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STEPHEN K. BUTLER

September 30, 2022

**VIA EMAIL**

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Teresa Barrett, Mayor  
Dennis Pocekay, MD, MPH, Vice Mayor  
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Dave King, Council Member  
Kevin McDonnell, Council Member  
Petaluma City Council

Re: *General Plan Updates/Ongoing Visioning Process/Lakeville Highway  
District/Properties at Ely and Frates Roads*

Dear Mayor Barrett and Members of the Council:

On July 22, 2021, we prepared and delivered a letter to Heather Hines, Planning Manager in charge of General Plan Administration. A copy of that letter is attached. The letter sets forth a variety of reasons that we believe the two properties, consisting of approximately 120 acres, at the corner of Ely and Frates Roads, should be included within the Urban Growth Boundary and Sphere of Influence.

In response to the letter delivered to the City in 2021, we received a number of comments from members of the GPAC and the community expressing their opinion that inclusion of the properties within the Urban Service Boundary and Sphere of Influence was a good concept providing the City with flexibility in meeting its future RHNA regional housing numbers. The responses also identified an opportunity associated with the properties as follows:

“Opportunities:

Whether or not to expand the UGB north of Lakeville Highway, maintaining a key PDR (Production, Distribution, Repair) employment base, creating more pedestrian/bicycle connections to other parts of Petaluma, including Adobe Creek underpass.”

On February 17, 2022, the GPAC voted unanimously to recommend the vision statement, pillars, guiding principles and supporting concepts to the City Council with the understanding that they would be revisited through a thoughtful, intentional and complex planning process. Included in the GPAC recommendations was the opportunity identified above, together with General Plan Goal 2-G-5 relating to the to the Lakeville Highway corridor, which states “enhance the connectivity across and between all land uses along the Lakeville Highway to minimize the barrier it creates by presence, design and vehicular speed.”

While the position advanced by our letter of July 22, 2021, was embraced by many, the concept appears to have been lost in the shuffle of processing a very complex General Plan Update. We could find no notes or other indication in the GPAC documents, with the exception of the identified opportunity and associated goal, which address the merits of our prior correspondence.

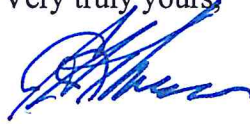
For this reason, and although it is already in your packet, we wish to specifically bring to the Council’s attention the points raised in our correspondence of July, 2021. While we realize that the optimistic visioning process concludes that the City is going to be able to meet its regional housing numbers, it is still very clear from the Administrative Record that the assumptions used in terms of the level of buildout appear to be overstated and that additional flexibility may be needed in order for the City to fulfill its obligations under State law. The properties in question are uniquely situated to achieve this result.

The properties are immediately across the street from the Southgate Development which was approved by the City to provide additional housing stock. Additionally, the properties are just across the street from the residential parcels associated with the Adobe Creek Golf Course. Development of properties within the jurisdiction of the County of Sonoma, further east on Frates Road, should it occur in some point in the future, will further enhance the connectivity across and between residential land uses to the north and previously approved business park uses to the south. We now ask that you take the time, and are cognizant of the fact that you have precious little of it, to review our letter of July 22, 2021, and consider the points presented therein. We firmly believe that the concepts advanced in the correspondence will ultimately contribute to the health of the City, provide flexibility in meeting RHNA numbers, assist in achieving a jobs-housing balance, and address an internal planning issue which appears to designate a public trail and required setback on the subject property without bringing it into the Urban Growth Boundary or Sphere of Influence. To the extent that the voter approved Urban Growth Boundary presents any constraint associated with the properties, we would like to point out that, as presently constituted, the Urban Growth Initiative will expire in 2025. Given this fact, and the fact that it is likely that some iteration of the voter initiative will be further extended, inclusion of the properties within the UGB and SOI could be accommodated as part of

the General Plan Update and, should it occur, when further action is taken in connection with Petaluma's voter approved Urban Growth Boundary.

On behalf of my clients, I would like to thank you for taking the time to review the points previously made and to consider whether expansion of the UGB north of the Lakeville Highway makes sense in terms of the City's long term planning goals. Should you have any questions, we would be most happy to respond to either Ms. Hines or members of the Council.

Very truly yours,



STEPHEN K. BUTLER

SKB/pd  
attachment  
c(w/att.): Heather Hines, Planning Manager (*via email*)  
City of Petaluma  
Matt Dobbins (*via email*)  
JBT Property Management Company Inc.  
Brian Sobel (*via email*)  
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STEPHEN K. BUTLER

July 22, 2021

**VIA EMAIL AND U.S. MAIL**  
***petalumaplanning@cityofpetaluma.org***

Heather Hines, Planning Manager  
General Plan Administration  
Project Management Department  
City of Petaluma  
11 English Street  
Petaluma, CA 94952

Re: *General Plan Update/Ongoing Visioning Process*

Dear Ms. Hines:

I am writing this letter to you on behalf of Frates Partners, LLC (“Frates”) in connection with unincorporated real property owned by Frates at the corner of Ely and Frates Roads. The property is comprised of two separate parcels, one approximately 90 acres in size (“Larger Parcel”) and the other parcel slightly in excess of 30 acres (“Small Parcel”). The Larger Parcel and the Small Parcel together encompass the entire property (the “Property”).

I, together with land use experts employed by Frates, believe that extension of Petaluma’s Urban Service Boundary (“USB”)<sup>1</sup> and Sphere of Influence (“SOI”) should be modified to encompass the Property for a host of reasons, including land use planning flexibility at this uncertain time.

In connection with your ongoing visioning process, please consider the following:

1. EXISTING PHYSICAL CHARACTERISTICS OF THE PROPERTY.

Currently the entirety of the Property is in unincorporated Sonoma County immediately adjacent to the City of Petaluma (“City”) and surrounded on two sides by City development. The topography of the Property is largely flat with a small creek that meanders through the northeast corner of the Small Parcel. The Property is currently planted with vineyards and has few development constraints such as the presence of rare and endangered species or wetlands. The Property is large enough to sustain a creative

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<sup>1</sup> Per General Plan 2025, the term USB also equates to Petaluma’s Urban Growth Boundary (“UGB”).

residential or mixed-use project meeting needs already identified in the "visioning process." The Property also has the attribute of being surrounded by natural barriers in the form of creeks and hills that would prevent using the Property as a springboard for additional development in the future.

2. RELEVANT HISTORY OF THE PROPERTY.

A. **Historical Agricultural Use.**

The Property is currently developed with a vineyard and has been dedicated to vineyard uses for several years. Prior to vineyard development in 2016, the Property was historically used to grow hay and silage.

B. **Ongoing Impacts to Historical Agricultural Uses.**

Over time, through a confluence of land use and other changes, the viability of the vineyard use has been undercut. Examples include:

- Frates' decision to plant vineyards in 2016 was motivated by a desire to transmute the historical unprofitable hay and silage operation to an agricultural use that might turn a profit. Regrettably, despite the planting of high quality root stock, the hoped for return has not materialized for a variety of reasons.
- The development of urban level land uses on three sides of the Property has given rise to land use conflicts with the vineyard through the juxtaposition of the vineyards with the City's surrounding urban level development .
- The immediate proximity of the vineyards with existing urban development did not allow the owner of the Property to incorporate the County's recommended buffer between more intense agricultural uses and urban municipal uses (please see: County General Plan Land Use and Agricultural Resource Elements).
- Residential uses immediately proximate to ongoing agricultural operations, particularly vineyards, create and have created a variety of problems. The vineyards can provide a natural escape and attractive nuisance utilized by teenagers and others desiring a private place to drink, use drugs or simply convene. This potential creates ongoing liability concerns for the Property owner. The immediate proximity of a residential subdivision also encourages vineyard trespass by cars or dirt bikes riding on vineyard roads or between rows of the vines. Dust damage to the grapes by airborne sediments caused by such trespass,

as well as associated vine destruction, can degrade the physical quality of the vineyards and create increased liability for the Property owner. Vineyard workers may also, in the future, cross paths with trespassers creating the potential for more liability and the possibility of conflict. While the Property is currently fenced and gated to avoid these eventualities, experiences elsewhere in the County have shown that exclusion fencing is itself subject to vandalism, destruction and limited efficacy.

- Since the urban development predated the vineyards, urban property owners did not execute Right to Farm Declarations in connection with urban uses in the City proximate to agricultural uses in the County. The understandable lack of disclosure gives rise to even more conflicts between adjoining property owners and the owners of the Property relating to such things as noise, smells, chemical use, frost protection and so forth.
- By their very nature, urban uses proximate to an intense agricultural operation is an anathema in the absence of appropriate buffers, disclosures and the agricultural property owner protections set forth in the County's General Plan Land Use and Agricultural Resource Elements as well as implementing County planning documents. While these circumstances are understandable given the historical passive hay and silage operation and the establishment of urban development predating the Property's conversion to a vineyard, the result is the same. It makes farming at the urban fringe that much more difficult.

**C. The City's Current General Plan Update and Its Relation to the Agricultural Viability of the Property.**

While quite possibly inadvertent, the City's proposed Parks and Open Space Access Map appears to place a portion of the River Trail, together with a 300 foot buffer from the River Trail, either on or immediately adjacent to the Property. This will also contribute to the destruction of the financial integrity of the ongoing vineyard operation by attracting more people and quite possibly more complainants to the Property. If this was intentional, as opposed to inadvertent, it would represent an amazing regulatory leap by simultaneously excluding the Property from inclusion in the USB and SOI, while, at the same time, extending the City's municipal land use authority over such Property through the establishment of a trail and trail buffer. This should not be. If the City desires to further regulate the Property, we believe that the City should partner with the County and Property owner to complete the transition from a County holding zone (DA-10) to become a part of the larger urban community.

**D. Most Recent History of the Property.**

In July of 2016, the Sonoma County Board of Supervisors considered whether to place the Property into a Community Separator. The County, for a variety of reasons, but certainly in consideration of the fact that the Property has already been compromised by surrounding urban development, refused to designate the Property as a Community Separator with its attendant additional land use regulations. The County must have concluded that the Diverse Agricultural 10 Acre Holding Zone, together with the City's pattern of southerly development, would eventually and logically require the inclusion of the Property into the City's SOI and USB with future annexation to take place at an appropriate time.

**3. RATIONALE FOR INCLUSION OF THE PROPERTY IN PETALUMA'S URBAN SERVICE BOUNDARY AND SPHERE OF INFLUENCE.**

In addition to the history discussed above, the following justify the inclusion of the Property in the City's USB and SOI as the City's Visioning process and ultimate consideration of an Updated General Plan continue:

**A. Inclusion of the Property in the USB and SOI Makes Good Planning Sense.**

We are developing a figure depicting the relationship of the Property to adjacent urban uses as well as two additional figures, one of which showing the location of private goods and services which would be available to residents of the Property and another showing the location of public services uses such as fire, police, transit and others in the vicinity of the Property.

Although development of the three figures is ongoing, it can already be seen that the Property is consistent and harmonious with the existing pattern of urban development and is excellently located to utilize and be employed by existing purveyors of private goods and services as well as public services. Residential development of the Property at some point in the future would further a basic planning goal by locating jobs and housing in proximity to each other as well as place new residences in proximity to public services. Additionally, as you will ultimately discern from the figures, the inclusion of the Property within the City's USB and SOI logically extends the City's ongoing pattern of development to the south.

On page 5 of the City's 2015-2023 Housing Element, it was noted as follows:

“According to the survey, 100 percent of the respondents use a personal vehicle to travel to work, but if they had a choice, they would prefer to live within walking distance to public transportation

or a transit station and would use their cars less and public transportation more.”

Needless to say, the location of jobs and housing in proximity to each other, together with the expressed community sentiment, would further advance the salutary goals of increasing bicycle and pedestrian traffic and reducing Greenhouse Gas Emissions and related impacts associated with private automobile use.

**B. The Property Can be Used to Further General Plan Goals Related to Lakeville Highway.**

The overarching goal of the General Plan Update is to maintain a balanced land use program that meets the long-term residential, employment, retail, institutional, education, recreation and open space needs of the community (General Plan 2025, p. 1-14; Goal 1-G-1: Land Use). In connection with that goal, the General Plan calls for the development and maintenance of areas as neighborhood centers to provide commercial services close to residential uses in order to achieve the goal of providing convenient retail and services for all Petaluma residents (Goal 1-P-10). Among those centers identified is one proposed at Lakeville Highway at Casa Grande Road.

In addition to basic General Plan Goals, General Plan 2025 identifies a number of sub-planning areas (General Plan 2025, p. 2-5; Goal 2.2). The Lakeville Highway community is one such sub-area (General Plan 2025, p. 2-10). In connection with Lakeville Highway, the plan provides, in part, as follows:

“Goal 2-G-5: Lakeville Highway

Enhance the connectivity across and between all land uses along the Lakeville Highway to minimize the barrier it creates by presence, design and vehicular speed.”

The text also provides:

“The Lakeville area contains a residential neighborhood, which enjoys proximity to Shollenberger Park, a large, dredged disposal site and wetlands area with trails. With more residential development anticipated in this area, creating a cohesive neighborhood and close access to stores and services, as well as connections to the residential neighborhoods north of Lakeville Highway, is appropriate. . . .”



General Plan 2025 goes on to state:

“The following areas have been preliminarily identified as appropriate for potential future expansion of the UGB, subject to the Council making the findings set forth in the first two sections of Exception 111 above. [relates to Transit Oriented Development]. The list is not intended to be exclusive.

East of Lakeville Highway in the vicinity of South Frates Road . . .” (pp. 1-19)

While the Property lies east, as opposed to north, of Lakeville Highway and Shollenberger Park, its proximity to Lakeville Highway, its transit opportunities and its ability to provide the connectivity of uses along Lakeville Highway are not diminished by such fact and the Property ought to be given consideration for inclusion in the USB and SOI to provide greater flexibility and assurance that the planned connectivity between commercial and residential uses along Lakeville Highway is served.

Policy 2-P-26 on that same page, while not directly applicable to the Property, makes it clear that the City is open to the concept of extending its urban boundaries farther south into agricultural areas in the unincorporated county. Rather than siting a new residential subdivision in the middle of an agricultural area, perpetuating sins of the past, and adjacent to a wildlife preserve, creating new conflicts, it would make more sense to utilize previously impacted agricultural areas, in proximity to urban goods and services, as the next logical extension of the City’s southern boundary. The Property serves this need as does good land planning.

4. THE PROPERTY IS NEEDED FOR FLEXIBILITY IN THE CITY’S ONGOING DEVELOPMENT.

A. **The City’s RHNA Numbers Present Difficulties.**

- Tables 2 and 3 on pages 10 and 11 of the City’s Housing Element set forth the City’s RHNA numbers. While meeting these RHNA numbers may satisfy the City’s regional housing need for its next phase of its General Plan if they can be reasonably achieved, such eventuality is difficult for the following reasons:
- Affordable housing will be difficult to achieve. Public subsidies have been necessary to assist in the construction of affordable housing in the past. However, the text on page 14 of the Housing Element indicates that a substantial portion of those funds have dried up. The

text reflects that the Petaluma Community Development Commission was dissolved by the State resulting in a \$3 million dollar annual loss to the housing fund. The text goes on to say that small jurisdictions, such as Petaluma, may have their federal grants modified, and with that, eligibility for other funding opportunities becomes problematic.

- While the tables in the Housing Element may paint as hopeful a picture as possible, text elsewhere in the Housing Element underscores the fact that the City's RHNA numbers may not be realistic. On page 5 of the Residential Site Inventory Analysis appended to the City's Housing Element, more realistic development capacity is assessed. The text notes, "Higher density sites, often due to regulatory or physical constraints, are typically built to less than the maximum allowed." Thus, the City allocated a realistic development capacity of 90 percent. The text reflected that "an area of recently completed residential projects within the Corona-Ely Specific Plan Area resulted in the selection of 80 percent as a utilization rate for medium to high density residential." The text goes on to state that an analysis of several recent projects within the Central Petaluma Specific Plan Area utilized an actual utilization rate of "around 60 percent."

The point is that the City, by its staffs' own admission, acknowledges utilization rates far below those projected in its original RHNA tables. Regrettably, these more realistic numbers are also speculative.

- The senior population creates additional uncertainty. The text on page 16 of the Housing Element states, "Today's senior population in the United States is expected to double by 2030, expanding at a rate of almost 3 percent each year to almost 70 million people. (Housing Element, Appendix A, page 16).

Senior populations need to be proximate to neighborhoods to hopefully assist them in making the transition from late age ownership or rental on the way to some more intense congregate living arrangement. The aging Baby Boomers will create issues, requests and services which will occur and worsen as the Baby Boomers continue to age. None of these impacts can be seen with certainty or the demands that they will create. Flexibility is needed in the planning process to address this eventuality.

- The ongoing economic uncertainties in the Federal, State, Regional and Local economies create uncertainties demanding flexibility. On page 39 of the Housing Element it is stated, "Due to the slow economic and residential development climate, staff is predicting

sporadic revenue for future years. This uncertainty lies at the foundation of the City's efforts to provide affordable housing for low income residents. In Appendix B to the Housing Element, "Review of 2009-2014 Element" it is reflected that, even during that time period, affordable housing programs such as the continued support of the Salvation Army's Petaluma Area Transitional Housing, support for the Disability Services and Legal Center Program and the modification of other programs. (Section 4.4 of page 3 to the Housing Element). As a matter of fact, when discussing the current Housing Element, the City noted that the 189 units provided for low income persons and persons with disabilities was "far below our RHNA numbers."

- The City has not, in the past and to our knowledge, provided any farmworker housing for workers immediately adjacent to its urban boundaries despite referencing farmworker housing in the Housing Element, the importance of farmworkers and the substantial need for housing for those individuals. Notwithstanding avowed principles of inclusivity and connectivity, the extent of the City's reaction to the need for farmworker housing is that "most farms and/or vineyards are situated in the County." Regrettably, that does not deal with the situation presently at hand where the intersection of County and City land use decisions has adversely impacted surrounding agricultural property without simultaneously committing to a more substantive urban connection to agricultural families on the fringe of the City's urban environment.
- City staff identified a number of underutilized properties in the Residential sites inventory analysis, which is Attachment 3 to the Housing Element. No hard evidence supports the conclusion that these properties are likely to be converted to much needed residential housing, further presenting difficulties with the RHNA conclusions. An example of the difficulty in redeveloping these types of uses, particularly in the absence of a redevelopment agency, is the Silk Mill property at 450 Jefferson Street. This property's land use designation for High Density Residential was, in December of 2009, the subject of a General Plan Amendment to convert the land use designation from High Density Residential to Mixed Use. This is a case in point which screams out for more planning flexibility in these uncertain and expensive times.

In conclusion, the Property can be utilized by the City as a flexible tool going forward with which a myriad of City planning goals could be achieved if the Property is included in the USB and SOI.

5. THE COUNTY MAY ALLOW DEVELOPMENT OF THE PROPERTY INDEPENDENTLY.

The County, under its land use authority, of course has the right to make land use decisions in connection with the Property up until the point of annexation. The Property, as noted before, is comprised of approximately 120 acres with a DA-10 acre zoning. This would equate to twelve new houses at the City's urban fringe. However, in addition to base densities now allowed in the agricultural land use districts, the County has recently made a concerted effort to provide for more farmworker housing in the unincorporated area. It used to be that farmworker housing, which was allowed, in addition to the principal primary permitted dwellings, was tiered off of the intensity of the agricultural use. However, that concept has now been abandoned and it is possible for an agricultural property owner to not only construct housing on his or her property, but to construct housing for workers otherwise employed on other farms in the local planning area, of which there are many.

