

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
CHAIR AND MEMBERS OF THE PLANNING COMMISSION
FROM: ERIN MORRIS, SENIOR PLANNER
PLANNING & ECONOMIC DEVELOPMENT
SUBJECT: SOUTHEAST GREENWAY PREFERRED ALTERNATIVE
AGENDA ACTION: NONE

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission and Council provide feedback on the project guiding principles, the preferred land use and circulation alternative, and the General Plan Amendment.

EXECUTIVE SUMMARY

The Southeast Greenway Community Partnership, including the City of Santa Rosa, Sonoma County Water Agency, Sonoma County Regional Parks, Sonoma Land Trust, LandPaths, and the Southeast Greenway Campaign, have come together to plan for the acquisition of 57 acres of land owned by Caltrans and originally planned for an extension of Highway 12. The City Council initiated a General Plan Amendment and Rezoning in fall 2015 to designate land uses for the site. As part of the planning process, two community workshops were held to understand attendees' land use preferences for the site. The Planning Commission and City Council held a joint study session on November 1, 2016 to consider information from the workshops, along with draft guiding principles and three land use and circulation alternatives. From the feedback provided at that session, along with input from the community workshops, community survey, and Technical Advisory and Partnership Committees, a Draft Preferred Alternative has been developed. The purpose of the study session is to receive feedback from the Commission and Council in order to develop the General Plan Amendment, Rezoning, and Environmental Impact Report.

BACKGROUND

Project History

On October 18, 2011, the Santa Rosa City Council adopted Resolution No. 27995 which included Council Goal #4, Strategic Objective #4: "Acknowledge Southeast

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Greenway community planning projects.” The Southeast Greenway Campaign is a community group established to develop an urban Greenway on approximately 57 acres of land acquired for State highway purposes over a 20-year period spanning the 1950s to the 1970s. The land is owned by the California Department of Transportation (Caltrans).

On April 16, 2013, the Council adopted Resolution No. 28266 reaffirming Council Goal #4, Strategic Objective #3: “Support Efforts of Southeast Greenway Campaign by Monitoring and Providing Information.”

On June 17, 2014, the City of Santa Rosa joined the Southeast Greenway Community Partnership by signing a Mutual Letter of Intent. The Partnership consists of the following partners:

- City of Santa Rosa
- Sonoma County Water Agency
- Sonoma County Regional Parks
- Southeast Greenway Campaign
- LandPaths

As outlined in the Mutual Letter of Intent, the initial vision is that the highway land between Summerfield Road and Spring Lake Regional Park would be transferred to the Sonoma County Water Agency and operated/maintained by Sonoma County Regional Parks. The remaining land would be transferred to the City of Santa Rosa and would be operated and maintained by City of Santa Rosa’s Recreation and Parks Department with support from community members and nonprofits.

In late 2014, the Sonoma Land Trust joined the Southeast Greenway Community Partnership and is contributing expertise and effort toward facilitating the future transfer of the Caltrans land to public ownership.

On August 20, 2014, the California Transportation Commission adopted a resolution to rescind the freeway adoption due to lack of operational need, local support, and funding. This means that the land may be transferred or sold.

On July 7, 2015, the Council adopted Resolution No. 28666 approving a Memorandum of Understanding (MOU) between Caltrans, Sonoma Land Trust, and the Southeast Greenway Community Partnership. The MOU documents how the Partnership, Sonoma Land Trust, and Caltrans will collaborate and work together toward development of an agreement that will transfer the highway land to public ownership.

The MOU states that the City of Santa Rosa would develop an Existing Conditions, Opportunities, and Constraints report to document existing conditions on the property and opportunities and constraints resulting from existing adopted plans. This report was completed and presented to the City Council on October 6, 2015.

