

# CITY OF PETALUMA

2015-2023

## HOUSING ELEMENT

(Chapter 11 of Petaluma's General Plan 2025)



*Logan Place Apartments - 66 Unit Multi-Family Affordable Community  
Opened October 2013*

*Revised November 19, 2018*

# CITY OF PETALUMA

Mayor David Glass

Councilmembers:

Chris Albertson  
Teresa Barrett  
Mike Harris  
Mike Healy  
Gabe Kearney  
Kathy Miller

John C. Brown, City Manager



**Approved and Adopted by Petaluma City Council – December 1, 2014**  
**Certified by California’s Department of Housing & Community Development**  
**January 23, 2015**  
**Amended November 2, 2015 per City Council Resolution 2015-171 N.C.S.**  
**Amended November 19, 2018 per City Council Resolution 2018-170 N.C.S.**

# TABLE OF CONTENTS

	Page
<b>1. Introduction .....</b>	<b>1</b>
<b>1.1 Portrait of the Community .....</b>	<b>1</b>
<b>1.2 California Housing Element Law .....</b>	<b>1</b>
<b>1.3 Relationship to 2025 General Plan .....</b>	<b>3</b>
<b>1.4 Community Participation.....</b>	<b>3</b>
<b>2. Evaluation of the Existing Element .....</b>	<b>6</b>
<b>2.1 Effectiveness of Existing Element .....</b>	<b>6</b>
<b>2.2 Significant New Programmatic Commitments.....</b>	<b>7</b>
<b>2.3 Appropriateness of Policies and Programs.....</b>	<b>9</b>
<b>2.4 Summary of Affordable Housing Achievements.....</b>	<b>9</b>
<b>3. Projected Housing Needs.....</b>	<b>10</b>
<b>4. Analysis of At-Risk Projects.....</b>	<b>12</b>
<b>5. Housing Opportunities and Resources.....</b>	<b>13</b>
<b>5.1 Resources to Accomplish Goals .....</b>	<b>13</b>
<b>5.2 Residential Development Opportunities .....</b>	<b>16</b>
<b>5.3 Infrastructure &amp; Environmental Constraints .....</b>	<b>24</b>
<b>6. Constraints to Meet Housing Needs .....</b>	<b>27</b>
<b>6.1 Governmental Constraints .....</b>	<b>27</b>
<b>6.2 Non-governmental Constraints.....</b>	<b>44</b>
<b>7. Goals, Policies, and Programs.....</b>	<b>47</b>

# LIST OF TABLES

	Page
<b>Table 1 Housing Units Built during 2009-2014 Housing Element.....</b>	<b>7</b>
<b>Table 2 Regional Housing Need Allocation .....</b>	<b>10</b>
<b>Table 3 Quantified Objectives .....</b>	<b>11</b>
<b>Table 4 Residential Units Built, Under Construction, and /or Approved .....</b>	<b>17</b>
<b>Table 5 Residential Projects Submitted.....</b>	<b>18</b>
<b>Table 6 Vacant &amp; Underutilized Sites.....</b>	<b>22</b>
<b>Table 7 Remaining Regional Housing Need .....</b>	<b>24</b>
<b>Table 8 Residential Land Use Designation .....</b>	<b>28</b>
<b>Table 9 Residential Zones – Implementing Zoning Ordinance.....</b>	<b>32</b>
<b>Table 10 – Residential Zones – Smart Code .....</b>	<b>32</b>
<b>Table 11 Development Standards.....</b>	<b>33</b>
<b>Table 12 Building and Planning Fees.....</b>	<b>40</b>
<b>Table 13 Development Impact Fees.....</b>	<b>41</b>
<b>Table 14 Total Fees as a proportion to Development Cost .....</b>	<b>42</b>

# APPENDICES

<b>Appendix A</b>	<b>Housing Needs Assessment</b>
<b>Appendix B</b>	<b>Review of Previous Housing Element 2009-2014</b>
<b>Appendix C</b>	<b>Affordable Housing Achievements – Projects and Programs</b>
<b>Appendix D</b>	<b>Assisted Housing Communities and Map</b>
<b>Appendix E</b>	<b>Residential Site Inventory Analysis</b>

Prepared by City of Petaluma Staff:

Sue Castellucci, Housing Coordinator  
Scott Duiven, Senior Planner



# HOUSING – 11

*The Housing Element of the General Plan is unique in that it is the only chapter which requires outside review and certification by the California State Department of Housing and Community Development (HCD) and is on a state-mandated time frame. Therefore, the Housing Element often is seen as a “stand-alone” document.*

*Petaluma’s existing Housing Element was certified in 2009 and has resulted in expansion of the City’s affordable housing units and programs, increased housing choice, revitalization of existing housing and neighborhoods, and more energy efficient housing.*

## **1. INTRODUCTION**

### **1.1 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 and physical diversity. Petaluma has a reputation of maintaining a “small town” atmosphere even as its population has grown to over 58,000 people.

A brief history of the development of Petaluma shows that the community was incorporated in 1858 and grew steadily following incorporation. There was a notable residential growth spurt following suburbanization from the 1950’s to 1970’s resulting in the adoption of its well-known 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 20<sup>th</sup> century. Although the growth management program is hardly mentioned in today’s planning milieu, the annual growth rate during the first 14 years of the new century was at an annual rate of just one half percent.

The 2015-2023 Housing Element presents a picture of what Petaluma’s population is predicted to look like over the next eight years and how the City plans to address the housing needs of that population, particularly its low and moderate income families, seniors, and special needs households.

### **1.2 CALIFORNIA HOUSING ELEMENT LAW**

State law requires each city to adopt a general plan containing at least seven elements including housing. Unlike the other mandatory elements, the housing element is required to be updated

# HOUSING – 11

every eight years (previously five year review) and is subject to detailed statutory requirements and mandatory review by the State Department of Housing and Community Development (HCD). This requirement reflects the statutory recognition that the availability of housing is a matter of statewide importance and that cooperation between government and the private sector is critical to attain the State’s housing goal of a decent housing and a suitable living environment for every California family. (California Government Code Article 10-6, Sections 65580-65589.5.)

## 1.2.1 REGIONAL HOUSING NEEDS ANALYSIS

Housing Element law requires local governments to adequately plan to meet their existing and projected housing needs including their share of the regional housing need. Housing element law is the state’s primary market-based strategy to increase housing supply and choice. The law recognizes that in order for the private sector to adequately address housing needs and demand, local governments must adopt land use plans and regulatory measures that provide opportunities for housing development.

HCD is required to allocate each region’s share of the statewide housing need to regional Councils of Governments. For Petaluma, that is the Association of Bay Area Governments (ABAG). The ‘fair share’ which evolves is based on state population projections and regional population forecasts used in preparing regional transportation plans. ABAG developed a Regional Housing Need Allocation (RHNA) assessment allocating the region’s share of the statewide need to the cities and counties within their jurisdiction. The goal of RHNA is to:

- Increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner;
- Promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns; and
- Promote an improved intraregional relationship between jobs and housing.

The RHNA process requires local governments to be accountable for ensuring that projected housing needs can be accommodated. The process maintains local control over where and what type of developments should occur in local communities while providing opportunity for the private sector to meet market demand.

*See pages 10 through 12 for a thorough analysis of the City’s RHNA allocation and Housing needs.*

## 1.2.2 HOUSING ELEMENT COMPONENTS

State law requires that this element must include the following components:

- An evaluation of the 2009-2014 Housing Element



# HOUSING – 11

- A housing needs assessment, including the City’s share of the regional housing need
- A sites inventory analysis
- A discussion of governmental and non-governmental constraints on housing
- An inventory of resources available to meet housing needs
- The City of Petaluma’s specific housing program goals, policies and programs
- Quantified objectives for the City to use in addressing its housing needs through 2023

## 1.3 RELATIONSHIP TO PETALUMA 2025 GENERAL PLAN

The policies and programs of the City’s 2025 General Plan, adopted in May, 2008 support and encourage the development of affordable housing projects and programs. This Housing Element has been deemed to be consistent with the current General Plan.

## 1.4 COMMUNITY PARTICIPATION

Petaluma’s Housing Element was prepared with public outreach and participation.

- Partnering with a wide variety of community-based agencies and committees representing various sectors of the community (see list below) provides the housing staff with a broad-based up-to-date review of existing and changing needs.
- Public input was solicited during the preparation of the draft Housing Element by utilizing an online survey.
- Other governmental agencies and citizen task forces were contacted to coordinate housing plans and anticipated resources both locally and on an area wide basis.
- A public workshop was held on April 10, 2014. The draft Housing Element was made available to the public by posting it on the City’s website.

Because formal public hearings often do not include involvement by the community’s low-income households, the Plan provides for and encourages public participation in a small group setting, emphasizing involvement by low- and moderate-income people – especially those living in low- and moderate-income neighborhoods. Also, the City takes whatever actions are appropriate to encourage participation of minorities, people who do not speak English, and people with disabilities.

The following agencies, groups, and organizations were contacted to review the draft housing element:

- American Lung Association**
- Boys and Girls Clubs of Petaluma**
- Buckelew Programs**
- Burbank Housing Development Corp.**
- Committee on the Shelterless (COTS)**
- Community Housing Sonoma County**

# HOUSING – 11

**Continuum of Care, Sonoma County**  
**Disability & Legal Center**  
**Eden Housing, Inc.**  
**Housing Land Trust of Sonoma County**  
**Craig Meltzner & Associates**  
**Mission Hills Mortgage**  
**PEP Housing**  
**Petaluma People Services Center**  
**Rebuilding Together Petaluma**  
**NAMI of Sonoma County**  
**North Bay Regional Center**  
**North Bay Children’s Center**  
**Northbay Family Homes**  
**North Bay Area Realtors**  
**Old Adobe Developmental Services**  
**Old Republic Title Company**  
**Seifel Consulting**  
**Sonoma County Continuum of Care Committee**  
**Sonoma County Community Development Commission**  
**USA Properties Inc**  
**Vietnam Veterans of California**  
**Petaluma Chamber of Commerce**

## **Community Workshop**

The City held a community workshop on April 10, 2014 from 6:00 pm to 8:00 pm at the Lucchesi Community Center. Notices for the meetings were sent by email and standard mail and posted at City Hall. An article regarding the Housing Element workshop was printed in the Argus Courier on Thursday, April 10, 2014. City staff presented an overview of the Housing Element update and demographic and housing market data. During the presentation attendees were invited to make comments and ask questions. Following are comments received from the workshop:

- The lack of apartments units is a barrier to finding housing. The vacancy factor in Petaluma is 1.9%. Hard for a single person with children to find housing.
- Most seasonal workers are illegal and cannot find a place to live
- Recruit and retain workforce by creating homeownership opportunities.
- Policies are already in place. Need to work on implementation now that the economy is recovering.

