Agenda Item #3.1 For Council Meeting of: April 24, 2018

CITY OF SANTA ROSA CITY COUNCIL

TO:MAYOR AND CITY COUNCIL
CHAIR AND MEMBERS OF THE PLANNING COMISSIONFROM:JESSICA JONES, SUPERVISING PLANNER
PLANNING AND ECONOMIC DEVELOMENT DEPARTMENTSUBJECT:GENERAL PLAN ANNUAL REVIEW, HOUSING ACTION PLAN
IMPLEMENTATION, DEVELOPMENT IN THE SPOTLIGHT,
EXPRESS REVIEW PROGRAM, DOWNTOWN STATION AREA
SPECIFIC PLAN UPDATE, AND GENERAL PLAN UPDATE

AGENDA ACTION: RECEIVE REPORTS

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council and Planning Commission (1) receive a report regarding the Annual Review of the General Plan, (2) receive an update on the progress of the Housing Action Plan implementation, (3) receive a report on development in 2017, (4) receive a report on express review of future development projects, (5) receive a report on the upcoming Downtown Station Area Specific Plan update, and (6) receive a report of the upcoming General Plan update.

EXECUTIVE SUMMARY

Each year, the Planning Commission and City Council review the General Plan consistent with State planning and zoning law. This study session will allow time to cover General Plan actions in 2017, housing needs information, as well as to review the operation of the Growth Management Ordinance and the Housing Allocation Plan over the last year. A review of the progress that has been made on implementation of the Housing Action Plan, as well as a report on development projects from 2017 and plans for express review of future development projects, will also be provided. Finally, the Commission and Council will receive a review of the upcoming Downtown Station Area Specific Plan and General Plan update projects.

BACKGROUND

General Plan Annual Review 2017

GENERAL PLAN ANNUAL REVIEW, HOUSING ACTION PLAN IMPLEMENTATION, DEVELOPMENT IN THE SPOTLIGHT, EXPRESS REVIEW PROGRAM, DOWNTOWN STATION AREA SPECIFIC PLAN UPDATE, AND GENERAL PLAN UPDATE PAGE 2 OF 5

As the City's primary policy document guiding growth and development, the General Plan includes policies regarding many of the Council's goals and strategic objectives.

The Annual Review 2017 (included as Attachment 1 to this report) touches on the Economic Vitality Element, which addresses creation of a strong, sustainable economic base; the Open Space and Conservation Element, which addresses environmental preservation and greenhouse gas emissions reduction; and the Public Services and Facilities Element which includes enhancement of cultural and recreational assets and public safety.

Information on the City's progress toward the required Regional Housing Needs Allocation (RHNA) is provided, including the number of housing unit allocations and credits that were transferred from the County to the City with the annexation of the Roseland area in 2017.

Housing Action Plan Implementation

In October 2016, the Council accepted the Housing Action Plan, which was prepared to address the City's ongoing unmet housing needs and to implement the City's General Plan Housing Element. The document consists of the following 5 program areas:

- 1. Increase inclusionary affordable housing
- 2. Achieve "Affordability by design" in market-rate projects
- 3. Assemble and offer public land for housing development
- 4. Improve development readiness
- 5. Increase affordable housing investment and partnerships

Within these 5 program areas, there are 31 program elements. Each program element is an action item addressing all 5 program areas and providing a wide range of approaches to support housing for all affordability levels. Many of the 31 program elements are underway. A complete list of program elements is available on the Housing Action Plan website (srcity.org/HAP). Below is a short list of initiatives that are currently underway or completed:

- Accessory Dwelling Unit ordinance update (complete)
- Density Bonus ordinance update (underway)
- Housing Allocation Plan/Inclusionary Housing ordinance update (underway)
- Permit Streamlining (underway)
- Design Review Process update (underway)
- Impact Fee Nexus Study update (underway)

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2017 Development in the Spotlight

In the 2017 calendar year, the City issued building permits for a total of 350 residential units, a 33% increase from 2016, and 125,064 square-feet of non-residential construction, an 82% increase from 2016.

