CITY OF
SANTA ROSA

OFFICE OF THE CITY MANAGER
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March 28, 2007

HOUSING POLICY
DEVELOPMENT, HCD

APR 2 2007

State Department of Housing
and Community Development
Division of Housing Policy Development
1800 Third Street, Room 430
Sacramento, California 95814

Attached please find a copy of the City of Santa Rosa's annual review of its General Plan for 2006, in accordance with Government Code Section 65400. This report was reviewed and received by the Santa Rosa City Council on March 27, 2007. If there are questions regarding this submittal, please call me at 707-543-3259.

Sincerely,

Lisa Kranz

LISA KRANZ
City Planner

(e:\plan\lk\gp\annualreview\hcd.ltr)

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RESOLUTION NO. 26801

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA RECEIVING A REPORT REGARDING THE ANNUAL REVIEW OF THE CITY'S GENERAL PLAN AND THE GROWTH MANAGEMENT AND HOUSING ALLOCATION PLAN ORDINANCES

WHEREAS, on March 27, 2007, the Council and Planning Commission held a joint session to review and discuss the Annual Review of the City's General Plan and the Growth Management and Housing Allocation Plan Ordinances in accordance with General Plan Policy, State law and the Ordinances; and

WHEREAS, the Council reviewed the report, including information regarding the City's progress in meeting its housing needs.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa receives the "Annual Review, Santa Rosa 2020 General Plan, Growth Management Ordinance, Housing Allocation Plan Ordinance."

IN COUNCIL DULY PASSED this 27th day of March, 2007.

AYES: (6) Mayor Blanchard; Councilmembers Pierce, Bender, Jacobi, Martini, Sawyer

NOES: (0)

ABSENT: (1) Councilmember Gorin

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

_____
City Attorney

ANNUAL REVIEW 2006

Santa Rosa 2020: General Plan
Growth Management Ordinance
Housing Allocation Plan Ordinance

City Council / Planning Commission Joint Session

March 27, 2007

Office of Advance Planning and Public Policy

CITY OF
SANTA ROSA

INTRODUCTION

The General Plan addresses issues related to the physical development and growth of Santa Rosa, and it represents the community's aspirations for the future. The General Plan is required by State law, and it has a long range focus, looking 20 years into the future. It guides the City's planning and zoning functions as well as the funding of public improvement projects, such as parks and streets.

The Santa Rosa General Plan was adopted by the City Council in June 2002. The State General Plan Guidelines were consulted in the development of the General Plan, and the document complies with those Guidelines to a high degree.

Each year, the Planning Commission and City Council review the General Plan, consistent with General Plan policy and State Planning and Zoning Law. State law directs that an annual report be provided to the City Council on the status of the plan and progress in its implementation, including meeting its share of regional housing needs. This report is developed to assist citizens and the Planning Commission and City Council in understanding recent decisions involving the General Plan.

The annual review covers General Plan actions in 2006 and addresses General Plan implementation. The yearly review of the Growth Management and Housing Allocation Plan Ordinances is also included, following the General Plan information.

GENERAL PLAN ACTIONS IN 2006

According to City Policy, the General Plan can be amended three times per year. Amendments to the Land Use Diagram and the text can be considered. Any change to the General Plan requires a hearing before both the Planning Commission and the City Council. The following General Plan Amendment requests were considered during the 2006 Amendment cycles:

- ***455 Yolanda Avenue:*** Approximately 1.16 acres of Medium High Density Residential and 2.86 acres of Light Industry were redesignated to General Industry to recognize and allow expansion of Redwood Coast Petroleum.

- ***310 Bellevue Avenue:*** Approximately 9.5 acres were redesignated from General Industry to Medium Density Residential (9.15 acres) and Retail and Business Services (0.57 acres).

- ***3150 Dutton Avenue:*** Approximately 5.95 acres were redesignated from General Industry to Medium Density Residential.

- ***713 West Third Street:*** This 12.14 acre County parcel, formerly a portion of Imwalle Gardens, was redesignated from Low Density to Medium Low Density Residential.

- ξ ***1801 Ridley Avenue:*** One parcel containing 2.61 acres was redesignated from Very Low Density Residential to Medium Low Density Residential.

- ξ ***950 South Wright Road:*** One parcel containing a school and totaling 9.49 acres was redesignated from Public/Institutional to Medium Density.

- ξ ***4711 Sonoma Highway:*** One parcel of 1.32 acres was redesignated from Low Density to Medium High Density Residential.

- ξ ***1275 – 1445 Santa Rosa Avenue:*** Fourteen parcels totaling 6.5 acres were redesignated from Medium Density Residential to Retail and Business Services to recognize existing commercial uses.

- ξ ***2045 West Steele Lane:*** Two parcels totaling 2.36 acres were redesignated from Light Industry to Medium High Density Residential.

- ξ ***Revision of Housing Element Fee Deferral Policy:*** This policy was revised to clarify that only affordable units are eligible for development fee deferrals, not all units in a project where a portion of units are affordable.

- ξ ***Revision of Downtown Building Height Policy:*** The policy was revised to allow two projects, the Mixed Use Parking Garage and the Rises, to exceed the 10 story downtown height maximum by 2 stories.

Overall, the amendments approved in 2006 favor new residential development over non-residential development. About 375 additional units would be allowed over previous designations. A corresponding decrease results in potential non-residential uses in the amount of approximately 220,000 square feet.

The amendments changing approximately 18 acres of Industrial to Residential reflect a shift in policy in terms of locating new neighborhoods. Two larger industrial parcels were redesignated for multifamily development. This development will occur in established industrial areas which can generate noise and odors. While it will offer residents the potential to live near a work environment, it is unknown whether many will do so.

The other significant change is to allow two buildings in excess of the downtown height policy. Staff finds that case by case exceptions are preferable to an overall increase in the height limit, given the findings of the absorption study and follow-on analysis that an increase in height was not necessary to accommodate demand for new uses over the next 10 years.

GENERAL PLAN IMPLEMENTATION

The General Plan contains hundreds of policies which guide the daily decision making of City staff, the City Council and City Boards and Commissions. The following addresses the progress in implementing the General Plan.

Growth and Development

Residential

There were 888 residential building permits issued by the City of Santa Rosa in 2006. Of the permits issued, 409 were for single family detached dwellings, 52 were for single family attached units, 298 were for multifamily dwellings, 41 were in mixed use projects (34 single family attached and 7 multifamily units), 66 were for second dwelling units, 15 were live/work units and 7 were for mobile homes. Of the 888 total units, 215 were constructed in northeast, 177 in southeast, 66 in southwest and 430 in northwest Santa Rosa.

The majority of new multifamily units are located in three affordable housing developments in northwest Santa Rosa. These include 98 units at Terracina on West College Avenue, 54 units at 1080 Jennings Avenue and 48 units at The Crossing, also on Jennings. Eighty multifamily units are under construction at the Varenna senior living project in Fountaingrove.

Overall residential permitting was down 29 percent from 2005 when 1,250 permits were issued for residential dwellings. Permitting decreased 49 percent in the southeast, 45 percent in the southwest, 21 percent in the northwest and 10 percent in the northeast over the prior year.