On that date, the Council considered the information contained in the Existing Conditions, Opportunities and Constraints report and adopted Resolution No. 28696, initiating a General Plan Amendment and Rezoning of the site, along with development of an Environmental Impact Report. In its action, the Council directed the study of:

- A linear park and Class 1 bicycle path connecting Farmers Lane to Spring Lake Regional Park;
- Retail and business services at the northeast corner of Farmers Lane and Hoen Avenue Frontage Road;
- Higher density residential to facilitate future construction of affordable housing;
- Public/Institutional uses near Montgomery High School for possible education-related uses; and
- Other land uses which emerge from the community engagement process.

On June 14, 2016, the Council approved a Professional Services Agreement with PlaceWorks, Inc. for preparation of the General Plan Amendment, Rezoning, and Environmental Impact Report for the 57-acre site.

On August 6, 2016, the first community workshop was held, and participants envisioned desired uses on the site. On October 8, 2016, the second community workshop was held for participants to consider and provide feedback regarding draft guiding principles and three land use and circulation alternatives. Greater detail about these workshops is contained in the Analysis section, below.

PRIOR CITY COUNCIL REVIEW

Previous Council actions are detailed in the Background section, above.

ANALYSIS

Planning Process

The first community workshop for the project was held on August 6, 2016. Approximately 200 people participated in envisioning future land uses for the site. Attendees filled out cards identifying their vision and concerns for the Greenway and broke into small groups to discuss specific uses for the 57 acres.

Meeting participants strongly favored open, natural spaces with paths for walking and bicycling, parks, and gardens. There was some interest in compatible retail and housing. Concern was expressed regarding safety, lack of security, parking in adjacent neighborhoods, homeless encampment, development and housing. Participants located potential future uses, generally denoting open space uses along the majority of the site, with school use adjacent to Montgomery High School, and non-open space uses such as mixed use, retail, or lodging at Farmers Lane and around the main cross streets, Franquette, Yulupa, and Summerfield. A full meeting **summary of Community Workshop 1** is **Attachment 1**.

The direction from the Council, input from attendees at the community workshop, input from the project's Technical Advisory and Partnership Committees, and site characteristics helped to shape three land use and circulation alternatives and inform development of project guiding principles.

Three Land Use and Circulation Alternatives

The alternatives included: Alternative 1 – *Minimal Footprint*, Alternative 2 – *Active to Tranquil*, and Alternative 3 – *Nodes of Activity*. All of the alternatives included a bicycle and pedestrian path or paths traversing the site west to east, a mix of open space uses with some non-open space uses. The multi-use path crosses Franquette, Yulupa, and Summerfield in each plan. North-south multi-use paths are also a common feature: Wanda Way to Camden Court, Mayette Avenue to Hoen Avenue along Sierra Park Creek, and Mayette Avenue to Hoen along a right-of-way at the Friedman Center. Restoration of Matanzas, Sierra Park and Spring Creeks is also a shared feature of the alternatives.

Each of the alternatives include open space with some housing and retail development. Generally, Alternative 1 allowed the least amount of development and Alternative 2 had the most. A general comparison shows:

- Alternative 1: 46 acres of open space/greenway/urban agriculture designations with about 20,000 square feet of retail use and 75 units.
- Alternative 2: 39.5 acres of open space/greenway/urban agriculture designations with about 20,000 square feet of retail use, 2,000 square feet of café, 3 acres of lodging, and 150 units.
- Alternative 3: 44 acres of open space/greenway/urban agriculture designations with about 22,000 square feet of retail, 2,000 square feet of café, and 120 units. This alternative also included a reconfiguration of the Highway 12 onramp to slow vehicle speeds.

Community Outreach for Alternatives

The draft guiding principles and the three land use and circulation alternatives were considered at a community workshop conducted on October 8, 2016. Approximately 150 persons attended the meeting. Participants broke into groups to review the alternatives and principles and completed surveys to register preferences about each.

