took effect on September 16, 2016). Both of those earlier ordinances have now been repealed.

On September 26, 2016, the City Clerk submitted the Petition to the Sonoma County Registrar of Voters Office (ROV) for a prima facie review, signature verification, and final count. On December 21, 2016, the ROV submitted to the City Clerk its determination that the Petition contained a sufficient number of signatures of qualified voters.

On December 23, 2016, the City Clerk certified to the City Council that the petition had a sufficient number of signatures to qualify for the ballot. On January 10, 2017, the City Council accepted that certification, and directed staff to bring back to Council an appropriate resolution to submit

the challenged portions of Ordinance No. 4072 to the voters at a Special Election to be held on June 6, 2017. The attached resolution will accomplish this purpose.

RECOMMENDATION: It is recommended by the Interim City Attorney the Council adopt a resolution (1) ordering a special election to be held on June 6, 2017 at which time the portions of Ordinance No. 4072 that add Chapter 6-90 to the Santa Rosa Municipal Code, concerning, as to certain residential rental units in the city, rent stabilization, limitations on the termination of tenancies and the payment of relocation assistance, and other tenant protections shall be submitted to the voters; (2) approving ballot language; (3) permitting the filing of ballot arguments; and (4) directing the City Attorney to provide an impartial analysis.

Attachments [Staff Report](#)
[Attachment](#)
[Resolution](#)
[Exhibit A](#)
[Presentation](#)

15.2 REPORT - A) RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA DECLARING A FISCAL EMERGENCY IN THE CITY AS A RESULT OF THE RECENT ENACTMENT OF THE MEDICAL CANNABIS REGULATION AND SAFETY ACT AND PASSAGE OF CALIFORNIA STATE PROPOSITION 64 (ADULT USE OF MARIJUANA ACT)

B) RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA (1) ORDERING A SPECIAL ELECTION TO BE HELD ON TUESDAY, JUNE 6, 2017 FOR THE PURPOSE OF SUBMITTING TO SANTA ROSA VOTERS AN ORDINANCE OF THE CITY OF SANTA ROSA AMENDING CHAPTER 6-04 OF THE SANTA ROSA CITY CODE AND ADDING CHAPTER 6-10 OF THE SANTA ROSA CITY CODE TO IMPOSE A CANNABIS INDUSTRY TAX ON CANNABIS BUSINESSES OPERATING IN SANTA ROSA, (2) APPROVING BALLOT LANGUAGE, (3) PERMITTING THE FILING OF BALLOT ARGUMENTS, (4) DIRECTING THE CITY ATTORNEY TO PROVIDE AN IMPARTIAL ANALYSIS, AND (5) SETTING INITIAL TAX RATES FOR A 2-YEAR TERM

BACKGROUND: In September, 2015, the State enacted the Medical

Cannabis Regulation and Safety Act (MCRSA), establishing a state licensing framework and authorizing local regulation of medical cannabis. The City has adopted interim regulations and is in the process of developing comprehensive medical cannabis policies. On November 8, 2016, the California State election passed ballot measure Proposition 64, known as “the Adult Use of Marijuana Act.” Proposition 64 brings businesses that support adult recreational cannabis use into a regulated market, and allows the City of Santa Rosa to enact local regulations on such businesses in addition to the regulations that will be imposed by the state.

With the passage of Proposition 64, the enactment of MCRSA and the City’s existing and anticipated cannabis regulations, the City of Santa Rosa anticipates incurring substantial costs associated with the newly-legalized cannabis industry, including code enforcement of City business regulations, policy development and administration, legal support and oversight, public safety, non-recoverable permit, planning and inspection, education, workshops, and outreach (for the industry and for the community), and economic impact research and studies. In light of the imminent financial burdens on the City, Staff recommends the Council declare a fiscal emergency.

In order to pay for the expected costs of authorizing and regulating cannabis businesses, it is recommended that the Council submit an ordinance to the voters that would authorize the Council to impose a local business tax on the cannabis industry to cover the costs to the City of allowing this emerging industry to operate in Santa Rosa. The proposed ordinance includes a cap of \$25 per sq foot or 8% of gross receipts for cultivation, and a cap of 8% of gross receipts for cannabis manufacturing, distribution and dispensaries. The resolution recommends starting rates for the cannabis business tax between 1% and 3%. The proposed tax is not a sales tax and would not be imposed directly on cannabis users or consumers.

RECOMMENDATION: It is recommended by the Planning and Economic Development and Finance Departments that the Council adopt the following:

- a. Resolution to declare a fiscal emergency as a result of the recent enactment of the Medical Cannabis Regulation and Safety Act and passage of Proposition 64 (the Adult Use of Marijuana Act); and

b. Resolution to (1) order a special election to be held on Tuesday, June 6, 2017 for the purpose of submitting to Santa Rosa voters an ordinance of the City of Santa Rosa amending Chapter 6-04 of the Santa Rosa City Code and adding Chapter 6-10 of the Santa Rosa City Code to impose a cannabis industry tax on cannabis businesses operating in Santa Rosa, (2) approving ballot language, (3) permitting the filing of ballot arguments, (4) directing the City Attorney to provide an impartial analysis, and (5) setting initial tax rates for a 2-year term.

Attachments [Staff Report](#)
[Resolution 1](#)
[Resolution 2](#)
[Ordinance](#)
[Presentation](#)

16. PUBLIC HEARINGS - NONE.

Public Hearing matters will begin no earlier than 5:00 p.m. or as soon thereafter as the matters are reached on the agenda.

17. WRITTEN COMMUNICATIONS (AND POSSIBLE COUNCIL ACTION)

17.1 LETTERS OF SUPPORT FOR: SB1 - TRANSPORTATION FUNDING, SB2 - BUILDING HOMES AND JOBS ACT, SB3 - AFFORDABLE HOUSING BOND ACT OF 2018, AND AB1 - TRANSPORTATION FUNDING - Provided for information.

Attachments [Memorandum](#)
[SB1 - Transportation Funding \(Beall\)](#)
[SB2 - Building Homes & Jobs Act \(Atkins\)](#)
[SB3 - Affordable Housing Bond Act of 2018](#)
[AB1 - Transportation Funding \(Frazier\)](#)

18. PUBLIC COMMENTS ON NON-AGENDA MATTERS

This is the time when any person may address the Council on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Council. Each speaker will be allowed three minutes.

19. ANNOUNCEMENT OF CONTINUED CLOSED SESSION ITEMS, RECESS TO CLOSED SESSION IN THE MAYOR'S CONFERENCE ROOM, RECONVENE TO OPEN SESSION, AND ANNOUNCEMENTS [IF NEEDED]

20. ADJOURNMENT OF MEETING

21. UPCOMING MEETINGS

This schedule is tentative and subject to change pending final publication and posting of the City Council Meeting Agenda.

21.1 UPCOMING MEETINGS LIST

[Attachments](#) [List](#)

***Did not appear on the preliminary agenda.**

****Quasi-judicial or adjudicative action.**

The City of Santa Rosa does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings are available by contacting the City Clerk Office at 543-3015 or cityclerk@srcity.org one week prior to the meeting. TDD 543-3063

Meeting information can also be accessed via the internet at <http://srcity.org>

Any writings or documents provided to a majority of the City Council prior to this meeting regarding any item on this agenda, excluding closed session items, are available for public review in the City Clerk's Office, Room 10, City Hall, 100 Santa Rosa Ave, during normal business hours.