

SANTA ROSA ANNEXATION OPPORTUNITIES STUDY SESSION

CITY COUNCIL
JANUARY 24, 2023



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Director
Planning and Economic Development

PRESENTATION OVERVIEW

- Background & Purpose of Session
- Potential Annexation Boundaries
- Disadvantaged Unincorporated Communities (DUCs)
- Potential Annexation Principles
- Timing & Cost Estimates
- Staff Recommendation

BACKGROUND

- November 2017 – Annexation of Roseland Area (last city-initiated annex)
- February 2022 – City Council 22/23 Goals – Housing & Economic
 - Objective: Initiate annexation discussions with County of Sonoma – evaluate annexation of south Santa Rosa (Moorland Ave, south Santa Rosa Ave, Todd Creek/2010 Area) and other unincorporated areas in Urban Growth Boundary (UGB)
- June 2022 – Housing Element Study Session & County RHNA request
- August 2022 – Pre-Application Review of Annex/Develop of Todd Creek
- October 2022 – Council adds annexation of Todd Creek to future agenda

BACKGROUND

2022

- July - Kick off w/ BoS Chair Coursey and Mayor Rogers and City/County Leadership
- August to present - City/County staff meetings
- October - Mayor and Vice Mayor briefing
- October to present - City team meetings

2023

- **January 24th – City Council – study session**
 - Consideration of a City Initiated Annexation
 - Review of potential boundaries, time and cost, determine interest in action, if any

PURPOSE OF SESSION

- Receive the report
- Consider if any action is appropriate at this time
- If action is desired; direct staff on next steps

Sonoma County Regional Housing Needs Allocation (RHNA) Breakdown for 6th Cycle (2023-2031)

Jurisdiction	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Cloverdale	74	43	45	116	278
Cotati	60	34	39	101	234
Healdsburg	190	109	49	128	476
Petaluma	499	288	313	810	1,910
Rohnert Park	399	230	265	686	1,580
Santa Rosa	1,218	701	771	1,995	4,685
Sebastopol	55	31	35	92	213
Sonoma	83	48	50	130	311
Unincorporated County	1,036	596	627	1,622	3,881
Windsor	385	222	108	279	994

County of Sonoma RHNA Request – May 2022

Jurisdiction	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Santa Rosa	1,218	701	771	1,995	4,685
Unincorporated County	1,036	596	627	1,622	3,881
County Request	466	269	298	767	1800

- Council direction - Continue with City's Draft Housing Element as drafted; and continue the conversation with the County on potential RHNA transfer opportunities through annexation

Santa Rosa's Capacity to Meet RHNA – June 2022

Income Category	6 th Cycle RHNA	Project Capacity	Vacant Site Capacity	Vacant DSASP Capacity	Projected ADUs	Total Capacity	Surplus
Very Low	1,919	918	454	1,022	346	2,740	821 (43%)
Low							
Moderate	771	310	732	0	173	1,215	444 (58%)
Above Moderate	1,995	4,157	1,435	340	58	5,990	3,995 (200%)
Total	4,685	5,385	2,621	1,362	577	9,945	5,260

