

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: GABE OSBURN, DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT
SUBJECT: CONDITIONAL USE PERMIT STREAMLINING

AGENDA ACTION: ORDINANCE INTRODUCTION

RECOMMENDATION

The Planning Commission and the Planning and Economic Development Department recommend that the Council, by one ordinance and one resolution: 1) introduce an ordinance entitled Ordinance Of The Council Of The City Of Santa Rosa Amending Title 20 Of The Municipal Code To Address Streamlining And Process Improvements For The Conditional Use Permit Process; and 2) adopt a resolution to set a fee for the Director Conditional Use Permit application. This item has no impact on current fiscal year budget.

EXECUTIVE SUMMARY

The City is working on an initiative to streamline the Conditional Use Permit process with the goal of making it more predictable and less costly for applicants and business owners. The primary objective is to support economic development within the City by making it easier to establish and expand businesses. The proposal includes amendments to the Zoning Code to address three main elements: 1) Create a new Director Level Conditional Use Permit process, allowing certain uses to be reviewed and approved administratively rather than requiring a public meeting or hearing, unless one is specifically requested; 2) Reduce the level of Conditional Use Permit (Director, Minor, or Major) required for certain uses, to reduce timelines, lower costs and improve overall efficiency, while maintaining appropriate review and oversight; and 3) Update the Temporary Use Permit section of the Zoning Code to allow for a broader range of temporary activities, including pop-up retail and interim activities for vacant or underutilized sites and buildings, supporting the activation of spaces and encouraging reinvestment.

GOAL

This item relates to Council Goal #3 - Promote Citywide Economic Development. The proposed Zoning Code amendments have been drafted to create a more predictable and less costly process for business owners looking to establish and expand

businesses within the City, support economic development, and better allocate City resources.

BACKGROUND/PRIOR COUNCIL REVIEW

On April 9, 2024, the City Council approved a five year (2024-2029) Economic Development Strategic Plan, which includes a vision for business growth, economic vibrancy and resiliency, and community investment. One of the actions within the Strategic Plan is to review and amend the Zoning Code, where needed, to align with economic strategies in support of development initiatives and opportunities.

On February 19, 2025, at the City Council Goal Setting Workshop, the Council set five strategic priorities for fiscal years 2025-2027. One of the priorities was to “promote Citywide economic development”.

On June 3, 2025, the City Council adopted General Plan 2050, which includes Land Use and Economic Development (Chapter 2). This chapter of the General Plan supports thoughtful land use planning and economic development strategies to enhance and build on neighborhood assets, address current challenges, improve fiscal stability, increase personal opportunity, and improve quality of life for everyone in Santa Rosa. More specifically, the General Plan includes an action to “ensure alignment between the General Plan, Zoning Code, and all City policies, procedures, plans, and strategies, including the Economic Development Strategy and Implementation Plan”.

In July and August 2025, City staff had the opportunity to present the CUP Streamlining initiative to downtown business owners and commercial real estate brokers. Through this effort, staff received early feedback on the existing CUP process and ideas for improvements to meet the goals, policies and actions set forth in the Economic Development Strategic Plan and General Plan 2050, and in support of Council goals.

On January 8, 2026, a project website was posted, with a summary of the project and links to draft Zoning Code amendments developed to address streamlining of the CUP process. Subsequently, notices were posted on the City’s social media outlets and e-mailed out to the Santa Rosa Metro Chamber, Downtown Action Organization, Railroad Square Association, Visit Santa Rosa, those who participated in the July and August 2025 business owner and broker meetings, as well as to anyone with a business license in Santa Rosa (10,426 e-mails). The community was invited to review the draft streamlining amendments and provide comments by February 5, 2026. Following this effort, the draft amendments were further refined to the current proposal.

On March 12, 2026, the Planning Commission, by a vote of 6-0-1, with one Commissioner absent, adopted Resolution No. PC-RES-2026-007 recommending that the City Council adopt the proposed Zoning Code text amendments.