Should the County avail itself of its planning authority in response to an application filed by the Property owner, Petaluma may well be left with a County designed development of market rate and farmworker housing on land surrounded by the City on three sides. Not only would the City not have any control over the design of such subdivision, but any demands for regional trails or buffers on the Property will be ineffective for jurisdictional and other grounds. Failure of the City to embrace the Property at this point in time could have unintended consequences for the City's ultimate development in the future.

6. DEVELOPMENT OF THE PROPERTY SERVES THE INTERESTS OF THE CITY, COUNTY AND PROPERTY OWNER.

Inclusion of the Property within the SOI and USB would make it possible, but not written in stone, for the Property to be used as a flexible tool as the new updated General Plan serves its useful purpose. Potential development of the Property can both serve to cure the litany of ills which have led to the difficulty in farming at the urban fringe and make it easier to achieve City planning goals. Not only this, the Property can be used going forward, given its size, to create a large, integrated development connected to the larger Lakeville community. It is this change that we seek to include as part of the City's Land Use and Housing Element as the General Plan Update moves forward.

7. CONCLUSION.

We conclude with the request that, as the visioning process moves forward to culminate in a new General Plan, due consideration be given to including the Property in the City's USB and SOI based on the points raised herein and information to be included in additional figures to be submitted to the City as the General Plan Update process moves forward.

Heather Hines, Planning Manager  
Project Management Department  
July 22, 2021  
Page 10

Thank you in advance for your time and effort in reviewing this letter and subsequent submissions. Should you have any questions, please feel free to contact me or any other member of our team.

Very truly yours,

A handwritten signature in black ink, appearing to read 'S. Butler', written in a cursive style.

STEPHEN K. BUTLER

SKB/pd

c: Matt Dobbins

JBT Property Management Company Inc.

Brian Sobel

Sobel Communications

Shawn Montoya

Montoya and Associates





September 28, 2022

To: Mayor Barrett, Members of the City Council, and Planning Staff & Consultants

Re: Climate Comments on Petaluma's Draft Housing Element

In recognition of Petaluma's 2030 climate neutrality goal, I recommend that Petaluma's Housing Element incorporate *all* of the relevant provisions, recommendations, goals, and policies incorporated in the following documents – adapted as needed to align them with Petaluma's 2030 goal.

- City of Berkeley Draft Housing Element, Section 2 – Goals and Policies (PDF pages 13-17)  
[https://berkeleyca.gov/sites/default/files/documents/2022-08-10\\_Berkeley%20Housing%20Element%20COMBINED\\_HCD.pdf](https://berkeleyca.gov/sites/default/files/documents/2022-08-10_Berkeley%20Housing%20Element%20COMBINED_HCD.pdf)
- City of Oakland Housing Element Appendix G  
[https://cao-94612.s3.amazonaws.com/documents/Appendix-G-Opportunities-for-Energy-Conservation\\_clean.pdf](https://cao-94612.s3.amazonaws.com/documents/Appendix-G-Opportunities-for-Energy-Conservation_clean.pdf)
- BayREN Housing Elements handout  
[https://www.bayren.org/sites/default/files/2022-03/BayREN%20Hsg%20Elt%20Handout\\_030722.pdf](https://www.bayren.org/sites/default/files/2022-03/BayREN%20Hsg%20Elt%20Handout_030722.pdf)

Further, I urge you to ensure that the Housing Element:

- Focuses on housing for the lowest-income residents within our community – at present, the draft provides for much higher numbers in the higher-income RHNA brackets
- Concentrates new housing in proximity to transit and services, consistent with VMT targets, and on underutilized parcels such as strip-mall sites
- Requires housing projects to incorporate bicycle and pedestrian infrastructure consistent with Petaluma's adopted climate and transportation safety goals and plans
- Fosters reductions in transportation-related emissions (and/or avoid increases in same) by establishing appropriate minimum densities and building heights and *maximum* parking requirements
- Protects critical climate-mitigating resources, such as wetlands, parks, trees, and other natural landscapes by excluding such areas from lists of “available” housing sites; in particular, remove sites that overlay the area designated for the North River Park and all other sites within flood plains. We have *ample* development capacity in underutilized areas.

Please also consider my recommendations, comments, and questions embedded within the attached PDF of the August 2022 2023-2031 *Housing Element*.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann Edminster". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Chair, Petaluma Climate Action Commission

736 Keller Court  
Petaluma, CA 94952

# 2023-2031 Housing Element

*August 2022*

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**PUBLIC REVIEW DRAFT  
2023-2031 Housing Element**

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# 1. Introduction

## A Portrait of the Community

Petaluma is located 40 miles north of San Francisco in southern Sonoma County, bisected by the Petaluma River and under the backdrop of the Sonoma Mountains. It is a unique, geographically defined community with a distinctive character derived from its geography, physical diversity, and small town atmosphere.

Petaluma was incorporated in 1858 and grew steadily following incorporation. There was a notable residential growth spurt following suburbanization from the 1950s to 1970s, resulting in the adoption of its residential growth management program. Following that landmark legislation, the City slowed its residential growth rate to not exceed 500 units per year through the turn of the 20th century. In recent years, the average number of building permits rarely comes close to 500 units annually. Limited local and regional housing construction has placed strong economic pressure on the local housing prices and rents, and housing is becoming increasingly unaffordable to the workforce. This 2023-2031 Housing Element presents a proactive strategy to create new housing opportunities and preserve housing affordability in the community.

## California Housing Element Law

Enacted in 1969, State housing element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development.

The Housing Element is subject to detailed statutory requirements regarding its content and is subject to mandatory review by the California Department of Housing and Community Development (HCD). The Housing Element must be updated every eight years. According to State law, the statutory due date to update the Housing Element for jurisdictions in the Association of Bay Area Governments (ABAG) region is January 31, 2023. A key component of the Housing Element requirement is the jurisdiction's ability to accommodate the City's share of Regional Housing Needs Assessment, (RHNA) as determined by HCD. For this sixth cycle of the Housing Element update, the City of Petaluma has been assigned a RHNA of 1,910 housing units.

### 1.1.1. Housing Element Components

State law requires the Housing Element to include the following information:

- An analysis of population and employment trends and documentation of projections, and a quantification of the existing and projected housing needs for all income levels, including extremely low income households.
- An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.
- An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period.

## PRELIMINARY DRAFT FOR DISCUSSION 2023-2031 Housing Element

- The identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit.
- An analysis of potential and actual governmental and non-governmental constraints upon the maintenance, improvement, or development of housing for all income levels.
- An analysis of any special housing needs, such as those of the elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and experiencing homelessness.
- An analysis of opportunities for energy conservation.
- An analysis of existing assisted housing developments that are eligible to change from low income housing uses during the next 10 years.
- A statement of the community's goals, quantified objectives, and policies relative to affirmatively furthering fair housing and to the maintenance, preservation, improvement, and development of housing.

The housing element establishes an action plan that details the actions, or programs, that will implement the goals and policies. For each program, the action plan must identify the agency responsible and the timeframe for implementation.

### 1.1.2. Organization of the Housing Element

This 2023-2031 Housing Element for the City of Petaluma is organized into the following sections and appendices:

Section 1 – Introduction

Section 3 – Resources to Accomplish Goals

Section 3 – Housing Action Plan

Appendix A: Housing Needs Assessment

Appendix B: Housing Constraints

Appendix C: Sites Inventory

Appendix D: Review of Past Accomplishments

Appendix E: Affirmatively Furthering Fair Housing

Appendix F: Summary of Community Outreach

## Relationship to the General Plan

The City of Petaluma is developing a comprehensive update to the 2025 General Plan (adopted May 2008) concurrently with the required update of the Housing Element. The General Plan update may introduce additional opportunities for residential growth beyond current land use policy. The General Plan update is anticipated to conclude in late 2023. To meet the January 2023 statutory deadline for the Housing Element, this Housing Element relies on sites that are currently designated and zoned for residential development and do not anticipate the need to modify current land use designation or zoning to accommodate the 6<sup>th</sup>

cycle RHNA. Therefore, this Housing Element is consistent with the current 2025 General Plan and will be consistent with the 2045 General Plan update.

## **Community Participation**

The City has implemented an extensive community outreach program for the Housing Element, that is being updated as part of the comprehensive update to the General Plan. A detailed summary of the outreach efforts and results is provided in Appendix F to this Housing Element.

The Draft Housing Element was available for public review between August 29, 2022 and October 3, 2022. The City also help public meetings before the Planning Commission (September 13) and City Council (October 3) to review the Draft Housing Element. Comments received on the Draft Housing Element are summarized by theme below, along with the City's responses.





## 2. Resources to Accomplish Goals

### Fiscal Resources and Leveraging History

With the dissolution of redevelopment by the State legislature in 2012, local jurisdictions' ability to expand affordable housing opportunities has been seriously compromised. In many cases, local jurisdictions lack a steady source of revenue to finance affordable housing. State and federal programs such as Low Income Housing Tax Credits are highly competitive. Increasingly, local jurisdictions are looking to locally generated resources to support affordable housing development. To the extent feasible, the housing programs outlined in this Housing Element will utilize the following sources of revenue to fund its projects and programs.

#### 2.1.1. Inclusionary Housing In-Lieu Fund

In 2018, Petaluma adopted an Ordinance (No. 2300 N.C.S.) implementing a housing in lieu fee for residential development to contribute to satisfy affordable housing requirements. The Inclusionary Housing In-Lieu Fund is generated by payments from developers in-lieu of providing inclusionary affordable units. The Fund is used to expand and preserve affordable housing opportunities for lower income households through land acquisition and assistance to non-profit developers with pre-development costs and subsidies for on- and off-site improvements. The City's current inclusionary housing ordinance was adopted in 2018 and eliminated the ability for a developer to meet inclusionary housing requirement through payment of an in-lieu fee unless separately approved as alternative compliance by the City Council. Therefore, the generation of housing in-lieu fees has significantly slowed in recent years. Additionally, the City has recently provided local funding for several affordable housing projects which has reduced the balance of the fund. As of July 1, 2022, the In-Lieu Fund has a balance of \$3,323,128, which is expected to fluctuate through October 2022.

#### 2.1.2. Commercial Linkage Fee

In 2004, Petaluma adopted an Ordinance (No. 2171 N.C.S.) implementing a commercial linkage fee for nonresidential development to mitigate the impacts on affordable housing linked to nonresidential development and to provide housing affordable to those with incomes between 80 and 100 percent of the Area Median Income. In June 2011, the Ordinance was revised to limit the type of nonresidential development to new or expanded nonresidential gross square footage. For purposes of this Fee, nonresidential land uses are classified as commercial, retail, or industrial. Funds collected may be used to directly finance the development of affordable housing units between the range 80 to 100 percent of AMI. The current fee schedule (July 2022) establishes the fee at \$3.36 per square foot of commercial development, \$5.81 per square foot of retail development, and \$3.46 per square foot of industrial development. As of July 1, 2022, the Commercial Linkage Fee has a balance of \$2,158,717.

#### 2.1.3. Community Development Block Grant

The Community Development Block Grant Program (CDBG) is a "pass-through" program that allows local governments to use federal funds to alleviate poverty and blight. The U.S. Department of Housing and Urban Development (HUD) makes allocations based on a formula that takes population, poverty, and housing distress into account. CDBG funds are used for a variety of housing and community development

efforts. With population over 50,000, Petaluma is considered an entitlement jurisdiction to receive CDBG funds from HUD directly. For FY 2022-2023, the City has been allocated \$329,577 in CDBG funds.

### **2.1.4. HOME Investment Partnership**

The HOME Investment Partnership Act is a formula-based block grant program similar to CDBG. HOME funds are intended to expand affordable housing through acquisition, construction, and rehabilitation of rental and ownership units. However, Petaluma does not qualify as an entitlement jurisdiction to receive HOME funds directly from HUD and must apply to the State HOME program on a competitive basis. Specifically, the City used \$900,000 of program income from the State HOME program for a MidPen development. HOME program income is comprised of interest earned and loan payoffs from earlier HOME financed projects. The project is located at 414 Petaluma Blvd North. The development will provide 43 units between 30 and 60 percent AMI. Construction started on the project in Spring of 2022 and will be ready for occupancy in fall of 2023.

### **2.1.5. Permanent Local Housing Allocation**

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the State's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which establishes a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. Because the number of real estate transactions recorded in each county will vary from year to year, the revenues collected will fluctuate.

The first year of SB 2 funds are available as planning grants to local jurisdictions. For the second year and onward, 70 percent of the funding will be allocated to local governments for affordable housing purposes and will be distributed using the same formula used to allocate Federal CDBG. This funding is known as the Permanent Local Housing Allocation (PLHA) and can be used to:

- Increase the supply of housing for households at or below 60 percent of AMI
- Increase assistance to affordable owner-occupied workforce housing
- Assist persons experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower and moderate income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation

The City is eligible to receive approximately \$250,000 in PLHA annually. The program has a current fund balance of \$470,905 from the program years 2019-2020. A Housing Element certified by the State HCD is a prerequisite for receiving PLHA funds.

## **Article 34 Authority**

Article XXXIV of the California Constitution requires that when the City develops, constructs, or acquires a housing project targeted towards lower income households, its qualified electors must approve the project by a majority. The City has secured Article 34 authority for elderly affordable housing (up to 5 percent of the total housing stock) and has been otherwise effective in providing affordable housing to lower income households by partnering with non-profit developers.

## Partnership Opportunities

The City partners with a number of housing developers to construct, acquire/rehabilitate, and preserve affordable housing and special needs housing in the community. Active nonprofit developers include:

- Eden Housing
- Burbank Housing
- MidPen Housing
- PEP Housing
- DANCO Communities
- Housing Land Trust of Sonoma County

## Regional Housing Needs Assessment

### 2.4.1. Overview of RHNA

The Regional Housing Needs Assessment (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for the eight-year period. The regional housing needs analysis is derived from the statewide growth forecast, which is then allocated to regions, counties, and cities. The statewide determination is based on population projections produced by the California Department of Finance and the application of specific adjustments to determine the total amount of housing needs for the region. The adjustments are a result of recent legislation that sought to incorporate an estimate of existing housing need by requiring the State HCD to apply factors related to a target vacancy rate, the rate of overcrowding, and the share of cost-burdened households. The new laws governing the methodology resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles. The RHNA for Bay Area jurisdictions was adopted by the Association of Bay Area Governments (ABAG) in December 2021.

### 2.4.2. RHNA for Petaluma

California housing element law requires that each city and county develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups, as determined by the jurisdiction’s council of governments. The Regional Housing Needs Allocation (RHNA) is the share of housing assigned to each jurisdiction by the Association of Bay Area Governments (ABAG) in the Bay Area for the eight-year planning period (January 31, 2023 to January 31, 2031). This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for its share of projected regional housing growth across all income categories and demonstrates capacity to accommodate its housing share.

The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning and is one of the primary threshold criteria necessary to achieve State certification of the Housing Element.

In December 2021, ABAG approved the Final RHNA Plan. Petaluma must plan for a RHNA of 1,910 units, a substantial increase from the last cycle, accommodating not only future needs but also factoring in the unmet demand of the previous cycles. Petaluma’s RHNA is divided into four income categories (i.e., very low, low, moderate, and above moderate) as shown in Table 1 below.

**Table 1: City of Petaluma RHNA (2023-2031)**

<b>Petaluma</b>	<b>Extremely Low/ Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Moderate</b>	<b>Total</b>
RHNA	499	288	313	810	1,910
% of Total	26%	15%	16%	42%	100%

*Source: ABAG 6<sup>th</sup> Cycle Final RHNA Allocation Plan, adopted December 2021*

\*The RHNA does not include the extremely low category. It is estimated to be ½ of the very low income need, per Government Code §65583.a.1. The total very low income RHNA is 499 units; therefore, 254 units are designated as extremely low income and 254 units are designated as very-low-income. However, for the sites inventory purposes, no separate accounting is required for the extremely low income category

### 2.4.3. Summary

The Housing Element must include an inventory of land with potential for residential development during the Housing Element planning period. In conducting this adequate sites analysis, jurisdictions can accommodate the RHNA through the following:

**Likely Sites:**

- Projected ADU Trend: State law allows jurisdictions to project the number of ADUs to be constructed over eight years based on the recent trend of ADU construction. ABAG prepared a rent study that received preliminary approval from HCD. Based on a survey of rental listings for ADUs and similar units, ABAG established an income/affordability distribution for ADUs at 30 percent very low income, 30 percent low income, 30 percent moderate income, and 10 percent above moderate income.
- Credits toward RHNA (Pipeline Projects): While the new 6<sup>th</sup> cycle Housing Element begins January 31, 2023, the baseline project period for the RHNA begins on June 30, 2022. Housing units under construction, approved, entitled, or permitted but not expected to be finalized until after June 30, 2022 can be credited toward the 6<sup>th</sup> cycle RHNA.

**Sites Inventory:**

- Opportunity Sites: Accounting for projected ADUs and eligible credits, the City must identify adequate sites to fully accommodate the remaining RHNA obligations. Opportunity sites are sites that are currently zoned for residential or mixed use development, where existing uses on site are considered underutilized with potential for redevelopment. Sites with expressed interests for redevelopment from property owners and developments are also included.

Table 2 provides a summary of the City’s strategy for meeting the 6<sup>th</sup> cycle RHNA. The total realistic capacity shown is 3,404 units, which exceeds the target of 1,910 units the City is required to accommodate for its RHNA. The capacity identified in the site inventory includes an approximately 45 percent buffer in the lower income categories to ensure that Petaluma is proactively identifying sites to meet housing needs for the most vulnerable. Additionally, the overall buffers are recommended by HCD and provide assurance that Petaluma has adequate sites to meet the local RHNA.

**Table 2: Summary of RHNA Strategy**

	Units by Income Group				Total
	Very Low	Low	Moderate	Above Moderate	
RHNA	499	288	313	810	1,910
<b>Likely Sites</b>	<b>241</b>	<b>186</b>	<b>101</b>	<b>1,243</b>	<b>1,772</b>
Potential ADUs	43	43	43	14	144
Pipeline Projects	198	143	58	1,229	1,628
<b>Remaining RHNA</b>	<b>258</b>	<b>102</b>	<b>212</b>	<b>(433)<sup>1</sup></b>	<b>572</b>
<b>Opportunity Sites</b>	<b>260</b>	<b>262</b>	<b>444</b>	<b>666</b>	<b>1,632</b>
Vacant Sites	50	51	44	238	383
Parking Lots of Shopping Centers	10	11	-	221	242
Underutilized sites	200	200	400	207	1,007
<b>Total Capacity</b>	<b>501</b>	<b>448</b>	<b>545</b>	<b>1,909</b>	<b>3,404</b>
Surplus (+) / Deficit (-) (Opportunity Sites vs. Remaining RHNA)	+2	+160	+232	+1,097	+1,493
Buffer (Remaining RHNA) <sup>1</sup>	+45%		+109%	N/A <sup>2</sup>	+261%
<p>1. Buffer percentage was calculated by dividing the surplus/deficit by the remaining need.                  2 There is no remaining need for Above Moderate units (RHNA was met with pipeline projects and potential ADUs).</p>					



## 3. Housing Action Plan

### 3.1. Goals and Policies

#### Goal 1: Housing Availability and Choices

Provide opportunities for residential development to accommodate projected residential growth and diverse housing needs of all existing and future Petalumans.

