For Council Meeting of: December 5, 2017

CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: COLIN CLOSE, SENIOR WATER RESOURCES PLANNER

WATER DEPARTMENT

SUBJECT: REVIEW AND RE-ADOPT CITY OF SANTA ROSA POLICIES

REGARDING THE PROVISION OF PRIORITY WATER AND SEWER SERVICE TO RESIDENTIAL DEVELOPMENTS WITH

AFFORDABLE HOUSING UNITS

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Board of Public Utilities and the Water Department that Council, by resolution, re-adopt City of Santa Rosa policies 200-20 regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units as amended.

EXECUTIVE SUMMARY

Government Code Section 65589.7 requires agencies which provide water or sewer services to adopt written policies and procedures related to the provision of water and sewer services to proposed housing developments that help meet the regional need for lower income housing. Government Code Section 65589.7 also requires that these policies be reviewed every 5 years. As such, two City policies, 200-20 regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units, are due for review.

BACKGROUND

1. In 2005, the legislature amended Government Code Section 65589.7, requiring 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. Government Code Section 65589.7 also bans the denial or the conditioning of approval of an application for water or sewer services, or reducing

REVIEW AND RE-ADOPT CITY OF SANTA ROSA POLICIES REGARDING THE PROVISION OF PRIORITY WATER AND SEWER SERVICE TO RESIDENTIAL DEVELOPMENTS WITH AFFORDABLE HOUSING UNITS PAGE 2 OF 3

the amount of the services applied for, simply because a proposed development includes affordable housing components, except in limited circumstances. Government Code Section 65589.7 also requires the written policies to be reviewed every 5 years.

2. The two policies, City of Santa Rosa policies 200-20 regarding the Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 regarding the Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units, require that these policies be reviewed and adopted or readopted at least once every 5 years after July 1, 2006.

PRIOR CITY COUNCIL REVIEW

On October 17, 2006, the City Council, by Resolution No. 26691, adopted policies 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units. The adoption of these policies brought the City into compliance with Government Code 65589.7.

On August 30, 2011, the City Council, by Resolution No. 27963, re-adopted policies 200-20 Provision of Priority Water Service to Residential Developments with Affordable Housing Units and 200-21 Provision of Priority Sewer Service to Residential Developments with Affordable Housing Units. The adoption of these policies brought the City into compliance with Government Code 65589.7.

<u>ANALYSIS</u>

The policies 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.

The policies would not change any authority of the City to require applicants to comply with conditions of approval and pay demand fees.

City staff members in the Water Department and Planning & Economic Development Department have reviewed the policies and recommend small text changes to replace "very low and low income" with "extremely low-, very low-, and low-income" in order for the policies to be consistent with the terminology used in the City's 2035 General Plan.

Re-adoption of the policies with the proposed change will allow the City to maintain compliance with the Government Code provision regarding water and sewer services and affordable housing developments.

REVIEW AND RE-ADOPT CITY OF SANTA ROSA POLICIES REGARDING THE PROVISION OF PRIORITY WATER AND SEWER SERVICE TO RESIDENTIAL DEVELOPMENTS WITH AFFORDABLE HOUSING UNITS PAGE 3 OF 3

FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which 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 Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The Board of Public Utilities reviewed the policies at its meeting on November 2, 2017 and recommended that the Council adopt the policies as amended.

NOTIFICATION

Not applicable

ATTACHMENTS

- Attachment 1 Council Policy No. 200-20 Redline Version
- Attachment 2 Council Policy No. 200-21 Redline Version
- Attachment 3 City Council Resolution 26691
- Attachment 4 City Council Resolution 27963
- Resolution

CONTACT

Colin Close cclose@srcity.org
707-543-4524