ANALYSIS

1. Zoning Code Amendments:

The Zoning Code implements the goals and policies of the General Plan by classifying and regulating the use of land and structure development within the City. The proposed amendments to the Zoning Code have been developed to streamline the CUP Permit process, enhance the City's economic development efforts, reduce time and cost for business owners, and provide a more streamlined review authority process to better allocate City resources. Below is a summary of the proposed amendments (which are included in their entirety, in underline and strikeout format, in Attachment 1):

A. Temporary Use Permit and Conditional Use Permit (Chapter 20-52, Permit Review Process)

i. Zoning Code Section 20-52.040 Temporary Use Permit

The Temporary Use Permit section of the Zoning Code establishes procedures for the granting of ministerial Temporary Use Permits for short-term activities. Allowed temporary activities include car washes, construction yards, events on private property, outdoor displays and sales, seasonal sales lots, temporary auto sales, temporary parking lots, temporary real estate sales offices, temporary structures (non-habitable), temporary work trailers, and other similar temporary activities. In general, temporary activities are allowed for a 12-month period, with no option for an extension of time.

The proposed changes include adding the following to the list of allowed temporary activities:

- Pop-up retail, including general retail, restaurants, entertainment, arts activity, or other similar activity as determined by the Director, for a 12-month period, with up to two one-year extensions, for a maximum of three (3) years, when located within an existing structure(s) or temporary structure(s) (no construction of new permanent structures/facilities); and
- Interim activities on vacant or underutilized sites, when located within an existing structure(s) or temporary structure(s) (no construction of new permanent structures/facilities), including arts activities and general entertainment, or similar activities as determined by the Director, for a 12-month period, with up to two one-year extensions, for a maximum of three (3) years, when

conducted on non-residential properties.

ii. Zoning Code Section 20-52.050 Conditional Use Permit

The Conditional Use Permit section of the Zoning Code provides a discretionary process for reviewing land use activities that may be desirable in the applicable zoning district, but whose effect on the site and surroundings need to be reviewed to determine consistency with City policies and regulations and for compatibility with surrounding uses. The current regulations include two CUP processes: 1) Minor Conditional Use Permit, with the review authority being the Zoning Administrator; and 2) Major Conditional Use Permit, with the review authority being the Planning Commission. The average review time for a Minor CUP is a minimum of three months, while a Major CUP takes a minimum of six months to complete.

The proposed amendments include establishing a new Director Conditional Use Permit process, with the review authority being the Director of Planning and Economic Development, or their staff appointed designee. Establishment of a Director level process would align with similar Director level entitlement processes that have been established recently, including Director Level Design Review and Director Landmark Alteration Permit. While a public meeting or hearing would not be required for action on a Director CUP, public notice at least 14 calendar days prior to taking action would be required to all property owners and tenants within 600 feet of the subject property. The notice will include language regarding the date the decision will be final, the fact that a public meeting/hearing will not be held unless one is requested, and a description of how to request a public hearing. Similar to other Director level processes, the review time for a Director CUP is expected to take approximately four to eight weeks.

In considering the development of a Director CUP process, staff reviewed the City's Charter, Section 51, which provides that all general laws shall apply to the City – this includes the requirement for a hearing for a requested CUP. As noted, the proposed new Director CUP would not require a public hearing or meeting, unless one is requested by a member of the public. However, the Charter provides that the City Council “shall have the power to pass ordinances which in relation to municipal affairs shall control as against the general laws of the state.” “Municipal affair” generally means local in nature, not affecting persons or property outside the jurisdiction of the City and not interfering with a statewide regulatory scheme. This can and does include many zoning regulations.

Pursuant to Section 51 of the Charter of the City of Santa Rosa, staff recommends that the City Council determine that the procedures governing review and approval of Conditional Use Permits are a municipal affair relating to local zoning and land use regulation. Accordingly, and notwithstanding Government Code section 65905, staff recommends that the Council adopt the procedures set forth in Zoning Code Chapter 20-52, Permit Review Procedures, as it relates to the proposed new Director CUP process, in lieu of any state-law public hearing requirements that would otherwise apply.

B. Land Use and Permit Requirements (Division 2, Zoning Districts and Allowable Land Uses)

The following land use tables have been updated to include proposed reductions in CUP requirements for certain uses to streamline the review process, provide more predictability for applicants, promote economic development, and better allocate City resources. In addition to streamlining for businesses, there are also several proposed reductions to the CUP requirements for residential uses; these are included as part of a continuing effort to streamline the development of housing consistent with Council goals and the Santa Rosa Housing Element.