- Policy 1.1** Promote residential development within the Urban Growth Boundary, especially near transit and services and areas of high resource, as defined under Affirmatively Furthering Fair Housing legislation.
- Policy 1.2** Encourage infill housing development with a particular focus on facilitating development near transit and services to support City climate goals.
- Policy 1.3** Establish flexibility in the City's standards and regulations to encourage a variety of housing types, including mixed-use and flexible-use buildings, and affordable housing development.
- Policy 1.4** Encourage the efficient use of residential and mixed-use land by facilitating development at the upper end of the density range.
- Policy 1.5** Encourage the development of ADUs and JADUs as affordable housing resources.
- Policy 1.6** Facilitate the transition of existing neighborhoods into more walkable neighborhoods with integrated services, amenities, and housing choices.
- Policy 1.7** Monitor and minimize the impact of short-term rentals on the City's supply of housing available for long-term residential uses.

#### Goal 2: Development Constraints

Remove or mitigate constraints on housing development to expedite construction and lower development costs while avoiding impacts on environmentally sensitive areas.

- Policy 2.1** Review and adjust city residential and mixed-use development standards that are determined to be a constraint to the development and improvement of housing.
- Policy 2.2** Streamline the City's review and approval process for residential and mixed-use projects to ensure objective evaluation and greater certainty in outcomes to facilitate affordable housing production.
- Policy 2.3** Develop incentives such as streamlined review, fee adjustments, and objective design standards to encourage residential development that is affordable and environmentally appropriate.
- Policy 2.4** Periodically review and update the City's impact fees to ensure adequate fees are collected to provide services, infrastructure, and facilities for the projected population. Waive, reduce, or defer fees for affordable housing units and climate-friendly development.
- Policy 2.5** Update the City's residential impact fees based on unit size to incentivize smaller units.



**Policy 2.6** Periodically review the City’s development standards, regulations, and procedures to ensure that the City responds to the changing market conditions and development trends in a timely manner.

### **Goal 3: Affordable Housing**

Promote the development, preservation, and improvement of housing affordable to lower and moderate income households, including extremely low income households.

**Policy 3.1** Expand revenue sources to provide housing affordable to extremely low to moderate income households, and those with special needs.

**Policy 3.2** Partner with developers of market-rate housing and non-residential projects, as well as employers, to address the housing needs in the community.

**Policy 3.3** Facilitate the entry of lower and moderate income households into the housing market.

**Policy 3.4** Streamline the review process for projects with 20 percent or more units affordable to lower income households.

**Policy 3.5** Evaluate City-owned parcels for affordable housing development. Rezone, as necessary, identified parcels to allow housing development.

### **Goal 4: Housing Preservation**

Improve the quality and diversity of residential neighborhoods, preserve the City's existing affordable housing, and ensure the long-term affordability of new below-market-rate units.

**Policy 4.1** Preserve the affordability of the City’s existing affordable housing stock.

**Policy 4.2** Ensure the long-term affordability of units developed or provided with City assistance.

**Policy 4.3** Promote the improvement and maintenance of existing residential units.

**Policy 4.4** Provide incentives for longer affordability terms.

**Policy 4.5** Develop financial and technical assistance for renovation and upgrades to affordable units.

**Policy 4.6** Develop programs and actions to address the risks and impacts of economic displacement.

### **Goal 5: Special Needs Housing**

Promote housing opportunities for persons and households with special needs, including the elderly, disabled, large households, female-headed households, farmworkers, and persons experiencing homelessness.

**Policy 5.1** Support efforts to prevent homelessness and to rapidly re-house the recently homeless.

**Policy 5.2** Provide housing and support services for persons experiencing homelessness.

**Policy 5.3** Facilitate the development of transitional and supportive housing for those moving from homelessness to independent living.

**Policy 5.4** Promote the construction and maintenance of housing for the elderly and provide housing choices to allow older residents to age in place.

**Policy 5.5** Promote the development of housing that is designed to accommodate the needs of persons with disabilities, including supportive housing with on- or off-site services.

**Policy 5.6** Promote the construction of adequately sized rental units for large households.

**Policy 5.7** Facilitate the provision of housing for the workforce, including those in the agricultural and hospitality industries.

## Goal 6: Fair Housing

Affirmatively further fair housing to promote equal access to housing opportunities for all existing and future residents.

**Policy 6.1** Comply with federal, state, and local Fair Housing and anti-discrimination laws, and affirmatively further fair housing for all, ensuring equal access to housing regardless of their special circumstances as protected by fair housing laws.

**Policy 6.2** Promote housing mobility by expanding housing choices and increasing housing opportunities in high resource areas.

**Policy 6.3** Protect tenants from discriminatory housing practices and displacement.

**Policy 6.4** Promote the integration of affordable and special needs housing projects in existing neighborhoods.

**Policy 6.5** Collaborate with and support efforts of organizations dedicated to eliminating housing discrimination.

**Policy 6.6** Ensure City boards and commissions include members serving the targeted populations.

## Housing Programs

### 3.2.1. Housing Availability and Choices

#### Program 1: Adequate Sites for RHNA and Monitoring of No Net Loss (REQUIRED)

The City of Petaluma has been allocated 1,910 units (499 very low income, 288 low income, 313 moderate income, and 810 above moderate income units). Based on projected ADUs and entitled projects, the City has met all its RHNA for above moderate income units, with a remaining RHNA of 572 units (258 very low income; 102 low income; and 212 moderate income units). Using factors such as existing uses, zoning, and development standards, the City has identified an inventory of sites with potential for redevelopment over the eight-year planning period to fully accommodate the remaining RHNA. Specifically, vacant and underutilized sites identified with near-term development potential can accommodate 1,632 units (524 lower income units; 444 moderate income units; and 664 above moderate income units). The City is able to accommodate its full RHNA based on existing land use policy and zoning provisions. The City has

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endeavored to identify sites that result in relatively lower VMT and ecological impacts in order to support the City’s climate goals.

To comply with the AB 1397 requirements for reusing sites that were identified in previous Housing Element cycles, the City will amend the Zoning Code to permit residential/mixed use projects on these reuse sites by right without discretionary review if the project includes 20 percent of units affordable to lower income households.

To ensure that the City complies with SB 166 (No Net Loss), the City will monitor the consumption of residential and mixed-use acreage to ensure an adequate inventory is available to meet the City’s RHNA obligations. To ensure sufficient residential capacity is maintained to accommodate the RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction in capacity below the residential capacity needed to accommodate the remaining need for lower and moderate income households, the City will identify and if necessary, rezone sufficient sites to accommodate the shortfall and ensure “no net loss” in capacity to accommodate the RHNA.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Maintain an inventory of the available sites for residential development and provide it to prospective residential developers. Update the sites inventory at least annually.</li> <li>• By January 2024, amend the Zoning Code to permit residential/mixed use projects by right without discretionary review on reuse sites from previous Housing Elements, if the project includes 20 percent of the units affordable to lower income households.</li> <li>• By January 2024, implement a formal evaluation procedure pursuant to Government Code Section 65863 to monitor the development of vacant and nonvacant sites in the sites inventory and ensure that adequate sites are available to meet the remaining RHNA by income category.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

**Program 2: Replacement Housing (REQUIRED)**

Development on nonvacant sites with existing residential units is subject to a replacement requirement. Specifically, AB 1397 requires the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site. Replacement requirements per AB 1397 are consistent with those outlined in the State Density Bonus Law.

To further mitigate any impacts relating to displacement, the City will consider requiring the first right of refusal for the displaced tenants.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By December 2024, update the Zoning Code to address the replacement requirements. As part of this Code update, consider requiring the first right of refusal for the displaced tenants.</li> </ul>
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Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

### **Program 3: Accessory Dwelling Units (PROMOTING ADUs IS REQUIRED)**

Accessory Dwelling Units (ADUs) represent an important resource to providing lower and moderate income housing in Petaluma. To facilitate ADU production, the City will:

- Dedicate a specific page of the City website to provide information on and resources for ADU construction.
- Develop an ADU construction guide to clarify the process and requirements for permit applications. The guide will outline the required review by various departments, the fees required, and if a new address is required for the ADU.
- Create a permit center to coordinate application and review processing by various departments.
- Provide specific staff familiar with ADUs to respond to questions and offer office hours to answer questions, offer technical assistance, and provide seminars or other education to the public, and provide other support to those increased in creating ADUs and JADUs.
- Consider reducing or waiving plan check fees if the applicant chooses one of the plans pre-approved by the City.
- Consider setting aside funding or offering other financial incentives to encourage ADUs to be made available at affordable costs to lower income households. A loan or grant may be offered to property owners in exchange for deed restricting ADUs as housing affordable for lower income households.
- Develop an amnesty program for illegally constructed ADUs to legalize these units as long as these units are code corrected to meet health and safety, and building standards. A checklist will be developed to assist homeowners in assessing their eligibility/feasibility and in estimating costs before applying for amnesty.
- Promote ADU-related programs and/or ADU construction in neighborhoods with a higher need for affordable housing, or relatively high capacity for ADU development.
- As part of the Inclusionary Housing program review and update, allow ADUs in multi-family developments to count toward the inclusionary housing requirement (see Program 11).

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Continue to promote and facilitate the development of ADUs through a partnership with the Napa-Sonoma ADU Accelerator.</li> <li>• Permit on average 18 ADUs or JADUs per year (144 ADUs or JADUs over eight years). If an average of 18 ADUs per year are not achieved by 2025, consider adopting additional measures that are not supportive of ADU development.</li> <li>• By December 2022, create a streamlined process application and review</li> </ul>
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	<p>process, update the City website to create a dedicated page for ADU resources, and develop an ADU construction guide. Update the ADU webpage semi-annually to ensure information addresses questions raised by applicants.</p> <ul style="list-style-type: none"> <li>• By December 2023, allocate staffing resources to expedite the ADU review and approval process and create a permit center to coordinate the review of ADU applications.</li> <li>• In 2023, consider financial incentives to encourage affordable ADUs (fee waivers or direct subsidies) and allocate resources as appropriate.</li> <li>• In 2024, evaluate and develop an ADU amnesty program.</li> <li>• In 2024, identify neighborhoods with capacity for ADU development and conduct targeted outreach.</li> <li>• Provide an annual update on ADU permit progress to Planning Commission and City Council</li> </ul>
Primary Responsible Departments	Community Development (Planning, Building)
Funding Sources	General Fund

### **Program 4: Efficient Use of Multi-Family Land**

The City permits single-family homes in all residential zones and the MU1 C mixed-use zone, potentially reducing the achievable density in multi-family zones. Establishing increased minimum densities for multi-family and mixed-use zones will ensure efficient use of the City's multi-family land, including requiring multifamily densities in multifamily zones.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By June 2024 adopt the Zoning Text Amendment to modify residential product types allowed in higher density zones.</li> <li>• By December 2024, as part of the General Plan update: <ul style="list-style-type: none"> <li>○ Consider establishing minimum densities for multi-family and mixed-use zones.</li> <li>○ Explore and, if appropriate, develop target density policies.</li> </ul> </li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

### **Program 5: Flexible Development Standards**

The City will continue to support neighborhood vibrancy through flexible development standards. As part of the General Plan update process, the City will explore land use policy and development code changes to encourage the integration of mixed-use and residential development. These may include:

- Conversion of nonresidential uses into housing. Strategies may include the waiving of additional parking requirements or the ability to pay into a parking assessment district.
- Small lot development in Downtown Petaluma. Many Downtown parcels are small and consolidation for large-scale development may be challenging. To facilitate residential development in Downtown, consider allowing up to six units on small lots with 6,000 square feet and explore policies that facilitate small lot consolidation.
- The minimum retail requirement may be a constraint to developing mixed-use buildings given the evolving retail and office markets. Currently, certain streets within SmartCode areas do not have minimum retail requirements. Explore and possibly expand areas where a minimum nonresidential component may be reduced or eliminated.
- Due to the changing economy and impacts of COVID, regionally communities are experiencing changes to the commute patterns, level of home occupancy, and remote working. The City will evaluate the definition of live/work and work/live units and the provisions for such housing types to allow flexibility in various living and working arrangements. An emerging trend is to allow co-working spaces to fulfill the nonresidential component of mixed-use development.
- Develop objective design standards for residential and mixed use development.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By January 2023, adopt objective design standards and parking standards for multi-family residential and mixed use development (currently underway).</li> <li>• By December 2023, as part of the General Plan update, adjust the mixed-use development requirements and address zoning code constraints, such as parking, to support adaptive reuse of nonresidential spaces.</li> <li>• By December 2023, adopt live/work standards to encourage a greater range of options.</li> <li>• By December 2023, update onsite parking regulations to reduce barriers to housing development and to support the City's affordable housing development and climate goals.</li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

## **Program 6: Religious and Institutional Facility Housing Overlay**

AB 1851 of 2020 allows an affordable housing project to be developed at a place of worship owned by a religious institution even if the development requires the reduction of the number of religious-use parking spaces. This bill applies to religious facilities that are located in zones that allow residential uses.

The City will explore establishing a Religious and Institutional Facility Housing Overlay with the following potential provisions:

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- Expand the provisions of AB 1851 to other institutional uses, such as schools and hospitals, as well as religious facilities located in zones that currently do not allow residential uses.
- Allow religious and institutional uses to construct up to four ADUs and/or JADUs on site.
- Allow safe parking on site as desired by the institution.
- Allow 100% affordable housing projects in the Civic Facility (CF) zone

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By December 2024, as part of the General Plan update, establish a Religious and Institutional Facility Housing Overlay Zone.</li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

### 3.2.2. Development Constraints

#### Program 7: Zoning Code Amendments (REQUIRED)

The City will amend the Zoning Code to address the following to facilitate the development of a variety of housing types:

- **Parking:** The City currently requires one space per bedroom but no fewer than 1.5 spaces per multi-family unit. These parking standards may be considered a constraint to large units (with three or more bedrooms) and small units (such as efficiency units). The City may establish updated parking standards for various housing types. This process does not provide certainty in outcomes.
- **Density Bonus:** The City’s Density Bonus must be updated to reflect recent changes to State law, such as AB 1763, which made several changes to density bonus requirements for 100 percent affordable projects, and AB 2345, that further incentivizes the production of affordable housing.
- **Residential Care Facilities:** The City permits residential care facilities for six or fewer persons in residential and mixed-use zones. However residential care facilities for seven or more persons are not permitted in any residential zones. Furthermore, residential care for the chronically ill and adult residential facilities are subject to additional restrictions. The City will evaluate this constraint and amend the Zoning Code to mitigate this constraint to facilitate the development of additional types of residential care facilities.
- **Transitional and Supportive Housing:** Pursuant to State law (SB 745 of 2014), transitional and supportive housing is a residential use and should be subject to those restrictions that apply to other residential dwellings of the same type in the same zone. The City currently conditionally permits transitional and supportive housing in MU1 A and MU1 B zones where residential mixed-use is permitted by right. The City will update the Zoning Code to reflect State law.
- **Low Barrier Navigation Center (LBNC):** AB 101 requires that LBNCs be permitted by right in areas zoned for mixed-use and nonresidential zones that permit multi-family housing. The City will update the Zoning Code to reflect State law. A Low-Barrier Navigation Center (LBNC) is a "Housing First," low barrier, temporary, service-enriched shelter that helps homeless individuals and families to quickly obtain permanent housing.



- Reasonable Accommodation: The City will work to develop a formal Reasonable Accommodation procedure to provide flexibility in the implementation of the City's land use and zoning policies to address housing for persons with disabilities.
- Civic Facility: Consider amending the Zoning Code to permit residential uses in the Civic Facility zone and incorporate deed restrictions to ensure residential units are affordable.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By December 2024, address the Zoning Code revisions as outlined above.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

## Program 8: Development Fees

The City's development impact fees are established on a per-unit basis without consideration of unit size. This fee structure is not conducive to promoting the development of a range of unit sizes, particularly smaller units. The City will review and revise its fee structure to encourage a range of unit sizes and to facilitate the development of affordable housing. Potential revisions may include:

- Reviewing fees in general
- Shifting impact fees to \$ per square foot to encourage more compact units
- Shifting impact fees for parking aligned to City's goals
- Reducing impact fees for floors above third story to encourage development of higher intensity projects
- Reducing fees for affordable units
- Reducing fees to incentivize affordable housing development
- Amortizing fees over a period of time for affordable housing

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By December 2024, conduct an impact fee analysis and revise the development fee structure to encourage a range of housing unit sizes.</li> </ul>
Primary Responsible Departments	Community Development
Funding Sources	General Fund

## Program 9: Shopping Center Parking Lot Conversion

Throughout the state, and even nationwide, the shift to online shopping has resulted in changes to the retail landscape. Many shopping centers are being reimagined as vibrant residential/commercial mixed use development. However, redeveloping shopping centers presents some challenges, such as the large site scale, configuration of existing structures and parking areas, existing lease terms, CC&R provisions, shared parking agreements, and community desire to maintain and rejuvenate retail services. The City will establish policies and development regulations to enable a residential development through a range of approaches including :

- Full redevelopment;



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- Addition of residential uses in existing surface parking areas ;
- Cluster residential development on underutilized portions of the site; and/or
- Addition to or reconfiguration of the existing structures to include residential uses.

Specifically, policies and zoning development standards will be written to facilitate:

- Subdividing, if necessary, of the parking areas to create developable parcels;
- Clustering of densities on portions of the parking areas; and
- Shared access to existing structures to allow existing uses to remain while the parking areas are being redeveloped
- Increase height limits and permit shared parking options
- A strong sense of place and cohesive urban design both within the site and in relation to the surrounding neighborhood.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• By December 2024, develop land use policies and development standards to facilitate shopping center redevelopment with a strong sense of urban design cohesion.</li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

## Program 10: Water Master Plan

The City is implementing its current water master plan as it develops an updated water master plan. The City purchases most of its drinking water from Sonoma Water and is a party to the Restructured Agreement for Water Supply (Restructured Agreement) between Sonoma Water and its water contractors. As required by the Restructured Agreement, the city is an active participant in the Sonoma Marin Saving Water Partnership which provides regional solutions for water use efficiency. The city is participating with Sonoma Water in a Regional Water Supply Resiliency Study.

As an urban water supplier, the City prepares an updated Urban Water Management Plan (UWMP) every five years which assesses the reliability of water sources over a 20-year planning horizon. Part of the UWMP is the Water Shortage Contingency Plan (WSCP) which is enacted during water shortage events. As part of the City development impact fees, the City charges water and sewer capacity fees for new connections. By December 2022, the City will conduct a water and sewer capacity fee study and revise its capacity fees to reflect the current cost of growth for future customers.

The City has a robust water conservation strategy that offers many programs to help residential and commercial water customers conserve water including rebates, water use evaluations, leak detection, and free water-saving devices. The water conservation program contracts with the local non-profit organization Daily Acts to provide water conservation outreach and programming.

The City has the following efforts planned to increase local water supply resiliency and water use efficiency:

- Drought Ready Ordinance – a requirement to pre-plumb new buildings for graywater.
- WSCP Update – plan update to include restrictions for some new water customer connections that occur during a water shortage periods.