In order to provide other ways for Santa Rosans to respond to the alternatives, an online and paper survey were available. From October 10 to 26, 2016, the online survey was available on the project website, www.planthegreenway.com. Intercept surveys were conducted at seven educational, retail, and park locations near the Greenway on Monday, October 10, Saturday, October 15, and Saturday October 22. The same survey was used at the workshop, in person, and online.

Nearly 400 survey responses were received, the majority on line. Respondents were asked to rank their preferred land uses and their preferred circulation systems within the west, central and east sections of the Greenway. Most responses favored land uses in

Alternative 1 (63%), then Alternative 2 (20%), followed by Alternative 3 (17%). The responses to the circulation options were more evenly split between: Alternative 1 (53%) and Alternative 2 (31%), followed by Alternative 3 (16%). A **summary of the community workshop** and of survey responses is **Attachment 2**.

These alternatives were considered at a joint session of the Planning Commission and City Council on November 1, 2016. At the joint study session, the Planning Commission and City Council provided the following comments regarding development of a Preferred Alternative:

- Provides a continuous Greenway with separate bike and pedestrian paths
- Works for all the community and connects to Downtown
- Addresses the City's need for housing and provides housing opportunities near existing infrastructure
- Increases eyes on the Greenway and activate the space
- Doesn't change the freeway onramp
- Maximizes shared parking opportunities with adjacent properties, such as Montgomery High School and Spring Lake Regional Park
- Restores remnant orchards, particularly east of Summerfield Road
- Is financially feasible

Based on this direction, along with existing site characteristics and other planned improvements, input from the public workshops and the community survey, a draft Preferred Alternative was developed. Guiding principles were also refined and are outlined below. A memo outlining the **Preferred Alternative** is **Attachment 3**.

Draft Guiding Principles

Draft Guiding Principles were developed to guide the planning process. The principles have been refined from those presented November 1 to reflect feedback received, including the separated paths, educational and cultural opportunities, and promotion of walkable, livable neighborhoods.

1. The Greenway provides a continuous pedestrian, bicycle, and non-motorized transportation connection from Spring Lake Regional Park to Farmers Lane and links to downtown Santa Rosa, surrounding neighborhoods and schools, and the regional trail system. It should provide separate bicycle and pedestrian paths where possible.
2. The Greenway provides open space, educational and cultural opportunities, and active and passive recreation for residents and visitors.
3. The Greenway is developed sustainably to enhance and protect wetlands, wildlife habitat, groundwater and air quality.

4. The Greenway is developed to support a walkable, livable neighborhood, promote economic vitality, and encourage social equity.
5. The community, public agencies and private partners work together on the Greenway's planning, acquisition, development, maintenance, stewardship, safety, and funding.
6. Uses on the Greenway are designed to face and provide easy access to the main paths in the Greenway, maximize views of the hills, promote public safety, and respect the character of adjacent neighborhoods.

Development of the Preferred Alternative

Initial Preferred Alternative. The draft Preferred Alternative initially illustrated development sites throughout the 57acre site. This included mixed retail and residential on the triangular parcel at Farmers Lane, two story townhomes between Franquette and Janet Way, mixed retail and residential between Janet Way and Yulupa Avenue, 2-3 story attached housing east of Yulupa, retail adjacent to and west of Summerfield, and 2-3 story attached housing east of Summerfield Road.

This draft Preferred Alternative was reviewed by the Technical Advisory Committee (TAC) and the Partnership Committee in mid-December. Based on the comments from these committees, a number of changes were made to the alternative to refine it to the Preferred Alternative now before the Commission and Council. Comments of the TAC and Partnership included:

- Townhomes between Franquette and Janet Way
 - Concern about new well site and proximity to new development.
 - Greater need for this area to be used as open space for residents of multifamily units to south.
 - Reduced open space area may deter potential funders.
 - Small number of units (about 24 estimated townhomes) for acreage removed from Greenway.
- Mixed retail and residential development at Yulupa Avenue
 - There are already eyes on the Greenway with existing multifamily uses.
 - Redevelopment of existing adjacent properties could enhance eyes on the Greenway.
- Development at Summerfield Road
 - Area west of Summerfield Road is small for retail, and is adjacent to Spring Creek.
 - Area east of Summerfield Road will achieve small number of units (about 13 apartments) and is adjacent to a drainage.
 - Sonoma County Regional Parks and the Sonoma County Water Agency, which would manage and own the land east of Summerfield Road, do not support housing at this location.