## **Online Survey**

An online survey was available to the public via the City’s website for approximately 8 weeks from March 6, 2014 to May 5, 2014. The City advertised the availability of the survey by email, mail and announcing it at the community workshop. There were 13 survey responses. Eighty-five

# HOUSING – 11

percent (85%) of the respondents either lived in Petaluma or worked in Petaluma, 15% were developers, 15% were low income residents.

When asked what the highest priority of housing need is in our community, 80% felt housing for the disabled and homeless was a high priority, with senior housing a close second with 70% of the respondents putting that as a high priority. First time homebuyers and large families were a medium priority.

In response to any housing constraints in Petaluma, 64% felt that construction and land costs were a severe constraint on building housing and that the availability of public services and facilities is a moderate housing constraint. Most respondents felt that building new low income housing is a high priority and that residential rehabilitation for multi-family and single family homes is a high priority.

According to the survey, 100% 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 use public transportation more.

## **Additional comments:**

- Youth aging out of foster care is a high priority.
- Management training and rent control.
- Within the homeless population, the need for housing for single parents with children who are homeless should be a priority.
- Making modifications to accommodate low income seniors and disabled homeowners allows that population to age in place.
- Too many restrictions and paperwork and lack of flexibility are constraints.
- The lack of a replacement funding is a key constraint to affordable housing property.
- Permanent supportive housing programs for special needs population including youth aging out of foster care, homeless folks and others who can continue living at home with some assistance.
- Increasing homeless programs and low income shelter with educated management would improve our City's ego and archaeological structure.
- Permanent support housing for very low and extremely low income individuals.

## **Affordable Housing Round Table**

The City held a round table discussion for our affordable housing family properties on July 10, 2013. The round table was attended by the resident managers for Round Walk Village, Old Elm Village, Corona Ranch, Washington Creek Apartments, Madrone Village, Park Lane Apartments, Downtown River Apartments and a representative from the Boys and Girls Club of Petaluma.

The group felt that the existing housing barriers were the cost of building affordable housing and lack of funding sources. The consensus of the group is that there is not enough affordable housing as each of their properties have waiting lists that are over a year long. When asked if there were

# HOUSING – 11

any barriers for low-income families to achieve success, the majority of the group felt education was important and the lack of jobs was a barrier for the families. Day care needs, finding services for tenants that are struggling to pay rent, and transportation were also brought up as barriers for families to achieve success.

## **Public Hearings**

Public hearings were held for the Planning Commission and City Council, offering opportunities for additional input prior to adoption of the Housing Element.

## **2. EVALUATION OF EXISTING ELEMENT (2009-2014)**

The City's initial Housing Element was adopted in 1985 and introduced the policies that have been the foundation of the City's affordable housing program. The consistent goal of Petaluma's decision makers has been to provide a balanced program of safe, sanitary and decent housing for the broad spectrum of our community's very-low, low and moderate-income residents – from those who are homeless to first-time homebuyers. The 2009-2014 Housing Element's philosophy, policies and programs, and the City Council's unwavering commitment to affordable housing have allowed the City of Petaluma to excel in its efforts to house low- and moderate-income persons, including addressing its Regional Housing Needs Allocation.

The housing program is mission driven, flexible, and simple, allowing it to change with the changing needs of the community. The program addresses the wide array of housing needs, including homeless shelters, supportive and transitional housing, senior apartments, workforce rentals, special needs units, first time homeowner opportunities, and accompanying support services.

### **2.1 EFFECTIVENESS OF THE ELEMENT**

During the life of the 2009-2014 Housing Element, the following has been accomplished:

- Construction of 238 rental apartments for low-income seniors and families: Casa Grande Senior Apartments, Vintage Chateau II, Logan Place and Kellgren Senior Apartments.
- In-kind support of 100 shelter beds year round
- In-kind support of 35 transitional housing beds

# HOUSING – 11

- Facilitation of refinances, sales and foreclosure services for households utilizing the City’s existing homeownership program.
- Regular property management monitoring of 13 apartments for very-low income persons with a mental disability , a condition of the project approvals
- Rehabilitation of 240 homes of low-income seniors, families, and/or persons with a disability, completed by Rebuilding Together Petaluma.
- Rehabilitation of 129 low income units at Round Walk Village completed by Burbank Housing.
- Ongoing affordable housing for over 600 seniors
- Ongoing affordable housing for 2,400 residents in family communities
- Ongoing housing for 50 special needs residents
- Annual rental assistance for 390 households
- Fair housing counseling for over 2,500 residents.

**Table 1 – Housing Units Built in Petaluma during 2008-2013**

Income Groups	Very Low	Low	Moderate	Above Moderate	Total
Regional Housing Need 2009-2014	522	352	370	701	1945
Housing units built or approved	136	53	28	645	862
Under/Over RHNA	-386	-299	-342	-56	-1083
% of RHNA Met	26%	15%	7%	92%	44%

**For a review of the actual results of the 2009-2014 Housing Element goals, objectives, policies, and programs, refer to Appendix B.**

## 2.2 SIGNIFICANT NEW PROGRAMMATIC COMMITMENTS

In addition to existing housing-related programs, housing legislation enacted during the 2009-2014 cycle required additional policies and programs to be addressed entering into the 2015-2023 Housing Element cycle: SB 2 and SB 812.

## HOUSING – 11

- SB 2 (2007), amends California Government code Sections 65582, 65583 and 65589.5: Requires local jurisdictions to strengthen provisions for addressing the housing needs of the homeless, including the identification of zones in which emergency shelters are permitted without conditional use permits. The law also states transitional and supportive housing shall be considered a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.
- SB 812 (2010), amends California Government Code Section 65583: Requires local governments to include an analysis of the special housing needs of persons with developmental disabilities.
- Adoption of a Density Bonus Ordinance

The City has updated its zoning ordinance to address these requirements prior to adoption and certification of the Housing Element.

# HOUSING – 11

## 2.3 APPROPRIATENESS OF GOALS AND /OR PROGRAMS

**During the life of the 2009-2014 Housing Element, the “appropriateness” of the City’s goals and programs was greatly impacted by the State-imposed loss of redevelopment:** Much of the City’s success to date in providing its fair share of affordable housing was due to a healthy source of revenue via the redevelopment 20% set-aside. Petaluma had the largest redevelopment area in Sonoma County and therefore substantial tax increment revenue.

Consequently the 20% set-aside accounted for a steady and predictable \$3,000,000 per year revenue stream for affordable housing development. Our inability to leverage those funds and meet our fair share obligation has greatly impacted our goals and policies.

That being said, the City of Petaluma keeps up to date on the possibility of any new funding sources when they come available either through the State or Federal government.

## 2.4 SUMMARY OF AFFORDABLE HOUSING ACHIEVEMENTS

### PROJECTS

The City of Petaluma’s Housing Program is a mature one. The first low income senior project was built in 1980 and the City Council has since approved more than **1,417 units** to serve the wide spectrum of need. See **Appendix D** which provides a complete listing and illustrates the City’s production and programmatic achievements.

### PROGRAMMATIC ACHIEVEMENTS

The housing program accomplishments of the City of Petaluma, which have addressed the identified needs of the entire spectrum of Petaluma’s low- and moderate-income residents, are shown in **Appendix D**.

# HOUSING – 11

## 3. PROJECTED HOUSING NEEDS

The Housing Element must make “adequate provision for the existing and projected housing needs of all economic segments of the community.” Communities are not obligated to actually produce housing to all in need, but to utilize the Housing Element as a planning document to plan for meeting its “fair share” of the regional housing needs.

Every five years, coinciding with the five-year housing element cycle, the California Department of Housing and Community Development (HCD) is required to determine the projected regional housing need for every regional Council of Governments (COG). The COG covering the Bay Area is the Association of Bay Area Governments (ABAG). ABAG then allocates to each jurisdiction its “fair share” of the existing and projected new construction need for the next housing element period, taking into account:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities
- Commuting patterns
- Type and tenure of housing need
- Loss of assisted units

The most recent HCD determination of housing needs covers an eight year period, from January 1, 2015 to January 31, 2023.

The assigned need is broken down by income categories: very low, low, moderate and above moderate. It is this regional housing needs determination that communities must use when making adequate provision for their housing needs in their housing elements.

Table 2 shows the ABAG Regional Housing Needs Allocation for new construction in Petaluma during the planning period.

**Table 2 - Regional Housing Need Allocation**

<b>Income Category</b>	<b>New Construction Need</b>
Very Low (0-50% of AMI)	199
Low (51%-80% of AMI)	103
Moderate (81%-120% of AMI)	121
Above Moderate (over 120% of AMI)	322
<b>TOTAL UNITS</b>	<b>745</b>

*Association of Bay Area Governments*



# HOUSING – 11

In addition to addressing the new construction needs as enumerated in the RHNA chart above, state statute requires that each jurisdiction quantify its housing objectives for new construction, rehabilitation, and conservation/preservation to address the needs of extremely low income, very low and low income households. Table 3 illustrates the City’s projections to meet those needs. (See Appendix E) Policies and programs as well as available sites are in place to facilitate and encourage these activities.

<b>Table 3 – Quantified Objectives</b>			
<b>Income Category</b>	<b>New Construction</b>	<b>Rehabilitation</b>	<b>Conservation /Preservation</b>
Extremely Low	250		90
Very Low	250	200	373
Low	232	23	0
Moderate	273		0
Above Moderate	1131	0	0
<b>TOTAL</b>	<b>2136</b>	<b>223</b>	<b>463*</b>

\*See Analysis of At-Risk projects in 4.0

The following provides additional objectives to meet those projections in the above table:

- Help facilitate the development of extremely-low, very low-income, and low-income units to meet the ABAG Regional Housing Needs Allocation through Petaluma’s housing policies.
- Assist in the improvement and rehabilitation of 90 extremely-low income and 23 low-income units at two of our affordable housing properties.

### **Preservation of Affordable Units**

At an estimate of \$320,000 to construct new affordable units, it would cost \$28.8 million to replace the 90 units at risk. Preserving the units would be considerably less expensive than building new

# HOUSING – 11

units. At an estimate cost of \$86,000 per unit, it would cost \$7.8 million to rehab and preserve the units.

## **Mobile Home Rent Control**

The City implemented rent control for mobile homes spaces in 1994 in order 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 control 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, but any increase is limited to a maximum of 6 percent.

The City currently promotes the long-term affordability of non-restricted residential units through the following actions:

As part of the 2025 General Plan, approved in 2008, the land use classification of the seven mobile home parks in Petaluma was changed to 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. The Housing Fund budgets \$15,000 annually to support the administration of the Mobile Home Rent Control Program that was implemented to provide rent stabilization for over 317 very low- and low-income mobile home park residents, most of whom are elderly. The Housing staff also meets with homeowners to discuss the benefits of rent control and to answer any questions that they have regarding the rent control ordinance.