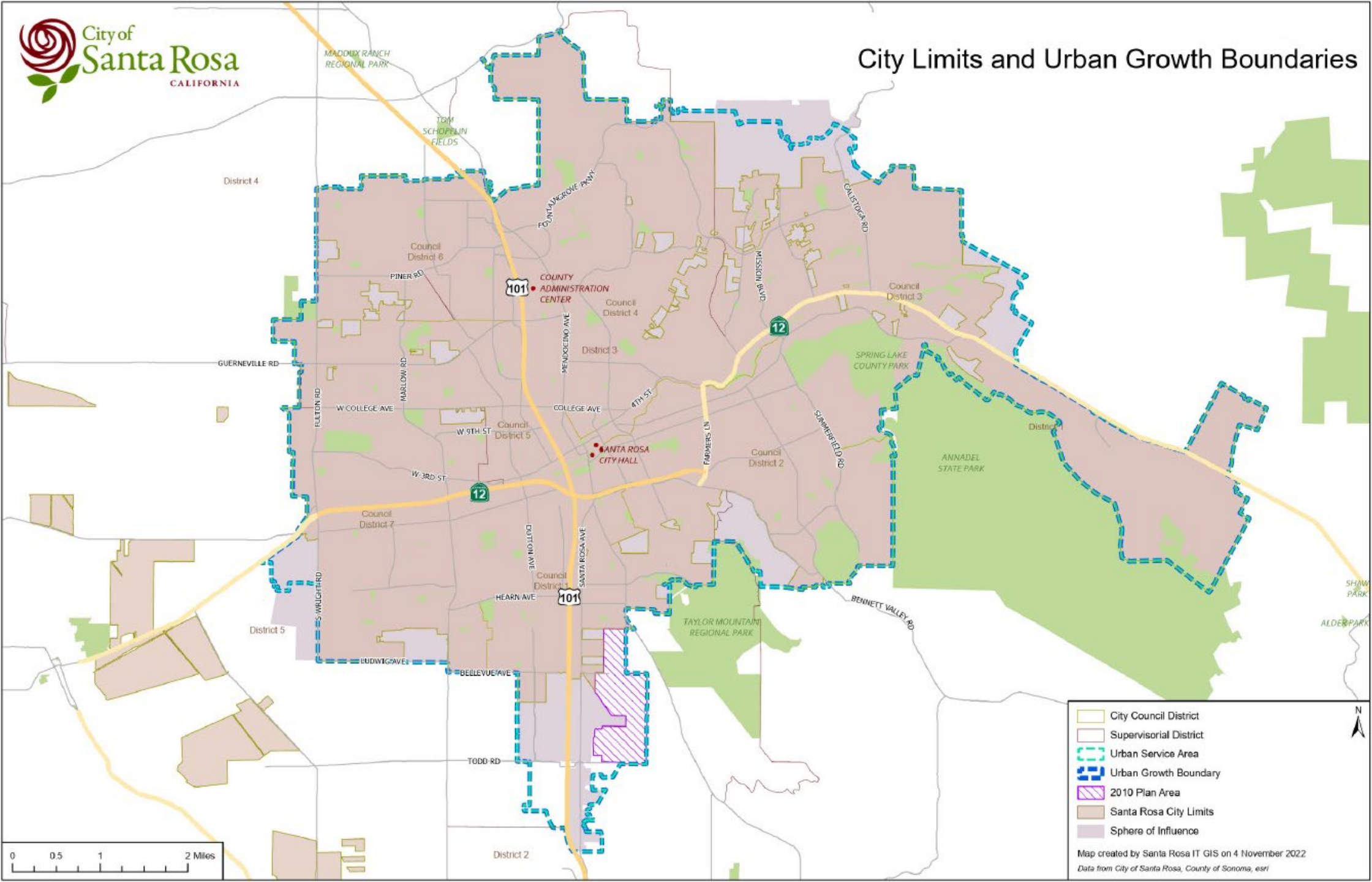
City's Housing Element progressing on schedule; City can meet RHNA target *without* rezoning new sites and *without* annexation; Allocations can occur within City Limits and within transit-oriented Downtown and Priority Development Areas; Capacity buffer is reasonable to allow for flexibility in implementation

ANNEXATION BOUNDARY CONSIDERATIONS

- Reflect Community Interest
- Accept Fiscal Responsibility
- Conform to Urban Growth Boundary (UGB)
- Comply with City General Plan Policy
- Comply with LAFCO* Annexation Policy
- Comply with State Law
- Be efficient with Time and Cost

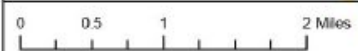
**Local Agency Formation Commission (LAFCO)*

City Limits and Urban Growth Boundaries



-  City Council District
-  Supervisorial District
-  Urban Service Area
-  Urban Growth Boundary
-  2010 Plan Area
-  Santa Rosa City Limits
-  Sphere of Influence

Map created by Santa Rosa IT GIS on 4 November 2022
Data from City of Santa Rosa, County of Sonoma, esri