Permitting for second dwelling units decreased by 35 percent from 2005, though was still strong last year. Sixty six second units were permitted, 52 along with construction of a single family unit and 14 on lots where a single family unit already existed.

As of December 2006, there were 4,273 residential units approved and ready for development. There were another 2,677 residential units proposed and proceeding through the development review process.

Santa Rosa had 157,145 residents on January 1, 2006, according to the State Department of Finance. This represents an increase of 0.74 percent over the 2005 population. (Note: the estimate for January 1, 2007 is not available until May 2007).

Non Residential

Santa Rosa issued building permits for just over 200,000 square feet of new non residential construction in 2006. The chart below details this square footage by type and projects the number of jobs which would be generated by this development, using General Plan assumptions.

Permit Type	Square Footage	Projected Jobs
Retail	70,865	240
Office	26,256	100
Light Industrial	30,798	75
Public/Institutional	92,662	300
TOTALS	**220,581**	**715**

Included in this total are a new shopping center on Stony Point Road north of Sebastopol Road, a new retail and office development (with adjacent residential) at Stagecoach and Fountaingrove Parkway, and a new surgery center at Kaiser Hospital.

Non residential square footage permitted last year decreased 46 percent from 2005, when 406,271 square feet was issued building permits.

Significant non residential square footage has been approved (897,629 square feet) with an additional 283,000 square feet in the review process as of December 2006. The type of square footage and the estimated number of jobs it will generate are outlined in the following table.

Non Residential	Pending	Jobs	Approved	Jobs
Retail	158,452	525	290,627	970
Office	124,492	500	383,832	1,530
Light Industrial	0	0	5,600	15
Public/Institutional	0	0	217,570	725
TOTAL	**282,944**	**1,025**	**897,629**	**3,240**

Jobs / Housing Review

The jobs housing ratio refers to the relationship between the number of jobs and the number of employed residents in the city. The ratio is found by dividing the number of jobs by the number of employed residents. The basic idea is that a jobs/employed residents' ratio of 1.0 indicates a balance. A ratio greater than 1.0 indicates a net in-commute due to the fact there are more jobs than employed residents. A ratio of less than 1.0 indicates a net out commute of workers, since there are not enough jobs in the community for all its workers. The Association of Bay Area Governments projects Santa Rosa's jobs/employed residents' ratio to be about 1.09 in 2005.

As outlined in the sections above, 888 new units and 220,581 commercial square feet with the potential to generate about 715 jobs were issued building permits in 2006. The annual jobs/housing ratio can be determined using the following factors.

New units (households)	888
Employed residents/household (ABAG)	1.28
New employed residents	1,140
Jobs/employed residents (715/1,140)	0.63

To see how this will affect the existing 1.09 jobs/employed residents' ratio, the following factors are used.

Total units (69,938 in UGB + 888 new)	70,826
Employed residents/household (ABAG)	1.28
Total employed residents	90,660
Total jobs (93,510 + 715 new)	94,225
Jobs/employed residents	1.04

This year's permitting slightly decreased the existing jobs/employed residents' ratio, suggesting greater balance in total jobs to employed residents. (Notes: No conversion made to households from units; units from Santa Rosa Existing Land Use Survey; employed residents and total jobs from ABAG for 2005).

Annexations

In 2006, 2.71 acres of land were added to the City of Santa Rosa through 2 annexations. Both of these annexations included an existing single family dwelling. With last year's annexations, the City now includes 41.51 square miles.

Housing Needs Information

The 888 units permitted in 2006 meet the following income categories: Very Low - 170; Low - 119; Moderate - 17; Above Moderate - 582. Very Low and Low income units are generally those under contract with the City and second dwelling units. The following table compares the ABAG Regional Housing Needs Determination (RHND) numbers for Santa Rosa with building permit issuance by income category to illustrate the remaining need.

Building Permit Issuance by Income Category 1999 - 2006					
Income Category	Very Low	Low	Moderate	Above Moderate	TOTAL
ABAG RHND - 1999 - 2009	1,539	970	2,120	3,025	7,654
Building Permits Issued 1999 - 2006	591	1,338	2,154	4,241	8,324
Remaining Need	948	0	0	0	948

General Plan Quantified Objectives

1. ***Help fund the development of 264 very low and 125 low income units annually.***

In 2006, 170 permits were issued for very low income units and 119 permits were issued for low income units. Of these units, 200 were subsidized by the City; for the remaining units, some were required through the Housing Allocation Plan, and for others, market rents were estimated to be affordable to low income households. The City did not achieve the specific quantified objective, but continued assistance to a significant number of units affordable to very low income households.

The table below illustrates funding for affordable projects which was committed in 2006. It is important to note that some of the projects in the table have received funding in prior years and have been listed in prior reports on affordability to the Planning Commission and City Council. The City committed more than $7 million in 2006 to 6 projects which will contain 285 units.

		Very Low	Low	Total Units		In Lieu	Other Funds	Total 2006 Subsidy	Prior Subsidy
Rowan Court		45	16	62		$664,608	$2,855,392	$3,520,000	
Aston Avenue		2	8	10			$130,174	$130,174	$427,897
The Crossings		48		49		$1,400,000		$1,400,000	$2,749,950
Colgan Meadows		66	17	84		$524,256	$224,755	$749,011	$4,145,400
Creekside Village		24		25			$150,000	$150,000	$40,000
Jennings Senior		54		55		$1,528,355		$1,528,355	$3,456,875
TOTAL		**239**	**41**	**285**		**$4,117,219**	**$3,360,321**	**$7,477,540**	**$10,820,122**

2. ***Assist in the rehabilitation of 50 units annually (25 very low and 25 low income housing units).***

In 2006, 919 units were rehabilitated through the City's Housing Rehabilitation Conservation Program, the Neighborhood Revitalization Program and Section 8 rental assistance programs.

Fifteen single family dwelling units were rehabilitated through the Housing Rehabilitation Conservation Program at a cost of $181,617. Six of the total units were modified for disabled occupants. Twelve of the units rehabilitated are owner occupied, and three are renter occupied. Funding came from Redevelopment Low/Mod funds, which assisted 15 low income households.

Four hundred seventy units were rehabilitated through the Neighborhood Revitalization Program as a result of building code enforcement measures which were cited and cleared in 2006. This includes 162 units in the Sunset neighborhood, 142 in the Aston

neighborhood and 166 in the South Park neighborhood.

Four hundred thirty four units were rehabilitated and brought into Housing Quality Standard Code Compliance through the Section 8 rental assistance program. These improvements generally include upgraded electrical and plumbing, flooring, paint, new appliances and fixtures and removal of hazards and blight.

3. ***Promote development of 30 second units annually. These units are expected to be affordable to low income households.***

Significant second unit construction continued in 2006, with permits issued for 66 new second dwelling units, well exceeding the objective. The majority of these second units (52) are being developed concurrently with single family units in the Gordon Ranch, Montage, Northview Subdivision, and College Village projects. There were 14 second units permitted with existing single family homes.

4. ***Preserve the existing 473 beds and 12 cribs located in emergency shelters and the 188 beds of transitional housing for homeless persons. Support development of 200 additional beds for homeless persons.***

No new emergency or transitional beds for homeless persons were lost during 2006, and no additional beds were funded. However, the City Council did approve a temporary occupancy increase of 15 percent (for a maximum of 6 beds) for both the Brookwood and Samuel Jones shelters, from October to April. Both shelters have 40 permanent beds.