## **4. ANALYSIS OF AT-RISK PROJECTS**

Petaluma's policy of requiring that affordable units developed with city assistance be restricted for 55 years for target households ensures that it is highly unlikely that they will be converted to market-rate units. The City of Petaluma monitors its affordable housing properties to ensure that there are no assisted affordable housing developments in Petaluma that are at risk of converting to market-rate rents during the next ten years due to termination of subsidy contract, mortgage prepayment, or expiration of restrictions on use during the next ten years (beginning in 2014). This includes multi-family rental housing that receives governmental assistance under federal program, state and city multi-family revenue bond programs, city redevelopment programs, the CDBG program, and in-lieu fees, as well as inclusionary and density bonus units.

## HOUSING – 11

Park Lane Apartments is a HUD 221 property with 90 units of affordable housing. Its housing assistance payment subsidy contract will expire 12/31/2015. This contract has been renewed every five years by HUD and the City of Petaluma is engaged in ongoing communications with the property management of the property to make sure that the assistance continues. This property is not in jeopardy of converting to market rate.

## 5. HOUSING OPPORTUNITIES AND RESOURCES

### 5.1 RESOURCES TO ACCOMPLISH GOALS

---

This section contains the good news and the bad news regarding opportunities and resources:

#### FIRST, THE GOOD NEWS:

- Petaluma is fortunate to have a City Council that supports affordable housing and community development activities to assist persons of low and moderate incomes. The City has exceeded its goal of ensuring that 10 to 15 percent of new units as of 1980, are affordable and has reached 18.3 percent.
- There are many non-profits in Petaluma and Sonoma County that serve Petalumans with a wealth of energy and expertise.
- Very few residents who present the view of “Not In My Backyard!”
- A spirit of collaboration and cooperation among the City and nonprofit agencies.
- A collaboration of the County’s three entitlement jurisdictions and homeless service providers to address issues of homelessness.

#### NOW, THE BAD NEWS:

- The Petaluma Community Development Commission (Redevelopment Agency) that had actively worked to allocate 100 percent of its Low- and Moderate-Income Housing Fund to housing projects within our community was dissolved by the State of California. **That action resulted in a loss of \$3,000,000 annually to our housing fund.**
- HUD has hinted that “small” jurisdictions may lose their entitlement status and, as a result, have their federal grant modified. That would include Petaluma. With that exclusion, eligibility for other funding opportunities becomes problematic.

#### 5.1.1 Fiscal Resources and Leveraging History

To the extent feasible, the City’s Housing Program will utilize the following sources of revenue to fund its projects and programs:

- The In-Lieu Housing Fund is generated by payments from developers in-lieu of providing inclusionary affordable units. It is used to subsidize affordable housing through programs for low income people as well as land acquisition and assistance to

## HOUSING – 11

non-profit developers with pre-development costs and subsidies for on- and off-site improvements. The In-Lieu fund has decreased due to the economic condition and little development in the City over the past few years. However, with the increased residential development potential, this funding source will increase.

- 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 makes allocations based on a formula that takes population, poverty, and housing distress into account. CDBG funds are used for a variety of housing efforts, including activities aimed at, housing acquisition and rehabilitation through short- and long-term loans, and fair housing activities.

The City has used CDBG funds in the past for Housing Rehabilitation for the disabled, and housing rehabilitation for low income seniors and families. The City’s CDBG allocation during the planning period is estimated to range between \$250,000 and \$300,000 per year.

- The California HOME Investment Partnership Act is a formula-based block grant program similar to CDBG. HOME funds are intended to provide incentives for the acquisition, construction, and rehabilitation of affordable rental and ownership units. Petaluma received over \$13,400,000 for seven affordable housing developments since 1995.
- The Low Income Housing Tax Credit (LIHTC) Program is a large federal and state housing subsidy program that provides tax credits to the private sector for the construction or acquisition and rehabilitation of very affordable rental housing. To be eligible for a tax credit, 20 percent of the units in a housing development must rent to very low-income households earning less than 50 percent of area median income, or 40 percent of the units must rent to households with incomes of less than 60 percent. State law also requires that developments retain these levels of affordability for at least 55 years. To be successful, tax credit projects require an additional subsidy that can include no- or low-cost land, local government contributions, or density bonuses and other concessions.

Petaluma was one of the first cities to take advantage of this program, beginning with the Madrone Village project in 1987. Since then, tax credits have been awarded to Round Walk Village, Old Elm Village, Vintage Chateau I and II, Vallejo Street Apartments I and II, Corona Ranch, Washington Creek Apartments, Caulfield Lane Apartments, Downtown River Apartments, Casa Grande Senior Apartments, Logan Place, and Kellgren Senior Apts.

- The 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. Following a study completed by Economic and Planning systems, Inc., the City Council found that the construction or expansion of industrial, retail, or commercial development is a major factor in attracting new employees to the City and that a substantial number of those employees and their families seek residence in the city and place a greater strain on an already impacted housing stock. In June of 2011, the Ordinance was revised to limit the type of nonresidential development to new or expanded nonresidential gross square footage.

The fee was implemented on January 1, 2005, and increased in cost per square foot each year until it reached its maximum amount of \$2.08/sq/ft/ for commercial; \$3.59/sq.ft. for retail, and

# HOUSING – 11

\$2.15/sq.ft. for industrial construction or expansion. The fund has grown to approximately \$1,250,000.

Affordable and special needs projects and programs are almost always made feasible by utilizing funding in a combination of ways, as shown in **Appendix C**. Our past history has shown that we have been able to leverage our local dollars at a ratio of 10:1; however with the dissolution of redevelopment, that leveraging is no longer feasible.

## **5.1.2 Political Will**

Petaluma decision-makers have steadfastly supported funding and approvals of housing developments and programs for those people in our community most in need. The emphasis has been on increasing the supply of new units, while maintaining strong programmatic support and property management.

## **5.1.3 Partnerships**

The City's housing accomplishments have been possible because of the Council's far-sighted decision to develop collaborative partnerships with professional, experienced, highly skilled non-profit housing developers and service providers. Partnerships with Burbank Housing Development Corporation, Eden Housing, Petaluma Ecumenical Properties; and USA Properties have produced more than 1,417 affordable and special needs housing units in Petaluma since 1980.

## **5.1.4 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.

# HOUSING – 11

## 5.2 RESIDENTIAL DEVELOPMENT OPPORTUNITIES

---

To address the housing supply/demand issue, California Government Code Section 65583 and 65583.2, require a parcel specific inventory of lands suitable for residential development to accommodate a range of housing opportunities for all income groups. For more detail, see “**APPENDIX E - Residential Sites Inventory Analysis.**”

This section summarizes:

- Residential units that have been constructed since the beginning of the previous planning period July 1, 2014 or are under construction;
- Approved residential development projects that could be constructed by the end of the new planning period (January 31, 2023);
- Pending applications for residential development that have been submitted for review and approval by the City;
- Projects that are in the planning stages;
- Other sites, both vacant and underutilized, not included in the above categories that are available for residential development.

The total amounts of units that have been constructed during the planning period and have been approved for construction by the City are also compared to the City’s Regional Housing Needs Allocation.

**Please Note: The following tables contain site identification numbers which correlate to the map exhibit contained in Appendix E.**

# HOUSING – 11

## 5.2.1 Units Built, Under Construction and/or Approved

Kellgren Senior Apartments, a 50 unit affordable housing property for seniors was completed in March 2014. There are currently approximately 172 units under construction that qualify for the 2015-2023 Housing Element period. Approximately 230 units have been approved and are likely to be constructed during the planning period. The developments are market-rate multi-family projects targeted to above-moderate income households.

**Table 4: Residential Units –Built, Under Construction and/or Approved**

Site #	Project Name	Status	Total Units	Units by Income Level			
				VL	L	M	AM
5	Birches Subdivision	Approved	21	0	0	0	21
6	Kellgren Senior Apts.	Built	50	49	0	1	0
7	North McDowell Commons	Approved	35	0	0	0	35
35	Quarry Heights	Constr	172	0	0	0	172
49	Pinnacle Ridge	Approved	11	0	0	0	11
47	Sunnyslope II	Approved	21	0	0	0	21
50	Maria Dr. Apartments	Approved	144	0	0	0	144
	<b>TOTAL</b>		<b>455</b>	<b>49</b>	<b>0</b>	<b>1</b>	<b>405</b>

## 5.2.2 Projects Undergoing City Review

There are several residential and mixed use projects that are under formal review with the City of Petaluma as of January 1, 2014. As of this date, most all of the units are targeted as market-rate units. Table 5 lists the developments that are in the process and should be complete during this Housing Element period.



# HOUSING – 11

**Table 5 – Residential Projects Submitted to City**

Site #	Project	Proposed Units
8	Avila Ranch	21 SFD
30	Haystack Mixed use	120 MFD
30	Haystack- BMR	31 SFD
1	Corona Road	32 SFD
46	Davidon Development	66 SFD
48	Ferrin Subdivision	12 SFD
26	Riverfront Dev	134 SFD
26	Riverfront Dev.	140 MFD
15	Sid Commons	312 MFD
	<b>Totals</b>	<b>868</b>

## 5.2.3 Transit-Oriented Development

The Central Petaluma Specific Plan (adopted June 2003) encompasses nearly 400 acres in the central portion of the city adjacent to downtown and extending along the river. The area includes an active rail corridor with future rail transit planned and an extensive resource of vacant and underutilized land. A range of commercial and industrial uses is currently found in the area. The specific plan supports the City’s goal of city-centered growth.

A key land use objective of the specific plan is to establish a significant component of new housing near the downtown and a proposed transit center. It is anticipated that most of the residential development will occur in a mixed-use configuration with retail and/or office uses and can include live/work housing. The plan allows for more intense development than found elsewhere in the city.

The Specific Plan utilizes a form-based code which emphasizes the physical relationships between, buildings, public spaces, and people with less emphasis on use. To date, the CPSP has resulted in several mixed use projects and proposals. However, with an emphasis on form over use, there is a risk that projects may not meet the overall vision of the plan as shifts in the market result in different types of projects/proposals.

The Specific Plan was adopted in June 2003. Since its adoption several significant projects have been built, are under construction, or proposed which carry out the goal of city-centered growth. The Central Petaluma Specific Plan has and continues to be a catalyst for mixed use projects within the central portion of the City and in close proximity to services and transit.

In June 2013, the City adopted the Petaluma SMART Rail Station Areas: TOD Master Plan. The Master Plan, which includes the Amended SmartCode in Appendix A, was funded through a grant received by the City of Petaluma from the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Government’s (ABAG) Station Area Planning Program with matching funds provided by SMART and the City of Petaluma. The funding program seeks to maximize the potential for transit-oriented development (TOD) and drove the project to be a

## HOUSING – 11

holistic, multidisciplinary planning effort ensuring that the Master Plan reflects “best practices” in planning transit-oriented development.