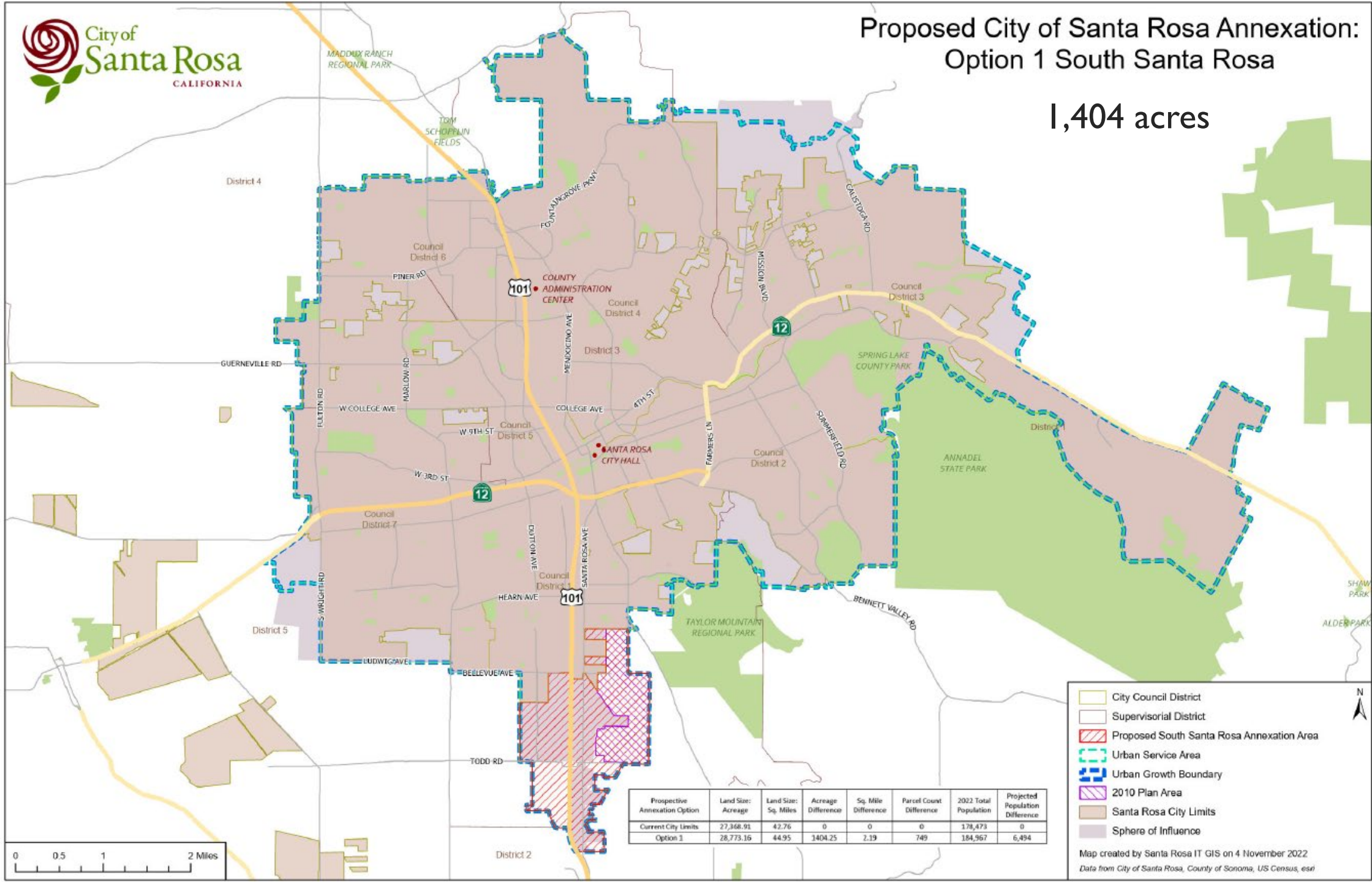


ANNEXATION BOUNDARY OPTION I SOUTH SANTA ROSA

- Annexation of unincorporated areas in south Santa Rosa
 - ✓ South of Hearn and Yolanda Avenues, along both the west and east sides of Hwy 101 – within Urban Growth Boundary
- Study Area included:
 - Moorland Avenue Neighborhood
 - Industry West
 - South Santa Rosa Avenue
 - Todd Creek/”2010 Area”
- Total of approximately 1,404 acres
- Total population of 6,494