- Recycled Water Program Expansion – expand urban recycled water pipeline to irrigate additional parks, schools, and public landscape areas.
- Expand the water conservation rebate program
- Aquifer Storage and Recovery Plan – plan to study taking surplus drinking water from the Russian River system during wet winter years and storing it in the deep underground aquifer in the Petaluma groundwater basin. The stored water would then be available as an emergency backup supply.
- Expand local municipal groundwater wells – develop new wells and implement decentralized treatment for existing wells with impaired water quality.
- The City is a member of the Petaluma Valley Groundwater Sustainability Agency (GSA) which is a public agency formed in 2017 to sustainably manage groundwater in the Petaluma Valley groundwater basin.
- Advanced Metering Infrastructure (AMI) – replacement project for all existing 20,000 + water meters to AMI technology. AMI will increase water conservation and provide water customers with real-time leak detection alerts and water use information.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Ongoing participation in the update and implementation of the water master plan.</li> <li>• On-going compliance with the Restructured Agreement and participation in the Sonoma Marin Saving Water Partnership.</li> <li>• On-going implementation and expansion of water conservation program.</li> <li>• On-going recycled water program expansion.</li> <li>• By December 2022, an estimated 5 new recycled water connections off Maria Drive to serve public parks and landscape areas</li> <li>• By December 2022, Drought Ready Ordinance to City Council for consideration and adoption.</li> <li>• By December 2022, begin Aquifer Storage and Recovery Plan.</li> <li>• By September 2022, update UWMP and WSCP.</li> <li>• By December 2022, begin updated water and sewer capacity fee study and implement revised capacity fees.</li> <li>• FY23-24, Installation of new municipal groundwater well.</li> <li>• Planning stages for well treatment at existing groundwater wells.</li> <li>• By December 2025, the Advanced Metering Infrastructure installation complete.</li> </ul>
Primary Responsible Departments	Public Works and Utilities
Funding Sources	Water Enterprise
AFFH Themes	Not applicable

### **3.2.3. Affordable Housing**

#### **Program 11: Inclusionary Housing**

The City implements its local Inclusionary Housing program that requires 15 percent of the units in new development (of five or more units) to be rented or sold at prices affordable to lower and moderate income households. To facilitate housing development, the City will evaluate the Inclusionary Housing program to:

- Assess the threshold for applying the inclusionary requirements, including the appropriate unit threshold for in-lieu options.
- Establish specific alternative options for fulfilling the inclusionary housing requirements, such as payment of an in-lieu fee, donation of land, acquisition/rehabilitation and deed restriction of existing housing, preservation of affordable housing at risk of converting to market rate, or allowance of ADUs in multi-family development to count toward the requirement.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Continue implementation of the Inclusionary Housing Program to create 1,000 affordable units (400 very low income; 400 low income; 200 moderate income) over eight years.</li> <li>• In 2024, evaluate the Inclusionary Housing program to ensure the in-lieu options, threshold and fee structure for in-lieu options are appropriate to facilitate housing development given the current market conditions.</li> <li>• At least every four years, review the in-lieu fee calculations to ensure the fees reflect current market conditions.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund
AFFH Themes	<ul style="list-style-type: none"> <li>• New Opportunities in High Resource Areas</li> <li>• Housing Mobility</li> <li>• Anti-Displacement and Tenant Protection</li> </ul>

#### **Program 12: Housing-Commercial Linkage Fee**

The City implements the Housing-Commercial Linkage Fee program to facilitate affordable housing development. The program requires all construction or expansion of nonresidential development to pay a linkage fee for affordable housing. Nonresidential uses include commercial, retail, and industrial uses. The collected fee is used to provide affordable housing for households with incomes between 80 and 100 percent of the Area Median Income (AMI). However, this income range does not cover many workers in the farming or hospitality industries who are at lower pay scales. To ensure the success of the Housing-Commercial Linkage fee in helping the City meet workforce housing needs in the community, the City should evaluate the appropriateness of the 80 to 100 percent AMI target and consider modifying the fee to allow for use in lower income categories. Additionally, the fee as currently adopted does not include the annual increase by CPI that many other City impact fees have. Therefore, the Linkage fee should be modified to include an annual adjustment to keep up with market trends.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• At least every four years, review the Linkage fee calculations to ensure the fee reflects current market conditions.</li> <li>• Modify fee resolution to include an automatic annual increase by CPI.</li> <li>• In 2024, review the existing nexus study.</li> <li>• By the end of 2024, consider revising the target AMI range for the program to up to 100 percent AMI (to encompass the very low income and extremely low income groups).</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

### **Program 13: Local Housing Trust Fund**

A major constraint to affordable housing development is the lack of funding. The City has established a Local Housing Trust Fund but has limited sources of revenue for the Trust Fund. Currently, available sources include fees generated from the Inclusionary Housing in-lieu fee, Housing-Commercial Linkage Fee, and Permanent Local Housing Allocation. With the City’s focus on on-site production of affordable units, the In-Lieu fee is not a significant revenue for the Trust Fund.

The City is exploring participation in the Joint Powers Authority (JPA) with the City of Santa Rosa and the County of Sonoma. The JPA was created with the PG&E settlement funding from the 2017 and 2018 wildfires.

The City will explore other funding sources, including:

- General Fund
- Transient Occupational Tax
- Short-Term Rental registration fee
- Vacant Home Tax - Imposing a tax on homes that are unoccupied for an extended period
- Employer Fee – Requiring major employers to contribute to affordable housing

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Ongoing exploration of additional funding sources for the Housing Trust Fund and pursue appropriate options by 2025.</li> </ul>
Primary Responsible Departments	Community Development (Housing)
Funding Sources	Housing Trust Fund

## **Program 14: Incentives for Affordable Housing (REQUIRED)**

The City will continue to facilitate the development of affordable housing, especially housing for lower income households (including extremely low income) and those with special housing needs (including persons with disabilities/developmental disabilities). Incentives may include, but are not limited to:

- Expedited review of affordable housing projects
- Dedicated project manager to help navigate the City process
- Financial participation using the Local Housing Trust Fund
- Support and assistance in project developer's applications for other local, state, and federal funds
- Density bonus beyond State law
- Waived, reduced, or deferred impact fees for affordable housing units (potentially scaled on the basis of affordability level and percent of affordable units)
- Streamlined review for 100 percent affordable housing projects

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• This work is ongoing.</li> <li>• By December 2023, establish an incentive package for affordable housing development, such as the percentage of affordable units to qualify for expedited review and local density bonus.</li> <li>• Facilitate the development of 1,000 affordable units in eight years (400 very low income; 400 low income; and 200 moderate income).</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

## **Program 15: Workforce/Missing Middle Housing**

Housing in Petaluma is generally not affordable to lower and moderate income households. Even middle income households have difficulty locating affordable and adequate housing options. More than three-quarters of the City's housing stock is comprised of single-family homes, a housing type that is generally not affordable to the workforce. The City will explore various strategies to promote workforce/missing middle housing. Potential strategies may include:

- Transitioning single-family neighborhoods into 15-minute walkable neighborhoods by integrating neighborhood-serving uses, and live/work spaces with residential uses. This approach enhances housing options by introducing medium density housing into single-family neighborhoods, providing the middle income housing that is missing in the City's range of housing choices. To implement this goal, the City will explore several changes to the Zoning Code, including but not limited to:
  - Allowing neighborhood-serving nonresidential uses into residential neighborhoods, including co-working spaces

- Redefining home occupation and live/work arrangements
- Implementing SB 9
- Promoting small lot subdivisions and appropriately-scaled multi-family buildings
- Allowing small complexes, up to six units, on lots of at least 6,000 square feet citywide.
- Facilitating lot consolidation.
- Establishing a requirement for an average unit size per development to balance between density and unit sizes and encourage the development of smaller units.
- Pursuing the acquisition and deed restriction of apartments for middle income households.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>● By December 2023, as part of the City's General Plan update, develop land use policies to facilitate the transitioning of single-family neighborhoods and to increase opportunities for medium density residential for middle income housing.</li> <li>● In 2024, pursue opportunities with Joint Powers Authorities to acquire and deed restrict apartments as middle income housing.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing); City Attorney's Office
Funding Sources	Housing Trust Fund
AFFH Themes	<ul style="list-style-type: none"> <li>● Housing Mobility</li> <li>● New Opportunities in High Resource Areas</li> </ul>

## **Program 16: Community Land Trust/Land Banking**

Community land trusts are nonprofit, community-based organizations designed to ensure community stewardship of the land. Community land trusts can be used for many types of development (including commercial and retail), but are primarily used to ensure long-term housing affordability. To do so, the trust acquires land and maintains ownership of it permanently.

The CLT model is often used for the ownership of affordable housing because the cost of land is not factored into the price of the home. Prospective homeowners enter into a long-term renewable lease with the CLT instead of a traditional sale. When the homeowner sells, the seller earns only a portion of the increased property value. The remainder is kept by the trust, preserving the affordability for future low to moderate income households. For rental housing, the CLT guarantees the affordability of the properties in perpetuity.

The City may also pursue an alternative approach to CLT, by acquiring and retaining ownership of the land but leasing the land to developers for affordable housing for \$1 per year.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>● Partnership with a regional community land trust is ongoing.</li> <li>● In 2024, conduct outreach to nonprofit housing developers and other Community-Based Organizations (CBOs) to explore the feasibility of establishing a CLT. If feasible, identify funding sources to seed the CLT and in 2025, establish a CLT for affordable housing or develop an</li> </ul>
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	alternative land banking strategy.
Primary Responsible Departments	Community Development (Housing)
Funding Sources	Housing Trust Fund

### 3.2.4. Housing Preservation

#### Program 17: Housing Rehabilitation (REQUIRED)

In recent years, the City has been providing Community Development Block Grant (CDBG) funds to Rebuilding Together to provide major and minor rehabilitation services to lower income households. The City will continue to support nonprofit efforts for the improvement of housing conditions for lower income households, especially those with special needs. Eligible improvements include emergency health and safety housing repairs, energy conservation, and accessibility improvements.

The City will also explore using available resources to assist disadvantaged neighborhoods in moving toward all electrical utilities and appliances per the City’s Climate Action and Adaptation Plan.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>Continue to provide funding for housing rehabilitation services to assist an average of 30 households annually or 240 households over eight years.</li> <li>Beginning 2025, pursue funding for decarbonization of housing for low income households to assist 40 households over eight years.</li> </ul>
Primary Responsible Departments	Community Development (Housing)
Funding Sources	CDBG

#### Program 18: Preservation of At-Risk Housing (REQUIRED)

The City has an inventory of publicly assisted housing projects that offer affordable housing opportunities for lower income households. Most of these projects are deed-restricted for affordable housing use long term. However, eight projects (300 units) in the City utilize Section 8 rental assistance from HUD to further subsidize the affordability of these units. These subsidy contracts require renewal periodically. However, all except one of these projects are owned by nonprofit organizations. Therefore, the likelihood of these projects opting out of low income use is limited.

The City will work to preserve the long-term affordability of its affordable housing inventory, including these eight projects with project-based Section 8 contracts. A possible strategy for preserving the affordable housing inventory is to acquire and maintain the affordable projects through the Community Land Trust if one is established (Program 17).

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>The City is currently working to support the preservation of at-risk housing.</li> <li>Annually monitor the status of the at-risk project with the goal of</li> </ul>
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	<p>preserving the 300 at-risk units.</p> <ul style="list-style-type: none"> <li>• Ensure tenants are properly noticed by the property owners should a Notice of Intent to opt-out of low income use is filed. Notices must be filed three years, one year, and six months in advance of conversion.</li> <li>• If HUD Section 8 contracts are not renewed, work with property owners to pursue other funding to preserve affordability. Outreach to other nonprofit housing providers to acquire projects opting out of low income use.</li> <li>• Pursue acquisition of the affordable units through the Community Land Trust if one is established.</li> </ul>
Primary Responsible Departments	Community Development (Housing)
Funding Sources	Housing Trust Fund

### **Program 19: Mobile Home Rent Stabilization**

The City implemented rent stabilization for mobile home spaces in 1994 to ensure affordability for homeowners, most of whom are on fixed incomes. At the same time, rent stabilization is intended to allow mobile home park owners to maintain a fair and reasonable return. Rent stabilization applies to spaces that have a rental agreement term of 12 months or less. Annual rent increases are limited to the percentage change in the Consumer Price Index (CPI), but any increase is limited to a maximum of 6 percent.

The City promotes the long-term affordability of the mobile home units through the following actions:

- The land use classification of the seven mobile home parks in Petaluma is Mobile Homes. This classification protects the mobile home parks from possible future development by limiting the housing types to only mobile homes. Any proposed change would require a General Plan amendment.
- Support the administration of the Mobile Home Rent Control Program that was implemented to provide rent stabilization for over 317 lower income mobile home park tenants, most of whom are elderly.

(See Program 29: Tenant Protection Strategies that cover housing opportunities citywide.)

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• This work is ongoing.</li> <li>• Annually monitor mobile home park rents to ensure compliance with the Rent Stabilization Ordinance.</li> <li>• As requested, conduct mediation between tenants and mobile home park owners for rent increases.</li> <li>• By December 2022, update the Mobile Home Rent Stabilization Ordinance.</li> </ul>
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Primary Responsible Departments	Community Development (Housing); City Attorney’s Office
Funding Sources	Mobile Home Rent Stabilization Fee

### Program 20: Historic Preservation

The City has many homes older than 50 years that are eligible for historic preservation through the Mills Act. The City will explore adopting a Mill Act Program to preserve and enhance the quality of historic homes, while still increasing the housing supply. A potential adaptive reuse approach is to convert these older homes into smaller living quarters or other living arrangements.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• In 2024, explore of the viability of adopting a Mills act program based on City priorities.</li> <li>• Annually outreach to historic homes through the City newsletter regarding the tax benefits through Mills Act.</li> <li>• Provide technical assistance to interested property owners in converting large historic homes into smaller housing units such as creating JADUs within the existing square footage or converting into co-housing arrangements.</li> </ul>
Primary Responsible Departments	Community Development (Planning); City Attorney’s Office
Funding Sources	Housing Trust Fund

### Program 21: Condominium Conversion

The City allows the conversion of apartments into condominiums only when the rental vacancy rate is above three percent, or if one-for-one replacement of rental units of a similar type occurs, or if two-thirds of the adult tenants agree to the conversion. However, given the tight rental housing market in Petaluma, condominium conversion is not anticipated to be a significant trend in the foreseeable future. Should this become an issue, the City will also consider a Tenant Opportunity to Purchase Act (TOPA) to mitigate the displacement impacts.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Bi-Annually monitor the vacancy rate.</li> <li>• If condominium conversion becomes a market trend again, pursue Tenant Opportunity to Purchase Act to allow a tenant the first right of refusal should condominium conversion become a significant trend in the future.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing); City Attorney’s Office
Funding Sources	General Fund

### 3.2.5. Special Needs Housing

#### Program 22: Project HomeKey

In March 2022, the City was awarded \$15,385,000 funding from the State of California, Housing and Community Development Department (HCD), for Project Homekey. The project scope includes the acquisition and rehabilitation of an existing 62-unit hotel. The project will provide sixty units of permanent supportive housing for members of the community who are chronically unhoused.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>This work is ongoing.</li> <li>In 2023, identify additional potential locations that may be appropriate as Project HomeKey sites and conduct outreach to interested nonprofit developers to pursue funding from HCD. The goal is to potentially achieve additional projects.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	HCD Project HomeKey Funds, City/County housing funds

#### Program 23: Support for Homeless Services and Facilities (REQUIRED)

In June of 2022, the city adopted the Strategic Plan to End Homelessness. This includes a vision and specific strategies to guide the City’s homelessness policies, programs, and investments during the upcoming three-year action cycle, covering July 1, 2022 through June 30, 2024. The Plan was developed through a three-phase process which included: 1) Discovery (local input through community feedback sessions and individual interviews – with an emphasis on incorporating lived experience input from people who had experienced or who currently are experiencing homelessness, and research of related reports and studies on homelessness in Petaluma and Sonoma County as well as at regional, state and federal levels), 2) Analysis (review of data sources, identification of strengths/weaknesses/opportunities/threats within the current system, and development of a “pathway to housing framework” to better identify gaps and opportunities), and 3) Feedback and Adoption (iteration and review of the Plan with staff, service providers, and the broader community. As funding permits, the City continues to support the provision of housing and services for community members who are unhoused. In the past, the City has supported the following programs and facilities:

- Petaluma People Services Center (PPSC) Rental Assistance Program: This program assists Petaluma individuals and families seeking to retain affordable housing by making a one-time payment of rent or mortgage on their behalf. Clients also receive information, referrals, and counseling services to prevent future threats to their stability.
- Mary Isaak Center (MIC): MIC contains an 80-bed dormitory, a large dining area, a six-bed sick room, a large training/service kitchen, a living room, a conference/counseling room, a laundry room, offices, lockers, and men's and women's bathroom facilities with showers. All clients participate in multi-level case management and goal-setting program that helps clients with basic needs and

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access to social services, including life skills workshops, counseling services, referrals, showers, lockers, mail, laundry facilities, telephone, and message services.

- Committee on the Shelterless (COTS) Family Shelter: MIC has a 32-bed transitional housing program for families located on the 2nd floor of the Mary Isaak Center. The program is designed to be the final step on their way to stability in permanent, independent housing.
- People's Village: The Village is comprised of 25 non-congregate tiny homes adjacent to the COTS Mary Isaak Center. The program includes intensive case management services and is focused on transitioning clients into long-term housing solutions.
- Committee on the Shelterless (COTS) Family Transitional Homes: The COTS program has a total of 12 homes, four of which are City-owned, while eight are market-rate and leased by COTS and have County Housing Vouchers. This program provides housing for clients transitioning out of an emergency shelter.
- City-Owned Homes: The City owns a four-bedroom house on Rocca Drive, leased and operated by the America's Finest (formerly Vietnam Veterans of America) serving homeless veterans who are unsheltered and are enrolled in the Agency's Employment and Training Program.

Specific Actions and Timeline	<p>This work is ongoing. Annually assist various local nonprofits that serve the homeless:</p> <ul style="list-style-type: none"> <li>○ 100 households through PPSC Rental Assistance</li> <li>○ 80 bed nights through Mary Isaak Center</li> <li>○ People's Village 25 Non- congregate interim housing</li> <li>○ 60 individuals through COTS Family Shelter</li> <li>○ 80 individuals through COTS Family Transitional Homes</li> <li>○ 12 individuals through City-owned Transitional Home</li> </ul>
Primary Responsible Departments	Community Development (Housing)
Funding Sources	Housing Trust Fund; CDBG

**Program 24: Senior Housing Options (REQUIRED)**

The City has an aging population and there are generally limited options for seniors to trade down their current homes for smaller units that may require less upkeep and repairs. The City will explore incentives to encourage the development of a range of senior housing options, such as senior apartments, condominiums/townhomes, assisted living, co-housing, and intergenerational housing. Development standards may need to be modified to accommodate alternative housing options such as co-housing and tiny homes. Other policies may include encouraging developers to include accessible homes that utilize universal design principles. In addition, the City will promote programs such as Home Match to assist seniors who would like to remain in their homes but rent out the excess rooms or develop ADUs.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• Some of this work is ongoing.</li> <li>• In 2024, develop incentives and modifications to development standards to facilitate a variety of housing options for seniors. Specifically, establish appropriate parking standards for different types of senior housing.</li> <li>• Continue to promote Home Match and similar programs that help match seniors with potential tenants and help navigate the rental leasing process.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

## **Program 25: Adequately Sized Rental Housing for Families (REQUIRED)**

The rental housing market of Petaluma offers limited large rental units that would be considered adequate for large households or families with children. When such units are available, the rents are not affordable to lower and moderate income households. The City may consider policies to facilitate the development of large rental units. Potential considerations may include:

- Requiring projects above a certain size to include units with three or more bedrooms
- Allowing large units to qualify for more than one inclusionary unit
- Reducing parking requirements (currently one per bedroom) to facilitate larger rental units
- Allowing ADUs to exceed State size requirements

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• In 2024, develop incentives and modifications to development standards to facilitate large rental units.</li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

## **Program 26: Universal Design and Visitability (REQUIRED)**

Universal design is the design of buildings or environments to make them accessible to all people, regardless of age, disability, or other factors. Universal design goes beyond ADA requirements but may add to the cost of construction. Typically, communities incentivize the use of universal design principles.

