

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: AMY LYLE, SUPERVISING PLANNER  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
SUBJECT: GENERAL PLAN AMENDMENT (WINTER  
PACKAGE) HOUSING ELEMENT UPDATE (2023-2031) AND  
CEQA ADDENDUM TO 2035 GENERAL PLAN ENVIRONMENTAL  
IMPACT REPORT

AGENDA ACTION: TWO RESOLUTIONS

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RECOMMENDATION

It is recommended by the Planning Commission and the Planning and Economic Development Department that the Council hold a public hearing, provide comments, and by two separate resolutions: 1) adopt an Addendum to the 2035 General Plan Environmental Impact Report; and 2) adopt a General Plan Amendment as part of the Winter General Plan Amendment Package to update the Housing Element of the General Plan for the period of 2023-2031.

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EXECUTIVE SUMMARY

The purpose of this meeting is to provide an overview of revisions made to the Draft Housing Element in response to comments received from the State Housing and Community Development Department (HCD), hold a public hearing, and consider adoption of the Addendum prepared for the 2023-2031 Housing Element and adoption of a General Plan Amendment to update the Housing Element for 2023-2031. This 2023-2031 Housing Element will supersede the existing Housing Element, adopted in 2014, and includes a housing needs assessment, evaluation of the existing housing element, housing site inventory analysis, fair housing assessment, potential and actual government constraints analysis, analysis of the Growth Management Ordinance, housing implementation goals, policies, and programs to support housing production, housing affordability, and housing for special needs populations, among other topics. This presentation will include a discussion of edits made since the first draft Housing Element, comments received, community engagement, and next steps for review by HCD.

BACKGROUND

GENERAL PLAN AMENDMENT (WINTER PACKAGE) HOUSING ELEMENT UPDATE  
(2023-2031) AND CEQA ADDENDUM TO 2035 GENERAL PLAN ENVIRONMENTAL  
IMPACT REPORT  
PAGE 2 OF 11

On July 29, 2014, the City Council adopted the current City Housing Element, which covers the planning period of 2015-2023.

In October 2019 the Association of Bay Area Governments (ABAG) convened the Housing Methodology Committee to advise staff on the methodology to distribute to each local government a fair share of the region's total housing need that was assigned by State HCD. The Committee included local elected officials and staff, including the City of Santa Rosa.

In March 2020 the Planning and Economic Development Department commenced a comprehensive update of the General Plan including the Housing Element, referred to as Santa Rosa Forward.

On March 3, 2020, Council authorized a consultant contract (Placeworks) in the amount of \$2,500,000 (Professional Service Agreement F002144) to accomplish the General Plan Update including the Housing Element.

On October 13, 2020, Council amended the General Plan Update Professional Service Agreement to include an update to the Climate Action Plan and increase the total contract amount to \$2,599,909.

On May 20, 2021, the ABAG Executive Board approved the Final Regional Housing Needs Allocation (RHNA) Methodology and Draft Allocations. Approval of the Final RHNA Methodology followed the finding in April 2021 by the California Department of Housing and Community Development (HCD) that the Draft RHNA Methodology furthered the RHNA objectives. Santa Rosa received an allocation of 4,685 units.

On July 20, 2021, the Commission and Council met jointly and accepted the General Plan Update Vision Statement.

On November 16, 2021, the Commission and Council heard met jointly to hear a study session on the Housing Element process.

On April 18, 2022, and May 20, 2022, the County of Sonoma submitted written correspondence to the City requesting a RHNA transfer of 1,800 units.

On June 3, 2022, the Draft Housing Element was posted for a 30-day public review period.

On June 9, 2022, a Study Session was held with the Commission to review the draft 2023-2031 Housing Element.

GENERAL PLAN AMENDMENT (WINTER PACKAGE) HOUSING ELEMENT UPDATE  
(2023-2031) AND CEQA ADDENDUM TO 2035 GENERAL PLAN ENVIRONMENTAL  
IMPACT REPORT  
PAGE 3 OF 11

On June 21, 2022, a Council Study Session to review the draft 2023-2031 Housing Element. The Council discussed the County's request for RHNA transfer and did not direct staff to research the transfer as part of the Housing Element process.

On August 3, 2022, the Draft Housing Element was submitted to HCD for review. HCD had 90-days, until November 1st, to complete their review of the draft.

