

CITY OF SANTA ROSA
DESIGN REVIEW BOARD/CULTURAL HERITAGE BOARD

TO: CHAIR AND MEMBERS OF THE DESIGN REVIEW BOARD
CHAIR AND MEMBERS OF THE CULTURAL HERITAGE BOARD
FROM: PATRICK STREETER, SENIOR PLANNER
PLANNING AND ECONOMIC DEVELOPMENT
SUBJECT: DOWNTOWN STATION AREA SPECIFIC PLAN UPDATE

AGENDA ACTION: RECEIVE REPORT

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Design Review Board and Cultural Heritage Board receive a report regarding the Downtown Station Area Specific Plan update.

EXECUTIVE SUMMARY

On October 9, 2007, the City Council adopted the Downtown Station Area Specific Plan (Specific Plan), which as part of its 20-year vision, included development of more than 3,400 new downtown residential units. Presently, midway through the planning period, approximately 100 units have been constructed. While a lack of vitality in the downtown can in part be attributed to market forces, feedback has indicated that the Specific Plan is too restrictive, in terms of development standards such as density and height, to finance and fully realize the City's need for high density downtown housing and job centers within walking distance to the Downtown Station. Following the Council's designation of downtown housing as a top priority, the City applied for a Planning Grant Program through the Metropolitan Transportation Commission (MTC), which was approved on April 25, 2018. The grant provides funding for an update to the Specific Plan to address land use and transportation issues, as well as infrastructure needs, associated with intensification of housing development in the downtown. The City has entered into contract with Dyett & Bhatia Urban and Regional Planners for assistance in the preparation of the specific plan update.

BACKGROUND

On October 9, 2007, the City Council adopted the Downtown Station Area Specific Plan (Specific Plan). The primary objective of the Specific Plan is to increase the number of residents and employees within walking distance (1/2 mile) of the Sonoma Marin Area Rail Transit (SMART) station through the intensification of land uses in the Plan area.

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.

In October 2017, the City experienced devastating fires, resulting in the loss of nearly 3,000 homes in Santa Rosa. Prior to the fires, the City was already in a housing crisis, with less than 300 units per year being realized each year, compared to the 625 units per year needed to reach the City's goal of 5,000 new housing units by 2023.

On December 14, 2017, MTC notified local governments in the Bay Area of the availability of grant funding for the PDA Planning Grant Program for up to \$800,000 (with a 12% local match). The PDA Grant Planning Program provides financial support for planning processes that seek to intensify land uses by increasing both housing supply, including affordable housing, and jobs, boosting transit ridership, increasing walking, bicycling, carpooling and car-sharing, and retaining and expanding community assets.

On February 13, 2018, the Council adopted a new set of priorities, which included downtown housing as a Near Term (six month) and Tier 1 top priority.

On March 5, 2018, based on Council Policy 000-62, which authorizes the City Manager or his designee to submit grant applications, the City submitted an application to MTC for the PDA Planning Grant Program to amend the existing Specific Plan. The grant would allow the City to comprehensively address land use and transportation issues, as well as infrastructure needs, associated with intensification of housing development in the downtown.

On April 25, 2018, the MTC Commission approved a grant in the amount of \$800,000 to the City of Santa Rosa to update the Downtown Station Area Specific Plan. A match of 12% (\$109,090) is required, which will be provided as in-kind staff time from the Planning and Economic Development Department's existing budget.

On November 27, 2018, the Council, by resolution, authorized the Mayor to sign a Professional Services Agreement with Dyett & Bhatia Urban and Regional Planners, a California corporation based in Oakland to assist the City in preparing the Specific Plan update.

On November 30, 2018, the consultant team met with City staff for a kick-off meeting and walking tour to establish goals and lay out a strategy and schedule for the update process.

On January 8, 2019, the City Council considered the scope and visioning of the Specific Plan update and adopted a Community Engagement Strategy.

