

RESOLUTION NO. RES-2019-086

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA DENYING AN APPEAL AND MAKING FINDINGS AND DETERMINATIONS AND APPROVING 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): This concession will allow phased development of two apartment buildings with 100 market rate units on Lot 2 in Phase 2 before the affordable units on Lot 1 in Phase 3. The construction of the affordable housing apartment building will exceed allowed residential density and thus requires the density bonus as well as the concessions regarding the timing and location of affordable housing units.
2. Density Bonus affordable housing construction location (Zoning Code Section 20-31.100.H.2): The dispersed affordable unit concession will allow the construction of separate market rate and affordable unit apartment buildings. This concession is allowed pursuant to Zoning Code section 20-31.100.H.2 provided the applicant demonstrates that the dispersal requirements will reduce the financing feasibility of the project.
3. Reduced Parking (Zoning Code Section 20-36.040): The requested 18% parking reduction would allow the project to be developed with 323 parking spaces when 393 are otherwise required. 175 spaces would be reserved for residents; the remaining spaces would be available to the public at all times. Without this reduction the

planned Roseland Village project would have to include structured parking to accommodate another 70 parking spaces on the site. There is no unused surface area on the site to accommodate these additional spaces. The traffic impact study found peak parking demand on the site is 322 spaces.

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, as is the case with this Project, when:

1. The requested concessions or incentives provide for affordable housing costs, as defined by state law, in that:
 - The Affordable Housing Development Timing (Zoning Code Section 20-31.100.H.1) concession will (1) allow the sale of Lot 2 for the market apartment buildings to help fund the infrastructure needed to construct the affordable apartment building on Lot 1, and (2) avoid financing delay that will threaten the financial feasibility of the affordable housing component of the planned Roseland Village project.
 - The Density Bonus affordable housing construction location (Zoning Code Section 20-31.100.H.2) concession will allow the construction of separate market rate and affordable unit apartment buildings and thus avoid likely financing delay and cost associated with blended affordable and market rate housing projects. This delay increases the market rate developer's carrying cost, which in turn will reduce the value of Lot 2 and the level to which the sale of Lot 2 may contribute to fund infrastructure needed to construct affordable housing units on Lot 2.
 - The Reduced Parking (Zoning Code Section 20-36.040) would allow the project avoid the cost of constructing structured parking for 70 cars. This concession will thus result in identifiable and actual cost reductions to provide affordable housing.
2. The requested concessions or incentives 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 in that the submitted environmental assessment, including a historical study, and review by city agencies found the project would not have a specific adverse impact.
3. The requested concessions or incentives would not be contrary to state or federal law in that the project has been reviewed by city agencies and found to comply with applicable regulations including state and federal laws; and

WHEREAS, the Planning Commission held a duly noticed public hearing on February 28, 2019, on the application at which all those wishing to be heard were allowed to speak or present written comments and other materials; and

WHEREAS, the Planning Commission considered the application, the staff reports, oral and written, the General Plan and zoning on the subject property, the testimony, written comments, and other materials presented at the public hearing, made certain findings and approved the requested Density Bonus and the requested three concessions from the Zoning code; and

WHEREAS, an appeal of the Planning Commission's action was filed on March 7, 2018 by Robert Nellessen, representing John Paulsen (Appellant), seeking review by the City Council pursuant to City Code Chapter 20-62; and

WHEREAS, the Project has been found in compliance with the California Environmental Quality Act (CEQA) and is exempt from further review:

1. 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.
2. Pursuant to CEQA Guidelines Section 15182, the density, design, and infrastructure planned under the proposed project is consistent with the adopted Specific Plan in that the level and intensity of the proposed developments and the locations of the developments are consistent with the Specific Plan. No special circumstances or potential new impacts related to the Project has been identified that would necessitate further environmental review beyond the impacts and issues already disclosed and analyzed in the Specific Plan EIR. The Specific Plan EIR adequately addressed environmental issues related to the development of the entire Specific Plan area, including the subject property.

NOW, THEREFORE, BE IT RESOLVED that after consideration of the appeal and the reports, documents, testimony, and other materials presented, and pursuant the requirements of Chapter 20-31 (Density bonus and other developer incentives) of the Zoning Code, the Council of the City of Santa Rosa denies the appeal, affirms the decision of the Planning Commission, and 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. Pursuant to 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.

BE IT FURTHER RESOLVED that the Council 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.

IN COUNCIL DULY PASSED this 25th day of June, 2019

AYES: (7) Mayor Schwedhelm, Vice Mayor Rogers, Council Members Combs, Fleming, Olivares, Sawyer, Tibbetts

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: Daisy Sawyer
City Clerk

APPROVED: John Schwedhelm
Mayor

APPROVED AS TO FORM:

W. J. Mason
City Attorney