On October 13, 2022, staff and the consultant team met with HCD to discuss their preliminary comments prior to the end of their 90-day review. Based on the preliminary comments received, the draft Housing Element was revised, released for public review on October 20th, and submitted to HCD on October 28th.

At the conclusion of the 90-day HCD review period, on November 1, 2022, the city received a comment letter from HCD regarding items that needed to be corrected or further addressed. The HCD comment letter is included as Attachment 1. Following receipt of the HCD comment letter, staff and the consultant team revised the Housing Element to address all the comments in the letter.

On December 22, 2022, a revised draft Housing Element was released for public review. Minor revisions were made, and the draft was republished on January 6, 2023.

A link to the January 6, 2022, revised draft is provided, and hard copies are available upon request. Within the revised draft, **highlighted text** indicates changes that were made in response to the HCD comment letter; text that is noted using "track changes" (underlined for new text, ~~strikethrough~~ for deleted) but **not highlighted** signify changes made during the October revisions that were submitted prior to the HCD comment letter. A comment letter matrix is also provided showing where in the Housing Element each comment is addressed (Attachment 2).

On January 26, 2023 the Commission unanimously recommended adoption of the CEQA Addendum and the Housing Element to the Council (Attachment 3).

## ANALYSIS

This staff report provides a summary of the Housing Element requirements, an overview of the City of Santa Rosa's draft Housing Element. This 2023-2031 Housing Element will supersede the existing Housing Element, adopted in 2014, and includes a housing needs assessment, evaluation of the existing housing element, housing site inventory analysis, fair housing assessment, potential and actual government constraints analysis, analysis of the Growth Management Ordinance, housing implementation goals, policies, and programs to support housing production, housing affordability, and housing for special needs populations, among other topics.

## Public Outreach and Engagement

The city must demonstrate “meaningful, frequent, and ongoing community participation, consultation and coordination” as part of the 6<sup>th</sup> Cycle Housing Element Update Process. This is intended to ensure that input has been received from groups historically and presently most impacted by fair housing issues and that local knowledge is incorporated into Housing Elements. Accordingly, the City’s targeted community outreach efforts included (full list available within Section 2 of page 17 of the Housing Element PDF:

- General Plan Update Community Involvement Strategy (CIS), Summer 2020 – Ongoing
- Service Provider Interviews, November 2021 – June 2022
- City Council/Planning Commission Study Session, November 2021
- Community Workshop, March 2022
- Napa Sonoma Collaborative Equity Working Group Meetings, January – March 2022
- Online Community Survey, February - April 2022  
The survey had more than 450 respondents representative from all the city’s zip codes and ages; renters (42.4%) and homeowner households (35.7%), people who speak English (96.7%), Spanish (14.9%), and other 14 languages at home (8.1%), including sign language (1.27%); as well as different races and ethnicities: White (68.8%), Latinx/Hispanic (15.4%), Asian (1.7%), Black/African American (1.5%), Indigenous/Native American (2.7%) and others (%).

The City of Santa Rosa has taken some additional steps to go beyond the State law and provide more accessible opportunities for our community to be able to receive, read, understand the Housing Element and participate by providing their feedback:

- Specific Website for the General Plan Update and Housing Element: <https://www.santarosafoward.com/HE>, June 2022 - Ongoing
- Bilingual Social Media Campaigns, November 2021 - Ongoing
- Bilingual Pop-Ups in Equity Priority Communities, March 2022 - Ongoing
- Additional channels of communication to provide feedback, including Let’s Connect Platform, Text Messages, and WhatsApp, July 2022 - Ongoing
- Meetings with Housing non-profit organizations, to provide information and foster collaboration, December 2023
- Bilingual Housing Element Summary, January 2023

## Part I: Required Components of a Housing Element

The following section summarizes the required components of Housing Element Updates in accordance with State law, new requirements included since the 5th cycle Housing Element Update (2015-2023), and penalties for non-compliance with Housing Element Laws.

CA Government Code Title 7, Division 1, Chapter 3, Article 10.6 [65580 – 65589.11] regulates the use and requirements of housing elements in California. The state law requires that the city update its Housing Element every eight years. State law further requires the current update for jurisdictions in the Association of Bay Area Governments (ABAG) region to comply by January 31, 2023.