Proposed City of Santa Rosa Annexation: Option 1 South Santa Rosa

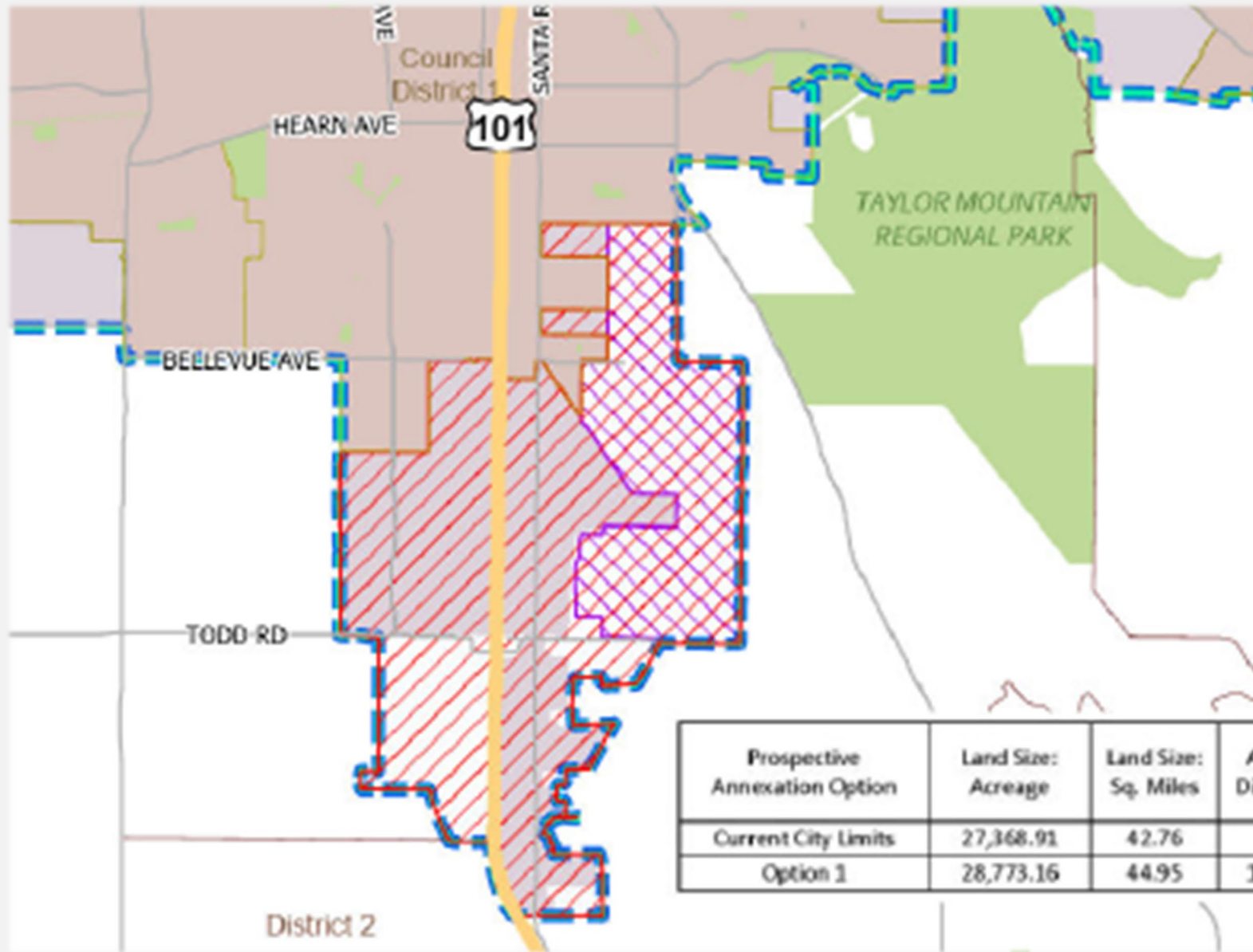
1,404 acres



Prospective Annexation Option	Land Size: Acreage	Land Size: Sq. Miles	Acreage Difference	Sq. Mile Difference	Parcel Count Difference	2022 Total Population	Projected Population Difference
Current City Limits	27,368.91	42.76	0	0	0	178,473	0
Option 1	28,773.16	44.95	1404.25	2.19	749	184,967	6,494

-  City Council District
-  Supervisorial District
-  Proposed South Santa Rosa Annexation Area
-  Urban Service Area
-  Urban Growth Boundary
-  2010 Plan Area
-  Santa Rosa City Limits
-  Sphere of Influence

Map created by Santa Rosa IT GIS on 4 November 2022
Data from City of Santa Rosa, County of Sonoma, US Census, esri



Close up view of South Santa Rosa Option 1

- City Council District
- Supervisorial District
- Proposed South Santa Rosa Annexation Area
- Urban Service Area
- Urban Growth Boundary
- 2010 Plan Area
- Santa Rosa City Limits
- Sphere of Influence