The following are notable residential projects under construction in 2017:

- Fox Hollow (135 detached single-family and 8 duet units)
- Smith Village (51 detached single-family units)
- Ravello Estates (13 attached single-family units)
- Village Station (110 attached single-family units)
- North Street Apartments (20 multi-family units)
- Range Ranch II (120 multi-family units)
- Coffey Park and Fountaingrove rebuild (as of the writing of this report, 71 building permits issued, with 28 residences under construction)

The following are notable non-residential projects under construction in 2017:

- NGL Academy (16,000 square-feet re-tenant of existing building)
- Sonoma Academy Grange & Studios (45,000-square-foot school buildings)
- Yogurt Time Center (2,500-square-foot drive-thru building, and 5,700-square-foot multi-suite retail building)
- Habit Burger (2,600-square-foot restaurant)
- Hyatt Vineyard Creek Hotel Addition (90 additional guest rooms)
- Courthouse Square Hotel (62 new guest rooms)
- Kaiser Medical Office Building (87,300-square-foot medical office building)
- El Pollo Loco (2,973-square-foot restaurant and 2,000-square-foot retail space)

Express Review Program

Planning and Economic Development staff is developing a pilot program to reduce uncertainty and expedite the review process for development projects that will provide housing inventory or act as economic drivers. The program will utilize a comprehensive, holistic approach to project review and capitalize on existing efficiencies and concurrent processing to guide projects from the pre-application phase GENERAL PLAN ANNUAL REVIEW, HOUSING ACTION PLAN IMPLEMENTATION, DEVELOPMENT IN THE SPOTLIGHT, EXPRESS REVIEW PROGRAM, DOWNTOWN STATION AREA SPECIFIC PLAN UPDATE, AND GENERAL PLAN UPDATE PAGE 4 OF 5

through to building permit issuance. Key components of the program will be dedicated project management through each phase of review, a commitment of City staff and resources to pre-determined deadlines, and a commitment from the applicant to attend milestone meetings and to provide complete submittals.

Downtown Station Area Specific Plan Update

On February 13, 2018, the Council adopted the 2018 Council Goal Setting Report, which included "rebuild/build downtown and fire areas" as a Near Term (six month) priority, and "downtown housing" as a Tier 1 priority. Following the Council goal setting, City staff submitted a planning grant application to the Metropolitan Transportation Commission (MTC) to update the Downtown Station Area Specific Plan to address ways to incentivize development of new housing units in the downtown area, beyond the current projections.

The grant application is currently pending at MTC; staff anticipates that, upon approval of the funding, work on the update would commence in summer/fall 2018.

General Plan Update

An update to the Santa Rosa General Plan 2035 was slated to begin in early 2018. Project commencement has been delayed due to the October 2017 wildfires, however, staff is ready to begin the process. While regular updates of the General Plan are not required, with the exception of the Housing Element, which was last updated in 2014, a revision to the document has been determined to be appropriate at this time.

There are elements that need to be added and addressed in an update to the General Plan, such as adding environmental justice policies, as required by State law, and to address community planning following the wildfires. The update would focus on the goals and policies of the Noise and Safety, Land Use, Housing, Public Services and Facilities, and Economic Vitality elements. The current General Plan Environmental Impact Report (EIR) would also be updated, which would provide California Environmental Quality Act (CEQA) support for new development Citywide.

PRIOR CITY COUNCIL REVIEW

The Council and Planning Commission receive the Annual Review in the Winter/Spring of the year.

The Housing Action Plan was accepted by the Council in October 2016, and the Accessory Dwelling Unit ordinance amendment was adopted by the Council in December 2017.

The Council 2018 goals were adopted on February 13, 2018.

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<u>ANALYSIS</u>

A report reviewing implementation of the General Plan and the Growth Management and Housing Allocation Plan Ordinances is attached to this report.

Further discussion regarding the Housing Action Plan implementation, and updates to the Downtown Station Area Specific Plan and the General Plan will be held during the study session.

FISCAL IMPACT

This item does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

The General Plan Annual Review report and the study session on implementation of the Housing Action Plan and upcoming updates to the Downtown Station Area Specific Plan and General Plan are exempt from the California Environmental Quality Act (CEQA). These report and discussion items are not projects which have 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 Guidelines section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

 Attachment 1 – Annual Review 2017: Santa Rosa 2035 General Plan, Growth Management Ordinance, Housing Allocation Plan Ordinance

CONTACT

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