Pursuant to Government Code Section 65583, local governments are required to include the below items as components within their Housing Elements, and subsequent updates thereto. Newly required components introduced as part of the 6<sup>th</sup> Cycle (2023-2031) are underlined and in blue below and discussed in further detail within the “New Requirements for the 6<sup>th</sup> Cycle Housing Element Update” Section below.

1. **Housing Needs Assessment:** Examine demographic, employment and housing trends and conditions and identify existing and projected housing needs of the community, with attention paid to special housing needs (e.g., large families, persons with disabilities). This Section includes a community’s Regional Housing Needs Allocation (RHNA) as determined by a community’s regional planning body in partnership with HCD.
2. **Evaluation of Past Performance:** Review the prior Housing Element to measure progress in implementing policies and programs.
3. **Housing Sites Inventory:** Identify locations of available sites for housing development or redevelopment to demonstrate there is enough land zoned for housing to meet future need at all income levels. The standards for designating adequate sites were substantially changed from the sixth cycle, particularly for non-vacant sites.
4. **Community Engagement:** Implement a robust community engagement program that includes reaching out to individuals and families at all economic levels of the community plus historically underrepresented groups.
5. **Constraints Analysis:** Analyze and recommend remedies for existing and potential governmental and nongovernmental barriers to housing development.
6. **Policies and Programs:** Establish policies and programs to be carried out during the 2023-2031 planning period to fulfill the identified housing needs.
7. **Affirmatively Furthering Fair Housing:** Analyze and address significant disparities in housing needs and access to opportunity by proposing housing goals, objectives, and policies that aid in replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

The update of the Housing Element has been taken out of the comprehensive General Plan Update to facilitate a faster timeline. The rest of the General Plan Update will process through 2023 and all policies will be reviewed for consistency prior to adoption.

## **New Requirements for the 6<sup>th</sup> Cycle Housing Element Update**

Due to recent State legislation, the following items are also required as part of the Housing Element Update process:

1. **Affirmatively Furthering Fair Housing (AFFH).** Assembly Bill 686 (AB 686), passed in 2018, created new requirements for jurisdictions to affirmatively further fair housing. According to AB 686, affirmatively furthering fair housing means to take “meaningful actions, in addition to combating discrimination, which overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics” and is Federally mandated by the 1968 Fair Housing Act. The four main goals are to:
  - a. Address significant disparities in housing needs and in access to opportunity, and
  - b. Replace segregated living patterns with truly integrated and balanced living patterns, and
  - c. Transform racially and ethnically concentrated areas of poverty into areas of opportunity, and
  - d. Foster and maintain compliance with civil rights and fair housing laws.
  
2. **Public Comment on Draft Revisions.** Assembly Bill (AB)215 (2021), requires local governments to make the first draft revision of their housing element update available for public comment for at least 30 days. Further, if any comments are received, a local government must take at least ten additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD must review the draft and report its written findings to the planning agency within 90 days of receiving the first draft submittal for each housing element revision or within 60 days of its receipt for a subsequent draft amendment or adoption.

## **Regional Housing Needs Allocation (RHNA)**

In January of 2022, HCD approved ABAG’s adopted *Final RHNA Plan for the San Francisco Bay Area: 2023-2031* which establishes a total RHNA for the San Francisco Bay Area of 441,176 residential units for the 6<sup>th</sup> cycle housing element update 2023-2031 planning period. ABAG’s *Plan* further distributes this RHNA across the bay area’s nine counties, and 101 cities based on demographic and population data received from the California Department of Finance (DOF). Local jurisdictions must then utilize their ascribed RHNA to update the housing elements of their general plans for the 6<sup>th</sup> cycle planning period, inclusive of identifying eligible land resources to accommodate this RHNA. See the Sites Inventory Section below.

RHNA requirements are organized into four affordability categories, established according to the Area Median Income (AMI) of a geography. These categories include very low-income residential units, which are affordable to households earning less than 50% of AMI; low-income residential units, which are affordable to households earning between 50% and 80% of AMI; moderate income residential units, which are affordable to households earning between 80% and 120%; and above moderate-income residential units which are affordable to households earning upwards of 120% of AMI. The City of Santa Rosa’s RHNA is included below in Figure 1.