The Preferred Alternative presented to the Technical and Partnership Committees was revised in response to these comments to focus most non-open space uses at the west end of the Greenway. It is outlined in more detail below. Alternative scenarios are included for consideration of the Commission and Council and are shown as small illustrations, or vignettes, on the site plan in the Preferred Alternative memo, Attachment 3.

Preferred Alternative. The Preferred Alternative features separated bicycle and pedestrian paths in a land area at least 100 feet in width from Hoen Avenue to Spring Lake Regional Park (except just east of Summerfield Road where width narrows to about 70 feet at one location). It incorporates four public plazas/trailheads which provide small gathering spaces and invite users onto the land, and restores three creeks which cross it: Matanzas, Sierra Park, and Spring. Natural or open areas are the focus from Yulupa Avenue to Spring Lake Regional Park.

More specifically, the **Preferred Alternative identifies about 11 acres for development or school use**, as noted below:

- Mixed retail and higher density residential on the triangular parcel.
This 4.7-acre site could include about 114 units (24 units/acre) and 20,000 square feet of retail, or a mix of residential and lodging.
- 2-3 story attached housing between the Highway 12 onramp and Vallejo Street.
This 3.7-acre site could include 48 units (13 units/acre).
- School facilities west of Franquette Avenue (1.4 acres).
This is an area intended for recreational uses associated with adjacent Montgomery High School and other proximate schools.
- Mixed retail and residential west of Yulupa Avenue.
This 1.2-acre area could include 27 units and 2,000 square feet of retail.

The **remainder of the Greenway is designated for open space, natural area, or park-related uses. This includes about 46 acres**, as follows:

- Greenway (18.3 acres).
Greenway areas will include the bicycle and pedestrian paths, open spaces, play and picnic areas.
- Public Plaza (4 one-quarter acre sites for 1 acre total).
These areas would accommodate small gatherings and would include seating areas and signage.
- Natural Open Space (17.8 acres).
These areas are for native plantings and wildlife habitat.

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- Creek Restoration (3.1 acres).
These are areas around Matanzas, Sierra Park, and Spring Creeks which would be restored to ensure healthy creeks and adjacent riparian zones.
- Community Gathering Place (0.5 acres).
This is a space for community events and celebrations.
- Urban Agriculture (5.1 acres).
These areas would allow community gardens, working farms, or orchards and are located directly adjacent to access points from residential neighborhoods.

The vignettes illustrating alternatives on the Preferred Alternative graphic on (page 7 of Attachment 3) would reduce open space land to be managed by the City from 31 to about 28 acres, with the addition of about 20 units and 2,000 square feet of retail. East of Summerfield, about 13 units are likely on 0.6 acres, reducing land potentially managed by the County to about 15.8 acres.

The vignettes are included to illustrate the feedback received during the November 1, 2016 joint session and to inform the Commission and Council members of the components of the initial alternative. Changes were made to the initial draft Preferred Alternative due to comments and concerns of the Technical Advisory and Partnership Committees as outlined on page 6 of this report, leading to the Preferred Alternative now being considered.

One of the comments heard at the joint session was that the onramp to Highway 12 should not be changed. The Preferred Alternative reflects this direction. Access to the triangular parcel would be from a new driveway from Hoen Avenue Frontage Road. A pedestrian leaving the Greenway to access development on this site would need to cross to the south side of Hoen Avenue Frontage Road, walk along the south side, then cross again at the new driveway/intersection. A bicyclist leaving the Greenway westbound to access this site would utilize existing bicycle lanes on the north side of Hoen Avenue Frontage Road; bicyclists traveling east would need to cross Hoen.