Currently, visitability is a requirement for HUD-funded single-family or owner-occupied housing. Visitability is housing designed in such a way that it can be lived in or visited by people who have trouble with steps or who use wheelchairs or walkers. The City demonstrates its support for visitability by requiring design measures for developments with five units and under and expanding visitability to 30 percent of multi-family housing with the Visitability and Universal Design Ordinance approved by City Council on February 28, 2022.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• In 2022, research and develop an ordinance to ensure Visitability and Universal Design for future residential development for both single family and multifamily development</li> <li>• In 2022, approve a Visitability and Residential Design Ordinance at</li> <li>• Continue to implement and enforce visitability and universal design compliance.</li> <li>• By 2026 evaluate impact of the ordinance and consider expansion to higher percentage of multifamily units.</li> </ul>
Primary Responsible Departments	Community Development (Planning)
Funding Sources	General Fund

## **Program 27: Housing for Farmworkers and Hospitality Workers (REQUIRED)**

Sonoma County is known for its wide range of agricultural activities. Agricultural activities and the hospitality industry associated with local wineries represent a significant segment of the regional economy. Although the City of Petaluma does not have a large farmworker population, farmworkers live outside of City limits and access public services within City limits. Also, about 22 percent of employees in Petaluma are employed in retail and service sectors that support the hospitality industry. Farmworkers and hospitality employees typically earn lower wages and have limited affordable housing options in Petaluma. To participate in addressing this regional housing need, the City may explore policies that facilitate the provision of affordable housing for these workers. Potential considerations may include:

- Adjusting the Housing-Commercial Linkage Fee program requirement for affordable housing to households earning up to 100 percent of AMI (encompassing very low income and extremely low income households) (see Program 13)
- Setting aside a specific percentage of affordable housing units for farmworkers and hospitality workers
- Partnering with other jurisdictions, farm operators, wineries, hotels, and other hospitality employers in the region to contribute to an affordable housing fund or Community Land Trust
- Requiring hospitality employers to provide housing for temporary employees during peak seasons

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• In 2025, reach out to other jurisdictions, farm operators, and hospitality employers to explore strategies for providing affordable housing options to farmworkers and hospitality employees. Develop strategies by December 2025.</li> </ul>
Primary Responsible Departments	Community Development (Planning, Housing)
Funding Sources	General Fund

### 3.2.6. Fair Housing

#### Program 28: Fair Housing Outreach and Enforcement (REQUIRED)

The City of Petaluma provides funding annually to Petaluma People Services Center (PPSC), which provides several services including mediation and resolution of tenant/landlord disputes, helping tenants complete state and federal complaint forms, investigating complaints of housing discrimination, and providing outreach services.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• This work is ongoing.</li> <li>• Assist an average of 300 residents annually with tenant/landlord dispute resolution, and fair housing inquiries and investigations.</li> <li>• By December 2023, update the City website to provide a range of fair housing resources, including PPSC, State Department of Fair Employment and Housing (DFEH), and HUD Fair Housing and Equal Opportunity (FHEO) Office, along with State tenant protection provisions.</li> <li>• By December 2023, work with PPSC to expand methods of information dissemination, including print, website, and other social media outlets. Specifically, work with PPSC to develop materials on the State’s source of income protection and distribute them as part of the ADU permit application package.</li> </ul>
Primary Responsible Departments	Community Development (Housing)
Funding Sources	City Housing In-Lieu

#### Program 29: Tenant Protection Strategies (PROTECTIVE ACTIONS REQUIRED)

Throughout the region, tenants are facing rising rents and the risk of eviction due to the economic impact of COVID, as well as displacement impact from the economic pressure of new development. The City will explore a series of strategies that offer tenant protection. These may include:

- Rent stabilization: Currently, the State imposes rent caps on some residential rental properties (AB 1482) through 2030. However, AB 1482 exempts single-family homes and condominiums for rent, and multi-family housing units built within the previous 15 years. A strategy for rent stabilization is to make permanent the policy and possibly expand the policy to units not covered by AB 1482. However, compliance with the 1995 Multi-Family Housing Act (Costa Hawkins) is critical.
- Just Cause for Eviction: AB 1482 also establishes a specific set of reasons that a tenancy can be terminated. These include: 1) default in rent payment; 2) breach of lease term; 3) nuisance activity or waste; 4) criminal activity; 5) subletting without permission; 6) refusal to provide access; 7) failure to vacate; 8) refusal to sign lease; and 9) unlawful purpose. The City may consider adopting a local Just Cause for Eviction ordinance that offers greater protection in the scope of units covered.

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- **Tenant Commission:** Typically, most land use policies and planning decisions are made from the perspective of property owners. Tenants lack a voice in the planning process. A Tenant Commission or Advisory Committee may be an avenue where they can bring policy discussions that highlight tenant interests to the City.
- **Right to Purchase:** When tenants are being evicted due to condominium conversion or redevelopment, the Right to Purchase policy/program ensures the first right of refusal to displaced tenants to purchase the units.
- **Right to Return:** When tenants are being evicted due to rehabilitation/renovation of the property, the Right to Return policy/program offers the first right of refusal to displaced tenants to return to the improved property.

Specific Actions and Timeline	<ul style="list-style-type: none"> <li>• In 2023, begin community outreach to discuss various strategies of tenant protection.</li> <li>• In 2024, adopt appropriate tenant protection strategies.</li> </ul>
Primary Responsible Departments	Community Development (Planning); City Attorney's Office
Funding Sources	General Fund
AFFH	<ul style="list-style-type: none"> <li>• Tenant Protection and Anti-Displacement</li> </ul>

## Affirmatively Furthering Fair Housing

The following table summarizes the City’s implementation actions to further fair housing. Individual housing programs may have different impacts on furthering housing choices in Petaluma. Fair housing actions are grouped into the five themes:

- Fair housing outreach and enforcement
- Housing mobility through expanded choices in housing types and locations
- New opportunities in high resource areas
- Place-based strategies for neighborhood improvements
- Tenant protection and anti-displacement

Housing programs are often implemented citywide. However, individual programs may have targeted locations for specific actions, increased outreach efforts, and/or priority for allocation of resources, and program-level metrics are not mutually exclusive.



**Table 1: Affirmatively Furthering Fair Housing Action Matrix**

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics <sup>1</sup>
<b>Housing Mobility</b>				
Program 5: Flexible Development Standards	As part of the General Plan update, adjust to the mixed-use development requirements and address zoning code constraints, such as parking requirements, to adaptive reuse of nonresidential spaces.	By December 2023	Downtown	Create 100 new units through adaptive reuse and conversion of nonresidential use
Program 6: Religious and Institutional Facility Housing Overlay	As part of the General Plan update, establish a Religious and Institutional Facility Housing Overlay.	By December 2024	Citywide	Create 50 new housing units affordable to lower income households in Overlay
Program 7: Zoning Code Amendments	Revise the Zoning Code to facilitate a variety of housing types.	By December 2024	Citywide	Create 100 new housing units for special needs groups
Program 8: Development Fees	Conduct an impact fee analysis and revise the development fee structure to encourage a range of housing unit sizes.	By December 2024	Citywide	
Program 15: Workforce/Missing Middle Housing	Develop land use policies to facilitate the transitioning of single-family neighborhoods and to increase opportunities for medium density residential for middle income housing.	By December 2023	Single-family neighborhoods and lower density areas	Create 200 new units (duplex, triplex, fourplex, and small multi-family complex) in single-family and other lower density neighborhoods

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics <sup>1</sup>
Program 24: Senior Housing Options	Develop incentives and modifications to development standards to facilitate a variety of housing options for seniors.	In 2024	Citywide	Create 50 new senior units
	Promote Home Match and similar programs that help match seniors with potential tenants and help navigate the rental leasing process.	Ongoing	Citywide	Not applicable
Program 25: Adequately Sized Rental Housing for Families	Develop incentives and modifications to development standards to facilitate large rental units.	In 2024	Citywide, with an emphasis on Midtown/Downtown neighborhood (Tracts 1507.01, 1509.01)	Target 20 percent of new rental units to have three or more bedrooms
Program 26: Universal Design and Visitability	Research and develop an ordinance to ensure Visitability and Universal Design for future residential development for both single family and multifamily development.	By 2026	Citywide, with an emphasis on Midtown/Downtown neighborhood (Tracts 1507.01, 1509.01)	Increase accessible units beyond Building Code minimum requirements
	Approve a Visitability and Residential Design Ordinance at	In 2022		
	Continue to implement and enforce visitability and universal design compliance.	Ongoing		

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Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics <sup>1</sup>
	Evaluate impact of the ordinance and consider expansion to higher percentage of multifamily units.	By 2026		
Program 27: Housing for Farmworkers and Hospitality Workers	Outreach to other jurisdictions, farm operators, and hospitality employers to explore affordable housing solutions for farmworkers and hospitality employees and develop appropriate implementation strategies.	By 2025	Citywide	Create 20 units for farm workers and/or hospitality workers
<b>New Opportunities in High Resource Areas</b>				
Program 3: Accessory Dwelling Units	Develop and implement an outreach program to promote ADU/JADU in Planned Unit Development (PUD) areas that previously do not allow such units.	In 2023	PUD areas	Create 16 ADUs/ JADUs in PUD areas
Program 11: Inclusionary Housing	Continue to implement the Inclusionary Housing Program.	Ongoing	Citywide	Create 1,000 new affordable units
Program 14: Incentives for Affordable Housing	Develop an incentive package for affordable housing development, such as the percentage of affordable units to qualify for expedited review and local density bonus.	By December 2023	High resource areas	Target at least 40 percent of new affordable units in high resource areas

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics <sup>1</sup>
<b>Place-Based Strategies for Neighborhood Improvements</b>				
Program 3: Accessory Dwelling Units	Promote opportunities to property owners, particularly those in the Disadvantaged Communities as outlined in the Environmental Justice Element.	Within six months of adopting an amnesty program	Disadvantaged Communities: 1506.01 1506.09 1509.01	Achieve code compliance or legalization of 40 units over eight years
Program 17: Housing Rehabilitation	Pursue funding for decarbonization of housing for low income households.	Beginning 2025	1506.03, Block Group 1 1506.03, Block Group 2 1506.03, Block Group 5 1506.07, Block Group 2 1508.00, Block Group 3 1512.01, Block Group 4 Adobe Neighborhood (Low Resource) 1506.01 1506.02 1506.11	Assist 40 lower income households in Disadvantaged Communities

**PUBLIC REVIEW DRAFT  
2023-2031 Housing Element**

<b>Program</b>	<b>Specific Commitment</b>	<b>Timeline</b>	<b>Geographic Targeting</b>	<b>Eight-Year Metrics<sup>1</sup></b>
<b>Tenant Protection and Anti-Displacement</b>				
Program 2: Replacement Housing	Update the Zoning Code to address the replacement requirements and to consider requiring the first right of refusal for displaced tenants.	By December 2024	Citywide	No net loss of existing affordable housing
Program 18: Preservation of At-Risk Housing	Take actions to preserve at-risk units.	Ongoing	Citywide	Preserve all 300 at-risk units
Program 19: Mobile Home Rent Stabilization	Monitor mobile home park rents to ensure compliance with the Rent Stabilization Ordinance.	Annually	Citywide	Preserve affordable rents for 317 mobile home park tenants
Program 29	Conduct community outreach to discuss various strategies of tenant protection and adopt appropriate tenant protection strategies.	In 2024	Citywide, with an emphasis on Tract 1508 (identified as a sensitive community at risk of displacement)	Not applicable
<b>Fair Housing Outreach and Enforcement</b>				
Program 28: Fair Housing Outreach and Enforcement	Continue to outreach to residents regarding fair housing rights.	Ongoing		Assist 400 residents, housing providers, and housing professionals

Units listed in the metrics are inclusive of the units listed in Table 2: Summary of Quantified Objectives (below).

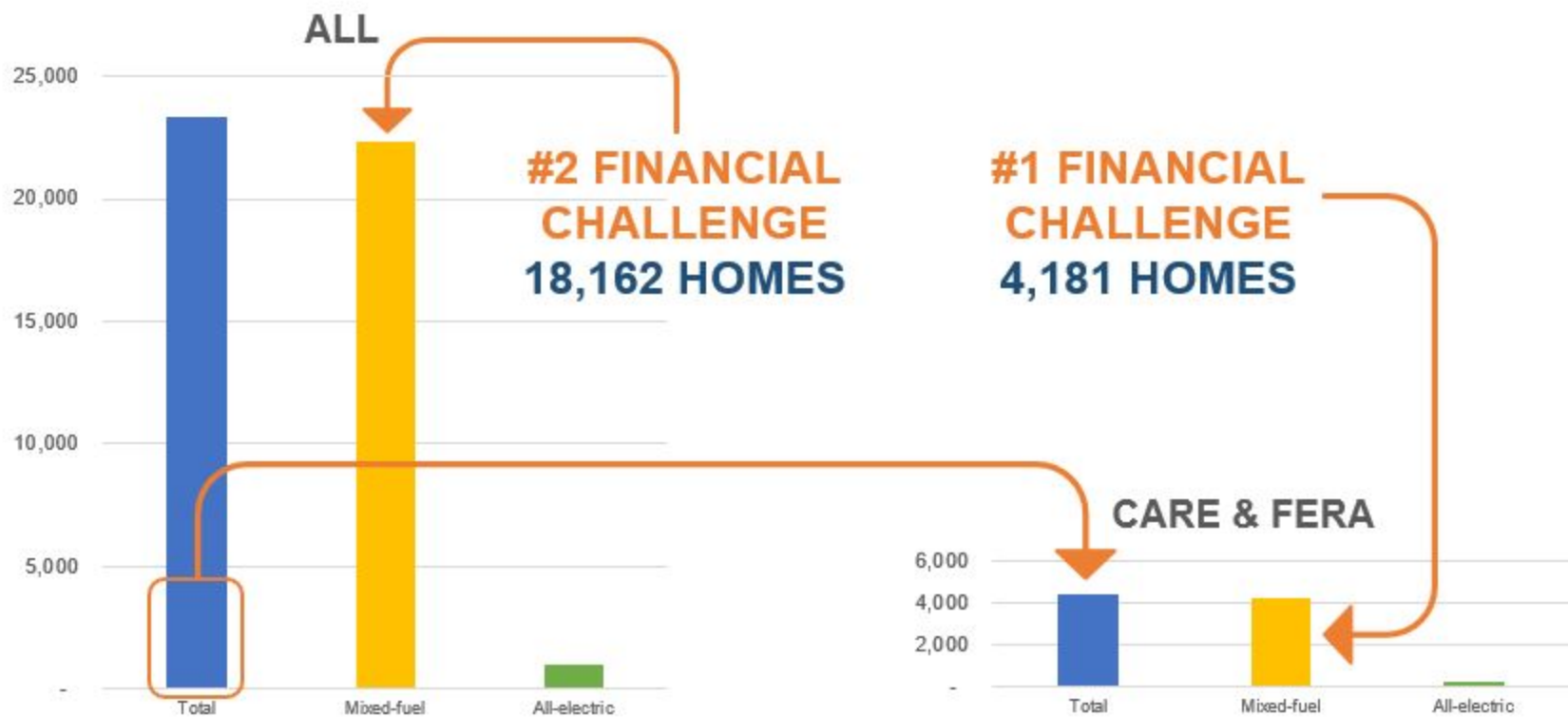
### 3.4. Summary of Quantified Objectives

The following table summarizes the City's quantified objectives for the various housing programs outlined above related to Affirmatively Furthering Fair Housing.

**Table 2: Summary of Quantified Objectives (2023-2031)**

	Extremely Low <sup>1</sup>	Very Low	Low	Moderate	Above Moderate	Total
RHNA	247	248	288	313	810	1,910
New Construction <sup>2</sup>	100	300	400	200	2,500	3,500
Rehabilitation	20	120	140	--	--	280
Preservation <sup>3</sup>	75	75	150	--	--	300
Notes:						
<ol style="list-style-type: none"> <li>1. State law requires projecting the needs of extremely low income households. One allowable methodology is to assume that 50% of the very low income housing needs are extremely low income.</li> <li>2. New construction is generally estimated by doubling housing units from pipeline projects, assuming new development and adaptive reuse activities in the next eight years will at least match the projects already in the pipeline.</li> <li>3. Preservation of 300 at-risk housing units</li> </ol>						

# Petaluma housing (22,343 mixed-fuel residential accounts)



# Petaluma housing (22,343 mixed-fuel residential accounts)

## How do we get there?

Year	Units	Multiplier*	Cum. Units	Cum. %
2022	233	*over preceding year	233	1%
2023	303	1.30	536	3%
2024	425	1.40	961	5%
2025	637	1.50	1,598	8%
2026	1,019	1.60	2,617	12%
2027	1,733	1.70	4,350	20%
2028	3,119	1.80	7,469	33%
2029	5,926	1.90	13,396	58%
2030	11,853	2.00	25,248	<b>DONE!</b>



**From:** Renee Schomp <[renee@napasonomaadu.org](mailto:renee@napasonomaadu.org)>

**Date:** Tuesday, September 27, 2022 at 4:37 PM

**To:** Paul, Christina <[cpaul@cityofpetaluma.org](mailto:cpaul@cityofpetaluma.org)>

**Subject:** Housing Element Public Comment | Petaluma | Napa Sonoma ADU Center

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hi Christina,

I just submitted HE feedback via the Google Form, however that format is really not conducive, I learned, to providing very detailed information. Are you able to connect me with the correct person to send the below to, as in email format it's so much easier for them to read and digest?

PS I am pleased with the draft, by the way! Thank you so much.

Many thanks!  
Renée

//

Dear Petaluma Housing Element team:

We appreciate so much what you have included in your draft Housing Element regarding ADUs, including mention of the Napa Sonoma ADU Center. I'm reaching out to provide input on your Housing Element process as you continue the iterative drafting process. Please don't hesitate to let me know if you have any questions whatsoever, or want to hop on the phone to chat.

**The City of Calistoga recently received the following comments on its draft Housing Element from HCD, which can inform how your city considers iterating your current draft prior to submission to HCD:** "the element must include a program that incentivizes or promotes ADU development. Examples of incentives include pursuing funding opportunities, modifying development standards, and reducing fees beyond state law, increasing awareness, pre-approved plans, and homeowner/applicant assistance tools. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department."