The Master Plan evaluates the potential for transit-oriented development within the two planned Petaluma SMART Rail Station Areas. The Downtown Petaluma Station Area includes the historic rail depot adjacent to Lakeville Street and bounded by East Washington Street and East D Street; the Corona Road Station Area is proposed in the vicinity of the intersection of Corona Road and North McDowell Boulevard. Each Station Area is comprised of the area within a ½-mile radius of the respective planned SMART Rail Station.

The Master Plan incorporates an analysis of: market demand, housing, access, connectivity, parking, infrastructure, and historic preservation. The Master Plan also includes a framework for public spaces, frontage types, building types, and phasing. Amendments to the text and figures for the SmartCode are included as part of the project to facilitate plan implementation and correct several outdated sections of the SmartCode.

The Master Plan has six primary objectives as follows:

- Provide a framework that will guide future development and redevelopment within the Station Areas toward uses that will support transit ridership.
- Improve motorized, non-motorized, and transit connectivity between the station sites and existing adjacent commercial, employment, and residential areas.
- Develop and implement urban design standards that promote walkable and livable environments within the Station Area.
- Identify infrastructure needs and a financing plan with an emphasis on funding opportunities to incentivize future development/redevelopment.
- Inform the public and stakeholders about the Master Plan process, transit-oriented design concepts, and future opportunities within the two Station Areas.
- Create an integrated development plan that capitalizes on the Sonoma-Marín Area Rail Transit (SMART) system.

The planned Downtown Petaluma Station will be located at the renovated historic rail depot adjacent to Lakeville Street and bounded by East Washington Street and East D Street. The Downtown Petaluma Station will provide easy access to the Downtown, the Turning Basin area and the Copeland Street Transit Mall. Reflective of the greater amount of opportunity sites for transit-oriented development, the Downtown Petaluma Station area received the greater amount of focus in this planning effort.

The Corona Road Station will be located in northwestern Petaluma in the vicinity of the intersection of Corona Road and North McDowell Boulevard. This site will likely include a significant park-and-ride component while also benefiting from improved access to employment, housing, health services such as the Petaluma Health Center, and student services like Santa Rosa Junior College. The Corona Road Station will be built as part of the second phase of SMART. The deferral of the Corona Road Station and the lack of transit-oriented development opportunity sites led to a greater focus on how to provide better connectivity of existing uses to the planned Corona Road Station.

# HOUSING – 11

The Master Plan is organized as follows:

**Chapter 1: Introduction** – Chapter 1 provides an overview of the report, a summary of the project objectives, the regional context, the location of the two planning areas, previous planning efforts, community participation process and guiding principles.

**Chapter 2: Vision** – Chapter 2 documents the vision for the Station Areas created through the community participation process. It includes a summary of land use, opportunity sites, a preferred plan and alternate frameworks studied, key design elements used to promote walkability and livability, a phasing strategy and program for the Station Areas.

**Chapter 3: Market Demand** – Chapter 3 provides an overview of the market and economic characteristics that will have an effect on the ability of the City of Petaluma to plan successful transit-oriented development at the Downtown and Corona Road sites. It discusses regional and local trends and projections in demographics, income, employment and retail sales and spending.

**Chapter 4: Housing** – Chapter 4 addresses housing within the Station Areas. It includes background information regarding station area housing goals, a brief summary of housing needs in Petaluma, findings regarding housing development potential within the station areas, recommendations to encourage and facilitate residential development, an analysis of residential development potential, and potential sources to finance and provide affordable and workforce residential development.

**Chapter 5: Access, Connectivity, and Parking** – Chapter 5 addresses pedestrian, transit, auto and bicycle access to the Station Areas and addresses innovative parking management policies and strategies.

**Chapter 6: Infrastructure** – Chapter 6 identifies the key infrastructure needs and financing strategies to accommodate the future development anticipated in this plan.

**Chapter 7: Historic Preservation** – Chapter 7 addresses historic preservation within the Master Plan area. It includes a brief background on the City’s development patterns and historic and cultural resources, recommendations for additional historic preservation efforts, and potential funding sources to implement recommendations.

**Chapter 8: Implementation** – Chapter 8 provides implementation measures for the Station Area Master Plan. It includes recommended updates for the Implementing Zoning Ordinance, Central Petaluma Specific Plan’s SmartCode; development incentives, and an Implementation and Phasing Plan.

**Appendix A: SmartCode Amendments** – Appendix A presents an amended SmartCode for the Central Petaluma Specific Plan Area. The SmartCode serves as the zoning ordinance for properties located within the CPSP area.

# HOUSING – 11

## *Amended SmartCode*

Through the adoption of the Central Petaluma Specific Plan (CPSP) in 2003, the City of Petaluma became the first City to adopt the SmartCode as a mandatory overlay. The SmartCode is a unified land development ordinance template for planning and urban design. It provides detailed regulations for development and new land uses within the specific plan area, and describes how these regulations will be used as part of the City's development review process. It is the zoning ordinance for properties located within the CPSP area.

Adopted 10 years ago, the original SmartCode was essentially in its 'beta' version. Since then, the SmartCode template has been continually updated and refined with input from practitioners from numerous disciplines. As of 2012, the SmartCode was on version 9.2. The amendments to the SmartCode are intended to ensure that the development within the Downtown Station area is consistent with the community's vision and the Master Plan document. These amendments included:

- Refinements to address procedural issues in the existing document raised by staff, developers, and community members.
- Refinements to development standards that have been found to be impediments to development.
- Expanded regulations to provide more certainty for the community and clarity for developers on the type and form of new development.
- Refinements consistent with the updating of the SmartCode template from the version that was adopted to the current version (v.9.2).

The SmartCode updates, coupled with an improving economy, are attracting renewed development interest within the Central Petaluma Specific Plan Area. Of particular note is a current proposal for a mixed use project adjacent to the existing transit mall which includes dedication of a portion of the site for an affordable housing project.

## **5.2.4 Other Development Opportunities**

### **Vacant and Underutilized Sites:**

Sites classified as High Density Residential or Mixed Use and that are vacant or largely vacant represent the greatest potential for development of affordable housing to very low- and low-income households. The High Density and Mixed Use classifications allow densities of up to 30 du/acre and 60 du/acre respectively. Per Section 65583.2(c)(3)(B) of the Government Code, the City's land use and zoning are consistent with the standard of 20 du/acre for suburban jurisdictions and thus these sites are considered appropriate for accommodating affordable housing. These sites are included in Table 6 below.

# HOUSING – 11

**Table 6: Vacant and Underutilized Sites**

Site #	Project Name	Status	Total Units
2	Brody Ranch	Underutilized	300
3	Drew Property 1	Underutilized	105
4	Drew Property 2	Underutilized	75
12	Baywood Equities	Vacant	100
13	Baywood LLC	Vacant	250
24	Trautwein Property	Vacant	10
25	Old Silk Mill	Underutilized	30
19	De Carli Property	Underutilized	50
29	Golden Eagle	Underutilized	250
31	SMART Property	Vacant	170
32	Lind et al. Properties	Vacant	75
36	South Petaluma Part.	Vacant	45
37	Wind River Part.	Underutilized	40
38	Royal Petroleum	Underutilized	35
39	State of California	Underutilized	30
41	Husary Property	Underutilized	35
			<b>1,600</b>

Note: This table contains key sites to accommodate low- and moderate- income housing. See the **Sites Inventory Analysis in Appendix E** for a more comprehensive list of vacant and underutilized lands suitable for residential development.

## 5.2.7 Progress Made Towards Fulfilling Regional Housing Need

A comparison of the City’s regional housing need for the planning period 2015-2023 to the residential units constructed, not built, and/or approved since 1/1/2014 shows that progress has been made in the above moderate housing category. The remaining need for very low-income, low-income, and moderate-income units will be partially met by potential projects but it will be very difficult without local funds and a large need will remain. While there is adequate, appropriately zoned land available to meet Petaluma’s fair share of the Regional Housing Needs Allocation, there is a challenging fiscal reality involved in meeting the City’s RHNA assignment on both the revenue and expenditure side of the ledger. According to a conservative affordable housing assumption, the

# HOUSING – 11

2014 estimated cost per unit of building affordable units is \$300,000-350,000/unit. The following table shows the cost to accommodate Petaluma’s “fair share,” using an average cost of \$325,000/unit:

Very Low	Low	Moderate	Above Moderate	Total
<b>\$65 Million</b>	<b>\$33 Million</b>	<b>\$39 Million</b>	<b>N/A*</b>	<b>\$137 Million</b>

**\*The City does not allocate funds for above moderate priced housing.**

Looking at the revenue side of the ledger, even in the unlikely scenario that the City continues our current ability to leverage outside dollars to local dollars at a rate of 10:1 as we have done in the past, the City would need \$13.7 Million (10% of \$137 Mill) of local housing dollars between 2014 and 2023. Housing revenues (from all funds, including housing in-lieu fees, federal grants, and linkage fees) are estimated to be \$6 million, showing an obvious **gap of \$7.7 Million**. And this assumes that ALL housing funds would be allocated to new development, allowing no rehabilitation; no rent subsidies; no programs for seniors, youth, special needs populations, etc.

In summary, meeting the regional allocated needs for low/mod housing, given the associated costs and State of California action to dissolve redevelopment agencies, and federal and state actions to cut back affordable housing programs, is highly unlikely.

**Table 7 Remaining Regional Housing Need from 1/1/2014**

	Very Low Income	Low Income	Moderate Income	Above- Mod. Income	Total
Units Constructed Since 2014	49	0	1	0	50
Units Under Construction	0	0	0	179	179
<b>Subtotal</b>	<b>49</b>	<b>0</b>	<b>1</b>	<b>179</b>	<b>229</b>
Reg. Housing Need Allocation	199	103	121	322	745
<b>Remaining Need Subtotal</b>	<b>150</b>	<b>103</b>	<b>120</b>	<b>143</b>	<b>516</b>
Approved Units	0	0	0	405	405
<b>Remaining Housing Need</b>	<b>150</b>	<b>103</b>	<b>120</b>	<b>-262</b>	<b>111</b>
<b>Site Inventory Capacity</b>	<b>500</b>	<b>232</b>	<b>273</b>	<b>1131</b>	<b>2136</b>

# HOUSING – 11

## 5.3 INFRASTRUCTURE AND ENVIRONMENTAL CONSTRAINTS

---

### 5.3.1 City Water and Wastewater:

Water and wastewater in Petaluma have become inextricably linked (See Chapter 8: Water Resources Element of the General Plan 2025). The City of Petaluma's primary source of water is Russian River water purchased from the Sonoma County Water Agency (SCWA). Regulatory and environmental issues have delayed the SCWA's expansion of its water transmission system, limiting the amount of water the SCWA can provide. The City completed an analysis of water supply and demands based on build out of the General Plan 2025 and compared them to the available SCWA supply. The analysis showed that projected demands exceed the amount of water the SCWA can provide based on current agreements. In response, the City completed the Water Supply and Demand Analysis Report (June 2006) establishing a long-term plan that increases the use of recycled water to offset potable water use, greatly expands water conservation programs, and includes a moderate use of groundwater to meet increasing potable water demands through 2025.