**Figure 1: City of Santa Rosa Regional Housing Needs Allocation (RHNA)**

Income Category	2023 – 2031 RHNA	Percentage of RHNA
Very Low	1,218	26%
Low	701	15%
Moderate	771	16%
Above Moderate	1,995	43%
Total	4,685	100%

Source: ABAG, 2021

## Part II: Housing Element Contents

The Housing Element Update includes a set of goals, policies, and implementing programs intended to promote the preservation, rehabilitation, and production of housing throughout the city. Goals are long-range, broad, and comprehensive targets that describe future outcomes the city desires. A policy is a specific instructional guideline that seeks to promote goals. Together, goals and policies are implemented through a series of programs that identify specific, quantifiable actions the City will undertake during the 6<sup>th</sup> cycle planning period.

### Proposed Goals of the Housing Element

**H-1:** *Encourage the development of housing to meet the needs of all Santa Rosa residents.*

**H-2** *Conserve and improve the existing affordable housing stock.*

**H-3:** *Increase special needs housing opportunities and supportive services for lower income households, families with children, seniors, persons with physical and developmental disabilities, farmworkers, female headed households, and people who are experiencing homelessness.*

**H-4:** *Ensure equal housing opportunities for all residents, regardless of their special characteristics as protected under state and federal fair housing laws.*

*H-5 Reduce or remove government constraints on the maintenance, improvement and development of housing where feasible.*

*H-6: Develop energy-efficient residential units and rehabilitate existing units to reduce energy consumption.*

The policies and programs are at the end of the draft Housing Element and can be found in Section 8 (page 299 of the PDF) of the draft Housing Element.

### **RHNA Buffer**

New “no net loss” provisions of Government Code Section 65863 require the City to ensure an adequate supply of land resources to be made available for housing development throughout the duration of the 2023-2031 planning period. This means if housing sites identified within the City’s 6th cycle housing element update are developed with non-residential uses, lower residential densities, or residential uses at affordability levels higher than anticipated by the Housing Element, the City’s Housing Element could be determined to be out of compliance. Accordingly, the City’s RHNA requirement, which is met by the Housing Element inventory, is further buffered by identifying locations for an additional 2,577 units to ensure compliance with “no net loss” provisions.

### **Review Process**

#### **HCD Findings Letter – Outstanding Comments**

Pursuant to Government Code section 65585, subdivision (b), HCD reviewed the draft Housing Element and reported the results of its review (Attachment 1).

Informal comments were received on October 13, 2022. In response to these informal comments, the city made several revisions that were released for public review on October 20, 2022, prior to submittal to HCD on October 28, 2022.

If Council adopts the Housing Element it will be resubmitted to HCD for a 60-day review period for potential certification.

### **Planning Commission Recommendation**

On January 26, 2023, the Planning Commission held a public hearing and reviewed the draft Housing Element and associated Addendum to the General Plan 2035 Environmental Impact Report (EIR). One member of the public spoke, a representative from Generation Housing, who provided comments thanking City staff for listening to the organization’s requests, expressing agreement with the draft Housing Element document in general, and asking to include two additional policies: 1) extending the

City's accessory dwelling unit (ADU) fee structure to multi-family units of the same size, and 2) adopting the County of Sonoma's residential unit equivalency definition. Following the public hearing, the Commission voted unanimously to recommend that the City Council approve the CEQA Addendum and adopt the Housing Element, including the following suggested revisions to the draft document in red:

- Address comments provided in the Fair Housing Advocates of Northern California letter, dated January 23, 2023 by making the following change to Program H-36 in the draft Housing Element (additional language shown in underline red text):

***Program H-36: Section 8 Housing Choice Voucher Program.***

*Administer the federal Housing Choice Voucher (HCV) rental assistance program. Work with the Santa Rosa Housing Authority to actively emphasize and promote acceptance of vouchers to property owners in high-resource neighborhoods, such as neighborhoods in north and northeast Santa Rosa that qualify as racially concentrated areas of affluence (RCAs) and are considered exclusive, as described in the Assessment of Fair Housing. Continue to maintain multilingual information about this program on the City's website and at public meetings and events. Develop an educational program for homeowners and property owners to increase awareness of the HCV program assistance that includes proactive measures to engage the public, such as a booth at citywide public events, holding an educational program for property owners in partnership with the Santa Rosa Housing Authority on an annual basis that includes education related to source of income (SOI) discrimination, and identifying community-based partners, such as local realtor groups and/or property owners with tenants supported by HCV assistance currently, to promote HCV assistance to homeowners and property owners.*