5. ***Preserve the existing inventory of federally and locally funded affordable units including the 432 very low and 107 low income units which may be subject to termination of federal mortgage or rent subsidies between 2001 and 2006.***

During 2006, 44 units lost affordability. Two rental projects which had benefited from bond financing had contracts which expired, affecting 37 low income units, and 2 units developed through the Density Increase Program converted to market rate. Five units bought out of affordability restrictions in four ownership projects: Bellevue Ranch, DeTurk, Parkside and Rancho Miguel.

6. ***Preserve the 2,500 existing mobile homes, which are largely occupied by lower income seniors.***

No mobile home units were lost in the community last year, though one unit which had benefited from the rent deferral program is no longer part of that program.

Housing Policy Implementation

Housing Element policies are unique among General Plan policies in that implementation dates and responsible entities are included. All but one policy with a completion target have been fully implemented. The remaining program is outlined in policy H-A-3, which calls for improving community acceptance of higher density housing through community-based outreach, recognition of existing livable neighborhoods, and assurance of well-designed high density projects. A number of activities have been undertaken which address this policy, including a community workshop regarding transit oriented developments, which include higher density housing; a field trip to transit oriented developments in the East Bay with elected and appointed officials and neighborhood representatives; and the community process for development of the Downtown Station Area Specific Plan.

Housing Element policies which have been implemented in recent years include those resulting in a single room occupancy ordinance, a rezoning exemption for projects including affordable units, reasonable accommodation provisions, establishment of a Housing Trust and development of a new homeless facility at Samuel Jones Hall.

Land Use/Design/Livability

General Plan policy promotes mixed use development in downtown, Community Shopping Centers, and along Sebastopol Road and Santa Rosa Avenue. An increasing number of projects are proposing a mix of residential and non residential uses.

Seven mixed use projects are approved and are ready for development. These projects include a total of 1,328 units (68 multifamily units and 1,260 single family attached units), 261,000 square feet of retail and 14,000 square feet of office. Another five mixed use projects are proposed and are proceeding through the planning process. These projects propose: 66 total units (18 multifamily units and 48 single family attached units), 13,300 square feet of retail and 5,500 square feet of office. Three of the projects are located downtown, where the General Plan promotes mixed use development.

The General Plan directs a program for the comprehensive upgrade of Sebastopol Road from Stony Point to Dutton Avenue. The purpose is to transform the street into a pedestrian friendly mixed use environment. During 2005, the City participated with the Sonoma County Community Development Commission to develop a Sebastopol Road Urban Vision Plan. This plan captures area residents' vision for the corridor from Stony Point Road to Dutton Avenue and provides a land use and urban design concept. The City Council initiated a General Plan Amendment in 2006 to proceed with adoption of the Plan, and staff has been working with the County to bring forward a coordinated amendment. The City built on this Urban Vision Plan effort, and developed the Sebastopol Road Corridor Plan following community meetings in 2006. This plan expands the focus area to include the roadway segment from Dutton Avenue east to Highway 101. The end product is an urban design concept and a corridor plan for the area from Stony Point to Highway 101, which is expected to be adopted in Spring 2007.

Downtown

The General Plan directs downtown to be the major office, financial, civic and cultural center in the North Bay. It also directs development of housing units to increase downtown's vibrancy. There are a number of planning activities and projects which are striving to meet these goals.

The City entered into a Disposition and Development Agreement with Monahan Pacific Corporation to develop a mixed use parking garage on the site of the former White House Department Store at Third and E Streets in 2005. In late 2006, a General Plan Amendment was approved to allow the mixed use parking garage, and an adjacent project, the Rises, to exceed the General Plan's 10 story height limit by 2 stories. The mixed use parking garage development project was also approved with 183 condominium units, 16,000 square feet of retail, 545 public parking spaces and 205 private parking spaces. The Rises project has been approved and includes 96 condominium units and 15,000 square feet of retail.

In its discussions regarding these projects, the City Council initiated a General Plan Amendment to review the policy limiting buildings to 10 stories downtown. As part of the analysis, an absorption study was completed for the downtown area to determine the demand for retail, office and residential uses downtown over the next 10 years. Staff analyzed where that demand might be accommodated, and determined that an increase in building height was not necessary to do so. In addition, a visual computer model of downtown was developed to provide a realistic picture of downtown today. When the Council considered the amendment to the General Plan policy, it initiated an amendment to change 10 stories to 150 feet. Subsequent to this initiation, the Subcommittee which developed the mid-rise policy to implement the 10 story height policy communicated with the Council that it found the mid-rise policy should be given more time to be implemented, and the City Council concurred.

The Comstock Mixed Use Project requested an additional four stories above the 10 story policy for its site off Third Street. This amendment and the project, including 116 condominiums and 8,400 square feet of retail, were approved in early 2007.

The City also worked with the developers of the SMART site in Railroad Square over the last year in creating its vision for a future development. No project has yet been submitted, and staff will continue to work with the developer.

Two live/work projects were completed this past year: Museum Place, with 5 units and Mendocino Place, with 7 units. Two additional projects are under construction and nearing completion: the Burbank, with 26 condominium units and 640 square feet of office on Seventh Street and the Moore Center, which includes 80 multifamily units on Healdsburg Avenue and non residential on the ground floor.

The Northern Downtown Pedestrian Linkages program commenced in 2005 and focused on the Sixth and Seventh Street corridor between Pierson and E Streets. The Final Plan was completed in late 2006. Significant time was spent trying to resolve how bicycles would be accommodated

on Sixth Street between Wilson and Davis Streets, though ultimately the Plan's original Class 2 designation was not changed. In its review of the Linkages plan, the City Council referred the issue of accommodating bicycles in this area to the Bicycle and Pedestrian Advisory Board through the revision of the Bicycle and Pedestrian Master Plan. Through implementation of the Linkages plan, the physical appearance of the Sixth and Seventh Street corridor will be improved, and it will be better integrated into the fabric of downtown.

The major downtown planning effort in 2006 was the development of the Downtown Station Area Specific Plan, centering around the proposed transit station in Railroad Square. Four community meetings were held in 2006 to hear the community's vision for this area. The Draft Plan was released for public review in early January 2007 and is expected to be adopted in mid-2007.

Courthouse Square unification was pursued in 2006 with the City Council's appointment of a Steering Committee whose charge was to develop a process and timeframe for a future design of the Square. The Committee recommended that a design competition be held. The City Council accepted the Committee's recommendation, and work to facilitate this process has begun.

In addition, many events have been held downtown in the past year to meet the City's vision of downtown as the city's cultural center. The Tour of California bike race, Wednesday Night Market, the First Friday Art Walk, July 4 Festival, Art in the Park, Railroad Square Heritage Days and Railroad Scare, the Rose Parade and the Book Festival are mainstay events which draw crowds downtown.

The City Council created an Arts District in late 2006. The District includes downtown and the Juilliard Park area to the south. The vision for the District is that it will receive focused, intense private and public resources to create an environment rich in art and culture.