The City completed its construction of the Ellis Creek Water Recycling Facility (WRF) which replaced the City's aging wastewater treatment plant on Hopper Street. All of Petaluma's wastewater will be conveyed the WRF. The facility was designed to handle anticipated wastewater demands through the build out of the General Plan 2025 and beyond. The WRF is capable of providing up to 5.4 million gallons per day (mgd) of tertiary recycled water that is reused for a variety of applications such as pasture, edible crops, vineyards, golf courses, playing fields, parks and at the WRF itself. If needed, the system can be expanded to process as much as 6.7 mgd of recycled water. Recent increased demands from food and beverage processing, not fully anticipated in the design, require the City to implement modifications to the WRF, which are in preliminary design with construction expected through the next several years.

The distribution of water and collection of wastewater throughout the system is generally adequate but there are certain lines that require reinforcement and/or replacement. The City's Public Works and Utilities Department maintains an active program of infrastructure maintenance and capital improvement projects for the entire distribution and collection system.

The SCWA system is currently limited in terms of total system capabilities as well as the hydraulic capacity of the aqueduct that directly supplies Petaluma. Current aqueduct capacity is not sufficient to meet current peak summer time demands. The SCWA is implementing improvements in water supply and transmission to increase the capacity of the system. The City has made it a priority to work with the SCWA on the South Transmission System Project which will address capacity issues through a parallel aqueduct.

# HOUSING – 11

## 5.3.2 Transportation Infrastructure

The General Plan 2025's Mobility Element (Chapter 5) identifies long-range transportation infrastructure needs for moving people and goods in and around Petaluma. Several major infrastructure projects related to cross-town connectivity and improved access to the U.S. Highway 101 corridor are identified to meet increased demand due to new development.

Additional mobility priorities include an improved transit system that is convenient and provides more frequent, regular service along major City corridors while coordinating the local transit system schedule and service with regional transit, local paratransit services, and school schedules. In November 2008 Sonoma and Marin County voters approved a sales tax increase to fund the development and implementation of passenger rail service on the Northwestern Pacific Railroad corridor called SMART (Sonoma Marin Area Rail Transportation) with an estimated time of completion of 2016. The City of Petaluma has two proposed stations and through the Central Petaluma Specific Plan and the General Plan 2025 has designated the parcels surrounding those sites with land uses appropriate to support transit-oriented development.

In addition to vehicular and transit improvements, the Mobility Element calls for the creation of a pedestrian environment that is safe, attractive, encourages walking and is accessible to all; as well as the implementation of a bicycle network free of gaps that permits easy bicycle travel to all schools and major City destinations.

## 5.3.3 Opportunities for Energy Conservation & Green House Gas Emissions Reduction

Housing has a large role to play in energy conservation and the reduction of green house gas emissions in terms of both its location and its construction methods. Petaluma is committed to lessening the impact of greenhouse gas emissions by reducing emissions and conserving resources through the implementation of the goals, policies and programs outlined in the General Plan 2025. Throughout this General Plan are far-reaching goals and policies in such key areas as land use, conservation, systems efficiency, safety and mobility which in addition to housing, serve the dual purpose of implementing the City's long range goals while requiring that growth occurs in ways that reduce the City's contribution of green house gas emissions. In particular see Section 2.3 – Green Building in the Land Use, Built Environment and Green Building element, section 4.5 – Green House Gas Emissions in the natural Environment element and Chapter 5 – Mobility.

The transportation sector is the largest contributor to green house gas emissions. By focusing on infill development, transit-oriented development, and mixed-use development, the location of housing can have a significant effect on reducing vehicle miles travelled and the associated emissions.



## HOUSING – 11

The City has implemented the provisions of Title 24 of the State Building Code that require new residential buildings to meet a comprehensive set of standards for energy conservation. Builders of these units may achieve compliance either by calculating energy performance in a prescribed manner or by selecting from alternative component packages that prescribe a fixed method of compliance. All proposed residential units are checked by the Building Department to ensure that their design and construction complies with Title 24 energy standards. Additions and alterations must also meet these standards if they increase the heated or cooled floor space of a building.

Opportunities for improving energy conservation in the design of residential development include ensuring the consistency of tentative tract maps with Section 66473.1 of the Subdivision Map Act, which requires the designs of subdivisions to provide for future passive or natural heating or cooling opportunities, and requires the planting of trees along streets and in multi-family parking lots to reduce heat.

The City adopted the 2013 California Green Building Standards Code (part 12 of title 24) at a modified Tier One level. The energy component of the code was adopted at the mandatory level, all other sections including but not limited to water conservation, recycling, recycled content, low VOC content, and Environmental Quality were adopted at the Tier One level. In addition, Petaluma is working with the County of Sonoma on implementation of AB 811, allowing property owners to finance programs for energy-efficiency projects and efficiency improvements such as insulation, dual-pane windows, solar panels, and efficient heating and air equipment systems through secured assessments on their property tax bills.

## **6. CONSTRAINTS TO MEETING HOUSING NEEDS**

A number of factors may constrain the development of housing, particularly housing affordable to lower-income households. These factors can generally be divided into “governmental constraints,” or those that are controlled by federal, state, or local governments; and “nongovernmental constraints,” factors that are not generally created or cannot be affected by government controls.

An analysis of these factors can help in the development of programs that lessen their effect on the supply and cost of housing.

### **6.1 Governmental Constraints**

Governmental regulations and exactions are designed to achieve desirable land use patterns, coordinate development with infrastructure expansion, finance capital improvements, equitably distribute the cost of public services, maintain the ambiance of existing neighborhoods, improve the urban environment, and preserve open space and unique ecosystems.

However, they should be evaluated to determine whether they are excessive and represent an unnecessary constraint on the availability or affordability of housing being built, or contribute to the loss of existing affordable housing.

#### **6.1.1 General Plan Policies**

In addition to the Housing Element, two of the General Plan’s other elements directly affect the location, type, and timing of housing that may be developed: the Land Use, Growth Management, and the Built Environment Element (Chapter 1), and the Community Design, Character, and Green Building Element (Chapter 2).

#### ***Land Use, Growth Management, and the Built Environment Element***

The Land Use, Growth Management, and the Built Environment Element established eight residential land use classifications, with the density ranges shown in Table 8. High-density residential uses are also allowed under the Mixed Use designation.

# HOUSING – 11

**Table 8 - Residential Land Use Designations**

General Plan Designation	Type of Uses	Density (units/acre)
Rural Residential	Single-family dwellings	0.1 – 0.6
Very Low Density Residential	Single-family dwellings	0.6 – 2.5
Low Density Residential	Single-family dwellings	2.6 – 8.0
Diverse Low Density Residential	Single-family dwellings, duplexes, multi-family dwellings	6.1 – 12.0
Medium Density Residential	Single-family dwellings, duplexes, multi-family dwellings	8.1 – 18.0
High Density Residential	Multi-family dwellings	18.1 – 30.0
Mobile Homes	Mobile Homes	8.0 – 18.0
Mixed-Use	Multi-family dwellings and non-residential uses such as retail and office	up to 30.0

Minimum densities are included in the residential classifications in order to maximize residential development on a limited supply of land, and achieve a balance and variety of housing types.

The City of Petaluma is considered a suburban jurisdiction. Government Code Section 65583.2(c)(3)(B) states that sites allowing at least 20 units per acre are deemed appropriate to accommodate housing for lower income households. In Petaluma, sites classified as High Density Residential or Mixed Use meet this definition and represent the greatest potential for development of affordable housing to very low- and low-income households.

In May 2008, the City adopted the Petaluma General Plan 2025. The General Plan 2025 included a comprehensive, parcel specific review of land use and infrastructure capacity and serves as the foundation for this Housing Element update. In addition, the City adopted the Central Petaluma Specific Plan (CPSP) in June 2003. The new General Plan 2025 coupled with the CPSP increases the city’s inventory of residential land through a combination of reclassified lands, particularly Mixed Use, and increased densities – ensuring an adequate supply of residential land to achieve long-term housing goals. In 2013, the City adopted the Petaluma SMART Rail Station Areas: TOD Master Plan in an effort to increase growth within a one-half mile radius of the planned stations. For more information on this plan, see Section 5.2.5 – Transit-Oriented Development.

# HOUSING – 11

## ***Community Design, Character, and Green Building Element***

The Community Design, Character, and Green Building Element of the General Plan is intended to strengthen Petaluma’s unique identity, preserve and strengthen the quality of life in Petaluma, and preserve and enhance views of dominant features. The element divides the community into fourteen planning subareas providing more detailed policies specific to those subareas. The final section of the element relates to green building.

### **6.1.2 Zoning Ordinance Provisions**

In conjunction with the adoption of the General Plan 2025, the City adopted an Implementing Zoning Ordinance designed to carry out the policies of the Petaluma General Plan by classifying and regulating the uses of land and structures within the City, consistent with the new General Plan. Providing consistency between land use and zoning facilitates residential development by eliminating the need for costly and time consuming General Plan amendments and/or rezoning. Since adoption of the new General Plan, a comprehensive revision of the zoning regulations, subdivision standards and guidelines, landscaping standards, public improvement standards, etc. is being incorporated into a single, comprehensive set of new development regulations for Petaluma termed the Development Code.

The Central Petaluma Specific Plan (CPSP) is incorporated by reference into the recently adopted General Plan 2025. Lands within the CPSP area are regulated through the SmartCode© rather than the Implementing Zoning Ordinance. The SmartCode© is a form-based zoning code with an emphasis on the physical relationship between people, buildings, and public spaces. The CPSP covers approximately 380 acres of mostly underutilized land immediately east of and adjacent to the City’s historic downtown core. The intent of the plan is to redirect development from the fringes of the City to the central core; accommodate greater diversity and intensity of development and activities; and give the area identity and interest. To that end, the plan calls for mixed use development with residential densities up to 60 units per acre; building heights up to 6 stories; limited and flexible parking requirements; and opportunities for multi-modal transportation options; including a station site on the SMART rail corridor and the City’s bus transit mall.