*Time Frame: Develop education program for property owners and homeowners by December 2024 and implement annually; work with Santa Rosa Housing Authority on an ongoing basis.*

*Entity: Department of Housing and Community Services*

*Funding: City General Fund*

*Quantified Objective: Conserve the 1,903 Housing Choice Vouchers in use in Santa Rosa. Add 200 very low- income households access rental opportunities with HCV assistance, including 75 households in areas designated as high resource/RCAs in North and Northeastern Santa Rosa.*

- Provide an explanation of “House Santa Rosa” on page 7-24, in Table 7-2, by adding the following language in the draft Housing Element to H-D-15 under the Implementation Status (additional language shown in underline red text):

*The City continues to encourage on a project-by project basis the development of senior housing not receiving city funding or concessions to provide a substantial number of units affordable to low income seniors. In 2020 the Linda Tunis Senior Apartments (DB20-001) received a density bonus of three units which were restricted for very low-income households.*

*Through the design guidelines which encourage innovative housing programs, the City hopes to stimulate development of senior housing to address the housing needs of the senior population in Santa Rosa.*

*Additionally, with use of LEAP (Local Early Action Plan) funding (\$500,000), the City is launching House Santa Rosa, a project that will facilitate the production of housing throughout the City of Santa Rosa by including the development of an online map that provides information to users about the feasibility of development at a parcel, the permitting status and specific details of projects proposed at specific parcels, a real-time dashboard to provide metrics related to housing production and permitting software implementation improvements, which will provide for more transparency on available incentives and programs that are offered by the City.*

- Add the safe parking program on City property to the homeless services chart.
- Revise the document to reference the 2022 Sonoma County point-in-time count, rather than the 2020 point-in-time count.
- Reference the Caritas Village project on the homeless services chart.
- Make the following edits:
  - Table 5-1 on page 5-2, correct the total number of units to read 4685, not 1359.
  - Pages 7-34 through 7-64 appear to be exact duplicates of 7-3 to -33.
  - Figure 1-1 is not referenced in the text – include a legend indicating what the shaded areas are.
  - On page 3-14, on the fourth line of text, “county” should be changed to “count”.
  - On page 2-7, the list of Equity Priority Populations includes duplicates.

GENERAL PLAN AMENDMENT (WINTER PACKAGE) HOUSING ELEMENT UPDATE  
(2023-2031) AND CEQA ADDENDUM TO 2035 GENERAL PLAN ENVIRONMENTAL  
IMPACT REPORT  
PAGE 11 OF 11

- On page 3-34, ensure that the correct number of affordable units are reflected (i.e.: it appears that only the Papago Court numbers are included, and not also the Apple Valley Lane units).
- On page 4-71, in the first sentence, it should read “eastern” rather than “western”.

### FISCAL IMPACT

There is no fiscal impact related to this item as the funding has already been allocated to the General Plan Update (Santa Rosa Forward). The Housing Element update is a component of the authorized work plan.

### ENVIRONMENTAL IMPACT

The draft Housing Element has been reviewed in compliance with the California Environmental Quality Act (CEQA). The Addendum to the General Plan EIR for the 2023-2031 Housing Element Update concludes that adoption of the General Plan Amendment/Housing Element would not result in new or more severe significant environmental impacts compared to the impacts previously disclosed and evaluated in the 2035 General Plan EIR. Consequently, no additional environmental review is required. In accordance with CEQA Guidelines Section 15164(c), an addendum need not be circulated for public review, but can be included in or attached to the Final. Per CEQA Guidelines Section 15164(d), the decision-making body shall consider an addendum with the adopted Final EIR prior to making a decision on the project.

### ATTACHMENTS

Attachment 1 – HCD Letter received on November 1, 2022  
Attachment 2 – HCD Comment Letter Matrix  
Attachment 3 – Planning Commission Resolution  
Attachment 4 – 2023-2031 Housing Element  
Attachment 5 – Planning Commission Correspondence  
Attachment 6 – Public Correspondence

Resolution 1- Addendum Adoption  
Exhibit A- 2023 Addendum to the General Plan EIR for the Housing Element

Resolution 2- Housing Element Adoption  
Exhibit A- Draft 2023-2031 Housing Element

### PRESENTER

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