**With this feedback from HCD in mind, we recommend:**

- **First:** When outlining ADU program plans in your HE for the beginning of the cycle versus two-three years into the cycle (if you're not hitting your ADU numbers) my recommendation is that you make a commitment from Day 1 to:
  - **(1)** consider as part of your collaboration with a local entity "such as the Napa Sonoma ADU Center or other organization(s) providing ADU help/services to homeowners" financial assistance to said organization in order to support us in continuing our services (see attached document with proposal for jurisdictional support for details) and

- (2) link to the [Standard Plans Program](#) from your website *and we are glad you plan to "consider" offering expedited permit approval and/or \*capped/waived permit fees\* for pre reviewed (aka pre-approved) ADU plans -- because if there is no incentive offered by the City for homeowners to use pre reviewed plans they are unlikely to actually use them* (for example, [Cloverdale guarantees a 4 week ADU permit turnaround for pre reviewed plans and advertises that on their website here](#)). City of Napa is likely going to offer a cap on permit fees for use of a pre reviewed plan.
  - **Reminder: The [Napa Sonoma ADU Standard Plans Program](#) features 50 diverse ADU plans sets, half of which are pre reviewed based on input from YOU, our local jurisdictions -- and these plans help your city or county Affirmatively Further Fair Housing**, including housing that is specifically designed to be accessible.
  - Also, keep in mind ADUs & JADUs come in many shapes and sizes - we help homeowners build a wide range of units that create housing for our community, including the [MicroADU 150 sf](#) and [Junior ADUs like the one Marian built in City of Sebastopol](#) which allows her to age in place in the city (it cost her \$10K to simply put in an efficiency kitchen to create the unit out of existing space in her house; she shares a bathroom with the main house.)
- (3) when you create more materials to market ADUs to your community, update your webpage for ADUs (which is [here](#)) and link to the Napa Sonoma ADU Center free online [tools & resources](#), and if you'd like [use the template graphics and materials we created for you which are located right here](#) to easily improve your website materials on ADUs
- (4) highlight what your city is doing to Affirmatively Further Fair Housing via ADUs keeping in mind the importance of how ADUs can benefit BIPOC and lower income homeowners, BIPOC and low income tenants, and individuals with disabilities. **We have extensive recommendations on incentivizations for ADUs, affordability, and equity in this set of recommendations - PLEASE ensure you read and consider them.**
  - **PLUS - if you really want to incentivize** affordable ADU development, reach out to me for info on the [San Diego model](#) that has contributed already to development of WAY more deed-restricted affordable ADUs. It stands out from the crowd.
- **Second:** Then I recommend that in your Housing Element you indicate that if you are not hitting your target ADU numbers two to three years into the HE cycle, you plan to change your ADU ordinance to make it easier to build ADUs. Key changes I recommend are below my signature in this email. You can pick and choose those that you prefer for your city!

We have additional detailed [recommendations for how to include ADUs in your Housing Element effectively available here](#) plus attached are the recs we have for financial support of ADU services -- and I am available to answer any questions you may have at any time. We are here to support you, and we appreciate you!

Warmly,  
Renée

**Adopt pro-ADU policies that go beyond state law**

State law sets the minimum standards, but many homeowners do not build ADUs because local standards are still too restrictive. In fact, the State's original intent was that jurisdictions go above and beyond the bare minimum that the state law sets out and enact local ADU ordinances that are more permissive than the state mandates. Successful options for adopting pro-ADU policies include:

- Allowing two-story ADUs (including with minimum setbacks)
- ADUs on corner lots (or specifically having a four feet setback on street-facing side)
- Front yard setbacks that match the main house
- Reduced side or rear yard setbacks
- No parking replacement required for any ADUs
- Larger ADUs
- Greater FAR
- Allow JADUs in an attached garage and define "attached" as "connected by a common wall, or by a common roof, covered walkway, carport or garage, not more than twenty feet (20') wide."
- Allow more ADUs than permitted by state law

**Some successful local examples of pro-ADU local ordinances include:**

- *Cloverdale - allows 2 ADUs per parcel*
- *Rohnert Park - no parking replacement is required*
- *American Canyon - allows 3 foot setbacks*
- *Sonoma County offers a Cottage Housing Development program that allows multiple detached units clustered around a common open space. These proposals can be approved by staff with no hearings if they meet the relevant standards.*
- *Sonoma County defines Junior ADUs as being allowed as a conversion of existing space in the primary home or an attached garage and defines "attached" as "connected by a common wall, or by a common roof, covered walkway, carport or garage, not more than twenty feet (20') wide."*
- *Multiple local jurisdictions (but not all) allow electronic submissions & payment of fees electronically*
- *Multiple local jurisdictions (but not all) don't charge homeowners for time meeting with the planning department or other agencies regarding ADU rules and processes*

Similarly, jurisdictions may want to eliminate other barriers where appropriate by reconsidering costly and/or challenging obstacles to building an ADU that may not need to be applied to every single project. **For example, many homeowners struggle with the cost and logistics of having a soils report or even a soils waiver** completed for their ADU build. Consider whether this or other requirements are necessary for all projects. In addition, soils waivers alone (just the WAIVER) still generally cost over \$1,000 and are challenging for some homeowners to obtain as VERY few professionals are willing to complete a soils waiver. To that end, jurisdictions may want to consider whether there is a soils waiver process that does not require the expense and challenge of hiring an outside professional.

Similarly, sewer connection fees, while generally waived for ADUs of less than 500 square feet, **remain a very significant financial impediment to some homeowners on ADU projects over 500 square feet.** Currently, for example, Napa Sanitation District charges approximately \$1,000 per 100 square feet over 500 sf. Our recommendation is that this fee should be waived for ADUs that are less than 800 sf and lowered for ADUs over 800 sf.

## Menu of Ideas: Incentives to invest in the development of affordable ADUs

The goal of this document is to provide concrete ideas for local jurisdictions regarding how they can invest in the development of affordable ADUs. Some jurisdictions may be overwhelmed by the potential cost of investing in ADU development, and this menu of options illustrates a wide range of investments jurisdictions can make – some without having a large impact on budget, staff time or other resources.

The menu includes options ranging from an investment of as little as \$150 per ADU to as much as \$50,000 per ADU or more, with those funds going **directly** to the homeowner to incentivize ADU development. Each incentivization can be tied to an affordability restriction on the ADU that *matches* the level of incentive. Best practices for such affordability restrictions are discussed below.

The document covers the following:

1. Best practices for affordability restrictions on ADUs
2. Menu of incentives for development of affordable ADUs

### Best practices for affordability restrictions on ADUs

The menu of ideas below are all developed with a few crucial best practices in mind based on lessons learned from prior ADU programs developed in CA. Those overarching best practices are:

- Avoid long term affordability restrictions – Homeowners do not want to make long-term, particularly multi-decade, commitments
- Offer an out for homeowners – Ensure they can pay back the loan and exit the system when desired
- Match the incentives to the requirements – If a jurisdiction wants to offer more restrictive conditions (e.g., renting to a Section 8 tenant, etc.), the incentives need to be large
- Reduce uncertainty in the process for the homeowner -- The more fixed costs and clarity in the permitting process, the better

**It's crucial to also consider equity when creating an affordable ADU program, especially if you have a goal of Affirmatively Furthering Fair Housing via ADU development.** Items to keep in mind:

If your goal is to support BIPOC and/or low-income tenants via ADUs:

- Estimate accurately and with precision for your specific jurisdiction the number of ADUs that can reasonably be expected to accommodate Very Low and Low Income households, *especially* without your jurisdiction implementing any incentives with concurrent affordability restrictions such as those listed in this document. For guidelines on affordability and ADUs [see here](#), but

note that you should tailor your numbers with information gathered from your jurisdiction specifically as well.

- Allow family members (or at least low-income family members) to live in an ADU built through your program. Limiting tenants to non-family members excludes some BIPOC communities that value multi-generational living for cultural and/or financial reasons.

If your goal is to support BIPOC and/or lower-income homeowners via ADUs:

- Grants are better than loans. Debt averseness is a big barrier for BIPOC homeowners to benefit from ADUs due to discriminatory lending practices they've either witnessed or suffered from in the past. White and affluent homeowners have conversely been able to literally leverage debt to access more wealth. For this reason, grants are better than loans for many BIPOC homeowners to build ADUs. At the very least, any ADU loan program should have clear upfront marketing that includes financial education to build trust in the program.
- Allow homeowners to use an ITIN number or a Social Security number to access ADU financing. This ensures you don't exclude undocumented homeowners from your program.
- Ensure your program has bilingual capacity so that language access is prioritized for non-English speaking homeowners.
- Partner with grassroots and community based organizations with specifically targeted marketing to BIPOC subgroups in your jurisdiction to ensure that trusted organizations in these communities can help you spread the word about your ADU program.

If your goal is to support community members with disabilities via ADUs:

- Include the option for an additional grant or other subsidy to build an accessible ADU.
- Include an incentive (e.g., financial or expedited permitting) for all ADUs in your jurisdiction to be built to be accessible or at least with principles of Universal Design.

For further background, we spoke with a prefab company recently that shared these thoughts, which resonate very much with what we've seen statewide:

- The simpler the better when it comes to a successful affordable ADU program. All of these conditions (must be rented to low income tenant, homeowner must be 80% of median income, etc.) are discouraging and confusing for homeowners, and that confusion prevents qualified homeowners from even applying to use it. So simpler and straightforward will generate more interest, and in addition more qualified usages.
- Grants have seen much more success than loans. The model is the recent changes to the CalHFA ADU grant. First version, almost no interest nor applications. Second version, everyone is sprinting and scrambling to get access to it, and people who couldn't previously build an ADU now can.

- \$10k not only covers significant up front hard costs, but will also move the needle much more for customers than \$5k.

## Affordability requirement options to mix and match with the menu of incentive options

- Requirement to rent ADU to Sec 8 tenant
- Requirement to rent ADU to low-income tenant at no more than 30% of tenant's income
- Requirement that homeowner be lower income

Characteristics to consider:

- Limit requirement timeline to 5 - 8 years (HCD may prefer 8 years to match the Housing Element cycle)
- Option to opt out of requirement by paying off loan or paying back grant
- Match the requirement to the incentive appropriately

With this in mind, below are some ideas we have (which may be mixed and matched).

## Menu of Affordable ADU Incentives:

Incentive 1: Cover costs ancillary to the Redwood Credit Union ADU loan product (~\$3,500 - \$4,500 per ADU)

Cover ancillary costs for the homeowner associated with [Redwood Credit Union's ADU construction loan product](#), which is designed to help homeowners who don't have sufficient income or equity in their existing home finance building an ADU. These costs are normally paid by the homeowner directly to RCU. These ancillary costs for the loan range from about \$3,500 - \$4,500 depending on the project. This total includes an origination/processing fee (\$120 fixed fee), lender fee paid to 3rd party (includes tax service contract & flood zone check)(\$60), title insurance (~\$500), notary fees (~\$150-200), government recording fee (~\$400), property appraisal (~\$1,000), RCU construction management & 3rd party inspection fees (\$1,500 fixed fee).

Incentive 2: Fee waiver for use of [Napa Sonoma "pre-reviewed" ADU plan](#) (prefab or site built) (~\$5,000 - \$47,000 per ADU)

The fee waiver amount can vary but could include coverage of: Sewer district connection fees (can be ~\$5,000-\$12,000); impact fees (varies widely but could be up to ~\$30,000); school district fees (varies but can be up to ~\$5,000). This has the added benefit of incentivizing homeowners to use

"pre-reviewed" plans which will also save time and money for the jurisdiction itself (reduced staff time spent on ADU permit processing).

Incentive 3: Cover license fee for use of [Napa Sonoma "pre-reviewed" ADU plan](#) (prefab or site built) (~\$500 - \$2,000 per ADU)

This has the added benefit of incentivizing local homeowners to use "pre-reviewed" ADU plans which then saves the jurisdiction staff time and resources during the plan check process. The license fee is paid directly from the homeowner to the designer, architect or prefab company that created the plan so this can be a reimbursement from the jurisdiction to the homeowner.

Incentive 4: Free ADU Feasibility Consult (\$150 - \$500 per ADU)

At the moment, the Napa Sonoma ADU Center provides free [ADU feasibility consults](#) but soon we will be beginning to charge homeowners a flat fee of around \$150 to cover partial costs of the consults. The consults themselves cost our nonprofit around \$500 and costs can be higher as well depending on the consult. The jurisdiction could reimburse the fee paid by the homeowner directly to the homeowner.

Incentive 5: Capped ADU fees (~\$0 - \$42,000 per ADU)

One of the deterrents for homeowners to build ADUs is that it is often impossible for them to get concrete information from a jurisdiction upfront about the likely fees they'll have to pay for the ADU. If the jurisdiction could guarantee that ADU fees would be capped at ~\$5,000 and any additional fees would be waived or subsidized, that would be a significant help to homeowners by reducing uncertainty and risk in the ADU process.

Incentive 6: Grants to cover upfront costs of a prefab ADU (~\$1,000 - \$20,000 per ADU) (note that some prefab options may not fit on smaller city parcels, sloped properties, or properties with access barriers)

One of the key barriers for homeowners to build ADUs is the level of risk and uncertainty in terms of cost, timeline, complexity, and unforeseen obstacles that can arise during site built construction. As prefab ADU companies take off, we're seeing prefab options as a key way to overcome these barriers and thereby foment ADU development/increase innovation in construction practices. One of the best elements of prefab is that most companies offer a turnkey solution ("concierge service") that takes the time, cost and energy of construction management and getting through the permitting process off the shoulders of the homeowner. If the jurisdiction covered some of the upfront costs of prefab ADUs it could help incentivize homeowners to build ADUs:

- \$1,000 refundable charge for an estimate and proposal from the prefab company
- \$9,000 service charge for the prefab company to manage design and permit submittal

- \$5,000 - \$10,000 possible additional costs to submit permit e.g., soils report, survey, foundation engineering costs
- And then permit costs which can range up to \$47,000

I'll just note of course that prefab ADUs won't work on every lot -- e.g., they don't work well if there are challenges with site access or a slope. They also won't work on smaller lots -- more common in city limits where we really want to increase density from a climate resiliency standpoint -- because on smaller city lots we really should be building up, not out (e.g., above garage, 2 story units, etc.) For this reason, I think it makes most sense to apply financial assistance to [any pre-reviewed plans in the Napa Sonoma ADU Standard ADU Plans Program](#) since this includes both prefab and pre-reviewed site built plans.

Incentive 7: ADU Rescue Program & fee waivers or grants for unpermitted ADUs (~\$500 - \$80,000 per ADU)

As we know there are a number of unpermitted ADUs that need to be brought up to code in order to be permitted. Sonoma County recently instituted a new "ADU Rescue Program" which allows homeowners to submit a request for a 5 year stay of enforcement on their unpermitted unit (based on the Jan 2020 state law that states a homeowner can be granted a 5 year stay of enforcement on an unpermitted ADU if the jurisdiction determines there is no health & safety issue with the unit). Sonoma County's program allows the homeowner to hire a licensed professional (architect, contractor or engineer) to conduct a 3rd party assessment of the unit for habitability and submit a form to the county requesting the state of enforcement. Other jurisdictions could institute a similar program, with the added benefit of (1) reimbursing the cost of the 3rd party professional to conduct the habitability assessment & submit the required form; and/or (2) covering the costs of the fees to get the ADU permitted (~\$5,000 - \$47,000); and/or (3) covering the cost of the architect/designer to draw up plans and submit the ADU Permit Application required to get the unit permitted (~\$5,000 - \$20,000). Note that none of these options includes the cost of any other professionals required to do the work to actually bring the unit up to code, which can include plumbers, electricians, GC, structural engineers, etc. (I bring this up to note the extremely high cost of getting an ADU permitted for some projects.)

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Please feel free to reach out to Renée J. Schomp, Director, Napa Sonoma ADU Center with any questions: [renee@napasonomaadu.org](mailto:renee@napasonomaadu.org).



## Jurisdictional Support for ADU Services

The Napa Sonoma ADU Center was launched as a three-year pilot in 2020 by Napa Valley Community Foundation, with support from Community Foundation Sonoma County, to catalyze ADU development across the 16 jurisdictions in Napa and Sonoma Counties. This pilot project was designed to identify and test services that would address the barriers that prevent homeowners and jurisdictions from ADU development. Funding during the pilot phase was provided mostly by philanthropy, with key initial support from a few jurisdictions. Planning has begun for continuation of the services to jurisdictions and homeowners that have proven most effective beyond the pilot period of 2020 - 2023. The intent of this nonprofit pilot project was that sustainability of these ADU services beyond the pilot phase would rely on financial support from jurisdictions that find such services useful.

This document covers three key topics:

1. How we've helped our local jurisdictions build ADUs so far
2. ADU services we envision continuing with your support
3. Potential funding structure to support ongoing ADU services

"Honestly, if it weren't for the Napa Sonoma ADU organization, I doubt this project would get off the ground. The feasibility report is such a vital stepping stone for everyday people confronting a complicated ADU world. Please keep doing this great work!" – *Local homeowner*

## How we've helped our local jurisdictions build ADUs so far

The nonprofit Napa Sonoma ADU Center provides technical assistance to homeowners on their ADU projects and also does significant proactive community outreach and education to ensure that local homeowners across all 16 jurisdictions in Napa and Sonoma Counties are aware of their local ADU rules, processes, and resources. It also serves as an innovative public/private partnership that bridges the government, philanthropic, nonprofit and private sectors in order to advance ADUs.

The Napa Sonoma ADU Center has a comprehensive [ADU website](#) with many ADU tools and resources available on it today, including an [ADU Workbook](#), [ADU Calculator](#) tool, frequent [ADU webinars](#), [ADU feasibility consults](#), [ADU Home Match](#), [ADU newsletter & blog](#), [spotlights](#) of Napa and Sonoma County neighbors who have built ADUs, forthcoming Napa Sonoma Standard ADU Plans program, and much more. Homeowners and jurisdictions can [Contact Us](#) for more information or help with ADU questions. **Our educational information for local homeowners helps reduce jurisdiction staff time expended on answering questions about the ADU permitting process.** One local building official recently commented, "If it wasn't for the Napa Sonoma ADU Center, my phone would be ringing off the hook!"

In collaboration with multiple Napa and Sonoma County jurisdictions, in May 2022 we will launch a comprehensive [Napa Sonoma Standard ADU Plans Program](#) (“pre-reviewed” plans program) with a gallery of diverse ADU plan sets available at low cost to homeowners. This program stands to **significantly reduce jurisdiction time and resources expended on the ADU permitting process**. Not only will your staff become more familiar with streamlined ADU plan sets submitted, we have also set up a relationship with a third party consulting firm that will be available to conduct the individual plan check review process for submittals on an as-desired basis for your jurisdiction.

As of April 2022, the Napa Sonoma ADU Center has helped over 400 unique homeowners across Napa and Sonoma counties with one-on-one assistance, and 180 homeowners have received a completed individualized ADU feasibility consultation (another 37 are currently in the pipeline, with more being added every day). A survey of 53 homeowners who have received ADU feasibility consultations in the 3-6 months prior to survey indicated that 70% of them were moving forward with their ADU projects. **Applying this success rate to the total number of ADU consults we’ve conducted so far, that equates to over 125 potential new ADUs being built coming out of just the first 18 months of our pilot program.**

So far, the Napa Sonoma ADU Center has already supported our local jurisdictions with:

- [Housing Elements ADU Recommendations](#) including sample language
- Technical assistance on understanding complex new ADU state laws
- Technical assistance and development of webpage copy to educate local homeowners about your ADU planning, permitting and building process, including a customized:
  - ADU Process Map
  - ADU Building Checklist
  - Jurisdictions also routinely refer homeowners to the Napa Sonoma ADU Center to answer ADU questions and link directly to our web tools and resources such as our ADU Calculator tool
- Holding 20 webinars with 1,790 registrants to educate local residents about ADUs including:
  - How to Build an ADU in Napa & Sonoma Counties
  - ADUs 101 for Napa & Sonoma County Homeowners
  - How to Create an ADU Permit Application
  - How to Finance Your ADU
  - And many more – view our full [on-demand webinar library](#)
- A subscriber list of 1,640 individuals who receive our monthly educational ADU newsletter and blog

“If it weren’t for the Napa Sonoma ADU Center, my phone would be ringing off the hook!”  
– *Local Building Official*

## ADU services we envision continuing with your support

With funding support from local jurisdictions, as part of our planning for the next iteration of ADU services we are considering the following:

- Ongoing development & management of the Napa Sonoma ADU Standard Plans program (including “pre-reviewed” plans)
- Public education & community engagement in multiple languages with local homeowners on ADUs
- Continued provision of 1:1 assistance to homeowners via our ADU feasibility consults and ADU office hours
- Development of improved ADU educational & reference materials for your website
- Proactive education & community engagement to local residents about your ADU planning, permitting & building processes and the benefits of building ADUs
- Trainings for your staff on ADU laws and best practices
- Partnership in the rollout and maintenance of the Napa Sonoma ADU Standard Plans Program
- Support with improving your ADU processes & programs
- Support with interpretation of state laws applicable to ADUs
- Ongoing updates and improvements to our comprehensive toolkit of [ADU resources & information](#) for local residents

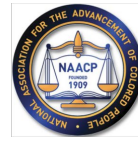
Nonprofits can be more nimble than local government and once formed can **help reduce the number of hours expended by jurisdiction staff on educating homeowners about local rules and the ADU permitting and building process**. Countless homeowners and other stakeholders recently interviewed about our services have stressed that the fact that we are a neutral third party resource separate from government or for-profit institutions is key for building trust in our services. Nonprofits are beneficial in that they serve as a neutral resource for local homeowners who may be mistrustful of local government agencies and housing professionals alike. We hope our local jurisdictions will join us to continue advancing our local RHNA targets for ADUs and create housing for our community.