As noted earlier through the Petaluma SMART Rail Station Areas: TOD Master Plan, the City adopted an updated SmartCode. Through the adoption of the Central Petaluma Specific Plan (CPSP) in 2003, the City of Petaluma became the first City to adopt the SmartCode as a mandatory overlay. The SmartCode is a unified land development ordinance template for planning and urban design. It provides detailed regulations for development and new land uses within the specific plan area, and describes how these regulations will be used as part of the City’s development review process. It is the zoning ordinance for properties located within the CPSP area.

# HOUSING – 11

Adopted 10 years ago, the original SmartCode was essentially in its ‘beta’ version. Since then, the SmartCode template has been continually updated and refined with input from practitioners from numerous disciplines. As of 2012, the SmartCode was on version 9.2. The latest amendments to the SmartCode are intended to ensure that the development within the Downtown Station area is consistent with the community’s vision and the Master Plan document. These amendments included:

- Refinements to address procedural issues in the existing document raised by staff, developers, and community members.
- Refinements to development standards that have been found to be impediments to development.
- Expanded regulations to provide more certainty for the community and clarity for developers on the type and form of new development.
- Refinements consistent with the updating of the SmartCode template from the version that was adopted to the current version (v.9.2).

## ***Residential Zoning Districts***

The City’s Implementing Zoning Ordinance specifies the zoning districts in which residential development may occur and under what circumstances.

*RR (Rural Residential) zone.* The RR zone is applied to areas of single dwelling development with a minimum lot size of 2 acres. This zone would be applied primarily to areas at the western perimeter of the City along the Urban Growth Boundary that are developed with single dwellings at densities ranging from 0.1 to 0.6 units per acre. This zone is intended to maintain a rural character and provide a transition to unincorporated rural and agricultural lands. The RR zone is consistent with and implements the Rural Residential land use classification of the General Plan.

*R1 (Residential 1) zone.* The R1 zone is applied to areas of single dwelling development, primarily the western hillsides, with densities ranging from 0.6 to 2.5 units per acre, and larger lots required for sloped sites. The R1 zone is consistent with and implements the Very Low Density Residential land use classification of the General Plan.

*R2 (Residential 2) zone.* The R2 zone is applied to areas previously developed and intended for detached single dwellings on individual lots, at densities ranging from 2.6 to 8.0 units per acre. The R2 zone is consistent with and implements the Low Density Residential land use classification of the General Plan.

*R3 (Residential 3) zone.* The R3 zone is applied to the older neighborhoods surrounding the downtown that are characterized by a variety of housing types and densities in a walkable context.

## HOUSING – 11

Densities range from 6.1 to 12.0 units per acre. The R3 zone is consistent with and implements the Diverse Low Density Residential land use classification of the General Plan.

*R4 (Residential 4) zone.* The R4 zone is applied to areas intended for a variety of housing types ranging from single dwellings to multi-unit structures. Densities range from 8.1 to 18.0 units per acre. The R4 zone is consistent with and implements the Medium Density Residential land use classifications of the General Plan.

*R5 (Residential 5) zone.* The R5 zone is applied to areas intended for the most urban housing types at densities ranging from 18.1 to 30.0 units per acre, but where existing lower density housing is considered conforming. The R5 zone is consistent with and implements the High Density Residential land use classification of the General Plan.

*MH (Mobile Home) zone.* The MH zone is applied to existing mobile home parks throughout the City. The MH zone is consistent with the Mobile Home land use classification of the General Plan.

*MU1A, MU1B, MU1C (Mixed Use 1) zone.* The MU1 zone is applied to areas intended for pedestrian-oriented, mixed-use development with ground-floor retail or office uses adjacent to the Downtown Core, and in other areas of the city where existing auto-oriented commercial areas are intended for improvement into pedestrian-oriented mixed use development. The MU1 zone is consistent with and implements the Mixed Use land use classification of the General Plan, which establishes a maximum floor area ratio of 2.5 for both residential and non-residential uses within the classification, and a maximum density of 30 units per acre for residential.

Note:

- Mixed Use 1A zone. This zone is applied to parcels located along the East Washington Street, Petaluma Boulevard North and Lakeville Street corridors. The parcels in these zones vary in size and are typically located adjacent to residential zones.
- Mixed Use 1B zone. This zone is applied to larger parcels located primarily along major arterial roadways. The larger parcel size should allow for a mix of uses on the site.
- Mixed Use 1C zone. This zone is applied to smaller parcels located in West Petaluma. Most of these parcels are located in residential areas and the intensity of the uses permitted in this zone is limited.

*MU2 (Mixed Use 2) zone.* The MU2 zone is applied to the Petaluma Downtown and adjacent areas that are intended to evolve into the same physical form and character of development as that in the historic downtown area. The MU2 zone is consistent with and implements the Mixed Use land use classification of the General Plan, which establishes a maximum floor area ratio of 2.5 for both residential and non-residential uses within the classification, and a maximum density of 30 units per acre for residential.

# HOUSING – 11

*T4 (General Urban); T5 (Urban Center); T6 (Urban Core) Mixed Use Zones.* These zones apply to lands within the CPSP and are subject to the development standards as defined in the SmartCode© allowing for a mixture of uses and no stated maximum for residential density.

**Table 9 – Residential Zones-Implementing Zoning Ordinance**

	P(16) CUP S A -	Permitted Use Conditional Use Permit Required Permit Requirement in Specific Use Regulations Accessory Use Use Not Allowed									
<b>Land Use Type</b>	<b>Permit Required by Zone</b>										
	AG	RR	R1	R2	R3	R4	R5	MU1 A	MU1 B	MU1 C	MU2
Dwelling, Accessory	A,S	A,S	A,S	A,S	A,S	A,S	-	-	-	P	-
Dwelling, Group	-	S(5)	S(5)	S(5)	S(5)	-	-				
Dwelling, Multiple	-	-	-	-	P	P	P	CUP	-	P	-
Dwelling, Single Household	P	P	P	P	P	P	P	-	-	P	-
Residential Care, 6 or fewer	-	P	P	P	P	P	P	P(6)	P(6)	-	P(10)
Residential Care, 7 or more	-	-	-	-	-	-	-	P(10)	P(10)	P	P(10)
Work/Live	-	-	-	-	-	-	-	P(6)	P(6)	P	P(6)
Residential in mixed use building								P(10)	P(14)	P(10)	P(10)

Notes:

- (5) Site Plan and Architectural Review Required & Compliance with Section 7.040 Required
- (6) Permitted use on an upper floor or behind ground floor street fronting use; use in other locations allowed subject to a CUP
- (10) Allowed only on floors above the ground floor
- (14) Permitted only on APN 137-061-019 & APN 048-080-036 (Corona Rd. at North McDowell Blvd.)
- (16) See section 21.030 (Residential Uses Abutting Non-Residential Uses)

**Table 10 - Residential Zones (Smart Code)**

	P MUP CUP -	Permitted Use Minor Use Permit Conditional Use Permit Required Prohibited			
<b>Land Use Type<sup>1</sup></b>	<b>Allowed Building Functions and Permit Requirements</b>				
	T4	T5	T6	T6-O	D4
Live/work unit	P	P	CUP <sup>2</sup>	MUP	P
Multi-family housing	P <sup>2</sup>	P <sup>2</sup>	-	-	-
Residential in mixed use building	P	P	P	P	P
Single-family dwelling	P <sup>2</sup>	P <sup>2</sup>	-	-	-
Work/live unit	MUP	MUP	CUP	MUP	P

Notes:

<sup>1</sup> See Section 9 (Glossary) for use type definitions.

<sup>2</sup> On a frontage where shopfronts are required, use is allowed only on upper floor(s) behind an allowed ground floor use per the permit requirement indicated.

# HOUSING – 11

## Residential Development Standards

Zone District	Bldg Height	Lot Width	Minimum Yard Setback				Minimum Lot Area (sq. ft.)	Lot Area Per DU (sq. ft.)	Parking Spaces Per DU	Minimum Open Space (sq. ft.)
			Front	Side	Rear	Front				
RR	25	150	40	20	40		2 acres	2 acres	3	NA
R1	25	100	30	15	30		20,000	20,000	3	NA
R2	25	50	20	5	20		6,000	6,000	3	NA
R3	25	40	15	3	15		4,000	4,000	3	600
R4	35	35	10	0	10		3,500	NA	1.5	300/unit
R5	45	NA	0	0	0		1,500	NA	1.5	400/unit
MU1	30	NA	0	0	0		NA	NA	1.5	30/unit
MU2	45	NA	0	0	0		2,000	NA	1.5	30/unit
T4	3 stories	NA	0	5	20		4,000 avg.	NA	1	NA
T5	4 stories	NA	0	0	5		none	NA	1	NA
T6	6 stories	NA	0	0	0		none	NA	1	NA

\*Standards reflect typical lots, additional standards apply to corner lots or other less common situations.



# HOUSING – 11

The Implementing Zoning Ordinance and SmartCode® prescribe minimum standards for residential lot sizes, yards, and open space per unit, and maximum lot coverage (Table 10). The Table also illustrates housing types permitted by zoning districts. These standards are typical of many California suburban communities and contribute to the protection of the public health, safety, and welfare; and the maintenance of the city’s quality of life. Combined with the General Plan 2025 land use classifications, minimum density requirements, and adequately zoned residential sites to meet RHNA; Petaluma’s development standards do not represent a constraint or barrier to developing affordable housing.

## ***Parking Standards***

Minimum residential parking standards in the Implementing Zoning Ordinance are as follows:

- Single-family dwellings (including condominiums and townhouses): 1 covered space plus two spaces which may be uncovered and located in the driveway.
- Duplexes: 1 covered space plus one space which may be uncovered and located in the driveway.
- Multi-family units: 1 space per bedroom, studio, or efficiency unit. In no case shall a project provide an overall parking ratio of less than 1.5 spaces per unit.
- Mobilehome parks and trailer parks: 2 spaces per unit.
- Elderly housing and retirement homes: Parking requirements may be modified by the Zoning Administrator (Director) where it can be demonstrated that automobile use or ownership is significantly lower than for other dwellings or lodging houses.

The Ordinance also allows existing covered parking facilities to be converted into living quarters if the covered parking space is replaced with a paved space (that may be uncovered). A few of these conversions are approved each year.

These parking standards are much lower than similar suburban communities and are not considered a constraint to housing development. The multi-family parking requirement correlates with the size of the units rather than applying a uniform standard for all units regardless of the number of bedrooms, as is done in some communities. This requirement has been reduced for affordable rental projects in the past where it can be demonstrated that automobile use or ownership for a project will be significantly lower.

Projects within the Central Petaluma Specific Plan area, recognizing the opportunity for transit-oriented development and walkability, have a considerably lower parking requirement of one space per residential unit and one space per 300 square feet of non-residential uses. In addition to the lower standard the CPSP SmartCode® provides flexibility in reducing parking requirements through alternative parking arrangements, shared on-site parking, parking waivers under certain circumstances, and off-site parking.