The planning team identified two alternatives to address this indirect pedestrian and bicycle access issue for the Planning Commission and City Council's consideration. One is a bicycle/pedestrian undercrossing under the Highway 12 onramp to connect from the triangular parcel to the proposed residential development and Greenway path to the north. The second is a minor modification to the onramp where it meets Hoen Avenue Frontage Road. The modification would include slight reconfiguration to allow safe crossing of the onramp.

Financial Feasibility

One of the major concerns expressed by Council and Commission members at the November 1 study session to review the three alternatives was the potential cost of the Greenway, particularly ongoing operations and maintenance. Greenway costs are most

likely in three areas: acquisition, development, and operations and maintenance (O and M).

Staff has reviewed a variety of financing alternatives as well as how Urban 3 principles (described later in this report) might apply to the Greenway. It is anticipated that much of the acquisition costs can be fundraised through the work of the Sonoma Land Trust. Similarly, funds for capital projects are possible through grants and fundraising efforts. Identification of secure, ongoing resources for long-term operation and maintenance of open areas of the Greenway is more challenging.

In the Preferred Alternative, there are approximately **31 acres** of land designated for open space-related uses from Matanzas Creek to Summerfield Road that are likely to be the responsibility of the **City of Santa Rosa**. About **16 acres** are likely to be the responsibility of **Sonoma County Regional Parks**, from Summerfield Road east to Spring Lake Regional Park.

The **31 acres** have the following land use designations:

- Greenway (18.3 acres).
Greenway areas will include the bicycle and pedestrian paths, open spaces, play and picnic areas.
- Public Plaza (3 one-quarter acre sites for 0.75 acre total).
These areas would accommodate small gatherings and would include seating areas and signage.
- Natural Open Space (2.5 acres).
These areas are for native plantings and wildlife habitat.
- Creek Restoration (3.1 acres).
These are areas around Matanzas, Sierra Park, and Spring Creeks which would be restored to ensure healthy creeks and adjacent riparian zones.
- School facilities west of Franquette Avenue (1.4 acres).
This is an area intended for recreational uses associated with adjacent Montgomery High School and other proximate schools.
- Community Gathering Place (0.5 acres).
This is a space for community events and celebrations.
- Urban Agriculture (4.4 acres).
These areas would allow community gardens, working farms, or orchards.

These uses will have differing operation and maintenance costs.

The **Greenway** areas, with the most acreage, will include a hard and soft path which will travel west-east throughout the land, as well as neighborhood access paths to the north and south. This area will also include as-yet undetermined recreational uses including picnic and play areas and native plantings and other landscaping. These uses will require a maintenance budget, for the paths, active recreation features, gathering areas, and landscaping, both native and more manicured.

Improvements for the **Gathering Place and Public Plazas** are undetermined, but would be assumed to include hardscape, landscaping and possibly restrooms. It's possible that the gathering place could be rented for events, which could garner user fees.

Natural Open Space is intended for wildlife habitat and native plants, and once established is not anticipated to require significant maintenance. These areas are anticipated to look less like a park but more natural, including grasses that turn brown in the summer and fall.

Creek Restoration Areas would require oversight and maintenance once restoration is complete, similar to other City waterways. Responsibility for hydraulic function and maintenance in the creek channel and surrounding area will need to be identified. This may be something that the Sonoma County Water Agency can undertake.

The Creek Stewardship Program provides volunteer opportunities for groups and individuals to care for creek reaches in coordination with the City and the Sonoma County Water Agency. The program is overseen by an employee whose position is jointly funded by the City and SCWA. The City funds for this position derives from the Stormwater Assessment Fund, a non-General Fund revenue source. The Creek Stewardship Program would program activities in the Greenway area creeks, coordinate plantings, and help with trash removal and similar activities.

