ORDINANCE NO
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ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING TITLE 21 OF THE SANTA ROSA CITY CODE – CORRECTING SECTION 21-02.050.B OF CHAPTER 21-02, INCLUSIONARY HOUSING ORDINANCE, TO LIMIT HOUSING IMPACT FEE AND INCLUSIONARY HOUSING INCENTIVES TO MULTIFAMILY RESIDENTIAL AND MIXED USE PROJECTS IN THE DOWNTOWN AREA—FILE NUMBER PRJ19-036

WHEREAS, the Santa Rosa City Code Chapter 21-02, Housing Allocation Plan (HAP), was enacted in 1992 and updated in 2012 and 2014, with a purpose of meeting the Santa Rosa General Plan goals to expand the supply of housing available to lower income households; and

WHEREAS, in October 2016, the City Council accepted the Housing Action Plan, which includes a variety of programs aimed at addressing the City's ongoing unmet housing needs. Program 1 of the Plan is to "increase inclusionary housing," which directed the consideration of the following policy options: (1) seek inclusionary units in for-sale housing projects, (2) require a minimum of 15 percent of the for-sale projects total units be affordable to a mix of low and moderate income households, (3) specify additional regulatory and financial incentives and alternative compliance measures as may be needed to maximize production of affordable housing units, and (4) encourage innovation in achieving increased inclusionary housing; and

WHEREAS, on October 1, 2019, the City Council introduced amendments to the Housing Allocation Plan, Chapter 21-02 of the City of Santa Rosa Code, now called the Inclusionary Housing Ordinance, with updates including reduced Housing Impact Fee and Inclusionary (on-site) Housing to help incentivize higher intensity residential development in the Downtown Area of the City of Santa Rosa; and

WHEREAS, the exhibits and recommendation provided to the Council for its October 1, 2019 meeting referenced "multifamily" residential and mixed use development in the Downtown Area and the Council's deliberation on and action to approve the recommended Inclusionary Housing Ordinance amendment reflects its intent to incentivize "multifamily" residential and mixed use development in the Downtown Area consistent with staff's recommendation; and

WHEREAS, the adopted ordinance, as it is written, inadvertently omitted the word "multifamily" in conjunction with the phrase "residential and mixed use development" in Section 21-02.050.B to limit the Downtown Area Housing Impact Fee and Inclusionary Incentive as intended by the Council.

## THE PEOPLE OF THE CITY OF SANTA ROSA DO ENACT AS FOLLOWS:

<u>Section 1</u>. Amend the Santa Rosa City Code Chapter 21-02, Inclusionary Housing Ordinance, by replacing Subsection 21-02.050.B of the Inclusionary Requirements of this chapter, in its entirety with the following clerical correction to read and provide as follows:

"21-02.050 Inclusionary requirements

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- B. Notwithstanding the inclusionary requirements of subsection 21-02.050.A, all multifamily residential or mixed use development projects located in the Downtown shall pay a housing impact fee, per Section 21-02.090, or construct on-site allocated units as follows:
  - 1. For-rent multifamily residential development projects shall provide at least 4% of the total number of new dwelling units as affordable to low income households or at least 3% of the total number of new dwelling units as affordable to very low income households.
  - 2. For-sale multifamily residential development projects shall provide at least 5% of the total number of new dwelling units as affordable to moderate income households.

Multifamily residential or mixed-use development projects with six or fewer units shall pay a housing impact fee as noted in Section 21.02.090.

Section 2. Environmental Determination. The Council finds that the proposed Inclusionary Ordinance clerical correction is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this ordinance may have significant effects on the environment, and that no further environmental review is required.

<u>Section 3</u>. <u>Severability</u>. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date. This ordinance shall take effect on the 31st day following in
adoption after the Council's second reading of the ordinance.

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2019.	This ordinance was introduced by	the Council of the City of Sant	a Rosa on December 3,
	IN COUNCIL DULY PASSED A	ND ADOPTED this 10th day of	of December, 2019.
AYES	:		
NOES	:		
ABSE	NT:		
ABST	AIN:		
ATTE	ST:Acting City Clerk	APPROVED:	Mayor
APPR	OVED AS TO FORM:		
	City Attorney		