# HOUSING – 11

## ***Residential Development in Other Districts***

Residential development is also allowed in three other zoning districts, all of which could accommodate the development of lower-income units.

- *P.U.D. Planned Unit District* allows any and all compatible uses, although a property's General Plan land use designation would determine its ultimate use and residential density.

Most recent residential development in the city has taken place in the PUD District in order to vary from the minimum site and yard standards outlined in the previous zoning ordinance (although the district's provisions do not specifically allow for such variations). For example, a single-family project used the PUD process to create 3,600-square foot "Z" lots with reduced side and rear yard setbacks.

However, all projects seeking variations from development standards must be rezoned to the PUD District, an expensive and lengthy process that requires project review by both the Planning Commission and City Council. Amending the PUD regulations to clarify what variations may be approved and under what circumstances would facilitate the review and approval process for both applicants and the City. The Implementing Zoning Ordinance and the proposed new Development Code address many of the site standards that had led to the need for PUDs and the City hopes to rely upon this district less in the future.

- *Commercial 1(C1) and Commercial 2 (C2)* allow residential uses above the ground floor as permitted uses.

The process for approving residential uses in the C1 and C2 districts however is not straightforward because their corresponding General Plan land use designations (i.e., Neighborhood Commercial and Community Commercial) do not specifically allow dwelling units, and development standards, such as maximum densities, are not specified. However, the majority of sites appropriate to mixed use have been designated as such in the General Plan 2025 and CPSP. Creation of the new Development Code may consider whether or not this provision is necessary in the future given the prominence of Mixed Use parcels.

## ***Second Units***

A second unit is an additional residential unit on the same lot as a primary single-family dwelling that provides complete, independent living facilities for one or more persons. Second units are usually considered to be affordable housing because there are no land costs associated with their development and they frequently rent for less than comparably-sized apartments. They may also occupy unused space in large homes, and by supplementing the income of the homeowner, allow the elderly to remain in their homes or make it possible for lower-income families to afford homes.

# HOUSING – 11

The current Implementing Zoning Ordinance allows such units subject to development standards that are common in suburban communities and are not overly restrictive (e.g., allows maximum size of 640 square feet, requires one additional parking space, allows use of setbacks for accessory structures.) The Ordinance also has no maximum lot coverage limitations, which are often a constraint for the development of in-fill second units in established neighborhoods.

In concert with the adoption of the General Plan 2025 the City of Petaluma updated its development impact fees to ensure that new development provide the necessary public facilities and infrastructure to support that development. An unintended consequence of that update was the assignment of impact fees to second units at the same rate as a traditional unit. The impact fees would amount to a cost similar to the second unit's actual construction cost creating a strong disincentive to developing second units. In 2010 the City Council revisited this issue and reduced the impact fees for second units to approximately 25% of that for a typical single-family unit. Since that time several applications for second units have been processed.

## **6.1.3 Density Bonuses and Other Incentives**

State law requires the City to approve a minimum density bonus of 25 percent for lower-income and senior housing projects that meet certain criteria, as well as other incentives under specified circumstances. Housing Element Program 3.3 follows California Govt. Code Section 65915 to adopt an ordinance that specifies the method of providing state-required developer incentives, including a maximum density bonus of 35%.

Although a number of projects with density bonuses have been reviewed and approved in the past, amending the Zoning Ordinance to include procedures and standards for density bonuses and other incentives would facilitate the review and approval of projects proposing affordable and senior housing. In December, 2014, the City Council adopted a new chapter of the Implementing Zoning Ordinance - Chapter 27 – Residential Density Bonus.

## **6.1.4 Residential Growth Management System**

The City adopted a growth management system in 1972 to meet such objectives as maintaining a reasonable ratio of Eastside to Westside growth, encouraging infill and a mix of housing types, and matching essential public facilities and services to residential development. In general, the system allowed for allocations averaging 500 residential lots or units per year. The City's ability to provide its share of affordable housing was not affected due to exemptions for senior and lower-income housing as well as residential development projects having 30 or fewer units.

The growth management system has not been used since 1998 because developers have been requesting allocations amounting to fewer than 500 lots or units per year. This trend is expected to continue through the planning period and it is not anticipated that allocations under the system will

# HOUSING – 11

be necessary. Therefore, the growth management system will not represent a constraint on residential development during the planning period.

## 6.1.5 Inclusionary Housing Program

The inclusionary housing requirement (Program 4.3) is a critical component of the City’s housing program and an active means of providing affordable units to households typically shut out of the housing market. Developers of residential projects of five or more units are required to rent or sell 15 percent of the units at prices or rents affordable to lower- and moderate-income households.

The inclusionary requirement is also intended to offset the negative effects of new market-rate housing on the provision of non-market rate housing. The construction of above-moderate income housing depletes the amount of available residential land, while contributing to rising land prices because of a greater scarcity of developable sites. Market-rate housing development also exacerbates the affordable housing problem by creating greater needs for goods and services typically provided by low-income employees.

There has been extensive debate over the question of who bears the cost of an inclusionary requirement. Depending on the relative strength of the housing market, the costs may be incurred by:

- Land owners, who may receive a lower price for their land if developers are expecting a lower profit margin from the inclusionary requirement
- Developers, who may have to accept lower profits if housing prices cannot be raised
- The purchasers of market-rate units, who may have to pay higher housing prices if the local and regional housing supply is limited and prices are at least as high in areas outside the city

This requirement does not divert residential development elsewhere in Sonoma County, since inclusionary requirements have been adopted by the County as well as all its other cities.

By limiting the inclusionary requirement to 15 percent and providing alternative means of compliance, such as land dedication or payment of an in-lieu fee, the program is not seen as an undue or onerous constraint on the provision of market-rate housing.

On December 1, 2003, the City Council adopted a resolution that increased the In-Lieu fees based on the square footage of the market rate units. The In-Lieu Housing fee schedule can be found on the Housing webpage at [cityofpetaluma.net/cmgr/housing./html](http://cityofpetaluma.net/cmgr/housing./html). Since the new increase in the In-Lieu fees, the City of Petaluma has added 386 units of affordable housing.

### **Inclusionary Housing Implementation Framework**

The developer’s affordability requirements include the following:

# HOUSING – 11

- When providing rental units the developer, must target Very Low income to Low income households.
- When providing for sale units, the developer must target Low to Moderate income households.

The following compliance options are available to developers:

- The developer may provide affordable units (See Program 4.3)
- The developer may provide In-Lieu funds, based on square footage, for each unit in the development.
- The developer may provide an alternative method subject to review by staff and City Council.

The following incentives are provided by the City:

- Housing funds for site acquisition, pre-development, etc. as funds are available
- Deferred or waived fees
- Fast-track processing

The In-Lieu fees can be used for the following:

- Site acquisition
- Pre-development
- Housing assistance and programs for the low income population

Due to the slow economic and residential development climate, staff is predicting sporadic revenue for future years.

## 6.1.6 Project Review and Approval

The length of time it takes the City to review and approve housing development applications can add to housing costs. If the developer is buying the land outright, there are monthly interest costs, and if they are working under an option to purchase, there are option costs to hold the land.

In recent years, varying amounts of time were taken to consider and approve housing construction proposals. Generally, projects that require environmental impact reports and/or are subject to public controversy have longer review periods. Project re-designs or additional studies may be required by environmental review. Each change in the project design can have associated architect and engineering fees, which grow with each revision. Projects that receive a negative declaration of environmental impact are typically approved within four to six months; projects with environmental impact reports typically require nine to 12 months.

Below-market-rate projects are fast-tracked through the City of Petaluma's approval process. All processing time limits required by state law are adhered to and the overall length of review is consistent with similar communities.

# HOUSING – 11

Processing delays for residential projects can result from incomplete submittals by project applicants, inadequate responses to staff requests for additional information and exhibits, and failure to design projects to city standards.

Since 2012, the City established a Development Review Committee that meets weekly with prospective developers to allow for early input on project proposals. This committee brings, building, planning, water, fire, police, transit, engineering, and economic development staff to the table early in the process to identify issues and opportunities. The effect being applications are more complete and the process is more efficient.

A Site Plan and Architectural Review is required for residential projects involving more than one dwelling unit per lot (except for accessory buildings), and subdivisions with five or more single-family dwellings. According to Section 24.010 of the Implementing Zoning Ordinance, the intent of the review is to achieve a satisfactory quality of design in the individual building and its site, appropriateness of the building to its intended use, and the harmony of the development with its surroundings. Reviewers of residential projects are to be guided by the following standards to achieve these purposes:

- The appropriate use of quality materials and harmony and proportion of the overall design
- The architectural style which should be appropriate for the project in question, and compatible with the overall character of the neighborhood
- The siting of the structure on the property, as compared to the siting of other structures in the immediate neighborhood
- The bulk, height, and color of the proposed structure as compared to the bulk, height, and color of other structures in the immediate neighborhood

## 6.1.7 Adopted Codes

The City has adopted all of the California Building Standards Code, (Title 24) which include Building, Plumbing, Mechanical, Electrical, Green, Energy, Fire, Historic and Existing Building subsections.

The City has amended these codes in a few instances when necessary to protect the health, safety, and welfare of its residents. Smoke detectors are required in single-family homes and automatic fire alarm systems must be provided in multi-family complexes, apartment complexes, and condominium complexes. Effective February 27, 2013, the City Council passed a smoking ordinance (Ordinance No. 2449 N.C.S.) prohibiting smoking in public places, places of employment, and certain other areas, as well prohibiting smoking in new and existing units in duplexes and multi-family residences. The purpose of the ordinance is to protect the public health, safety and welfare, regarding the health hazards relating to secondhand smoke.

# HOUSING – 11

Automatic fire suppression systems must be installed in new residential structures. While these measures result in higher initial housing costs, they are offset over the long run by savings on homeowners’ insurance and property damage.

The presence of an active code enforcement effort serves to maintain the conditions of the City’s housing stock and does not constrain the production or improvement of housing in the City. The Municipal Code also establishes standards for the maintenance of properties with three or more rental units regarding the accumulation of trash and debris, overgrown vegetation, and abandoned vehicles and equipment.