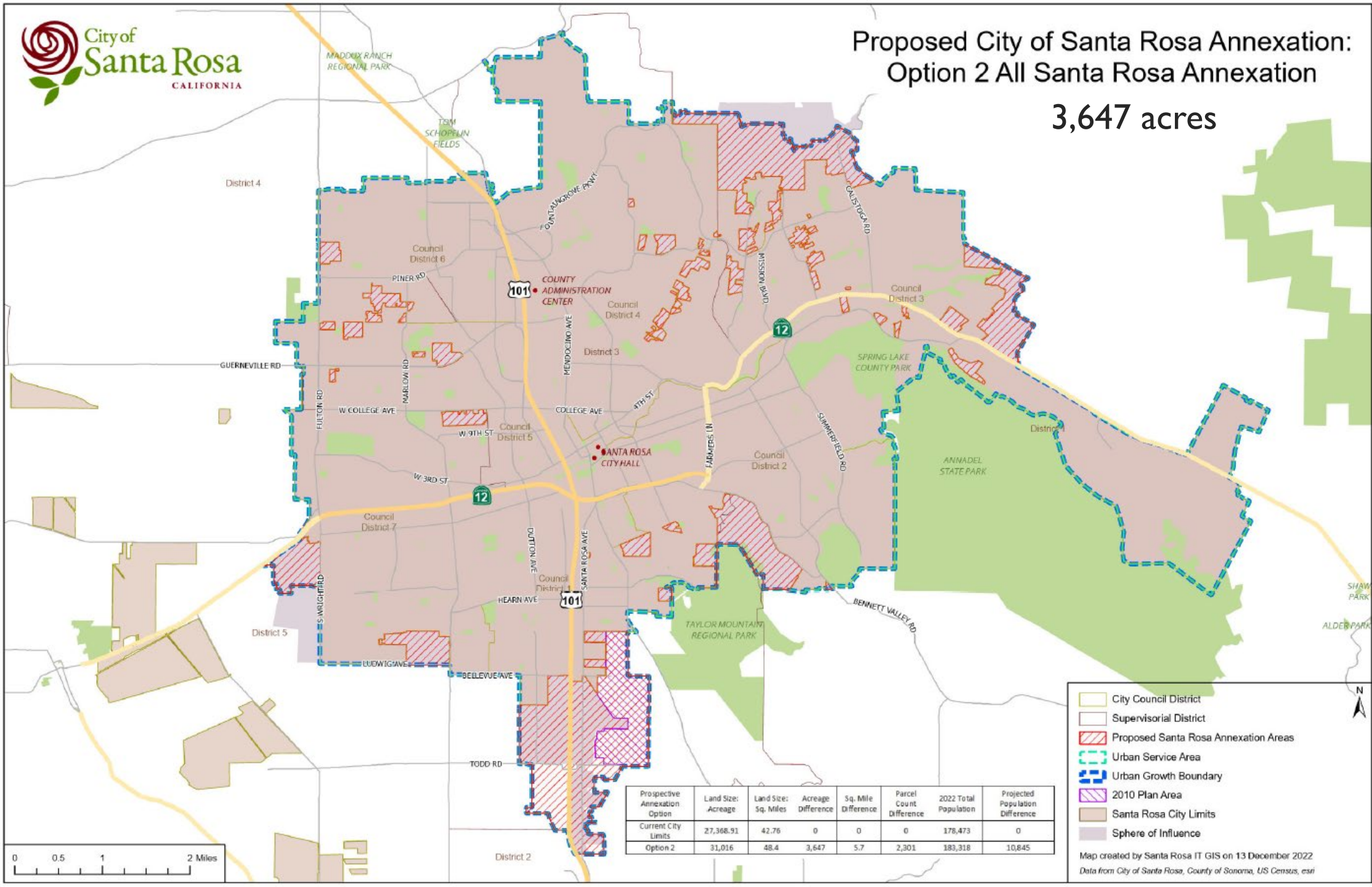
Map created by Santa Rosa IT GIS on 4 November 2022

ANNEXATION BOUNDARY OPTION 2 ALL SANTA ROSA

- Annexation of ALL unincorporated areas in Urban Growth Boundary (UGB)
- Includes the south Santa Rosa area, plus ALL other areas, including unincorporated County islands throughout the City
- Within Urban Growth Boundary
- Total of approximately 3,647 acres
- Total population of 10,845

