Agenda Item #12.3 For Council Meeting of: June 16, 2020

CITY OF SANTA ROSA CITY COUNCIL

TO:MAYOR SCHWEDHELM AND MEMBERS OF THE COUNCILFROM:AMY NICHOLSON, SENIOR PLANNERPLANNING AND ECONOMIC DEVELOPMENTSUBJECT:LOCAL EARLY ACTION PLANNING GRANT APPLICATION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by resolution, authorize the submission of a non-competitive Local Early Action Planning (LEAP) Grant application for State funding, in the amount of \$500,000, to create a Mendocino Avenue Specific Plan to accelerate or incentivize the production of housing and to authorize the Assistant City Manager to execute a Standard Agreement with the State of California.

EXECUTIVE SUMMARY

In 2019, Governor Newsom signed Assembly Bill 101 (AB 101) to increase housing production within the State. This Bill established \$250,000,000 to jurisdictions to be used for the technical assistance, the preparation and adoption of planning documents, and process improvements to accelerate housing production and to facilitate compliance with the 6th cycle of the regional housing needs assessment.

The resolution before the Council is to authorize the filing of an application to the California Department of Housing and Community Development (Department) for a \$500,000 non-competitive grant. These funds are proposed to be utilized for a Mendocino Avenue Specific Plan to accelerate or incentivize the production of housing within the general area of this existing Priority Development Area (PDA).

BACKGROUND

California Assembly Bill 101 directs the State of California, Department of Housing and Community Development (Department) to create a Local Government Planning Support Grants Program to allocate one-time funding to increase housing production within local jurisdictions. The Bill requires local agencies to either submit an annual report to HCD and make that report publicly available on its website, containing specified information regarding the uses of funds allocated under the program.

The Planning and Economic Development Department is requesting that the Council adopt a resolution supporting this effort, as required by the grant application. Staff has explored multiple options in line with existing housing policy and programs currently underway, and the 2019 Council Priorities. Unlike other areas of the City, the Mendocino Avenue Corridor is an existing Priority Development Area (PDA) and lacks a Specific Plan and the streamlining opportunities these plans provide. Staff has conducted an analysis showing this area is suitable for potential housing production and that a Specific Plan would be the best use of this \$500,000 grant.

PDAs are established through the Metropolitan Transportation Commission/Association of Bay Area (MTC/ABAG), a regional planning agency and local government service provider that works with the State and local governments within the nine-county Bay Area. MTC/ABAG provides planning and support on issues including land use, housing, environmental protection, water resource protection, disaster resilience and energy efficiency. MTC/ABAG works with cities and counties to focus growth along existing transportation networks in close proximity to residential and employment areas. These PDAs leverage existing infrastructure to minimize development impacts on communities. A city or county can nominate a PDA, which is then adopted by the MTC/ABAG Executive Board. PDAs must be within a half-mile of frequent transit and in an area planned for future housing and job growth. These areas are eligible for various funding opportunities from the State, including this LEAP grant program, and provide compliance with regional and state law.

The City of Santa Rosa has five existing PDAs: the Downtown Station Area, the North Station Area, the Roseland Area/Sebastopol Road Corridor, the Mendocino Avenue Corridor, and the Santa Rosa Avenue Corridor. The Downtown and North Station Areas and Roseland Area/Sebastopol Road Corridor each have adopted Specific Plans which evaluate land use, circulation, and design. In addition, each Specific Plan has a Certified Environmental Impact Report (EIR) which serves as California Environmental Quality Act (CEQA) streamlining tool for new developments within the respective Plan areas. The Mendocino Avenue Corridor does not have a Specific Plan, but rather it evaluates improvements to circulation and limited design elements, but does not address land use.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

Mendocino Avenue Specific Plan:

The Mendocino Avenue Corridor PDA is roughly bounded by College Avenue to the south and the northern City limits. It extends by a quarter mile east and a quarter mile west of Mendocino Avenue. As one of the Santa Rosa's heaviest traveled arterials,

LEAP GRANT APPLICATION PAGE 3 OF 4

Mendocino Avenue runs parallel to Highway 101 and serves as the primary access to the Santa Rosa Junior College. Mendocino Avenue is lined by a variety of commercial uses, provides access to two of the City's high schools, and connects to large employment centers. In addition, Mendocino Avenue is an important route for public transit and cycling throughout the city. The main objective of the Corridor Plan was to improve the functionality and create a more attractive space for residents, students, and businesses while implementing the Complete Streets concept. The Plan seeks to enhance all modes of travel (walking, bicycling, transit and automobile) through safety improvements as well as landscaping and other streetscape features.

The Mendocino Avenue Specific Plan would include a detailed evaluation of existing conditions and the adopted Corridor Plan and would address land use, circulation, and design within the general area of Mendocino Avenue Corridor PDA. The boundary of this Specific Plan has not yet been identified but will be determined in the early phase of the Specific Plan process. The Mendocino Avenue Corridor PDA was established based on existing high frequency transit and focused on multi-modal transportation, pedestrian safety, and design of Mendocino Avenue. The proposed Specific Plan is anticipated to analyze a broader area to determine where increased residential densities would be advantageous based on proximity to existing services, employment sites, educational facilities and transit.

A preliminary analysis of the vacant parcels and residential parcels greater than one acre within the existing corridor PDA found that a minimum increase of 657 residential units could be realized. This unit count is anticipated to be larger with an expanded PDA boundary and following analysis of additional sites. The proposed Specific Plan would also evaluate infrastructure and identify necessary improvements to further increase the housing supply and other services within the Area.

This Specific Plan would provide numerous benefits to the City by planning for additional housing units with access to transportation, services, employment sites and educational facilities. The anticipated increase in residential units in this future Plan Area would further a number of state, regional and local planning goals. Goals and policies on land use and design for a targeted area would be formed through a collaborative effort with the community and various stakeholders. As such, a more streamlined development process and predictable outcomes would result from a Plan which provides clear guidance. Finally, a Specific Plan Environmental Impact Report (EIR) would act as a CEQA streamlining measure to increase residential density and other developments in the Plan Area by providing certainty and a cost reduction to potential developers.

FISCAL IMPACT

No negative impact to the General Fund is anticipated as a result of this action. Rather, if accepted, a total of \$500,000 in non-competitive grant funding will be received for planning efforts to accelerate the production of housing and other developments within the Mendocino Avenue area.

LEAP GRANT APPLICATION PAGE 4 OF 4

ENVIRONMENTAL IMPACT

This Council action is exempt from the California Environmental Quality Act 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 Guidelines Section 15378. Further, the funding being sought would accommodate feasibility or planning studies pursuant to CEQA Guidelines Section 15262. Additionally, the Specific Plan itself would have its own Environmental Review document, consistent with the requirements of CEQA.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 LEAP Grant Application
- Attachment 2 Map of Mendocino Avenue Corridor PDA
- Attachment 3 Map of Existing Santa Rosa PDAs
- Resolution

<u>CONTACT</u>

Amy Nicholson, Senior Planner Planning and Economic Development anicholson@srcity.org (707) 543-3258