On January 17, 2019 the project was before a joint meeting of the Cultural Heritage Board and the Design Review Board to provide feedback on the proposed scope and visioning.

On March 3, 2019, the first meeting of the Community Advisory Committee (CAC) was held, with the purpose of outlining the project's goals and objectives and developing a strategy and methodology to maximize community engagement.

On May 1 and May 4, 2019, Community Workshops numbers 1 and 2 were held at the Central Library Branch and Chop's Teen Center, respectively. The workshops represented a culmination of Phase I: Outreach and Opportunities.

On May 30, 2019, representatives of City departments, outside agencies, and other technical experts met for Technical Advisory Committee (TAC) meeting number 1. The purpose of the meeting was to consider two potential project alternatives and develop additional items of consideration that should be tested toward preparation of a preferred alternative.

PRIOR CITY COUNCIL REVIEW

See Background section above.

ANALYSIS

1. Issues and Opportunities Review

Demographics

Today, about 5,500 Santa Rosa residents live downtown, which represents approximately 3 percent of the total citywide population. Downtown residents tend to be younger than the average Santa Rosa resident and are more likely to live alone or with roommates. They are also less likely to own a car.

Employment

Santa Rosa is the County seat and a center of trade, government, commerce and medical facilities for the North Bay area. Today, Downtown Santa Rosa has 8,432 jobs, primarily in the retail, hospitality, and professional services sectors. However, less than 2 percent of people who work downtown live downtown, while 63 percent commute from outside the city.

Housing Need

A housing needs assessment conducted for the 2016 Housing Action Plan estimated that citywide housing supply needs to increase by approximately 1,000 units per year. The downtown area has several large, vacant sites and clusters of underutilized properties which can accommodate a significant portion of this new housing. However, the market for multi-family housing downtown is unproven and

residential rents in Santa Rosa are lower than in other Bay Area communities, factors which discourage developers. Strategies which can help to stimulate housing production include reducing City-imposed costs (impact fees, exactions, and development conditions) to incentivize development; using public-private partnerships to create demonstration projects to “prove” the market for multi-family housing downtown and catalyze further development; and promoting and enhancing downtown amenities that attract urban professionals.

Economic Development

Economic development is intertwined with housing production. Promoting job creation in industries that provide higher average wages can stimulate demand for market rate housing and attract development. More rooftops can stimulate demand for retail and restaurants, although in the current era of internet shopping successful “bricks and mortar” businesses must offer amenities and experiences that cannot be obtained online.

Density and Height

One of the themes heard consistently during Phase 1 outreach was the idea that it is time for Santa Rosa to grow up - literally. Most people agreed that taller buildings do make sense downtown and there was general consensus that the right location for them is along Third Street south of Courthouse Square or on the mall property. There were different opinions about how high the buildings should be at the location. The tallest existing buildings on Courthouse Square are 6 stories and some people wanted to use that as a height cap; however, there was strong support for buildings over 8 stories in height at this location as well. There were also notable differences in desired building heights on the SMART site and along Santa Rosa Avenue.

Interviews with the representatives of the development community identified another interesting difference of opinion. Some developers felt that radically upzoning to allow for significantly taller buildings would create incentives either for property owners to sell or to redevelop themselves. Others felt that height is a red herring, noting that construction costs increase by 30 percent for heights over 85 feet and that there is significant capacity to accommodate higher density housing at lower heights in the planning area. Density and height represent important concepts to test in the alternatives.

Connectivity

While the topography of the planning area is relatively flat, Downtown Santa Rosa covers a large area and is bisected by Highway 101. The freeway represents a major barrier and the biggest challenge for downtown connectivity. A recurring theme of outreach involved improving east-west connectivity in the planning area and there was overwhelming support for reconnecting Fourth Street through Santa Rosa Plaza. Community suggestions for improving connectivity included a trackless trolley shuttle to connect Courthouse Square and the SMART station

area, as well as suggestions for activating the underpasses at Fourth, Fifth and Sixth Streets with pop up retail, food sales, performances, and/or a skate park. Significant increases in the density and intensity of development downtown would help make these suggestions feasible.