Proposed City of Santa Rosa Annexation: Option 2 All Santa Rosa Annexation

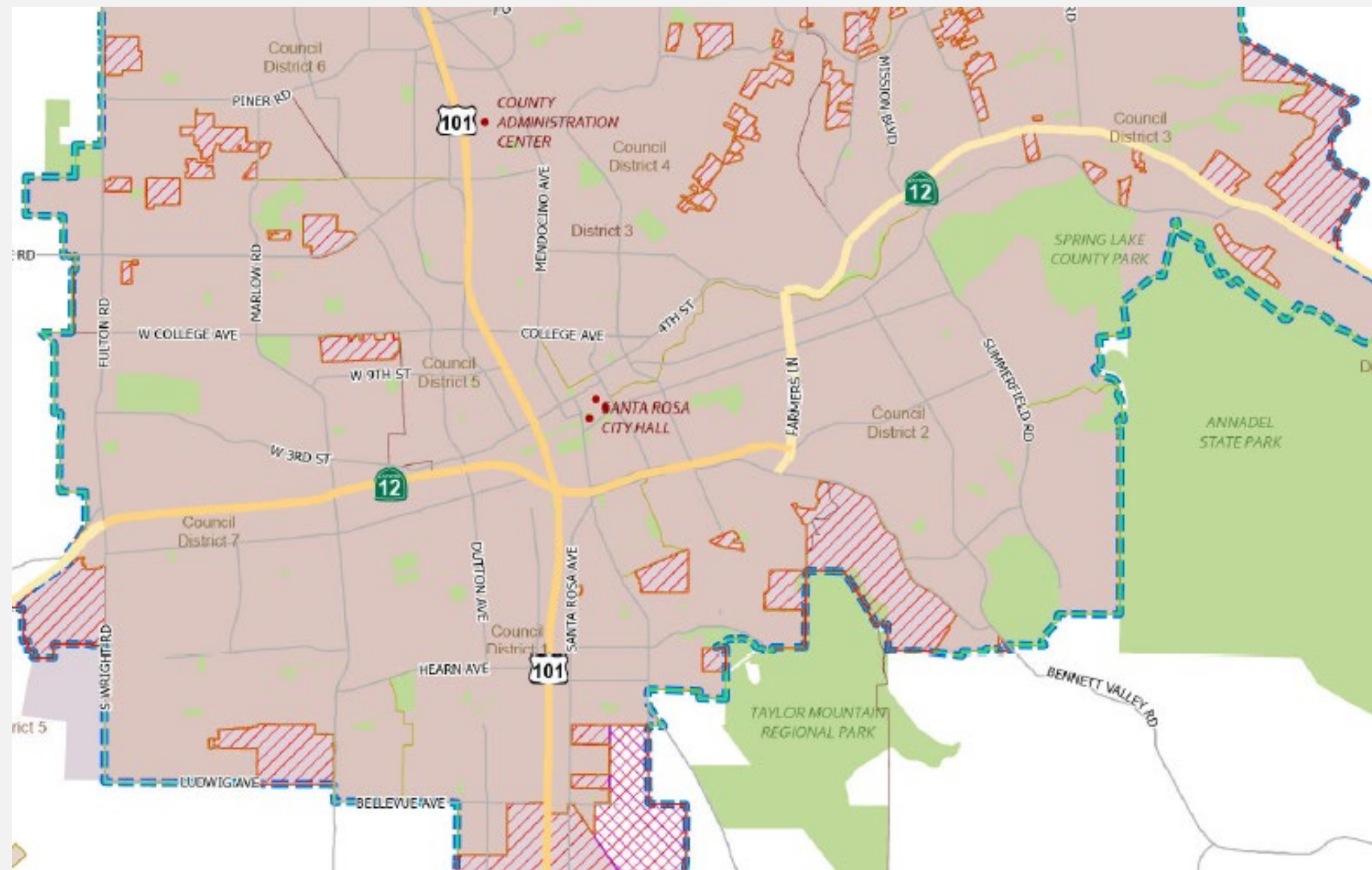
3,647 acres



Prospective Annexation Option	Land Size: Acreage	Land Size: Sq. Miles	Acreage Difference	Sq. Mile Difference	Parcel Count Difference	2022 Total Population	Projected Population Difference
Current City Limits	27,368.91	42.76	0	0	0	178,473	0
Option 2	31,016	48.4	3,647	5.7	2,301	183,318	10,845

-  City Council District
-  Supervisorial District
-  Proposed Santa Rosa Annexation Areas
-  Urban Service Area
-  Urban Growth Boundary
-  2010 Plan Area
-  Santa Rosa City Limits
-  Sphere of Influence

Map created by Santa Rosa IT GIS on 13 December 2022
Data from City of Santa Rosa, County of Sonoma, US Census, esri