Infrastructure improvements continue to keep downtown clean and attractive. Wireless service was introduced recently and is available in segments of downtown. Upgraded garbage cans have recently been installed and graffiti abatement is ongoing. An office for police officers opened late last year on the west side of Courthouse Square. An informational kiosk is being developed from the former bus stop in Courthouse Square. The City launched a downtown website in 2006 and has developed a downtown newsletter and downtown events "rack cards."

Transportation

Traffic circulation remains one of the biggest issues for Santa Rosans. Based on General Plan modeling, it is recognized that continued growth will cause congestion and affect travel times, and some areas will not meet City Level of Service standards. The General Plan focuses on alternative transportation modes such as transit service and bicycling to reduce auto trips.

The General Plan calls for maintaining acceptable traffic flows, with a level of service of "D" or

better along major corridors. While modeling is utilized to analyze specific projects and plans to measure level of service, the City also uses traffic signal timing to address levels of service. The Public Works Department retimed over 80 of the City's nearly 200 signalized intersections in 2006. Many of the signals retimed were on major corridors including Mendocino Avenue, Stony Point Road, Farmers Lane and Dutton Avenue. Intersection modifications are also undertaken to improve function and efficiency. The College Avenue Adaptive Traffic Control project was put into motion with the help of a Federal earmark in 2006. Implementation is scheduled to be completed in April 2007, and it is expected to reduce delays at traffic signals and along key arterials over the next few years. The system utilizes a computer which monitors and modifies signal timing 24 hours per day.

The General Plan also directs traffic calming on streets subject to high speed and/or cut-through traffic, to improve neighborhood livability. The Public Works Department operates a Neighborhood Traffic Calming program which assists up to three neighborhoods annually. In 2006, Public Works assisted neighbors in the Bellevue Ranch, Montgomery Drive and Lake Park areas. Neighbors had requested assistance from the City to reduce speeding, cut-through traffic and commercial vehicle traffic. Various techniques will be utilized, including adding speed humps and striping, a pedestrian flasher, signing and stop controls, depending on the neighborhood. Work continues with five other neighborhoods on the implementation of various traffic calming measures.

A roadway reconstruction project was completed in 2006 for West Steele Lane between Marlow Road and Coffey Lane. In addition to increasing the efficiency of this roadway by adding a two way left turn lane, sidewalks and bike lanes were added along the entire segment.

Addressing the policy for a solution for regional traffic on north-south and east-west corridors, a widening plan for Stony Point Road was approved in 2005. The Farmers Lane extension from Bennett Valley Road to Bellevue Avenue is another planned improvement which will carry regional through traffic as well as local trips. The Highway 101 widening from Highway 12 to Steele Lane began in Spring 2006 and is scheduled to be completed in 2008, resulting in the City's major regional north-south route having increased capacity.

The General Plan also calls for coordination of the City's Transportation Plan with regional entities such as the Sonoma County Transportation Authority, the Metropolitan Transportation Commission and CalTrans. Staff works with all these groups to secure funding and to develop strategic plans to implement transportation improvements.

Transit and Transportation Systems Management

The General Plan calls for expanding transit service and encouraging ridership through marketing and promotional efforts. Transit ridership remained relatively stable in the last year, with about 2.6 million trips. The City provides bus transit service with an active fleet of 29 buses, 7 paratransit vans and three sedans which operate on 16 fixed routes and serve over 400 bus stops on a daily basis.

Santa Rosa's Paratransit program serves disabled individuals who cannot use fixed route transit. Paratransit offers curb to curb service for users. Strong use continues for this program, with 50,159 trips in 2005/06. Security cameras have been added to all buses in the paratransit fleet and an upgraded phone system and new scheduling software have been implemented to ensure client satisfaction. Additional staff and improved telephone protocol are resulting in an improved, highly customer oriented service.

In Spring 2006, the Transit and Parking Department launched a new "Learn to Ride CityBus" training program. Information was sent to over 50 local senior communities. Classes include 30 to 40 minutes of classroom style introduction followed by a ride on a CityBus route. Classes were conducted at nine different locations last year and were scheduled regularly at the Senior Center. Over 110 seniors attended the classes and were pleased and excited about the experience.

In addition, Santa Rosa Transit again conducted the *Seniors on the Go* promotion which promotes senior ridership by offering free transit and promotional items to seniors for 10 days in October. Last year's program included partnering with local businesses which offered discounts and incentives to seniors who visited their business and showed their *Seniors on the Go* bus pass during the week.

For younger riders, the Department offers the *Books to Buses* program, which introduces pre-school aged children and a parent to Santa Rosa CityBus by taking them on a CityBus ride to the local library, where they also learn how to check out books.

The *Santa Rosa Free Ride – Trip Reduction Incentive Program*, which provides incentives to people who use a commute alternative to get to and from work, underwent a major overhaul with the completion and launch of a new Web based interface www.santarosafreeride.org. During the first month of the re-launch (January 2007) over 270 participants signed up on the new Web site and by either walking, biking, carpooling or taking the bus to work reduced single occupancy trips by nearly 1,500 and traveled nearly 6,000 miles.

Santa Rosa Transit continued to offer free CityBus CityPasses for employers who enroll their employees in the Highway 101 Construction Program. This offer was made to give employees working in areas that are heavily impacted by the Highway 101 construction and road closures a convenient alternative to negotiating the detours and traffic caused by the construction.

The Bike to Work Day in mid-May continues to be a positive promotion, with numerous participants throughout Santa Rosa riding bicycles or walking to work.

Bicycles and Pedestrians

The General Plan directs attractive and safe streets for pedestrians and bicyclists. Last year, a traffic signal was installed at the Joe Rodota Trail crossing on Dutton Avenue. This was the first combination bicycle and pedestrian signal installed in the City and completed the gap in the route from western city limits to the Prince Greenway. Sidewalks and bike lanes were also

constructed along West Steele Lane from Marlow Road to Coffey Lane.

Public Works will be installing bike lanes on Mendocino Avenue from Carrillo Street to McConnell Avenue as part of an overlay project in 2007. The environmental documents were prepared for this project in 2006. Additionally, more bike lanes are planned with upcoming projects on West Steele Lane from Coffey Lane to Range Avenue.

In early 2006, the City Council appointed a new Board, the Bicycle and Pedestrian Advisory Board. This Board replaces the less formal Bicycle and Pedestrian Advisory Committee. The BPAB's charge is to identify bicycle and pedestrian projects and to prioritize those. One of its main tasks will be to review and recommend on a revision to the Bicycle and Pedestrian Master Plan. This document is expected to be adopted in Spring 2008.

Rail Transit

The General Plan supports the development of rail service along the former Northwest Pacific Railroad right-of-way. The Sonoma-Marin Area Rail Transit (SMART) project is a proposed rail service line extending 70 miles from Larkspur to Cloverdale, along the NWP corridor. Two stations are planned by SMART in Santa Rosa. (Santa Rosa's General Plan shows three stations). SMART prepared an Environmental Impact Report for its planned service, and it was certified during 2006. Passed in November 2004, the Measure M sales tax earmarks $23 million for passenger rail to develop station sites, improve rail crossings on local roads and for engineering.

The City has worked with SMART regarding the development of its site in Railroad Square. SMART hired Creative Housing, and City staff has met with this group to discuss site planning and circulation.