- Zoning Code Table 2-2: Allowed Land Uses and Permit Requirements for Residential Districts
- Zoning Code Table 2-6: Allowed Land Uses and Permit Requirements for Commercial Districts
- Zoning Code Table 2-10: Allowed Land Uses and Permit Requirements for Industrial Districts
- Zoning Code Table 2-12: Allowed Land Uses and Permit Requirements for Special Purpose Districts

C. Other Related Sections of the Zoning Code

The following specific Zoning Code sections include proposed reductions in the CUP process, as well as clarification to language referencing the CUP process and permitting requirements.

- 20-21.030 Allowable land uses and permit requirements
- 20-30.060 Fences, walls, and screening
- 20-30.070 Height measurement and exceptions
- 20-42.030 Accessory structures and uses

- 20-42.034 Alcoholic beverage sales
- 20-42.050 Day care facilities
- 20-42.070 Home occupations
- 20-42.080 Live-work and work-live units
- 20-42.090 Mixed use projects
- 20-42.110 Outdoor display and sales
- 20-42.140 Residential small lot subdivisions
- 20-42.160 Sidewalk cafes
- 20-42.164 Single room occupancy facilities
- 20-42.170 Storage outdoor
- 20-42.200 Large grocery store standards
- 20-42.210 Mobile food facility
- 20-50.020 Authority for land use and zoning decisions
- 20-54.050 Time limits and extensions
- 20-54.070 Permits to run with the land
- 20-61.030 Nonconforming structures
- 20-62.030 Filing and Processing of Appeals
- 20-70.020 Definitions of specialized terms and phrases

2. **General Plan Consistency:**

The General Plan addresses issues related to the physical development and growth of Santa Rosa and guides the City's planning and zoning functions. Chapter 2, Land Use and Economic Development, of General Plan 2050 seeks to reinforce local pride, attract new business, retain and grow existing business, and bolster the vitality of the City as a whole by supporting thoughtful land use planning and economic development strategies. To that end, there are numerous goals, policies and actions supporting economic development that are relevant to the CUP Streamlining initiative:

- ***Goal 2-5: Create a business-friendly, diverse, and sustainable economy through the attraction of new business, and the expansion, retention, and support of existing business.***
 - Policy 2-5.1: Encourage growth of existing business clusters as well as new, diverse industries and job types throughout Santa Rosa.
 - ✓ Action 2-5.2: Ensure alignment between the General Plan, Zoning Code, and all City policies, procedures, plans, and strategies, including the Economic Development Strategy and Implementation Plan.
 - ✓ Action 2-5.3: Support and strengthen the entrepreneurship ecosystems and create pathways to successful small business

ownership.

- **Goal 2-6: Create a vibrant and livable city.**
 - Policy 2-6.1: Address infrastructure needs and update policy, as appropriate, in support of economic accelerators.
 - ✓ Action 2-6.3: Explore and implement necessary amendments to the Zoning Code where needed to align with economic strategies and to create flexibility for development, redevelopment, and to fill vacant spaces.
 - ✓ Action 2-6.5: Support development of sports and entertainment (including health and wellness) as an economic driver to bolster tourism and update the Zoning Code to allow these uses more broadly throughout all areas of the city.
 - ✓ Action 2-6.6: Work with property owners, the business community, and others to support efforts to attract or expand development, redevelopment, and new businesses opportunities in vacant or underutilized commercial space.
 - ✓ Action 2-6.7: Support community events and activities through policy development, direct programming and funding support.
- **Goal 2-9: Foster sustained, inclusive growth that generates long-term, shared value in the community and creates economic opportunities for all residents.**
 - Action 2-9.2: Update the Zoning Code to allow mobile food and crafts vendors, farmers markets, art and artisan pop-ups and community gathering events in all nonresidential zoning districts.

The proposed CUP streamlining measures are consistent with the General Plan 2050. The draft Zoning Code amendments would provide a more predictable and less costly process for business owners, serving to support economic development by simplifying the process to establish and expand businesses within the City. The proposed creation of a Director CUP process will allow certain uses to be reviewed and approved administratively rather than requiring a public meeting or hearing, unless one is specifically requested. This new administrative process, coupled with reducing the level of CUP (Director, Minor, or Major) for certain uses, such as mobile food vending, commercial recreation facilities, and general retail stores, will reduce timelines and improve overall efficiency while still maintaining appropriate review and oversight. The proposed changes to the Temporary Use Permit section of the Zoning Code will allow for a broader range of temporary activities, including pop-up retail and interim activities for vacant or underutilized sites and buildings, supporting

the activation of these spaces and encouraging reinvestment.