School Facilities where joint use is allowed could be governed by an agreement between the City and School District for operation and maintenance, along with availability for general public use. The school district's participation in O and M could be specified.

Urban Agriculture areas are anticipated to be stewarded by local groups, but if City oversight is assumed, there will be associated costs.

Because uses are conceptual at this time, the cost of future operations and maintenance cannot be accurately estimated. Below is a brief summary of financing options to consider for future operation and maintenance for the 31 acres.

Funding Options for Operations and Maintenance (O and M)

Community Facilities Districts. Also known as Mello-Roos Districts, a Community Facilities District can be initiated by a legislative body or through a petition of registered voters in an area. A legislative body would adopt a resolution of intent to establish a

CFD, followed by a notice and public hearing. If the proceedings are not ended by protest, the levy of a special tax would be voted on by the landowners in the CFD boundary area. A CFD may be used to fund parks, recreational facilities, and open space and, once formed, can be used to fund ongoing O and M costs. If considered, a boundary for a CFD would likely include a specified area adjacent and around the Greenway land.

Sale of land for development. As noted, if the City acquires the land from Farmers Lane to Summerfield Road, it would identify a process to separate land identified for development, about 11 acres in the Preferred Alternative, to allow it to be sold. The proceeds from the sale of this land could be used to establish an account which could be invested to provide a portion for annual O and M costs of the Greenway.

Development Agreements. The City could negotiate Development Agreements with developers of projects within or near the Greenway to provide Greenway improvements. Developers must provide improvements to public facilities based on the impact their projects will have on those facilities. A Development Agreement allows the City and the developer to negotiate terms that are beneficial to both parties.

Fundraising for an endowment. Following acquisition and development, it may be possible for local fundraising to focus on developing an endowment that could be tied to ongoing operations and maintenance of the Greenway. The endowment could be for a specific part of the Greenway or could be used for general operations and maintenance.

Assessment Districts. In this funding mechanism, a specific geographic area is identified where potential benefits may occur, and properties are assessed based proportionally to the benefits received. In the case of the Greenway, benefits could include recreational enhancements in proximity or business opportunities through the potential tourism the Greenway may attract. Property owners in a designated area must approve or disapprove an assessment through a vote, and it would only be imposed if 50% or more of ballots support the assessment.

User fees. Facilities that may be developed in the Southeast Greenway could be available for rent, such as picnic areas or the Community Gathering Place. It may be appropriate to charge fees that would at least offset City costs.

Partnerships. Depending on the uses that are ultimately planned on the Greenway, it may be appropriate to allow **for-profit businesses** to provide recreational or concession services on public properties. However, allowance of leases or agreements for use of public lands must be carefully considered since it would likely require significant staff time to oversee, which in turn diminishes potential monetary returns.

Existing or specially formed **non-profit organizations** could be engaged to contribute to the operation and maintenance of the Greenway. Managed volunteers can provide docent services, landscape and trail maintenance, habitat restoration, security, and

area-wide clean ups. Depending on the organizations engaged and the activities proposed, City staff resources may be required to assist in oversight.

The Friends of the High Line is an example of a non-profit organization that raises funds for operation of a public park on a former rail right-of-way owned by the City of New York. It fundraises to fund construction as well as to develop an endowment for future operations. Another example is the Spokane River Forum, a group which has raised funds to improve river access, restoration, and recreational opportunities on the Spokane River.

The existing partnership between the Sonoma County Water Agency and the City of Santa Rosa in support of the Creek Stewardship Program is an example of a public partnership whereby the two agencies jointly fund a position to oversee the program and lead volunteers in caring for waterways in Santa Rosa. This partnership will continue and serve the Greenway area.

Other. Consideration of practical options such as use of durable materials during construction of capital facilities should also be included. Durable materials will wear well and thereby reduce costs of long term O and M.