“We received some very valuable feedback [from your ADU feasibility consult] and we DEFINITELY intend to proceed.” – *Local homeowner*

**Potential funding structure to support ongoing ADU services**

Jurisdiction	Total Residential Parcels	Annual Funding Proposal
X Small Jurisdiction	750 - 1,500	\$5,000
Small Jurisdiction	1,500 - 3,000	\$10,000
Medium Jurisdiction	3,000 - 5,000	\$15,000
Large Jurisdiction	5,000 - 12,000	\$20,000
X Large Jurisdiction	12,000 - 30,000	\$30,000
XX Large Jurisdiction	30,000 - 50,000	\$40,000
<b>Total Annual Funding</b>		<b>\$300,000</b>

Please feel free to reach out to Renée J. Schomp, Director, Napa Sonoma ADU Center with any questions: [renee@napasonomaadu.org](mailto:renee@napasonomaadu.org).



**NAACP**  
Santa Rosa - Sonoma County Branch



*SENT VIA EMAIL ONLY: cpaul@cityofpetaluma.org*

**September 28, 2022**

Christina Paul, Principal Planner  
Community Development  
City of Petaluma  
11 English Street  
Petaluma, CA 94952

cc: Melinda.coy@hcd.ca.gov

**RE: Petaluma Draft Housing Element**

Dear City Staff:

Thank you for the opportunity to review the City of Petaluma's 2023-2031 Draft Housing Element (Draft). We are a group of organizations who have come together to improve the 6th Cycle Housing Elements of the cities and County of Sonoma. Our organizations represent a broad coalition of Sonoma County social service, legal aid, tenants' rights, affordable housing, fair housing, community economic development, and social justice organizations working alongside or on behalf of thousands of Sonoma County residents, especially low-income, Latino, Black, Indigenous, and People of Color (BIPOC), and other classes of residents protected under fair housing law who are disproportionately impacted by the current housing crisis. We offer our comments and urge their incorporation into the final housing element plan, to move Petaluma toward significant progress to achieve housing justice and meet our current and future housing needs. We stand as partners committed to this goal.

We commend staff for putting together one of the more comprehensive Drafts that we have seen and appreciate all the work that has been undertaken thus far. It appears that broad public outreach efforts have been made, but it is important that the public input on the Draft be incorporated into the final version, including how it was used in the development of the final Draft.<sup>1</sup>

These comments are intended to assist the City of Petaluma (the City) in meeting the statutory requirements of state housing element law and accomplish the City's housing goals for this planning period. Below we have highlighted areas that require additional revisions or analysis

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<sup>1</sup> See Government Code section 65583(c)(9)

prior to submitting the draft housing Element (Draft) to the Department of Housing and Community Development, which are explained in greater detail in this letter.

- Additional information about non-vacant sites included in the adequate sites inventory;
- Provide evidence of ADU affordability in Petaluma, add an ADU affordability monitoring program and define what actions will be taken if production and affordability are not meeting projections;
- Remove credits for developments that have not yet been approved or entitled;
- Provide certainty about programmatic actions and the process to achieve those actions;
- Provide additional analysis about the at-risk properties potential to convert to market rate rents;
- Adoption of a rental registry program to allow the City to collect data required to enact and monitor meaningful policies designed to prevent tenant displacement and substandard housing.

## **Housing Needs Assessment**

### **1. Employee Housing Act**

The Draft includes an analysis of the special housing needs listed in the Housing Element statute, including the housing needs of farm workers but the Draft should include an analysis of whether the City's zoning code complies with the Employee Housing Act, including whether the City recognizes employee housing as an agricultural use and treated as other agricultural activities. See Gov. Code section 17021.6. The intent of the Employee Housing Act is to remove barriers to employee housing and any cities or counties that have agricultural zoning designations must assess their compliance with the Act.

### **2. Homeless Housing Needs**

The Draft describes several efforts the City is embarking on to address the needs of unhoused people in Petaluma, including the Steamer Landing Injunction, the Draft should elaborate on how the injunction is a City effort to address the needs of unhoused people in Petaluma, especially as compared to the other examples of working with organizations, and potentially providing financial support, to provide shelter and transitional housing programs.

Also, the Draft discusses permitting transitional and supportive housing as a permitted use in residential zones but does not evaluate if supportive housing is permitted in all zones that permit multi-family **and** mixed use as required by Government Code section 65583(c)(3). If the zoning code must be amended to comply with this requirement that should be included in the Housing Element's program of actions.

### **3. Analysis of At-Risk Affordable Housing**

The Draft analysis of the risk of losing currently subsidized housing in this planning period is incomplete. The risk of owners converting to market rate rents is not only whether HUD will renew existing Section 8 contracts, which is likely, but is also whether owners are willing to continue to renew these contracts. (p. A-32). The City needs to evaluate the private owners' willingness to maintain these contracts to determine how many units are at risk of converting to

market rate within this planning period. The more advanced notice of possible conversion the better in order to ensure compliance with state housing preservation laws and actually preserve these units for as long as possible.

## **Constraints**

### **1. Emergency Shelters in the Industrial Zone**

The City allows emergency shelters without discretionary review on sites designated for industrial uses. The Draft should evaluate if only allowing shelters by right in a zone where no other residential uses are permitted is a constraint on the development of shelters and whether the City should identify a zone that is appropriate for residential uses where shelters could be permitted by right. The City should also evaluate whether the sites in the industrial zone allow access to transportation and other necessary services for people who are unhoused before determining that this zone is not a governmental constraint. (See [HCD's SB 2 memo.](#))

### **2. Fees as compared to other jurisdictions**

Development fees can act as a constraint on development, especially the development of affordable housing, and must be evaluated as part of developing the housing element. The Draft should not only identify what fees are required and the timing of the payments but compare those fees and the permitted timing of the payments to other neighboring jurisdictions. For instance, if a neighboring jurisdiction waives certain fees for the affordable housing developments or allows the payment of those fees to be deferred until occupancy, then Petaluma's fee structure is likely a constraint on the development of affordable housing because it would be more feasible to construct affordable housing elsewhere.

The current structure described in the Draft, where there are no discounted fees or deferrals for affordable housing development but rather the City provides financial support to developers who then use those City provided funds to pay the City any development fees seems inefficient and likely limits the ability of affordable housing development in Petaluma. Adjusting the timing of fees or the waiver of fees for deeply targeted affordable housing can be very useful tools to removing this barrier to the development of affordable housing.

### **3. Growth Boundary as a constraint**

The Draft states that the growth control boundary is not a constraint on development (p. B-2). As explained in the section on sites below, it is not clear that the City has adequate sites to accommodate its Regional Housing Need Allocation and therefore it is premature to assert that the City's growth control boundary is not a constraint on development.

## **Sites Inventory**

The Draft relies heavily on credits for approved projects and the availability and suitability of non-vacant sites to accommodate the City's lower income RHNA, as well as robust affordable ADU development. Further information, and potentially program actions, are required to accomplish an adequate sites inventory.

## 1. RHNA Credits

Housing Element law allows a jurisdiction to reduce its RHNA for each income level by the number of units approved or entitled in the corresponding income level if the units were approved or entitled during the projection period. There must also be evidence of the rental or sale price of the units, or expected rental or sale price, in order to take credit for these units and reduce the number of sites needed to accommodate the RHNA.

The City has many affordable units that have been approved or are under construction but also includes multiple developments that are still in the early planning stages and have not been yet been entitled, such as a development entitled Creekwood TPM, that cannot be credited toward the current RHNA. Additionally, the Draft does not include any demonstration of the affordability of units that are entitled and have been subtracted from the RHNA, such as evidence of a regulatory agreement or guarantee of particular financing that ensures affordability levels. Evidence of affordability must be provided before reducing the RHNA due to the approval of these units.

## 2. Documenting the affordability of ADU's

The City has seen a recent increase in the number of ADU's permit applications and understandably wants to use this increase as a way to accommodate its RHNA. Two steps need to occur in order for the Draft's projections to translate into a RHNA credit: 1) the City needs to offer evidence of the affordability of these ADU's and 2) develop a way to monitor the affordability of future ADU's in order to reduce the City's lower income RHNA.

The City bases its ADU affordability assumptions on a formula created by ABAG that does not include enough explanation to be reliable. In addition, although most ABAG jurisdictions have high housing costs and high incomes they are not necessarily identical. It is unclear if the ABAG formula calculated units where no rent is charged, perhaps to a friend or family member, as a unit that is affordable to very low-income households if it were made available for rent to any possible tenant. Therefore, the City must survey its ADU housing stock to determine how many ADU's are rented at affordable rents before extrapolating how many of the future potential ADU's will be affordable to lower income households.<sup>2</sup>

Then, the City has to create a way to monitor the affordability of the ADU's that are built to ensure that these units are accommodating the RHNA in the fashion anticipated in the Draft. And lastly, the City needs to create a mechanism to accommodate the RHNA if ADU production lags behind what the City projects. The ADU program cannot just contemplate that if production is lagging that the City *may* need to supplement the adequate sites inventory, the City must commit to finding another way to accommodate the RHNA that it had assumed would be met with ADU construction. The City, of course, can decide whether that mechanism will be financial incentives to produce affordable ADU's, or to identify additional multi-family sites, or another alternative.

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<sup>2</sup> Because the City limits the rental of ADU's to long term rentals some of the other factors that affect this survey in other jurisdictions do not apply here and increase the confidence that these units will be used as homes and not vacations.



### **3. Non-vacant sites**

State law allows the RHNA to be accommodated on both vacant and non-vacant sites and both must be suitable and available for development within the planning period. The sites need appropriate zoning, available infrastructure, and be free of constraints that would limit development. This is more challenging when identifying non-vacant sites as part of the inventory and as such, the Draft needs further analysis to determine if the non-vacant, including the parking lot sites, are suitable and available for residential development.

The City's methodology to determine if non-vacant sites are feasible for development *shall* include whether the City's past experience converting existing uses to higher density development, what the current market demand is for the existing use, and an analysis of any existing leases or contracts would perpetuate the existing uses. See Government Code section 65583.2(g)(1). Although the Draft identifies several criteria to determine the likelihood of residential development on these sites non-vacant sites, it does not include the factors included in section 65583.2(g)(1), nor does it demonstrate that similar sites have been previously redeveloped for multi-family purposes, or that existing contracts or leases do not interfere with converting a portion of parking lots into multi-family housing. Additional analysis which includes the required factors must be added to the Draft in order to allow the City to rely on these non-vacant sites to accommodate the lower income RHNA.

### **4. Capacity**

The Draft includes an assumption that about 70 percent of a site will develop at the maximum permitted density (p. C-9). What is unclear is whether most properties propose to develop at the maximum density. Because of various development standards no lots will develop on 100 percent of the site, there will always be a reduction to accommodate setbacks and then it is necessary to determine the average density of most proposed sites within a zoning designation in order to calculate a realistic capacity.

If sites have a minimum density, the City could calculate the capacity according to the minimum density and accommodating development standards for a realistic capacity. Here, the Draft uses the maximum density without justification. The Draft should be revised to demonstrate that most projects proposed on sites that allow multi-family develop using the maximum density permitted.<sup>3</sup>

### **5. Mix of Housing Types**

Lastly, the General Plan principles included in the Draft highlight the goal of having a balanced mix of housing types and uses (p. C-6). The Draft also states that 75 percent of the housing in Petaluma is single family homes. The only way to create a real balance in the City is to rezone sites that allow low density residential uses to allow high density uses. There is a surplus of development for above moderate-income housing and the only way to achieve the General Plan's goal is to promote the underrepresented housing types in the City over the production of more single-family homes.

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<sup>3</sup> This calculation is especially important when multi-family sites might also allow low density development which further undermines using the maximum density as part of the capacity calculation.

### **Affirmatively Furthering Fair Housing (AFFH)**

The Draft contains a comprehensive assessment of fair housing as required by the new requirements included in Government Code section 65583(c)(10), but a few revisions are necessarily to comply with the law. First, the City needs to include its own historical limits on development as a contributing factor to segregation, as growth controls effect the availability of and increase the cost of housing. The City should also look at its efforts to zone adequate sites for multi-family housing in the past which also limits opportunities for affordable housing.

The Draft should also clearly articulate the City's fair housing priorities and determine which are the highest priority and then clearly connect the program identified in the Table -1 (p. 36) to the City's priorities. The Table is very helpful in highlighting the goals for each program to achieve. One additional missing piece of the AFFH analysis and goals, is within Policy 6.6. It identifies the City's goal to have City boards and commissions include members serving targeted populations, which appears to be directly related to the goal of furthering fair housing by ensuring representation by all residents. This policy does not have any program action to accomplish this goal and the Draft should be revised to include methods to recruit and train the public on opportunities to serve on City boards and commissions.

Fair housing outreach and enforcement is an element of AFFH, which includes the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing testing.<sup>4</sup> Yet a study from 2012 revealed that fair housing testing in the County was insufficient in measuring housing discrimination. Housing discrimination in rental housing, per the study cited in Appendix E, was prevalent in Sonoma County back in 2010. Yet there are no programs identified to adequately assess the level of housing discrimination in Petaluma. Agencies that began providing testing services throughout Sonoma County, such as Fair Housing Advocates of Northern California,<sup>5</sup> are not contracted with by the City. The contract with PPSC does not provide for such testing. Community outreach necessarily relies on willing good faith participants and does not root out discrimination where it exists.

A suggestion would be to make Fair Housing Enforcement and Outreach Capacity a goal with high priority. Potential ways to further facilitate that goal:

- Increase in fair housing discrimination cases by contracting with fair housing testing organizations;
- Expand testing of discriminatory practices against persons with disabilities to expand the base of knowledge surrounding specific types of housing discrimination against the mentally and physically disabled;
- Expand existing fair housing workshops to specifically address the disabled and their particular housing needs and rights.

### **Programs**

The State requires a housing element to include a schedule of actions that will be implemented in a timely way to accomplish the benefits of the program within the planning period. Although it may be appropriate for some programs to have an on-going timeline, most programs should

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<sup>4</sup> [Affirmatively Furthering Fair Housing \(ca.gov\)](#)

<sup>5</sup> See successes: [Fair Housing Advocates of Northern California - Press Releases & Statements \(fairhousingnorcal.org\)](#)

identify clear deadlines that reflect the urgency of the region's housing crisis. Overall, the action items should be reviewed and revised to identify clear actions. Although we do not intend to review each program individually to point out the lack of a clearly identified action we can provide examples. The Draft includes many programs with goals that could really help promote and facilitate the City's policy goals, if additional specificity is added to these programs. There are many programs that identify various policy choices that will be considered without a commitment to adopting or approving any of those particular policy choices during the planning period. Nor, do these programs identify how the policy choice will be made.

For example, Program 13 discusses possible funding sources the City will *consider* but does not commit to adopting any of these sources but only to pursue "appropriate options by 2025." This language leaves open the possibility the City adopts no new source of funding for affordable housing. The Draft should be revised to remove "appropriate" and replace with a commitment to adopt one of the funding sources it is going to "consider."

There are several other programs that all suffer the same defect, a commitment to consider a variety of actions, such as:

- Incentives for affordable ADU's (Program 3);
- If the City's projections are incorrect, establish minimum densities (Program 4);
- Reducing fees for affordable housing or deferring payment of the fees for affordable housing (Program 8);
- Creating incentives for affordable housing (and whether affordable housing developers will be consulted prior to advancing a recommended policy) (Program 14);
- Describing what type of annual assistance, the City will provide to various shelters and transitional housing programs (Program 23).

All of the Draft's programs should be revised to include greater specificity about what actions will be taken.

There is also a dearth of information about the decisions that will be made to endorse one particular proposed policy over another, such as for Program 8 whether the City will create and consult a stakeholder group, including non-profit affordable housing developers, to consider the potential changes to development fees before presenting options to the City Council.

In addition to increased specificity and a description of how policy options will be evaluated, there are several suggestions to the Draft's programs:

**Program 7 - Zoning Code Amendments:** should ensure that supportive housing is permitted by right where multi-family **and** mixed -use developments are permitted and that the City's zoning code complies with the Employee Housing Act. The future reasonable accommodation policy must ensure the confidentiality of the requestor's health related information, also be decided outside of a public hearing, and only allow legally permissible reasons for a denial: undue burden or a fundamental alteration of the program.

**Program 9 – Converting parking lots:** The timeline must be immediate since several sites in the site inventory are depending on the conversion of parking lots to residential uses. Please also note the passage of AB 2097, eliminating parking minimums in transit-rich areas.

**Program 11 – Inclusionary Housing:** We ask that onsite development be the default option for inclusionary homeownership units, and alternatives should be considered only when onsite isn't feasible and at the discretion of the City Council. Alternatives that retain onsite development should also take precedent over those that don't, such as changing the mixture of income levels required or donating a portion of the development land to a nonprofit. The type of dispersed affordable housing created by onsite inclusionary housing has been shown to produce a host of individual and social benefits, including equality of access to resources, a more cohesive community of diverse citizens, less stigma and pushback, and greater upward mobility and wealth building for residents. Studies show the poverty rate in the neighborhood where one grew up is a stronger indicator of mobility than their parent's education level or occupation, so a commitment to this type of affordable housing is also an investment in people's future success. We also ask all inclusionary ownership units be affordable in perpetuity. There is no benefit to short term affordability covenants on affordable homeownership units: the developer has the same cost, the city loses or must fight to keep an affordable unit, and the community will inevitably end up with a smaller housing stock than they would with permanent affordability. With affordability in perpetuity, the City can maximize its ROI per unit.

Further, inclusionary units need to blend into the development and be indistinguishable from the market rate units. To uphold this objective, units should be comparable in size, basic finish options, construction quality, and exterior design to adjacent market rate units. Units also should not be clustered in one section of the development, but rather should be scattered and integrated throughout. The process of selecting units should be consistent with a true "set aside" model, where a unit is not planned with the intention of being a BMR unit but rather BMR designation is decided on after planning.

**Program 13 - Local Housing Trust Fund:** The Draft needs additional information about how participating the Joint Powers Authority will provide additional funds for affordable housing.