3. Economic Development Strategic Plan Consistency:

On April 9, 2024, the City Council approved a five year (2024-2029) Economic Development Strategic Plan, which includes a vision for business growth, economic vibrancy and resiliency, and community investment. The Strategic Plan calls for the creation of a business-friendly, sustainable, and strong economy by attracting new businesses and expanding, retaining, and supporting existing businesses, and actively supporting small businesses. There are several goals and actions within the Strategic Plan that align with the proposed CUP streamlining amendments, including the following:

- **Goals:**
 - Establish Santa Rosa as a business-friendly city.
 - Support and grow existing small business.
 - Support and promote opportunities for entrepreneurship.
 - Increase revenue to businesses and the City.
 - Support a thriving economy.

- **Actions:**
 - Create a streamlined re-tenanting program with clear pathways for re-tenanting retail, restaurant, or office spaces.
 - Review and amend Zoning Code where needed to align with economic strategies in support of development initiatives and opportunities.
 - Explore, develop, and implement sports and entertainment as an economic driver for both residents and tourists.
 - Support community events and activities through direct programming and grants.

FISCAL IMPACT

There is no fiscal impact expected as a result of the proposed amendments. A resolution is included to create a new Director CUP fee, which matches the fee for the existing Director Level Design Review and non-homeowner Director Landmark Alteration Permit fees. The CUP application fees provide for full cost recovery of staff time in reviewing and processing these applications and very depending on the level of CUP. With the proposed streamlining measures, the impact on staff time in reviewing Director CUP applications will be reduced from the time spent on Minor and Major CUP applications, which will be reflected in the application cost. As such, it is expected that staff resources will be better allocated with the introduction of the Director level review, which will ultimately limit the impact on the General Fund.

ENVIRONMENTAL IMPACT

The proposed CUP streamlining amendments have been reviewed in compliance with

the California Environmental Quality Act (CEQA). It has determined that the proposed action is exempt pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that the amendments or their implementation would have a significant effect on the environment. Specifically, while the proposed amendments will create a new Director level CUP process, reduce the CUP requirements of certain land uses, and allow for a broader range of temporary activities, they do not constitute approval of any specific development project and do not limit the City's discretion to consider environmental impacts, alternatives or mitigation measures in connection with any future discretionary approval. Any future development proposal under the Director level CUP process would be subject to separate discretionary approvals and independent environmental review under CEQA at the time a specific project is proposed.

The proposed action is also exempt under CEQA Guidelines section 15183 in that the proposed Zoning Code text amendments are consistent with the General Plan. The Santa Rosa General Plan 2050 includes numerous goals, policies, and actions that support economic development, encourage policy and regulatory amendments in support of various business types, and align economic strategies to create flexibility for development, redevelopment, and to fill vacant commercial and industrial spaces within the City. The minor edits to streamline the CUP requirements for residential uses are consistent with the housing related goals, policies, and actions of the General Plan 2050 and the 2023-2031 Housing Element related to the City's continuing efforts to support housing development. The proposed amendments are consistent with, and do not change, the General Plan densities and land uses; the amendments address the CUP review process only. The EIR analyzed the proposed land uses and looked at environmental impacts of those uses. This streamlined review keeps those same land uses in place. The economic development and housing related goals, policies, and actions were reviewed as part of the General Plan 2050 Environmental Impact Report (EIR) adopted by City Council Resolution No. 2025-090, dated June 3, 2025. There are no impacts peculiar to the proposed amendments that were not already analyzed in the EIR or would require additional analysis.

Finally, the proposed action, as it relates to changes to the Temporary Use Permit section of the Zoning Code, is exempt under CEQA Guidelines section 15304, Minor Alterations to Land, which consists of minor public or private alterations in the condition of land, water, and/or vegetation. Specifically, CEQA Guidelines section 15304(e) provides the example of "minor temporary use of land having negligible or no permanent effects on the environment, including carnivals, sales of Christmas trees, etc." The proposed changes to the Temporary Use Permit regulations include minor edits to the existing regulations allowing temporary activities and structures within specified time limits. The proposed addition of allowing temporary pop-up retail and interim activities includes language requiring such uses to be located within existing structures or temporary structures that do not include the construction of permanent facilities.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On March 12, 2026, the Planning Commission, by a vote of 6-0-1, with one Commissioner absent, adopted Resolution No. PC-RES-2026-007 recommending that the City Council adopt the proposed Zoning Code text amendments.