A combination of these options must be utilized to minimize the financial impact of the Southeast Greenway.

Urban 3 Considerations

Urban 3 is a consulting firm which analyzes the relationship between building design and tax production for communities in the United States and Canada. Principals in Urban 3 presented an analysis of land uses and tax revenues in downtown Santa Rosa to the community in January 2016. At the joint Planning Commission and City Council study session, there was some discussion and interest about an Urban 3-type analysis for the Greenway to round out the discussion of financial feasibility.

Staff reviewed assessed value of property around the Greenway, finding a wide variety of value per square foot. Retail uses have higher assessed values while residential uses vary widely, with some with low assessed value, suggesting older uses which have not sold in many years (possibly pre-Proposition 13, which froze property tax revenues) and some with higher assessed values.

Generally, areas with lower valuations have potential to create greater assessed value over time. This assumes that development of a Greenway will positively impact property values over time, and that as properties with lower value sell and possibly redevelop, property tax revenue, and sales tax revenue, if applicable, will increase, thereby increasing revenues to the City.

Staff looked at property tax revenue from two relatively recent multifamily development projects to apply that information to similar areas along the Greenway. The first is 615 Healdsburg Avenue, originally planned as a mixed use building, but now with ground

floor residential, the project includes 91 units on 1 acre; the other is the Annadel, at 1020 Jennings Avenue, a 270-unit multifamily project on 12.27 acres.

There are about 11 acres of land designated by the Preferred Alternative for development. Of that, 1.4 acres is identified for school facilities use, so would not be expected to be a revenue generator. The remaining 9.6 acres includes:

- *4.7-acre site designated for mixed use at Farmers and Hoen Avenue Frontage Road.*
Using the multifamily revenue share to the City of \$20,174/acre from 615 Healdsburg Avenue and applying this to 4.7 acres, possible annual tax revenue from multifamily on the site would be \$94,817. Over 10 years, this equates to \$948,170. If retail uses were included on the site, sales tax would also be generated. Transient occupancy taxes would be generated if a hotel use were to locate here.
- *1.2-acre site designated for mixed use west of Yulupa Avenue.*
Using the multifamily revenue share to the City as above, possible annual tax revenue would be \$24,200/acre. Over 10 years, this equals \$242,000. Any retail use on the site would generate sales tax revenue.
- *3.7-acre site designated for 2-3 story attached housing.*
Using revenue share to the City of \$3,270/acre from the Annadel at 1020 Jennings Avenue, a 2-3 story housing project would generate \$12,100 in property tax revenue, or \$121,000 over 10 years.

This exercise illustrates that with new development in the Greenway or on adjacent properties, additional tax revenues will flow to the City of Santa Rosa. The amount cannot be predicted with certainty and will depend on the types of uses ultimately developed in and around the site.

Draft policy in the Preferred Alternative memo, Attachment 3, suggests consideration of a future planning effort for the area south of the Greenway between Franquette Avenue and Summerfield Road to identify land uses which would enable these properties to redevelop to interface with the Greenway. Redevelopment would reset the property tax, increasing revenues to the City.

Other Potential Economic Benefits

Research has been conducted which addresses multiple benefits of park and recreational lands. Parks, open space, and trails have been shown to increase the value of nearby residential areas due to people's interest in living proximate to these amenities.

Parks and trails contribute to tourism, in that visitors enjoy experiencing these community assets. Visitors contribute to the local economy by eating at local restaurants, shopping, and staying in hotels.

Parks, trails, and open spaces contribute to storm water infiltration and vegetation captures carbon and other air pollutants, contributing to air quality. Pedestrian and bicycle facilities encourage active recreation and support commuting via a mode other than a motor vehicle.