An analysis of existing traffic conditions suggests an opportunity for road diets to remove one vehicle travel lane and reallocate the street width to provide on street bike lanes, wider sidewalks, landscaped medians, and/or reconfigured parking. Mendocino Avenue is a candidate for a road diet, as the reunification of Courthouse Square has resulted in a shift in traffic volumes from the Mendocino Avenue corridor to the B Street corridor, particularly in the northbound direction. Other potential locations include Santa Rosa Avenue between Maple and Sonoma and E Street between College and Fifth.

Entertainment and Visitor-Oriented Uses

Survey respondents and workshop participants consistently expressed a desire that downtown function as a cultural and entertainment hub for the city and the wider region. The number one attraction desired for downtown was performance and music venues, followed by food-oriented retail, and restaurants. Events like the annual Pliny the Younger release draw significant crowds and generate important economic impacts - 24,700 visitors and an estimated \$4.16 million economic impact in 2019. Visitor-oriented industries, including businesses in the leisure and hospitality sectors, will rise by 21 percent over the next 5 years, according to forecasts prepared by the California Employment Development Department.

2. Alternatives Analysis

Based on a review of the issues and opportunities identified as part of Phase 1, two preliminary draft alternative concepts have been developed. These concepts represent different strategies the City could take to stimulate housing development downtown, foster economic and cultural vitality, improve multi-modal connectivity, and promote a walkable, livable environment.

Alternative 1 - Vibrant Core: seeks to create a vibrant, big city downtown core around Courthouse Square and to strengthen connections between that location and other parts of the planning area. It would concentrate the bulk of new housing through 2040 in the Courthouse Square area, featuring new buildings taller than 8 stories along Third Street and on City-owned catalyst sites and a vibrant mix of employment, entertainment and visitor-oriented uses. The concentration of higher density housing in the Courthouse Square area under this alternative would provide a critical mass of new residents to support amenities like shuttle service between the SMART station and Courthouse Square; underpasses activated with pop up retail or performances; and a grocery store. Outside the greater Courthouse Square area, the SMART site, the Santa Rosa Avenue corridor, and the former industrial buildings on both sides of the rail corridor between Wilson and Donahue would also see housing development. Maxwell Court and the area between West

Third Street and Sebastopol Road in the vicinity of Roberts Avenue would retain an employment-oriented focus.

Alternative 2 - Village Centers: envisions the planning area as a network of interconnected village centers, each with its own distinct character. The overall amount of housing would be the same as with Alternative 1; however, the new units would be distributed more widely throughout the planning area with the intent of fostering a series of centers to serve the daily needs of neighborhoods in and adjacent to the planning area. Each village center would accommodate new high-density housing, but building heights would not exceed 6 stories at any location. The focus of mobility improvements under this alternative would be on improvements to connect the various village centers with one another and to promote travel within the plan area by modes other than single-occupant vehicles. This alternative would involve the extensions of Roberts Avenue and Donahue Street envisioned in the 2007 Plan as well as the reconnection of Fourth Street through Santa Rosa Plaza. It would also involve road diets on Mendocino Avenue, Santa Rosa Avenue and E Street.

City staff requests feedback from the Design Review Board and the Cultural Heritage Board about the vision presented in the above alternatives as well as other key concepts that should be considered and tested during the next phase of the Specific Plan update.

ENVIRONMENTAL IMPACT

This report on the Downtown Station Area Specific Plan Update is exempt from the California Environmental Quality Act (CEQA). The report and discussion item is not a project that 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 Guidelines section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 - Downtown Station Area Specific Plan Study Area Map
- Attachment 2 - Downtown Station Area Specific Plan Update Scope and Schedule
- Attachment 3 - Updated Schedule

CONTACT

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