RESOLUTION NO. RES-2022-246

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA RESCINDING RESOLUTION NO. RES-2019-066, AND SETTING FORTH A REVISED SCHEDULE OF CAPITAL FACILITIES FEES CHARGED PURSUANT TO CHAPTER 21-04 OF THE SANTA ROSA CITY CODE AND AMENDING THE ELIGIBILITY CRITERIA FOR THE HIGH-DENSITY MULTI-FAMILY RESIDENTIAL INCENTIVE PROGRAM TO INCREASE HIGH DENSITY DEVELOPMENT AND AFFORDABLE HOUSING DOWNTOWN

WHEREAS, Chapter 21-04 of the Santa Rosa City Code (City Code) includes formulas for establishing Capital Facilities impact fees (CFF) to pay for certain public infrastructure facilities required to serve new development within the City of Santa Rosa; and

WHEREAS, Chapter 21-04.050(D) of the City Code identifies the application and calculation of CFF and enables the City council to establish and adjust the amount of the CFF by resolution; and

WHEREAS, on May 22, 2018 the City Council passed Resolution RES-2018-082, adopting the Impact Fee Program Update report dated February 2018, and establishing CFF; and

WHEREAS, on September 25, 2018, the City Council passed Resolution No. RES-2018-167, establishing the High-Density Multi-Family Residential Incentive Program (Incentive Program) to increase high density development and affordable housing downtown by setting forth the schedule of Capital Facilities Fees charged pursuant to Chapter 21-04 of the Santa Rosa City Code and Amending Resolution No. RES-2018-082; and

WHEREAS, on June 18, 2019, the City Council passed Resolution No. RES-2019-066, rescinding Resolution No. RES-2018-167, and setting forth a revised schedule of Capital Facilities Fees charged pursuant to Chapter 21-04 of the Santa Rosa City Code and establishing a revised Incentive Program to increase high density development and affordable housing downtown; and

WHEREAS, there is a need for additional housing units and the City embarked on a major effort to address the current housing crisis that has existed since before the October 2017 fires; and

WHEREAS, the City Council has an interest in incentivizing the location and development of high density residential units within the downtown area and close to transit pursuant to the Incentive Program; and

WHEREAS, the City Council has an interest in incentivizing development of affordable housing projects that include construction of on-site affordable units; and

WHEREAS, an independent assessment of the need for an Incentive Program provided by real estate consultant, Keyser Marston Associates, Inc., illustrates the unique challenges facing high-density projects within the boundaries of the Downtown Station Area Specific Plan

and General Plan Downtown Core Boundary (Downtown) and affirms the need for incentives to enable projects to move forward in the near term; and

WHEREAS, the City Council determines that this Incentive Program is not a "project" under CEQA and is therefore exempt from review pursuant to CEQA Guidelines section 15378(b)(4), and further determines the fee modification is exempt from CEQA pursuant to Public Resources Code section 21080(b)(8) and CEQA Guidelines section 15273(a)(4) in that the fee modification is for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas, and further determines the fee is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) in that the activity in question will not have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa hereby rescinds Resolution No. RES-2019-066, and sets forth a revised Schedule of Capital Facilities Fees pursuant to Chapter 21-04 of the Santa Rosa City Code and amends the eligibility criteria for the Incentive Program as follows:

Residential projects located within the boundaries of Downtown as depicted on Exhibit A attached hereto shall be eligible for the Incentive Program if such projects meet the following criteria:

1. The project must include primarily residential uses:

    a) For projects located Downtown on parcel(s) zoned CMU with a maximum base FAR requirement of 8.0, as identified in Map LU-5 of the Downtown Station Area Specific Plan: the project must be four or more stories in height, with at least three floors dedicated to residential use.
    b) For all other projects located Downtown: the project must be three or more stories in height, with at least two floors dedicated to residential use.
    c) For affordable/inclusionary housing projects located Downtown: the project must construct affordable units on-site pursuant to the City's Housing Allocation Plan.

2. The residential project must break ground before August 31, 2026. "Breaking ground" is defined as securing a foundation permit; and

3. For purposes of the Incentive Program, floors are considered "residential" if at least twenty-five (25%) of gross floor area is dedicated to habitable space; and

4. For residential projects located Downtown on parcel(s) zoned CMU with a maximum base FAR requirement of 8.0, as identified in Map LU-5 of the Downtown Station Area Specific Plan: CFF for projects proposing four or more stories, with at least three stories dedicated to residential use, shall be calculated based upon the first three residential floors only, and any additional floors dedicated to residential use shall be exempt from additional CFF.

5. For all other residential projects located Downtown: CFF for projects proposing three or more stories, with at least two stories dedicated to residential use, shall be calculated based upon the first two residential floors only, and any additional floors dedicated to residential use shall be exempt from additional CFF.