Increased property values and increased municipal revenues typically go together. With increased property values, property tax revenues increase. Tax revenues from increased retail activity and tourism expenditures contribute to more municipal dollars. (City Parks Forum Briefing Paper, How cities use parks for Economic Development, planning.org)

Next Steps – General Plan Amendment, Rezoning, Environmental Impact Report

Following the joint study session, the planning team will prepare the General Plan Amendment, Rezoning, and Environmental Impact Report based on the discussion of the City Council and Planning Commission. The planning team is well on the way to development of the General Plan Amendment as evidenced by the Preferred Alternative's land use plan and policies.

To ensure the project is moving in the right direction, the planning team requests the Planning Commission and City Council also concur with the planned next steps in preparation of the General Plan Amendment and other actions.

Components of the General Plan Amendment will include:

- **Changes to the General Plan Land Use Diagram.** This will illustrate land uses where none currently exist – the diagram is blank on the Caltrans property.
- **Change to the General Plan text and figures.** It is anticipated that this will include the policies contained in the Preferred Alternative memo, additional policies, and a diagram similar to that illustrating land uses in the Preferred Alternative memo. It is likely that there will be other amendments needed to reflect new bicycle connections or references to the Greenway in other elements of the General Plan, such as the Land Use and Circulation Elements.

The team will develop a land use plan and policies based on the Preferred Alternative, and any changes the Commission and Council identify. For the development sites, the Preferred Alternative has utilized land use designations already found in the Santa Rosa General Plan, so these would be carried forward to the General Plan Amendment.

General Plan land use designations do not exist for the areas of the Greenway which are not identified for development. The planning team's approach is to identify these areas of the site as "Linear Parkway" or something similar as an overarching designation, and develop a land use description that would include the other categories: Creek Restoration, Natural Open Space, Greenway, and Urban Agriculture.

The main designations would be included on the **General Plan Land Use Diagram**:

- Mixed use (striped Retail Business Services and Medium High Density Residential)
- Medium Density Residential
- Public/Institutional for the joint School Facilities area
- Linear Parkway, which would include the open areas of the Greenway

As noted above, a diagram illustrating the general location of the open space uses, similar to the Preferred Alternative, would be included in the General Plan. The diagram and policies would be included in the most appropriate element of the General Plan, possibly Public Services and Facilities or Open Space and Conservation. Other components of the Preferred Alternative memo may be included in the General Plan; otherwise the memo will stand as a background document.

The General Plan designations will dictate the zoning districts which will be applied. The existing OSC – Open Space Conservation district may be appropriate and will be reviewed to see if it might be utilized for the open space areas of the Southeast Greenway. If not, a new, possibly more restrictive zoning designation will be crafted.

After the joint session, the project description will be written and a Notice of Preparation will be developed to notify interested parties about the upcoming preparation of an Environmental Impact Report. A scoping meeting will be held. This will be the next public meeting regarding the Southeast Greenway project.

FISCAL IMPACT

Funds were allocated to this project and are in the Planning and Economic Development Department budget. Funding support has also been provided by Santa Rosa Water, the Sonoma County Water Agency, and the Southeast Greenway Campaign.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project at this time. An Environmental Impact Report will be prepared as part of the community planning process and will need to be certified prior to approval of the General Plan Amendment and Rezoning.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

The project is of significant public interest, as evidenced by attendance at the two

community workshops. Notice of the joint Planning Commission/City Council study session was provided via email and through the project and City websites. The email list for the project includes about 930 addresses.

Property owners and residents on and around Vallejo Street and Monterey Drive were invited to an informational meeting on March 8. The purpose of this meeting was to ensure that area home and business owners and residents were aware of the proposed land use change and future potential for 2-3 story attached housing to be built on the south side of Vallejo Street. This meeting was held after this report was written, so staff will provide a summary at the joint session.

ATTACHMENTS

- Attachment 1 – Summary of Community Workshop 1, August 6, 2016
- Attachment 2 – Summary of Community Workshop 2, October 8, 2016
- Attachment 3 – Draft Preferred Alternative Memo
- Attachment 4 – Correspondence

CONTACT

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