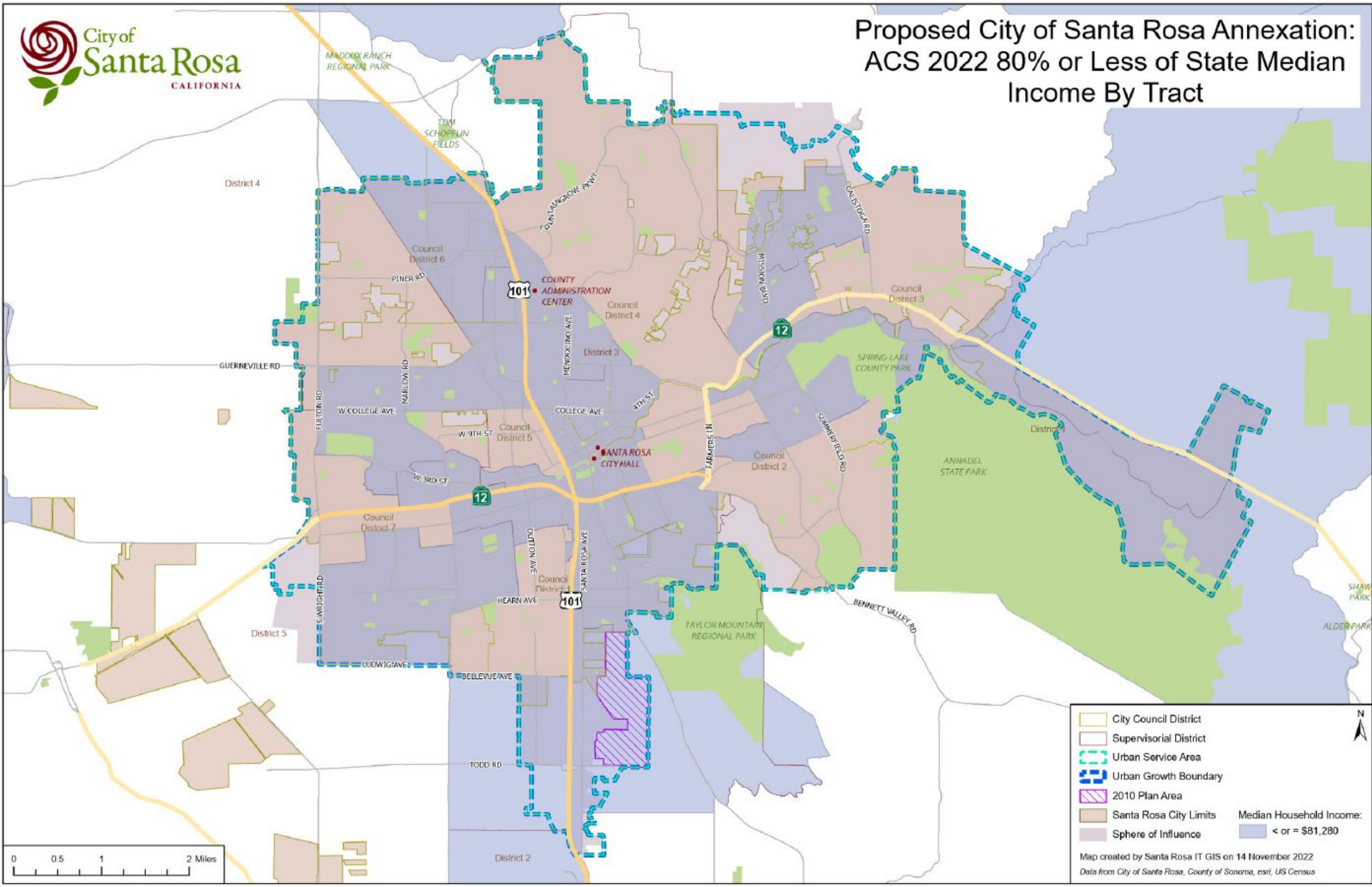


Close up
PARTIAL
view of
ALL
Santa
Rosa
Option 2

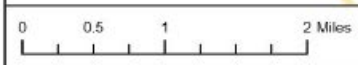
DISADVANTAGED UNINCORPORATED COMMUNITIES (DUCS)

- October 2011: Governor approves SB 244
- Addresses disadvantaged unincorporated communities (DUCs)
- DUC: A community with an annual median household income that is less than 80% of the Statewide annual median household income
- This law would impact the boundary setting of the South Santa Rosa areas as this area appears to meet the state definition
- Smaller boundary areas likely could not be annexed without including any contiguous DUC areas within the UGB – final determination by LAFCO as part of annexation process

Proposed City of Santa Rosa Annexation: ACS 2022 80% or Less of State Median Income By Tract



City Council District
 Supervisorial District
 Urban Service Area
 Urban Growth Boundary
 2010 Plan Area
 Santa Rosa City Limits
 Sphere of Influence
 Median Household Income:
 < or = \$81,280



Map created by Santa Rosa IT GIS on 14 November 2022
Data from City of Santa Rosa, County of Sonoma, esri, US Census

ANNEXATION PRINCIPLES

Setting of key principles would inform expectations by the community for the annexation process and subsequent City services and inform the scope, time and cost estimates for the work plan

Roseland Annexation Principles as Example:

1. New residents will receive the same level of service as current residents
2. Existing service levels to current City residents will not be reduced in order to provide services to the Annexation Area

TIME ESTIMATE – CITY INITIATED ANNEXATION PROCESS

- **Phase 1 – Confirm/Execute interest (6 months)**
 - Council direction
 - Establish Annexation Ad-Hoc & City Team
 - Provide high level direction on annexation boundary, key principles; engagement expectations, and work plan
 - Direct staff to prepare work plan & budget
 - Council action
 - Adopt work plan and budget
 - Allocate funding

TIME ESTIMATE – CITY INITIATED ANNEXATION PROCESS

- **Phase 2** – Secure contracts, conduct studies & negotiate city/county cost sharing agreement **(6 months)**
- **Phase 3** – Implement Annexation, Specific Plan, Plan for Services, Pre-Zoning & Environmental Review Process **(2.5 years)**
- **Phase 4** – Process Annexation through LAFCO **(6 months)**
- **Phase 5** – Transfer jurisdiction/Implement MOU

TIME ESTIMATE – WORK PLAN

- Roseland Annexation Example: 3.5 years (April 2014 – November 2017) Annexation of 713 acres; Specific Plan for 1,860 acres; Total population of 7,433
 - ✓ Included Annexation, Specific Plan and Environmental Impact Report (EIR) and extensive community engagement
- Option 1 - South SR: Approximately same amount of time
- Option 2 - All SR: Approximately one additional year due to additional acreage and widely dispersed locations necessitating additional outreach and analysis
- Both options would include preparation of a Specific Plan for Todd Creek/2010 Area, to be processed concurrently

TIME ESTIMATE – IMPACTS

- Roseland Annexation was a prioritized all hands effort for 3.5 years
- Taking on a city-initiated annexation effort – either boundary – will have both immediate and long-term impacts to City Work Plan
- City Council Goals 2022-2023 Work Plan
 - Staff time needed to prepare a work plan and budget
 - Impact/delay to current work plan items – some are time sensitive
- Effort will need to be sustained through future Work Plans
 - 2023-2024
 - 2024-2025
 - 2025-2026