Public Services and Facilities

Parks and Recreation

The General Plan directs the continuing acquisition and development of neighborhood and community park facilities, along with special use facilities, throughout the City. While no new parks were added this past year, many additional park facilities are in planning stages and are expected to begin construction in 2007, including Fountaingrove Community Park Phase I, a Place to Play Phase 2, and Skyhawk Park.

Funding is ongoing in the City's Capital Improvement Program for an additional aquatic facility, as called for by the General Plan. The Plan directs new swim centers in the southeast, southwest and Rincon Valley.

Conceptual plans have been developed for a possible community center/library/aquatic center at

Southwest Community Park. An anticipated June 2006 library bond did not pass, but another ballot measure is planned for 2008, and if it passes, Santa Rosa will be ready to apply for funding.

The City is working in conjunction with Seniors, Inc., which has developed conceptual plans and working drawings for a new Senior Center to be located on the Finley Community Center site. Private fundraising is ongoing, and it is anticipated that construction will begin in 2008.

Police and Fire Services

The General Plan calls for collaboration with other local jurisdictions in the provision of some police and fire services if it improves service levels and is cost effective. Both the Police and Fire Departments work collaboratively with other local agencies where efficiencies can be achieved.

The Fire Department is part of a Joint Powers Agreement for emergency dispatch and communications services, called the Redwood Empire Dispatch and Communications Authority (REDCOM). REDCOM provides fire/emergency medical dispatch services for most cities and Fire Protection Districts within Sonoma County. The Fire Department has Auto Aid Agreements with Rincon Valley Fire Protection District, Bennett Valley Fire Protection District and the Kenwood Fire Protection District. The Rincon Valley Fire District Agreement is designed to ensure the closest, most appropriate fire resources are dispatched to an incident regardless of jurisdictional boundaries. All of the agreements cover automatic emergency response to specific areas in which the City and the respective district share jurisdictional boundaries. In addition to Auto Aid Agreements, the Department is a member of a joint response plan with Rincon Valley, Bennett Valley and the California Department of Forestry and Fire Protection which covers specific wildland/urban interface areas. This plan is known as the Santa Rosa Mutual Threat Zone Operating Plan.

The General Plan calls for the addition of two new fire stations and the relocation of three existing fire stations to better serve the community. The passage of Measure O in November 2004 provides funds for the building and staffing of the new stations and the relocation of the 3 existing stations. A new station was placed in service in March 2006 on Circadian Way off Corporate Center Parkway in the southwest area. The next new station is planned for fiscal year 2007-2008 on Lewis Road in the area of Mendocino Avenue and Steele Lane. The final new station called for in the plan is scheduled to be in service in 2008-2009 near Kawana Springs and Petaluma Hill Roads.

The Police Department is part of a multi-agency Computer Aided Dispatch/Records Management System. It includes Sonoma County and most of its cities and features a common records data base and access to state and federal data bases. Other collaborations occur in establishing checkpoints for drunken drivers, preparing for events involving weapons of mass destruction and various joint training opportunities.

General Plan response time goals and information on 2006 incidents and responses are included

in the Growth Management Ordinance review section of this report.

Water and Wastewater

The General Plan directs that an adequate supply of water be available to serve existing and future City needs. The City is currently under contract with the Sonoma County Water Agency (SCWA) for the delivery of up to 56.6 million gallons of water per day (mgd) on average, and up to 29,100 acre feet of water annually. In the long term, the City's current water entitlement from SCWA, and recently developed groundwater production wells, will need to be supplemented slightly to meet the growth projected in the City's General Plan. Additional water increment may be needed between 2015 and 2018, depending on the number of existing well connections which connect to the City water system. This additional long term annual volume increment will be met through a combination of sources such as possible further utilization of the City's groundwater resources, additional entitlement from SCWA, the City's recycled water supplies, and additional water conservation efforts. This will allow Santa Rosa to meet the projected water demand associated with the General Plan through 2020.

The General Plan calls for adequate sewer capacity to serve existing and future City needs. Wastewater from Santa Rosa is treated at the Laguna Subregional Wastewater Treatment Plant (LTP) and is disposed of in the Santa Rosa Subregional Water Reuse System. The current system rated capacity is 21.34 mgd. This is expected to provide capacity through at least 2010. Planning is currently underway to expand the system to 25.9 mgd, which will meet General Plan projections of Santa Rosa and the other subregional partners.

Open Space and Conservation

General Plan policy supports conservation of wetlands, vernal pools, wildlife ecosystems, rare plant habitat and waterways. The Plan thus supports the preservation of the Sonoma County California Tiger Salamander (CTS), listed as endangered in 2003, and its habitat. In 2004, the City commenced a coordinated environmental study encompassing about 350 acres of potential CTS habitat in southwest Santa Rosa. Three Environmental Impact Reports describe the impacts of development on the salamander. The Dutton Meadows EIR was certified in early 2005. The Burbank Annexation EIR and the Southwest Area Projects EIR, covering 29 projects/potentially developable sites, were certified in Spring 2006. The Santa Rosa Plain Conservation Strategy Team comprised of state and federal agencies, the environmental and development communities, and city and county representatives, has developed a strategy to protect the CTS while allowing development to occur. A strategy agreement was completed in December 2005.

Consistent with General Plan policy, the City has developed a Draft Citywide Creek Master Plan in 2006. The purpose of the Draft Plan, which is currently undergoing public review, is to preserve existing habitat and create new habitat as well as to acquire space along creeks for bicycling and walking. The Plan also consolidates previously adopted creek policies which are

contained in various City documents. It is anticipated that the Plan will be adopted by the Council in Spring 2007.

Economic Vitality

Economic development continues to play an important role in Santa Rosa. The Economic Development program focuses on ensuring diversification of economic activity, promoting business expansion, retention and attraction, providing jobs for our citizens and strengthening the partnership between business, government and education.

One program which promotes business expansion, retention and attraction is the Business Visitation Program. The Business Visitation Program visited 9 local businesses representing about 10,000 jobs during 2006, and conferred with business owners and managers. This is consistent with General Plan direction to maintain close ties with business through this program.

An economic development website was created in 2005 which provides detailed information and resources to assist people who are interested in starting or expanding a business in Santa Rosa. Improvement to the site is ongoing and has resulted in a doubling of "hits" per month, to an average of 3,000.

Economic Development staff is focused on implementing the Phase II Economic Development Strategy adopted in 2005. The Strategy focuses on three areas: existing and emerging industry cluster development, innovation and entrepreneurial development and business climate, culture and communications. In 2006, Economic Development staff worked on strategies in each of these areas and accomplished the following: held a brokers' forum to provide information to local brokers; prepared a retail market analysis useful to businesses; participated in the County-wide Economic Development Collaboration Council; partnered with the Chamber of Commerce to launch the Venture Communities Program, which promotes networking of local businesses; created a downtown program (specifics are discussed in this report's Downtown section); developed partnerships and sponsored events; and worked to improve the business climate and communication.

The General Plan calls for provision of sufficient land for business expansion and attraction to utilize the local labor force. There are currently about 173 acres of vacant non-residential sites of 2 acres or more in Santa Rosa, with 177 additional acres in the Urban Growth Boundary. The breakdown by designation is as follows:

	In City	**In UGB**	**TOTAL**
Retail Business Service	38	75	113
Business Park	71	-	71
Industrial	42	102	144
Office	22	-	22
TOTAL ACRES	173	177	350

Note: Table includes parcels of two acres or more in size.