**Program 15 - Workforce/ Missing middle housing:** We support efforts to increase workforce and missing middle housing. These efforts should include homeownership for various income levels, since a house is usually a family's largest financial asset and wealth builder so expanding access will help to combat income inequality, which has been exacerbated by recent events.

**Program 16 - CLT/land banking:** Please ensure all comments submitted by the Housing Land Trust of Sonoma County are integrated into the Draft Housing Element.

**Program 18 - Preservation of At-Risk Housing:** Petaluma should make all efforts to retain community investment by preserving its existing affordable housing stock. Units should be monitored at least annually and when ownership units are at risk of expiring, owners should be stewarded through the process with the intention to preserve the unit. Eligible units should be converted at resale to a program that ensures affordability in perpetuity to a targeted income level, so that the unit is never at risk of expiration again and it can then serve endless generations of families. There should also be the creation of a fund that is prepared to save affordable units as they expire and that can act swiftly as these opportunities for preservation appear.

This program should establish a time frame for contacting owners about their plans about continuing to participate in the subsidized housing program that applies to their property, prioritizing the properties where expiration of the subsidies is most imminent. Also, the Draft should identify who will be lead on contacting tenants at these same properties to inform them of the correct process if the owners decide to convert the property to market rate rentals.

**Program 28 - Fair Housing Outreach and Enforcement:** The matrix under Program 28 does not make clear what the goal and what the relevant program is. It notes that one action is to assist “an average of 300 residents annually with tenant/landlord dispute resolution, and fair housing inquiries and investigations.” Landlord disputes are not fair housing issues, and should not be included in this estimate of 300 persons. The number of tenants who are assisted with fair housing inquiries and investigations should be identified in the chart for Program 28. Landlord/tenant mediation should not be included here as it is not an avenue for investigation and enforcement of fair housing complaints.

**Program 29 - Tenant Protection Strategies:** The Draft ambiguously states, “The City will explore a series of strategies that offer tenant protection. These may include...” several option from rent stabilization, just cause, right to purchase and right to return. The timeline for taking any of several actions is to begin community outreach to discuss various strategies of tenant protection in 2023, and adopt appropriate tenant protection strategies in 2024. This fails to take into account the recent passage of just cause tenant protections in the City, which can be included in the Draft but need not be undertaken in full yet again. The City is encouraged to commit to specific actions in a specific manner in order to meet State requirements, rather than exploratory actions.

## **Additional Programs for Consideration**

### **1. Vacant Parcel Tax**

While most jurisdictions in Sonoma County have in place some measure of limitations on vacation rentals, the larger issue remains: how can a destination like Sonoma County mitigate the impacts of underutilized properties, or properties used for short-term rentals? We propose the following:

- 1) Quantify the impact of second homes, vacation rentals, and vacant homes on the City’s housing stock;
- 2) Evaluate programs other similar cities have implemented to address this issue;
- 3) Make recommendations on policies to address second and vacant homes

We understand this is a complicated issue that will require considerable analysis, community engagement, and in part, a financial commitment by the City. Our hope is we can leverage the monies assessed by this policy vehicle to then help further our goals of creating more attainable workforce housing. A discussion on implementing a Real-Estate Transfer Tax would also be germane.

## **2. Rental Registry**

The City should create a rental registry listing all properties available for rent in the city, especially affordable rentals. Online rental registries provide a convenient, safe, and secure system for property owners to register their rental properties with Petaluma. Additionally, rental housing providers can receive real-time important information about their property rights and responsibilities, and interact safely online with housing, police, and fire agencies. The rental registry also offers housing providers the means to update important emergency information such as property manager and owner contact information, access their government-issued notices and forms, report rental vacancy rates, and pay fees online.

A rental registry would give the City a better sense of its housing stock, empowering Petaluma to better manage code enforcement, implementation of energy efficiency programs, fire mitigation policies, tenant protections and displacement, track rent increases and the implementation of fair-housing and grant programs. Rental registries already exist in cities across the country, including Raleigh, Seattle, Minneapolis, eight cities in California, and at least 20 in Texas. The costs to Petaluma would be modest.

### **Conclusion**

Again, we want to express our appreciation for the opportunity to provide input on this important process. The housing element update process is a big undertaking and we welcome the opportunity to be partners in the process and help the City meet its housing development and fair housing goals.

Sincerely,

Margaret DeMatteo, Housing Policy Attorney  
Legal Aid of Sonoma County

Valerie Feldman, Staff Attorney  
Public Interest Law Project

Kirstyne Lange, President  
NAACP Santa Rosa-Sonoma

Caroline Peattie, Executive Director  
Fair Housing Advocates of Northern California (FHANC)

Michael Titone, Board Member  
Sonoma County Tenants Union (SCTU)


Jen Klose, Executive Director  
Generation Housing

**From:** Keith Diggs <[keith@yesinmybackyard.org](mailto:keith@yesinmybackyard.org)>  
**Date:** Wednesday, September 28, 2022 at 3:14 PM  
**To:** General Plan Update <[planpetaluma@cityofpetaluma.org](mailto:planpetaluma@cityofpetaluma.org)>  
**Cc:** [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov) <[HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov)>  
**Subject:** YIMBY Law comment on Petaluma housing element

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hello,

Please find attached YIMBY Law's comments on the City of Petaluma's excellent draft housing element. Good luck, and contact me if I can provide further support.

**Keith Diggs**   
Housing Elements Advocacy Manager  
703-409-5198





The City of Petaluma

Via email: [planpetaluma@cityofpetaluma.org](mailto:planpetaluma@cityofpetaluma.org)

Cc: [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov)

*September 28, 2022*

**Re: Petaluma's Draft Housing Element**

To the City of Petaluma:

YIMBY Law applauds the City for its thoughtful and clear [housing element](#). We appreciate the City's good judgment in prioritizing high-impact production and protection programs, and its commitment to implement those programs on quick timelines. (See Draft, pp.13–34.)

While we would further encourage Petaluma to move away from its “predominant” single-family zoning regime (*id.* p.B-13), we believe your draft substantially complies with State law. We look forward to seeing your housing plan in action.

Please contact me with questions, and best of luck in alleviating the severe shortage of housing in the Bay Area.

Sincerely,

**Keith Diggs**

Housing Elements Advocacy Manager, YIMBY Law

[keith@yimbylaw.org](mailto:keith@yimbylaw.org)





September 28, 2022

Petaluma Planning Team  
Planning Division  
11 English Street  
Petaluma, CA 94952

Re: Petaluma needs transformative parking measurements to eliminate development restraints

Dear Petaluma Planning Division,

TransForm is a regional non-profit focused on creating connected and healthy communities that can meet climate goals, reduce traffic, and include housing affordable for everyone. Generation Housing is leading the movement for more, more affordable, and more diverse housing in Sonoma County. Together, we champion effective policy, sustainable funding resources, and collaborative efforts to create an equitable, healthy, and resilient community for everyone.

Given the tremendous need for housing in Petaluma, we recognize Petaluma's work to date on the 6th Cycle draft Housing Element ("Draft"). Specifically, we acknowledge Program 5, which demonstrates the City's plan to adjust mixed-use development requirements and zoning code constraints, such as parking, to support adaptive reuse of non-residential spaces. The goal of updating onsite parking regulations is to reduce barriers to housing development and support the City's climate goals is critical to ensuring the sustainability and healthy growth of the community, and we appreciate the City's efforts to achieve this goal by December 2023. We also commend the City for its inclusion of Program 7, which acknowledges parking as a constraint to development and that current parking standards may be updated for various housing types, and Program 25, which recognizes that the City may consider reducing parking requirements to facilitate the development of larger rental units in 2024.

Most importantly, we were thrilled to see the City begin a series of parking studies in early 2022, identifying how parking shapes and impacts the growth of its community. For instance, Study Session One identified a number of tools to help the city align their parking standards to other City-wide goals, such as the elimination of parking minimums, reducing minimum requirements, establishing parking maximums, and unbundling parking. We applaud the City for acknowledging the connection between parking and other parallel policy and programmatic efforts that are currently under review by means of the General Plan and Housing Element update. Because the City has recognized the strong connection between parking policy and its other City-wide goals for growth and development, TransForm and Generation Housing have

partnered to share opportunities for the City to strengthen its Housing Element so that everyone benefits from a healthy, sustainable, and livable City.

## Recommendations

While Petaluma has recognized the importance of parking reform and Transportation Demand Management (TDM) programs in its draft Housing Element and Parking Study Sessions, **we recommend the City expand on its successful programs and implement some new ones.** In particular:

- **Dedicate funding to revisit the Parking Study Sessions** in order to align with other City-wide climate, transportation, and housing goals. Not only does the Parking Study connect with the draft Housing Element, it looks at how outdated metrics and policies such as parking minimums in the Implementing Zoning Ordinance and SmartCode can be updated to advance a more vibrant economy and community
- **Reduce the amount of parking mandated** for housing and provide incentives and programs to drive less by implementing TDMs
- **Require unbundled parking** for certain transit oriented developments
- Encourage developments to **subsidize transit passes** in return for reduced parking provision

Along with the previous recommendations, the City has the opportunity to explore another opportunity to reduce car-dependency and promote a more pedestrian and bike-friendly community that encourages future transit service and infrastructure in the area. **The passage of Assembly Bill 2097 presents a critical opportunity to expand the development of right-sized housing along the SMART transit corridor.** Currently, Petaluma’s municipal code requires one space per unit but no fewer than 1.5 spaces per multifamily unit. With the elimination of costly parking mandates, the “15-Minute City” can be closer to becoming reality as future residents have more choices to decide whether they want to pay for parking, or have lower-cost housing in walkable, transit-friendly neighborhoods.

To show the tremendous transportation and climate benefits of these policies, as well as some of the financial savings for residents and reduced costs for development, we have used TransForm’s GreenTRIP Connect tool to create [scenarios](#) for a potential future development site at **300 Water Street**. This site is identified in Petaluma’s draft Housing Element Site Inventory as a privately-owned potential future opportunity site for this Regional Housing Needs Allocation cycle. The California Office of Planning and Research recommends GreenTRIP Connect as a tool to show how much money and space can be saved when implementing traffic reduction strategies and TDMs—money that can be used to build more housing. Also, GreenTRIP Connect is recommended for use while developing General Plans and is especially useful during the development of Housing Elements (the tool is free to use and supports better planning at the site and city-wide level).

By implementing the strategies above at **300 Water Street**, GreenTRIP predicts:

1. A 37% decrease in demand for parking and resident transportation savings of \$756 per year by implementing unbundling and providing transit passes at this site.
2. With right-sized parking, incorporating the benefits of good location, unbundled parking, and free transit passes, the development would cost \$4,529,000 less to build relative to current parking standards.
3. When combined with 100% affordable housing, these strategies resulted in an incredible 72% reduction in driving and greenhouse gas emissions for the site, compared to the city average.
4. If an affordable development with smart parking strategies were built on this site, each household would drive 9,125 fewer miles per year, creating a greener and safer community.

The high cost of parking raises the cost of housing development, impacting the City's ability to meet its production goals. By eliminating the high costs of parking, homes can be offered at more affordable prices, reducing the number of community members that face extreme housing cost burdens, getting priced out of their community, and/or becoming unsheltered. Residents, new and old alike, will greatly benefit from the reduction in vehicle traffic and associated air pollution (see scenarios [here](#)).

Finally, in addition to our recommended parking and transportation strategies, **we applaud the proposed strategies to support more affordable homes** since these would have such tremendous benefits as noted in the GreenTRIP scenario. Two of the most important include Program 6, which will minimize governmental constraints to affordable development and Program 15, which will increase opportunities for building at higher densities in single-family and lower density neighborhoods. These programs are a cost-effective complement to strategies focused on housing production, especially for households earning less than the Area Median Income. Not only do the lower wage earners that make up affordable households use transit more and drive much less than average, but success in this area can help provide homes for unsheltered individuals and families. A commitment to these programs will show that Petaluma is committed to planning for all levels of the 1100 Below Market Rate units anticipated in this cycle.

Thank you again for your work around this important opportunity. We recognize the enormous resource burden that the Housing Element demands and are hopeful that the recommendations from TransForm and Generation Housing are useful in the completion, approval, and implementation of this plan.

Should you have any questions or concerns about the comments shared in this letter, please feel free to contact TransForm's Housing Policy Analyst, Kendra Ma at [kendrama@transformca.org](mailto:kendrama@transformca.org), or Generation Housing's Policy Director, Calum Weeks, at [calum@generationhousing.org](mailto:calum@generationhousing.org).

Sincerely,

Kendra Ma  
Housing Policy Analyst  
kendrama@transformca.org

Jen Klose  
Executive Director, Generation Housing  
jen@generationhousing.org

## Petaluma Housing Element

Dear Petaluma Planning Team,

My name is Collin Thoma and I am the Systems Change Advocate with Disability Services and Legal Center (DSLCL). The following comments are to address the many needs and challenges that people with disabilities face related to housing. The goal of my comments is to highlight these challenges so the city can work on resolving them.

The severe housing widely felt for people with disabilities due to the lack of very and extremely low-income housing. This is because many rely on Social Security Insurance (SSI) and/or other public benefits as their source of income. All of these benefits pay a few hundred or up to over a thousand dollars less than the average rent in both the city and county. Thus, they fall into the very and extremely low-income. Furthermore, the recipient may receive the money from their benefits after rent is due resulting in late fees. This can further reduce one's budget for the month as they may not have the luxury of getting bi weekly. In addition to everyday items extra costs may include medical, support services, or assistive technology to help them with their disability(s). Given the severe economic challenges that they face it's important that the city builds a majority if not all of the 499 extremely low/very low-income housing. The city should also define just how many of the 499 units will be extremely low and how many will be very low. While these two income categories are similar they are different enough they shouldn't be combined together. It would be good to see extremely low have a few more units as there is more of a need for extremely low.

The policies under goal one are all pretty good in particular policy 1.1 and 1.3. Both should be a priority as they are a good and easy way to maximize affordable housing. It is also good to see the encouragement to build ADU's and JADU's. However, it's very important that they are very to extremely low income. In addition to goal three is also very good, such as Policy 3.4 and 3.5. Both will make it quicker to build affordable housing and expand the number of potential sites. Program, 6 Religious and Institutional Facility Housing is also good to see mentioned in the plan. Building on church, schools, hospital land is a good way to maximize affordable housing even if it's only a few units.

The city should continue to identify and remove all government, development and, financial constraints so its easier and quicker to build housing. The city should also encourage and provide incentives to develop affordable housing. The Local Land Trust and all of Program 14 are great ways to incentives development. In addition, the city should also peruse all state, federal and private sources of funding and programs that help with housing. The city should also peruse the California Department of Housing and Community Development Pro Housing designation. Achieving this designation will be a great benefit as it will make it much easier to obtain state and federal funding. It is great to see Program 9 Shopping Center Parking Lot Conversion. These empty lots can a be a great way to develop affordable housing and amenities such as shops in the same area. In addition, to parking lots the city should also identify empty commercial lots for possible conversation. This program should be a top priority since it these areas can produce lots of affordable housing and new businesses.

Another significant challenge is the limited number of landlords that will accept Section 8 vouchers and other housing vouchers. These vouchers are a common way for people with disabilities to obtain housing that would otherwise be unaffordable. However, it can be very challenging to find landlords that will accept these vouchers. It would be good to see the city work with landlords to accept these vouchers. This can look like educating landlords on the importance of accepting them and clearing misconceptions of who uses them. The city will also need to review its homeless services to make sure they can help keep people housed. This may mean providing help with rent, security deposits or providing wrap around services. Petaluma should also consider building additional shelters, safe parking or sectioned camps and all provide wrap around services.

The city of Petaluma achieved something great earlier this by becoming the first city in the county to adopt a Visitability ordinance. With the adoption of the ordinance it takes a huge step towards increasing the acesaaible housing supply. The current lack of acesaaible housing makes it very challenging to find a home that can accommodate one's accessibility needs. This is why the city should build as much housing using Visitability. Another benefit of Visitability is it meets the mobility needs for seniors. This is important given the rapid increase in the senior population in the city and county.

Accessible neighborhoods are another important need for the disability community. This will mean having a sidewalk network that has no sidewalk gaps and is well maintained. They may not see or hear a vehicle if they need to go into to the street due a sidewalk gap. It is also dangerous if the need to avoid an obstacle on the sidewalk. Furthermore, they may not be seen by a motorist if they use a mobility device. Sidewalks in disrepair can also pose a higher trip and fall hazard for those with a mobility and/sight disability. A crack, bump or uneven piece could also cause mobility device to get stuck and/or flip over. Crosswalks and intersections will need to be highly visible with large and bold striping. In addition, crosswalks will need to be signaled and adequately timed. For example, a crosswalk may need to be extended from 10 seconds to 20 seconds to allow for a safe crossing. It is also important that the bicycle network is also accessible. Ideally there are as many Class 1 pathways to provide a stress free area to ride for less experienced riders. In addition, as many bike lanes are built with a raised curb or another physical buffer. This is important for those who may have a bike that may be adapted to their disability and can be lower to the ground and, can be harder to be seen by motorists. Protected bike lanes will also provide a safe space if someone needs to avoid heavy foot traffic or an obstacle on the sidewalk. The 15 walkable neighborhoods are a great idea but will need to be accessible. For those who live in these neighborhoods and have a mobility disability its important that can get to their destination quickly. While they may move slower due to their disability it should take them anywhere from 15-30 minutes to get to their destination.

It is also that public transit is also accessible for those who may not drive due to their disability. The city should review its bus system to make improvements to routes, service areas and to schedules. The city should also work with the county to increase service to other parts of the county. Bus stops in neighborhoods should be under a mile so they are easy to get to and should be covered to provide protection from the elements. They should also provide real time information in both audio and visual format on schedules routes and delays. Maps should also be at bus stops and should be easy to read even if someone has a vision disability.

Thank you for taking time to read my comments on the Petaluma Housing Element. Having an affordable and accessible place to live is vital for everyone and especially for people with disabilities. With the adoption of the Visitability ordinance the city is on the verge being a model city on how to provide affordable and accessible housing. The city still needs to increase

its affordable housing supply before this can be achieved. However, once its achieved Petaluma can be proof that it's possible to provide housing that is both affordable and acesaaible.

Thank You,

Collin Thoma

Systems Change Advocate

Disability Services and Legal Center (DSLCL)

521 Mendocino Ave Santa Rosa CA 95401

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**From:** Stephanie Stone <[REDACTED]>  
**Date:** Monday, October 3, 2022 at 11:08 AM  
**To:** General Plan Update <[planpetaluma@cityofpetaluma.org](mailto:planpetaluma@cityofpetaluma.org)>  
**Cc:** Stephanie Stone [REDACTED]  
**Subject:** Housing Element, under program 19-Mobile Home Parks

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Christina Paul, Principal Policy Planner

Hello. I live in Petaluma Estates Mobile Home Park for seniors. We just received a rent increase of 6% starting this coming January. We are concerned with this doubling of the payment increase. We were paying 3% a year.

We are retired and this hike in payment each month and each year, will jack up our rent cost quickly. In a few short years we will be paying more than we can afford. This is a worry as we are living on fixed incomes. This will in a few years grow to be out of reach for many of us.

My question is what can we do about it? What actions can we take. I understand that the residents of Youngstown Mobile Home Park in Petaluma, won a suit against the owners who were attempting to increase their rent by \$300 a month. The residents won. What must we do to change our situation? Any help would be appreciated.

Thank you,  
Stephanie Stone  
[REDACTED]