

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: DANIELLE O'LEARY, ECONOMIC DEVELOPMENT MANAGER  
PLANNING AND ECONOMIC DEVELOPMENT

SUBJECT: URBAN 3: HOW POLICY AND BUILDING DESIGN IMPACT TAX  
PRODUCTION

AGENDA ACTION: JOINT STUDY SESSION

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RECOMMENDATION

This item is provided for Council and Planning Commission information and no action will be taken.

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EXECUTIVE SUMMARY

The Planning and Economic Development Department commissioned Urban-3, a planning and economics firm, to create a cost and revenue model using local economic data to demonstrate how policy and community design impact the City's tax production.

Urban-3 is garnering national recognition for their ability to conduct "economic MRI's" for cities throughout the United States. Their analysis helps municipalities map the impacts of land use on municipal funds and infrastructure. The information provided by Urban-3 connects with Council Goal #1 to create a strong, sustainable economic base.

BACKGROUND

In February 2015, Council prioritized goals for the next 18 months. Affordable housing, homelessness, open government, planning and economic development were identified as key issues for staff focus.

A series of study sessions were brought forward to Council to review our local housing market and possible strategies to increase market rate and affordable housing production.

## RECEIVE COST AND REVENUE MODELING INFORMATION FROM URBAN-3

Additional study sessions reviewed development impact fees, trends affecting the City's development activity, the cost of meeting new development infrastructure needs, and how these fees may affect development feasibility.

In September 2015, City economic development staff were introduced to Urban-3's economic and land use analysis capabilities by Urban Community Partnership; a grassroots, multi-disciplinary collaborative dedicated to creating resilient communities in the North Bay region. Urban Community Partnership plans on conducting a broader Sonoma County transit oriented development analysis along the SMART rail in 2016 with Urban-3.

The City of Santa Rosa began working with Urban-3, in addition to this regional effort, to provide Council with data that will help future visioning and land use discussions on housing, planning and economic development.

### PRIOR CITY COUNCIL REVIEW

Not applicable.

### ANALYSIS

Council views downtown Santa Rosa as a priority development area (PDA). With the highly anticipated arrival of the SMART Train, the completion of Museum on the Square, and the reunification of Courthouse Square, downtown Santa Rosa is poised to leverage the City's distinctive physical assets to maximize downtown's economic, fiscal, environmental and social potential.

The work Urban-3 conducted for the City of Santa Rosa, maps the dollars and sense of Santa Rosa's land use patterns by providing a detailed visual analysis to show how the City is doing financially and what steps can be taken to improve.

### FISCAL IMPACT

Study session information only. It 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

Not applicable.

RECEIVE COST AND REVENUE MODELING INFORMATION FROM URBAN-3

NOTIFICATION

Not applicable.

ATTACHMENTS

No attachments.

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