For Board of Public Utilities Meeting of: August 3, 2023

## CITY OF SANTA ROSA BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES

FROM: COLIN CLOSE, SENIOR WATER RESOURCES PLANNER SUBJECT: RE-ADOPTION OF CITY OF SANTA ROSA POLICY 200-20 and

POLICY 200-21, REGARDING THE PROVISION OF PRIORITY WATER AND SEWER SERVICE TO RESIDENTIAL DEVELOPMENTS WITH

AFFORDABLE HOUSING UNITS

AGENDA ACTION: RESOLUTION

### RECOMMENDATION

It is recommended by Santa Rosa Water that the Board of Public Utilities review and, by resolution, recommend that the Council review and re-adopt Council Policy 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units and Council Policy 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units.

### **EXECUTIVE SUMMARY**

Government Code Section 65589.7 requires agencies providing water and/or sewer services to adopt written policies and procedures which prioritize the provision of water and sewer service to proposed residential developments that include affordable housing components. In response, City Council adopted Council Policy No. 200-20 and Council Policy No. 200-21 on October 17, 2006. On August 30, 2011, City Council re-adopted Council Policy No. 200-20 and Council Policy 200-21 as amended via Resolution No. 27963. In 2016, staff reviewed the policies and determined no changes were needed at that time. Because the City Council adopted a new Housing Element on February 14, 2023, staff is recommending re-adoption of Council Policy No. 200-20 and Council Policy 200-21. No changes are being proposed.

#### **BACKGROUND**

Government Code Section 65589.7 requires agencies which provide water or sewer services to adopt written policies and procedures which provide for priority of the provision of water and sewer services to proposed housing developments that help meet the regional need for lower income housing, not later than July 1, 2006, and at least once every five years thereafter.

Government Code Section 65589.7 also bans the denial or the conditioning of approval of an application for water or sewer services, or reducing the amount of the services applied for, simply because a proposed development includes affordable housing components, except in limited circumstances.

To comply with regulations, City Council adopted Council Policy No. 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units, which applies to water service, and Council Policy No. 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units, which applies to sewer service, on October 17, 2006. The City Council re-adopted these policies as amended on August 30, 2011.

### PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On September 21, 2006, the Board of Public Utilities approved Resolution No. 871 recommending that the Council adopt Council Policy No. 200-20 and Council Policy 200-21.

On August 4, 2011, the Board of Public Utilities approved Resolution No. 1004 recommending that the Council re-adopt Council Policy No. 200-20 and Council Policy 200-21 as amended.

### **ANALYSIS**

Council Policy No. 200-20 and Council Policy 200-21 require that, in the event the City has limited water or sewer capacity, the City grant priority for water and sewer service to planned residential developments that include housing units affordable to lower income households, unless the City makes certain findings that it cannot grant such priority.

Council Policy No. 200-20 and Council Policy 200-21 do not change any authority of the City to require applicants to comply with conditions of approval and pay demand fees.

Council Policy No. 200-20 and Council Policy 200-21 have been in place since Council originally adopted them on October 17, 2006. Council reviewed and re-adopted them on August 30, 2011, as amended. In 2016, staff reviewed the policies and determined no changes were needed at that time. Because the City Council adopted a new Housing Element on February 14, 2023, staff is recommending re-adoption of Council Policy No. 200-20 and Council Policy 200-21 to allow the City to remain in compliance with Government Code 65589.7. No changes are being proposed.

# **FISCAL IMPACT**

Approval of this action does not have a fiscal impact.

#### **ENVIRONMENTAL IMPACT**

This action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

RE-ADOPTION OF CITY OF SANTA ROSA POLICY 200-20 and POLICY 200-21 PAGE 3 OF 3

# BPU/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On October 17, 2006, City Council adopted Council Policy No. 200-20 and Council Policy 200-21 via Resolution No. 26691.

On August 30, 2011, City Council re-adopted Council Policy No. 200-20 and Council Policy 200-21 as amended via Resolution No. 27963.

## **NOTIFICATION**

Not applicable.

### **ATTACHMENTS**

- Resolution
- Exhibit A Council Policy No. 200-20
- Exhibit B Council Policy No. 200-21

### **CONTACT**

Colin Close, Senior Water Resources Planner