COST ESTIMATE – WORK PLAN

- Roseland Annexation Example:
 - ✓ Staff time and consultant cost to prepare plan and costs to provide services, gauge support for annexation and complete process through LAFCO = **\$1.4 million (General Fund)**
 - ✓ Specific Plan and EIR cost = **\$650,000 (grant funded)**
- High-level, preliminary review of potential cost for either Options will be more than the ~\$2M Roseland budget
- Given size and complexity of annexing all unincorporated areas (Option 2), the budget will likely need to be more than south Santa Rosa (Option 1)

COST ESTIMATE: PROJECT MANAGEMENT/CMO

- Roseland: One full-time Senior Planner and one half time Assistant City Manager
 - ✓ Executive oversight by City Manager's Office (CMO) of analysis of budget impacts, cost-sharing discussions between City and County, preparation and presentation of workplan to Council, and high-level management
 - ✓ Senior Planner managed the day-to-day process
- Similar budget for Option 1
- Additional budget for Option 2 (for additional year of process)

COST ESTIMATE – FINANCE

- The cost estimates for Finance Department, for either option, likely to be consistent with cost for Roseland Annexation
- Finance will rely on the other City departments to identify needs
- Need to develop revenue estimates for sales tax, revenue projections and prepare cost/benefit analyses
- City does not currently have budget assigned
- Effort would impact Council and Department workplans

COST ESTIMATE – POLICE

- Review calls for service from Sheriff's Department and CHP
- Following Roseland Annexation, SRPD recorded 10% increase in police related responses compared to previous year (prior to annexation) - higher than projected and strained SRPD
- Option 1 - at least one additional police beat
- Option 2 - requires an adjustment of the City-wide police minimum staffing requirements

COST ESTIMATE – FIRE

- Annexation would include detachment from the Sonoma County Fire District (formerly Rincon Valley Fire Protection District) and North Bay Fire District (CSA 40).
- Option 1 – the City may need to expedite the construction of Fire Station 9 and add nine FTE to staff that station; and add two FTE Fire Inspectors (at minimum) to absorb the fire inspection and fire prevention volume
- Option 2 – same as above plus add an additional two FTE Fire Inspectors to absorb the fire inspection and fire prevention volume to serve the additional area

COST ESTIMATE: TRANSPORTATION AND PUBLIC WORKS

- Analysis of general services in area (street improvement and transit needs)
- Oversee preparation of annexation maps and legal description
- Prepare plan for services for upgrades of structures, roads, and sewer and water facilities
- Actual costs far exceeded estimates with Roseland Annex Options 1 and 2 will require more than what was allocated for Roseland
- Need to analyze potential new transit routes

COST ESTIMATE: WATER

- Review the South Park County Sanitation District (South Park) agreement between the City and County and negotiate a transfer of responsibility
- Address how water and sewer service can be provided to the annexation areas if residents wish to extend service
- Analyze the condition of storm drain infrastructure within the annexation areas
- Review FEMA flood maps and potential impacts to storm drain infrastructure
- Additional budget, beyond what was allocated for the Roseland Area Annexation, would be needed for either Option 1 or 2.

COST ESTIMATE: PLANNING & ECONOMIC DEVELOPMENT

- Need to assess infrastructure needs for business expansion and attraction; Analysis needed to assess permit review and code enforcement needs
- Option I needs an integrated land use and infrastructure plan to strategically plan for and support new development and infrastructure and to engage new community members with the City
- A Specific Plan efficiently supports the analysis, planning and public engagement process. The corresponding Environmental Impact Report will streamline private development and public improvements consistent with that Plan
- Potential for economic and community growth in south Santa Rosa

COST ESTIMATE: HOUSING

- Analysis needed to assess impact of mobile home rental control and management of new rental assistance vouchers
- Additional budget needed for Option 1 or 2 (more budget for larger area)
- More mobile home parks than Roseland, in addition to new housing programs that would add complexities
- Section 8/Housing Choice Vouchers (HCV) rental assistance would be more complex and take additional time

COST ESTIMATE: PARKS

- Analysis needed to evaluate existing park acreage, medians and back-on landscaping, the cost of improving new parks/facilities and annual operation and maintenance costs
- Option 1: Currently there are no City maintained parks – need to address acceptance and maintenance of existing Andy's Unity Park and need to evaluate needs for new parks
- Option 2: City currently reviewing parks through General Plan update, and issues will be addressed for County islands

RECOMMENDATION

It is recommended by the City Manager's Office and the Planning and Economic Development Department that the Council accept the report and provide direction to City staff on:

1. Whether or not to proceed with a city-initiated annexation at this time; and
2. If annexation is to proceed, provide direction to staff on the boundary for annexation and key principles for annexation, and direct staff to bring back a workplan and cost estimate for the annexation process.