Industrial land in the City was reduced by 18 acres last year through amendments to the General Plan. Economic Development staff finds that there is greatest demand for retail sites, but there are not sites of sufficient size for many businesses interested in Santa Rosa, which has potential to cause businesses to seek sites in other communities. Interest is also expressed in Class A office space, which is not abundant in Santa Rosa. Existing large spaces for high tech firms are also difficult to find.

Historic Preservation

General Plan policy calls for adaptive reuse of historic landmark structures for institutional, office or limited commercial uses where neighborhoods are not negatively impacted. The Cultural Heritage Board approved a Landmark Alteration of the historic cannery buildings in Railroad Square for their ultimate reuse as residential buildings, and work on these buildings commenced in 2006. The full development project is pending approval.

The General Plan also calls for designation of new landmarks and historic preservation districts. In 2006, the Community Baptist Church on Grand Avenue was designated as Santa Rosa's 21st landmark. Also last year, work continued toward designation of a new Ridgway preservation district, with proposed boundaries of College Avenue, Mendocino Avenue, Ridgway Avenue and Armory Drive. The City Council approved the new district in February 2007.

Survey work for 2006 included a new survey to support the designation of the Ridgway District and a survey update for the Burbank Gardens Preservation District. The latter was made available on the City's website.

Youth and Family

The Youth and Family Element promotes the health, safety and welfare of children, teens, the elderly and their families in the fabric of life in Santa Rosa. Child care services, youth and senior programs are supported.

The Department of Community Development staffed the Council-appointed Child Care Committee until 2004, when the Committee ceased to exist. The Committee was charged with implementing the Child Care Action Plan, adopted in 1996. The Department of Community Development continues to refund fees paid by applicants for child care facilities after these facilities become operational, consistent with General Plan policy.

The City continues to support and staff the Teen Council. During the last year, the Teen Council has supported City Council goals in the following ways: 1) becoming educated about City Council goals through presentations from staff working on those goals; 2) volunteering with the Redwood Empire Food Bank to sort and package food; 3) providing tree care for newly planted trees in the South Park neighborhood to support the Neighborhood Revitalization

Program; 4) participating in a focus group to help gather information for a local non-profit about teen views of local drug and alcohol issues; 5) participating in a focus group regarding domestic violence issues and teens; 6) volunteering at Kids' Day in partnership with the Sonoma County Library.

The Recreation and Parks Department is addressing gang prevention and intervention by establishing 14 new programs at 10 new sites including after-school, neighborhood, sports and summer playground programs. In addition, through the CHOICE, Reclaiming Our Youth Grant Program, 13 programs with 8 agencies have been funded to increase gang prevention/intervention programs in 4 target areas: Parent & Family Support, Outpatient Counseling, Job Readiness and Targeted Programming.

The General Plan also directs expansion of police officers at middle and high schools. Currently, three police officers are assigned to local schools. When overall staffing increases in the next few years, one additional officer is planned to be added at middle and high schools.

The City operates one Senior Center on Bennett Valley Road. The General Plan directs evaluating the feasibility of another Center. This second senior center will be located at Finley Community Park. A conceptual design and working drawings have been completed for this facility. It is hoped that development of this Senior Center will commence by 2008.

Art and Culture

The General Plan Art and Culture Element directs exploration of creating an Arts District. This past year, the City Council adopted an Arts District which encompasses Downtown and the Juilliard Park area to its south. It is envisioned that this area will become a focal point for arts and culture in the community. The Council approved an 18 month funding and implementation plan and also adopted an ordinance which directs certain non-residential projects Citywide to provide public art or pay a fee in lieu of providing public art.

The Art and Culture Element also calls for increasing public art throughout Santa Rosa and developing places for art activities to occur. The City participates and promotes the arts in various ways.

The Recreation and Parks Department sponsors rotating art exhibits at the Finley Center, the Steele Lane Recreation Center and the City Council Chamber. The City is also now promoting an opportunity for Santa Rosans to showcase their artistic talent by entering a contest sponsored by the National Arts Program. The purpose of the program is to foster artistic talent and appreciation among residents, with artwork entered exhibited in the City facilities noted above. The City also sponsors "Art in the Park" on summer Sunday evenings, with free concerts at Juilliard Park downtown and the "First Friday" art walk downtown, where artists display their work.

The work of the Art in Public Places Committee and local artist Ned Kahn has resulted in a wind

animated sculpture on the west side of the SBC building on Third Street downtown. The west side was completed in Fall 2004, and Phase 2 of the sculpture was installed in Fall 2006 on the west side of Garage 9 facing the Comstock Mall.

In 2006, "Hangover 2" was installed in Juilliard Park near Santa Rosa Avenue. It is on a three year loan to the City. Permanent art was acquired by the City last year in the form of "Daphne" in the City Hall Courtyard and "Buchephelus" on the First Street green in front of City Hall. A new Sister City sculpture is currently being installed on Jeju Way at Fourth Street.

The Art in Public Places Committee also sponsors the Civic Art Walk, which has installed art work on loan from artists in return for the City's promotion of this art for sale. Art is rotated every three years, and a new rotation is expected this year. The Committee also sponsors the Art Start Program, in which professional artists mentor youth. Hundreds of young people have participated in this program in its six years of operation.

During Summer 2006, artists participated in the *Summer of Woodstock* program which involved the painting and placement of 76 Woodstock sculptures throughout Santa Rosa in tribute to the late Peanuts' creator Charles Schulz. This was a very popular program, with local residents and visitors alike enjoying finding and taking pictures of the sculptures. The program will continue this year, featuring the Peanuts character Snoopy.

ANNUAL REVIEW OF THE GROWTH MANAGEMENT PROGRAM

The City's Growth Management Ordinance regulates residential growth. In 2006, the Growth Management Ordinance allowed 900 residential allotments. An allotment allows the future issuance of a building permit. Growth Management allotments are available from two reserves, "A" and "B," each with 450 allotments. Reserve "A" allotments are set aside for second units, mixed use units, units affordable to very low and low income households, and qualifying units. Qualifying units, drawn from Reserve "A," include all multifamily units, for sale single family attached units with project density of 10 units per acre or more, and smaller single family attached or detached units with maximum lot, square footage and bedroom requirements. Reserve "B's" 450 allotments are generally for any single family unit greater than 1,250 square feet.

Section 21-03.140 of the Growth Management Ordinance specifies that at least once each calendar year, the Department of Community Development shall prepare a report on the Growth Management program. The following covers the information required by the Ordinance. The time period covered by this report is January 1 through December 31, 2006.

1) **The number of building permits issued (1) with Reserve "A" allotments and (2) with Reserve "B" allotments during the time period covered by the report.**

   In 2006, 888 residential building permits were issued. Of these permits, there were 415 Reserve "A," 377 Reserve "B," and 96 exempt from the Growth Management Ordinance. The units exempt from Growth Management represent projects approved prior to the effective date of the Growth Management Ordinance in July 1992 and units in the Varenna project, which, as a community care facility, is exempt. Approximately 26 of the "A" units are actually "B" units, given the provision in the Growth Management Ordinance allowing 50 percent "A"/50 percent "B" projects to receive all project allotments from Reserve "A."