6. For Downtown affordable/inclusionary housing projects that construct the affordable units on-site pursuant to the City's Housing Allocation Plan: CFF for non-exempt units shall be reduced to $2 per square foot. The reduced CFF Fees for non-exempt units shall be applied based upon the project's classification under subsection (a) or (b) above.

IN COUNCIL DULY PASSED this 13th day of December, 2022.

AYES: (7) Mayor C. Rogers, Vice Mayor Alvarez, Council Members Fleming, MacDonald, N. Rogers, Sawyer, Schwedhelm

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: Stephanie A. Williams
City Clerk

APPROVED: Chris Rogers (Dec 21, 2022 10:04 PST)
Mayor

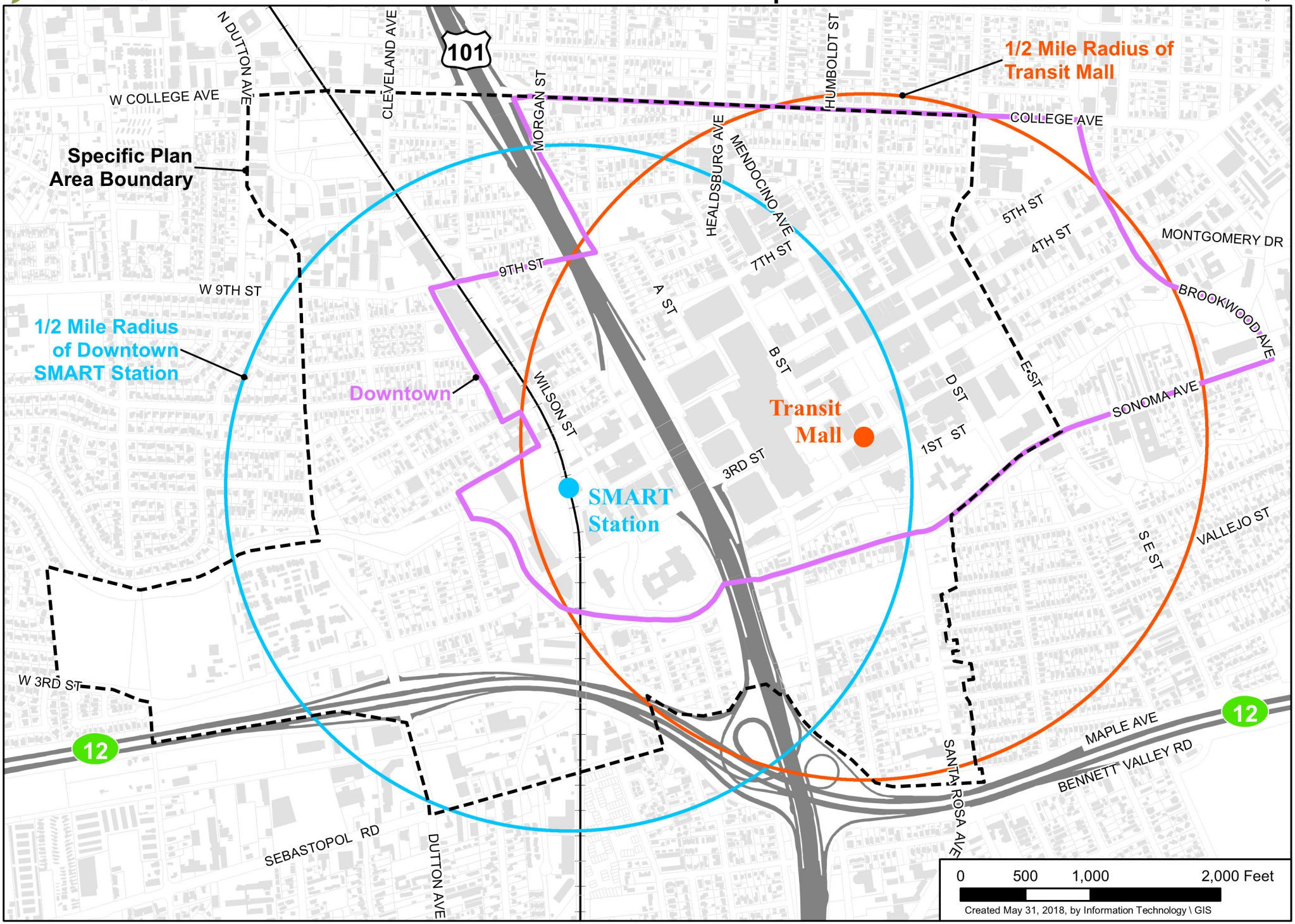
APPROVED AS TO FORM: Sue Gallagher
Sue Gallagher (Dec 21, 2022 08:39 PST)
City Attorney

Exhibit A – Map of Downtown Boundary

City of Santa Rosa
Information Technology - GIS

Downtown Station Area Specific Plan

EXHIBIT A



CC - RES-2022-246 (12-13-2022)

Final Audit Report 2022-12-21

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