

RESOLUTION NO. 11940

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA MAKING FINDINGS AND DETERMINATIONS TO APPROVE A DENSITY BONUS FOR ROSELAND VILLAGE MIXED USE, LOCATED AT 665 AND 883 SEBASTOPOL ROAD – ASSESSOR’S PARCEL NUMBERS 125-111-037 AND 125-101-031 - FILE NUMBERS – PRJ17-075, DB19-001

WHEREAS, an application for Density Bonus requesting a thirty-two percent (32%) density increase and three concessions/incentives was submitted to the Planning and Economic Development Department by MidPen Housing Corporation (Applicant) for the development of Roseland Village Neighborhood Center (Project), a mixed-use project that includes 175 residential units, 75 of which are designated for very low and low income occupants, for the properties located at 665 and 883 Sebastopol Road, Assessor’s Parcel Numbers 125-111-037 and 125-101-031; and

WHEREAS, the Applicant proposes to construct fourteen (14) units for Very Low income households and fourteen (14) units for Low income households, which exceeds the minimum percentage of the units allowed under the General Plan to qualify for the requested 32% density bonus as required by Section 20-31.060 of the City of Santa Rosa Zoning Code; and

WHEREAS, pursuant to State Density Bonus Law and the City Density Bonus and Other Developer Incentive ordinance, the Applicant is entitled to a thirty-two percent (32%) density increase and three concessions or incentives; and

WHEREAS, The Applicant has requested the City grant three concessions from the Zoning Code that are necessary to help ensure the financial feasibility of the Project:

1. Affordable Housing Development Timing (Zoning Code Section 20-31.100.H.1): The Applicant’s request for a concession from the current construction requirement would allow the 100 market rate housing to be built in the 2nd phase before the affordable units are built in the 3rd Phase. The sales proceeds from the Market Rate development will be reinvested in the public infrastructure component and Affordable development component which both help reduce total costs of the Affordable development. Enforcing the concurrent construction requirement would delay the start of the Market Rate construction, which could increase the Market Rate developer’s carrying cost and total construction cost, and could then threaten the financial feasibility of the project. The market rate sales proceed contribution would reduce greatly, thus decreasing the total amount reinvested in both the Affordable development and the public infrastructure component.
2. Density Bonus affordable housing construction location (Zoning Code Section 20-31.100.H.2): The Applicant’s request for a concession from the dispersal requirement would avoid having to mix the Affordable and Market Rate units in the planned Roseland Village project. The Affordable component will be developed and managed by MidPen and will be financed using funds from the County of Sonoma, Low-Income Housing Tax Credits, funds from the Federal Home Loan Bank, and other funding sources specific to affordable housing development. The requirement creates a complex

financing structure that would make the residential component of the Roseland Village project very difficult to get financed and constructed in a timely matter, which will increase the developer's carrying cost and thus threaten the financial feasibility of the project. Additionally, tax credit projects are required to meet and exceed sustainability design guidelines, which would add a significant cost burden to the market rate developer, threatening the financial feasibility of the project.

3. Reduced Parking (Zoning Code Section 20-36.040): The Applicant's request for an 18% parking reduction to allow 324 spaces, when 393 off-street spaces are otherwise required, will allow the future development of the Roseland Village project with surface parking. The requested concession will result in identifiable and actual cost reductions to provide affordable housing by avoiding the added cost of having to construct structure parking as there is no unused surface area on the site to accommodate 393 parking spaces on the site. The traffic impact study found 324 parking spaces would adequately serve the project including residential and non-residential uses on the site during peak demand. Structured parking will increase overall project construction costs and impact the financial feasibility of the project.

WHEREAS, State Density Bonus Law, California Government Code Section 65915 states that where a housing project meets certain criteria for a density bonus, the applicant may request and the City shall grant regulatory concessions or incentives when, as is the case with this Project, the requested concessions or incentives (1) provide for affordable housing costs, as defined by state law, (2) would not have a specific adverse impact upon public health and safety or physical environment or any real property listed in the California Register of Historical Resources, and (3) would not be contrary to state or federal law; and

WHEREAS, the Project has been found in compliance with the California Environmental Quality Act (CEQA). Pursuant to CEQA Guidelines Section 15183, the Project is consistent with the General Plan, Roseland Area/Sebastopol Road Specific Plan, and zoning, for each of which an Environmental Impact Report (EIR) was certified, and there are no environmental effects peculiar to the Project or the Project site, not previously analyzed in the prior EIRs, and

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Santa Rosa approves a thirty-two percent (32%) Density Bonus and three (3) requested concessions and incentives for the Project subject to the following conditions:

1. Prior to the issuance of a building permit for the construction of the affordable housing building on Lot 1 of the Roseland Village Subdivision, the Applicant shall enter into a density bonus housing agreement with the Santa Rosa Housing Authority to provide fourteen (14) very-low and fourteen (14) low income units restricted for a period of 55-years with, at a minimum, the provisions set forth in Zoning Code Section 20-31.100(B).
2. Prior to the certificate of occupancy for the affordable housing building on Lot 1 of the Roseland Village Subdivision, the Applicant shall provide evidence that the 47 affordable housing units not subject to the density bonus housing agreement with the Santa Rosa Housing Authority are subject to an affordability agreement with Sonoma County.
3. Notwithstanding Zoning Code Section 20-31.100.H, General provisions for density bonuses and incentives/concessions, Location and design of affordable housing, the units designated for very-low and low income occupants shall:

- a. Be of a similar unit type/size to the overall Housing Development; and
- b. Be consistent in terms of their exterior design such as their appearance, materials and quality of exterior finish.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission finds and determines that the density bonus and concessions and incentives would not be granted but for the applicability and validity of each and every one of the above conditions and that if any one or more of the above said conditions are invalid, this entitlement to density bonus and concessions and incentives would not have been granted without requiring other valid conditions for achieving the purposes and intent of such approval.

REGULARLY PASSED AND ADOPTED by the Planning Commission of the City of Santa Rosa on the 28th day of February 2019 by the following vote:

AYES: (5) Chair Cisco, Vice Chair Weeks, Commissioner Duggan, Commissioner Kalia, and Commissioner Okrepkie

NOES: (0)

ABSTAIN: (0)

ABSENT: (2) Commissioner Carter and Commissioner Peterson

APPROVED:



PATTI CISCO, CHAIR

ATTEST:



CLARE HARTMAN, EXECUTIVE SECRETARY