2) **The number of entitlements, if any, that remained unallotted in (1) Reserve "A" and (2) Reserve "B" during the time period. The number of Reserve "A" entitlements, if any borrowed from the next year's Reserve "A" entitlements. The number of Reserve "B" entitlements, if any, that were reserved in future calendar year entitlements.**

   At the end of 2006, prior to the addition of unused units to the next year, the following allotments were available in future years:

   2006 - 103 "A" and 160 "B"
   2007 - 0 "A" and 170 "B"
   2008 - 341 "A" and 301 "B"

As stipulated by the Ordinance, the unused Reserve "A" allotments at the end of 2006 were added to the "A" allotments available in 2007, making 368 additional Reserve "A" allotments available at the beginning of 2007.

3) **An evaluation of the coordination of planning and development decisions, including infrastructure planning, with policies related to growth management.**

Planning and development decisions over the past year have been coordinated with policies related to growth management in that no residential development is approved without acknowledging the requirements of the Growth Management Ordinance. When a developer submits an application for residential development, he or she must indicate the type of units proposed, from which Reserve allotments are requested and for what year.

Infrastructure planning is done on a broad basis, ensuring sufficient infrastructure to serve General Plan buildout as well as individual project review requirements. Coordination of infrastructure planning with Growth Management policies has been related to ensuring adequate infrastructure to serve General Plan buildout. Thus, the relationship between infrastructure planning and growth management program has been indirect.

The Southwest and Southeast Area Plans each address the infrastructure needs of the planning areas and fees have been adopted to finance infrastructure improvements in these areas. The Capital Facilities Fee was adopted in 1997 to fund public infrastructure facilities required to serve new development. Infrastructure funded by the CFF includes street widening, traffic signals, freeway interchanges, bike paths, and storm drains. The area plan development impact fees and Capital Facilities Fee were updated in 2002 and again in 2005. The Draft Downtown Station Area Specific Plan also outlines infrastructure needed to support development anticipated by the Plan and estimates its future cost.

Development impact fees are used to finance capital improvement projects. Projects programmed in the City's Capital Improvement Program (CIP) are reviewed annually by the Planning Commission to ensure that the CIP is consistent with improvements identified in the General Plan.

4) **An analysis of the provision of public services, and if those services, including fire and police response, parks, water and wastewater services, have sufficient capacity to meet the needs of Santa Rosa.**

Planning is ongoing to ensure sufficient capacity to meet the future service needs of Santa Rosa. The following outlines how the above noted service needs are being met.

Fire Services

The Fire Department responded to 18,558 calls for service in 2006, a five percent increase from 2005, when there were 17,582 calls for service. The Department provides emergency services with nine engine companies and two ladder truck companies out of nine strategically located fire stations. These eleven companies are supervised by one on duty Battalion Chief. The majority of calls (64%) were for medical emergencies.

Growth of the City continues to impact the ability of the Fire Department to deliver service. For example, traffic congestion continues to delay Fire Department response times. The General Plan's fire emergency response time goal is an average of 4 minutes to 80 percent of emergency calls, 5 minutes to 90 percent of emergency calls, and 6 minutes to 100 percent of calls city wide. During 2006, 30 percent of emergencies received a 4 minutes or less response, 57 percent received a 5 minutes or less response, and 81 percent received a 6 minutes or less response. The Department's average response time for emergency calls in 2006 was 4 minutes and 47 seconds.

The citizens of Santa Rosa passed Measure O, a special tax for public safety in 2004. The funding from this tax measure will be used to build and staff three new fire stations. The first new Measure O fire station was placed into service in early March 2006 in southwest Santa Rosa. The second is planned in 2007-2008 on Lewis Road in the area of Mendocino Avenue and Steele Lane. The third station is scheduled to be placed into service in 2008-2009 near Kawana Springs and Petaluma Hill Roads. With the addition of these three stations, response times should improve and be more consistent with the General Plan's emergency response time goal.

Police Services

General Plan police response time goals are 6 minutes for emergency calls, 14 minutes for urgent calls and 32 minutes for routine calls. In 2006, the Police Department responded to 130,111 calls for service. The median response times were 6.33 minutes for emergency calls, 11.22 minutes for urgent calls and 24.19 minutes for routine calls. The Police Department has changed methodology to now calculate median response times rather than the traditional average response time. Available staffing combined with the number of calls for service determines response times.

The City has a total of 191 sworn officer positions and 91 civilian employee positions. The City continues its efforts in neighborhood oriented policing. This strategy assigns officers to neighborhoods while focusing other resources on investigation and prosecution of violent crime.

The public safety tax measure (Measure O) passed in 2004 will allow the Police

Department to provide increased services in patrol, downtown and traffic enforcement.

Parks

Santa Rosa's park acreage includes approximately: 530 acres of developed park, 180 acres of acquired but undeveloped acres, and 150 acres of golf course for a total of 849 acres. Santa Rosa has approximately 3.4 acres of developed park land per 1,000 population. The General Plan standard is 6 acres per 1,000, with city parks making up 3.5 acres per 1,000, school recreational land meeting 1.4 acres per 1,000 and accessible open space meeting 1.1 acres per 1,000.

This year, construction is planned for Phase I of Fountaingrove Community Park (33 total acres) in the northeast. Improvements will include access to the entire site, walking trails and a driveway and parking lot. Planning for Phase 2 will be occurring this year for construction in 2008. Phase 2 will include additional walking trails, a day camp and possibly an overlook.

Also anticipated for development this year are: a one-half acre park adjacent to the mixed use Skyhawk Village; Phase 2 of a Place to Play, which will include 3 soccer fields, wildlife habitat, reconfiguration of a reclamation pond and additional parking on 15 acres; and a 2 acre park adjacent to Jack London School in northwest Santa Rosa. This park will be contiguous to 4 acres of school play fields.

Next year, staff expects construction of Dauenhauer Ranch Park, a 2.29 acre park to be developed along with the Dauenhauer Ranch Subdivision in the southeast and Harvest Park, a 3 acre facility on Burt Street also in southeast.

Toxic contamination has slowed the development of Air Center East Neighborhood Park (4.4 acres) in southwest. A design has been completed, but the toxics will need to be remediated before construction can occur.

Water and Wastewater Services

Provision of adequate water supply and distribution and wastewater collection, treatment, storage, and disposal services is meeting the needs of Santa Rosa in accordance with the adopted General Plan and Growth Management Ordinance.

Water: The City is currently under contract with the Sonoma County Water Agency (SCWA) for the delivery of up to 56.6 million gallons of water per day (mgd) on average, and up to 29,100 acre feet of water annually. In addition to SCWA supply, the City received permission from the California Department of Health Services so use two of its own groundwater wells for supply, with the ability to produce up to 2,300 acre feet per year, at a flow rate of approximately 3.5 mgd. In the long term, the City's current water entitlement from SCWA and

the City's groundwater supply will need to be supplemented slightly to meet the growth projected in the City's General Plan. The City's demand analysis indicates that this additional increment may be needed around 2018, or 2015 if the City, through discretionary action, connects a significant number of water services that are now provided by private wells. However, in 2020 the average day peak month capacity of 56.6 mgd from SCWA will fully supply the City's flow demand which will be between 39.6 and 45.9 mgd. The City's additional long term annual volume increment will be met through a combination of sources. Possible further utilization of the City's own groundwater resources, additional entitlement from SCWA as identified in the SCWA's Urban Water Management Plan, the City's recycled water supplies, and additional water conservation efforts, will allow Santa Rosa to meet the projected water demand associated with the General Plan through 2020.