Prior to the meeting, an e-mail was received from a member of the community who manages several industrial properties in the Light Industrial (IL) zoning district. Based on their years of experience, they requested a minor change to the definition of the “Warehouse, Wholesaling and Distribution” land use (defined below) to add paint, tile and stone finishes, major home appliances, furniture, and mattresses in the list of example stores included in the definition, which is allowed by-right in the IL zone.

Warehouse, Wholesaling and Distribution. *These facilities include:*

1. ***Warehouses.*** *Facilities for the storage of furniture, household goods, or other commercial goods of any nature. Includes cold storage. Does not include: warehouse, storage or mini-storage facilities offered for rent or lease to the general public (see "Storage—Personal Storage Facilities"); warehouse facilities in which the primary purpose of storage is for wholesaling and distribution (see "Wholesaling and Distribution"); or terminal facilities for handling freight (see "Truck or Freight Terminals").*

2. ***Wholesaling and Distribution.*** *Establishments engaged in selling merchandise to retailers; to contractors, industrial, commercial, institutional, farm, or professional business users; to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. Examples of these establishments include:*
 - *Agents, merchandise or commodity brokers, and commission merchants*

 - *Assemblers, buyers and associations engaged in the cooperative marketing of farm products*

 - *Merchant wholesalers*

 - *Stores primarily selling flooring, electrical, plumbing, heating and air conditioning supplies and equipment*

Also includes storage, processing, packaging, and shipping facilities for mail order and e-commerce retail establishments.

Staff reviewed the request and the existing land uses and definitions provided in the Zoning Code and found that the existing “Furniture, Furnishings, Appliance/Equipment

Store” land use, which is defined below, would be a better fit for the request.

Furniture, Furnishings, Appliance/Equipment Store. *A store that primarily sells the following products and related services, that may also provide incidental repair services:*

- *Computers and computer equipment*
- *Draperies*
- *Floor coverings*
- *Furniture*
- *Glass and chinaware*
- *Home appliances*
- *Home furnishings*
- *Home sound systems*
- *Interior decorating materials and services*
- *Large musical instruments*
- *Lawn furniture*
- *Movable spas and hot tubs*
- *Office furniture*
- *Other household electrical and gas appliances*
- *Outdoor furniture*
- *Refrigerators*
- *Stoves*
- *Televisions and home theater systems*

As part of their recommendation to Council, the Commission added the “Furniture, Furnishings, Appliance/Equipment Store” land use to Zoning Code Table 2-10, Allowed Land Uses and Permit Requirements for Industrial Districts, as allowed by-right in the Business Park (BP) and Light Industrial (IL) zoning districts, and not allowed in in the General Industrial (IG) zoning district. The reason for excluding the use from the IG district was due to the heavy industrial nature of the IG zone and the desire to ensure that parcels zoned IG remain available for the heavier industrial uses.

NOTIFICATION

The project was noticed as a public hearing per the requirements of Chapter 20-66 of the City Code. Pursuant to Zoning Code Section 20-66.020(D), Alternative to Mailing, if the number of property owners to whom notice would be mailed would exceed 1,000, the City may, as an alternative to mailing and on-site posting, provide notice by placing an advertisement of one-eighth page in at least one newspaper of general circulation 20 days prior to the hearing. Therefore, a one-eighth page advertisement was placed in the Press Democrat to meet Zoning Code and California Government Code Requirements.

In addition to the Press Democrat ad, notification of this public hearing was provided on bulletin board postings at City Hall and on the City website, through the City’s various

CONDITIONAL USE PERMIT STREAMLINING
PAGE 12 OF 12

social media sites, and was e-mailed to the Santa Rosa Metro Chamber, Downtown Action Organization, Railroad Square Association, Visit Santa Rosa, those who participated in the July and August 2025 business owner and broker meetings, as well as to business license holders in Santa Rosa. Pursuant to Government Code Section 65091, where necessary, the City has incorporated notice procedures to the blind, aged, and disabled communities. These procedures include audio amplifier/assistive listening device support at public meetings, closed captioning, and optical character recognition conversion of electronic notices.

ATTACHMENTS

- Attachment 1 – Draft Zoning Code Amendments (underline/strikeout format)
- Attachment 2 – Public Correspondence
- Attachment 3 – Planning Commission Resolution No. PC-RES-2026-007
- Ordinance
- Resolution – CUP Director Fee

PRESENTER(S)

Jessica Jones, Deputy Director – Planning