The City also has a system of emergency groundwater wells which have been used historically to supplement the water supply during emergencies and occasional periods of peak water demand. The City Council adopted Capital Improvement Program (CIP) is scheduled to increase the number of wells - and to provide well-head treatment at each well - to provide adequate water supply during emergencies and peak demands. Additional projects are planned to replace old or deteriorated water system pipelines, increase fire protection and storage, improve operational efficiencies of water pump stations, provide emergency power generation at critical project locations, and to maintain and repair the water system throughout the City. These and other ongoing CIP projects are scheduled to retain and maintain a sufficient water supply system to match General Plan growth projections.

Wastewater: The City's existing wastewater collection system, including scheduled, planned, and anticipated CIP projects, services the existing and future development anticipated by the General Plan. These projects include on-going annual replacement of wastewater collection and trunk pipelines, improvements to wastewater lift stations, and maintenance and repair of the wastewater system throughout the City. Wastewater from Santa Rosa is treated at the Laguna Subregional Wastewater Treatment Plant (LTP) and is disposed of in the Santa Rosa Subregional Water Reuse System. The City Council adopted CIP is scheduled to make various improvements to the LTP and disposal system to maintain adequate capacity to treat and dispose wastewater volumes anticipated by the General Plan. The current system rated capacity is 21.34 mgd. This is expected to provide capacity through at least 2010. Planning is currently underway to expand the system to 25.9 mgd which will meet the current General Plan growth projections of Santa Rosa and the other subregional partners.

5) **A listing of any significant problems which arose during the time period covered in administering the Growth Management program.**

In 2005, all Reserve B allotments for 2006 and 2007 had been issued. This caused concern among the development community since projects containing Reserve B type units gaining approval in 2006 would not be able to obtain allotments to build until 2008.

In Spring 2006, the City Council amended the Growth Management Ordinance to add flexibility to address this issue. The City Council expanded the definition of "qualifying units" to include for sale, single family attached units of any size in projects with densities of 10 units per acre or more. In addition, the City Council authorized the use of 1,000 allotments from the Reserve B bank for four years. The City Council allowed 250 Reserve B allotments in 2006 for use throughout the City; 250 in 2007 with half for use throughout the City and half dedicated to southwest Santa Rosa; and 250 additional allotments each in 2008 and 2009 for use exclusively in southwest Santa Rosa. The provision for the southwest is due to the anticipated solution for preservation of endangered species in this area.

6) **A listing of any staff recommendations, with regard to changes or revisions to the adopted program to improve its effectiveness and/or administration.**

No revisions are proposed at this time.

7) **A recommendation, if any, together with factual supporting data, as to whether the Growth Management Element of the General Plan and/or the Growth Management program should be substantially revised or discontinued.**

No changes are recommended at this time.

ANNUAL REVIEW OF THE HOUSING ALLOCATION PLAN ORDINANCE

The Housing Allocation Plan requires projects of larger than 15 acres to provide 15 percent of their total project units as affordable to low income households. It allows projects of 15 acres or less to pay a fee in lieu of building affordable units. The in lieu fee is based on a unit's size, and the fee per square foot increases as a unit becomes larger. Units of 900 square feet or less are exempt. Some projects may provide their affordable units off-site or dedicate land on or off-site.

Section 21-02.180 of the Housing Allocation Plan specifies that at least once each calendar year, the Department of Community Development shall prepare a report on the Housing Allocation Plan which shall include the items listed below.

1) **The number of allocated units both on and off site, approved during the time period covered by the report.**

   Between January 1 and December 31, 2006, no on site allocated units were approved.

2) **The number of qualifying units, owner/builder units, second units, very low or low income units and mixed use units approved during the time period of the report.**

   Between January 1 and December 31, 2006, the following units were approved:

   480 qualifying units
   40 second units
   84 units affordable to very low and income households (Colgan Meadows)
   291 units in mixed use projects (The Rises, Mixed Use Parking Garage, Santa Rosa Village)
   It is not known at the time of project approval if owner/builders will develop the units. No project approved since the commencement of the program has indicated that owner/builders will ultimately develop the project units.

3) **The amount of in lieu fees collected.**

   The amount of Housing Allocation Plan fees collected since the Ordinance's adoption in 1992 is $19,685,250, including interest. In 2006, $3,172,200 was added to the Housing Allocation Plan fund, including fees paid ($2.5 million), loan repayment and interest. This is a 21 percent decrease from 2005, when $4,000,298 was collected. This decrease can be attributed to the overall drop in residential units issued building permits in 2006 from the prior year.

   The following projects have received funds generated by the Housing Allocation

Plan fee:

1.	Panas Place Apartments (66 units)	$845,725
2.	West Oak Apartments (53 units)	$785,000
3.	Cypress Ridge (120 units)	$1,830,650
4.	Northpoint Apartments II (40 units)	$481,482
5.	Jay's Place (40 units)	$519,718
6.	Bellevue Ranch Self Help (56 units)	$936,000
7.	Vintage Zinfandel (129 units)	$188,948
8.	Timothy Road Apartments (32 units)	$137,414
9.	Olive Grove Apartments (126 units)	$1,000,000
10.	1090 Jennings Avenue (70 units)	$741,347
11.	Colgan Meadows (84 units)	$3,622,830
12.	1080 Jennings (107 units)	$4,150,111
13.	The Crossings (49 units)	$1,500,000
14.	Rowan Court (62 units)	$664,608
	TOTAL COMMITTED	$17,403,833
	TOTAL UNITS – 1,034	

Note: All of the projects noted above are built or approved except for Rowan Court.

4) The amount of acreage by land use category dedicated to the City.

Three projects (Dutton Meadows I, Dutton Village and Minoia Subdivision) dedicated 1.69 acres to the City for future development of very low and/or low income units.

5) A listing of any significant problems which arose during the time period covered in administering the Housing Allocation Plan.

No significant problems have arisen in administering the Housing Allocation Plan during the last year.

6) A listing of any staff recommendations, with regard to changes or revisions to the adopted program to improve its effectiveness and/or administration.

In 2006, the City Council asked staff to bring an amendment forward for public hearing which eliminated the exemption of mixed use developments from the Housing Allocation Plan. The change was requested to offset a loss of funding for affordable housing which resulted from the Council's change to the Real Property Transfer Tax.

The main issues with the proposal were the timing of the fee and the effect on the feasibility of mixed use projects. The Planning Commission and City Council reviewed the issue, and ultimately, the City Council decided to continue to exempt

mixed use projects from the requirements of the Housing Allocation Plan. Council members found that an affordable housing requirement or fee payment would discourage mixed use development, particularly downtown and due to the likelihood that little funding would be generated.

No changes are recommended.

7) **A recommendation, if any, together with factual supporting data, as to whether the Housing Allocation Plan should be substantially revised or discontinued.**

No changes are recommended.