## 6.1.8 Required Fees and Improvements

### *Planning Fees*

**Table 12 – Planning and Building Fees**

FEE CATEGORY	FEE AMOUNT	
	Single-Family	Multi-Family
<b>Planning and Application Fees</b>		
Variance	\$4,317 + TM	\$4,317 + TM
Conditional Use Permit - Major	\$4,982 + TM	\$4,982 + TM
Conditional Use Permit - Minor	\$1,741 + TM	\$1,741 + TM
General Plan Amendment	\$5,845 + TM	\$5,845 + TM
Zoning Amendment	\$6,311 + TM	\$6,311 + TM
Site Plan & Architectural Review	\$6,111 + TM	\$6,111 + TM
Specific Plan	\$8,902 + TM	\$8,902 + TM
Building Inspection/Permit	Building Valuation \$500,001 to \$1,000,000: \$4,710.57 for first \$500,000 plus \$6.92 for each additional \$1,000. Building Valuation \$1,000,001 and up \$8,170.57 for first \$1,000,000 plus \$4.75 for each additional \$1,000.	Building Valuation \$500,001 to \$1,000,000: \$4,710.57 for first \$500,000 plus \$6.92 for each additional \$1,000. Building Valuation \$1,000,001 and up \$8,170.57 for first \$1,000,000 plus \$4.75 for each additional \$1,000.
<b>SUBDIVISION</b>		
Certificate of Occupancy	None. Included as part of building permit.	None. Included as part of building permit.
Lot Line Adjustment	\$4,666 + TM	\$4,666 + TM
Tentative Parcel Map	\$3,455 + TM	\$3,455 + TM
Final Parcel Map	\$8,839 + TM	\$8,839 + TM
<b>ENVIRONMENTAL</b>		
Initial Study	\$5,857 + TM	\$5,857 + TM
Environmental Impact Report	Consultant Fee +25% admin	Consultant Fee +25% admin

# HOUSING – 11

## Impact Fees

The City charges residential development a variety of development impact fees in order to pay for the increased system capacities and services required by that development. In parallel with the adoption of the General Plan 2025, the City updated its impact fee schedules based on a fee study completed by Sinclair and Associates. The study in accordance with CA Government Code Section 66001(a), has done the following for all established fees:

- Identified the purpose of the fee
- Identified the use to which the fee is to be put
- Determined how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed
- Determined that there is a “reasonable relationship” between the specific amount of the fee imposed as a condition of approval on a particular development project, and the cost of the public facility attributable to that project.

The fees as shown in Table 13 were increased substantially reflective of the increased costs associated with major transportation improvements and water-capacity infrastructure needs. While these fees may affect housing prices, the only alternatives would be their payment by the existing Petaluma taxpayers or no further residential development, either of which are infeasible. While the existing fee schedule applies to the City’s affordable housing developments (usually MF), it has been common practice to pay the fees from the Housing Fund so the fees are not a constraint to the production of low/mod housing.

**Table 13 – Development Impact Fees**

Fee Type	Land Use	Fee/Unit	Land Use	Fee/Unit
City Facilities	SF	\$5,545	MF	\$3,733
Open Space	SF	389	MF	262
Park Land Acquisition	SF	1,660	MF	1,123
Park land Development	SF	5,353	MF	3,605
Traffic Impact	SF	19,491	MF	11,965
Waste Water	SF	7,542	MF	4,993
Water	SF	3,671	MF	3,671
<b>TOTAL</b>		<b>\$43,651</b>		<b>\$29,352</b>



# HOUSING – 11

Table 14 below identifies the hypothetical fees that would be collected for a new 2,000 square foot two-story house and a 45-unit multifamily project. These fees would be approximately \$51,376 and \$35,160 per unit respectively. This represents about 12.5 percent of the total development cost for single-family unit and 9.0 percent for a multifamily unit.

**Table 14 – Proportion of Fee in Overall Development Cost for a Typical Residential Development**

Development Cost for a Typical Unit	New Single-Family	New Multi-Family
Total estimated fees per unit	\$51,376	\$35,160
Typical estimated cost of development per unit	409,376	392,456
Estimated proportion of fee cost to overall development cost per unit	12.5%	9.0%

## ***Required Improvements***

The City of Petaluma requires developers to provide on- and off-site improvements in association with residential development, e.g., streets, curbs, gutters, sidewalks, street trees, drainage, water, sewer, power and communications utilities. These requirements are comparable to provisions in neighboring cities.

All standards for public improvements (i.e., street widths, sidewalks, storm drains) are delineated in the Municipal Code. These standards may be modified if warranted by individual circumstances, and therefore are not a constraint on development.

The City’s In-Lieu Housing Fund, Commercial Linkage Fee Fund, the California HOME Investment Partnership Act funds, and CDBG funds are often used to assist below-market-rate projects with the aforementioned improvements.

## **6.1.9 Constraints On Housing For Persons With Disabilities**

### ***Zoning and Other Land Use Regulations***

The City conducted a comprehensive review of its zoning laws, policies and practices for compliance with fair housing laws. The City has not identified any zoning or other land-use regulatory practices that could discriminate against persons with disabilities and impede the availability of such housing for these individuals.

# HOUSING – 11

Examples of the ways in which the City facilitates housing for persons with disabilities through its regulatory and permitting processes are:

- The City allows some variation from the application of its parking standards, for example, the reduction of parking spaces for a unique use such as a senior housing project or other special needs.
- The City permits group homes of with six or fewer persons by right in all residential districts. No permits are required unless accommodations are needed that require a building permit. The City has no authority to approve or deny group homes of six or fewer people, except for compliance with building code requirements, which are also governed by the State.
- The City permits group homes of 7 or more persons in mixed use zones above ground floor by right, and in commercial zones subject to a Condition of Approval.
- The City does not restrict occupancy of unrelated individuals in group homes and does not define family or enforce a definition in its zoning ordinance.
- The City permits housing for special needs groups, including for individuals with disabilities, without regard to distances between such uses or the number of uses in any part of the City. The Land Use Element of the General Plan does not restrict the siting of special need housing.

## ***Permits and Processing***

Petaluma implements and enforces the 2013 California Building Standards Code as of 1/1/2014 and does not have any modifications to that code that would affect accessibility. The City does not impose special permit procedures or requirements that could impede the retrofitting of homes for accessibility. The City's requirements for building permits and inspections are the same as for the other residential projects and are straightforward and not burdensome. City officials are not aware of any instances in which an applicant experienced delays or rejection of a retrofitting proposal for accessibility to persons with disabilities.

# HOUSING – 11

## 6.2 Non-Governmental Constraints

Nongovernmental constraints are those that are not created by local governments, but may be lessened through their actions.

### 6.2.1 Fair Housing

As an entitlement jurisdiction under the Community Development Block Grant program, the City of Petaluma is required to prepare an Analysis of Impediments to fair housing. The City of Petaluma, in conjunction with the City of Santa Rosa and the County of Sonoma, the three HUD-designated entitlement jurisdictions in Sonoma County, updated their Analysis of Impediments as of March 7, 2012. The purpose of the Analysis was to require jurisdictions receiving federal housing and community development funds to engage in a fair housing planning process, identify local fair housing barriers and institute actions to eliminate or mitigate them.

The Analysis recommended a Fair Housing Action Plan with the following actions:

- Strengthen the capacity of a local fair housing organization to reduce discriminatory activities
- Increase affordable, accessible housing in all areas of Sonoma County
- Improve transit options in Sonoma County
- Improve and make more uniform fair housing information on jurisdictional websites

All three jurisdictions are following these recommendations to the extent possible given the current funding constraints.

The Analysis of Impediments can be found on the Housing website at [cityofpetaluma.net/cmgr/housing.html](http://cityofpetaluma.net/cmgr/housing.html). In 2014 the Department of Housing and Urban Development, in affirmatively furthering fair housing, has replaced the Analysis of Impediments with a new report - Assessment of Fair Housing. This report will be completed by 2015 with Petaluma's Consolidated Plan. Once the report is completed it will be on the city's Housing website.

### 6.2.2 Construction Costs

#### *Construction Materials*

Housing prices are influenced partly by the types of construction materials used. Homes in Petaluma are generally of wood frame construction and finished with stucco or wood siding. This type of construction is the least expensive conventional method (brick, stone and concrete block are more costly). Composition shingle and built-up roofs, which are found on a large share of the

# HOUSING – 11

community's homes, are also the least expensive, followed by wood shingle, wood shake, concrete tile, metal tile and clay tile.

Currently, the construction cost to build a 1,500 s.f. residential home is approximately \$312,000 (buildingcost.net). The Sonoma Economic Development Board stated in their 2012 Industry Report, construction will contribute a smaller share of economic growth in Sonoma County than before the recession in 2008. Prices for construction materials such as lumber, steel, insulation, drywall, cement, and concrete are affected by the demand for them. Higher prices can occur when increased levels of construction activity create materials shortages. Adversely, lower prices can occur when demand has decreased.

## 6.2.3 Land Costs

Land costs are affected by such factors as zoning density, the availability of infrastructure, the existence or absence of environmental constraints, land speculation and the relative amount of similar land available for development. As is typical in California, land costs are high. According to the Multiple Listing Service there were 8 residential vacant lots for sale in May of 2014. The average price for a residential lot of less than 1 acre was \$250,000. The average price for a residential lot between 1 and 4 acres was \$616,000.

The City has often assisted with pre-development costs for lower-income housing projects in the past, including the securing of property options and the purchase of land. Without the annual tax increment of \$3,000,000 from Redevelopment for the 20% housing set-aside, similar assistance in the future will prove to be much more challenging as the City does not have the funds that are critical to the development of such housing.

## 6.2.4 Financing Costs

### *Mortgage Interest Rates*

Housing affordability increases as interest rates decrease and vice a versa. Besides lowering monthly interest payments for new buyers and significantly decreasing the cost of a loan, lower interest rates allow existing homeowners to refinance their homes, thereby lowering monthly housing costs and perhaps preserving their ownership status.

In a strong financial market, lending practices tend to be more flexible with interest rates being determined by the U.S. Government. As the country comes out of the recession, lending practices have tightened up. Mortgage interest rates by themselves are not a barrier to affordable housing. The price of the property is also a factor. In 2014, the price of an individual house has increased in the Bay Area from the 2008 recession prices and is approaching the 2007 prices which were not

# HOUSING – 11

sustainable. Currently, interest rates are low, but low income people are having a hard time qualifying for a mortgage due to the tight credit market due to the abundance of foreclosures.

## ***Construction Financing***

Overall, construction financing usually represents a small contribution to total housing costs. Financing costs for construction are affected partly by how early in the development process loans must be taken out and how long the loans must be carried. Project delays can increase total interest payments, as well as create greater financial risk for a project.

Construction financing for higher-density in-fill projects is generally harder to obtain than for conventional single-family construction.

## **6.2.5 Urban Growth Boundary**

In 1998, the citizens of Petaluma overwhelmingly approved (by 80 percent of the vote) an urban growth boundary (UGB) that represents the limit of urban development and the provision of city water and sewer services until 2019. The UGB is intended to promote a compact urban form that ensures the efficient provision of services and infrastructure, and preserve agricultural and open space outside of the boundary. The boundary is essentially contiguous with the City’s Sphere of Influence except for a sewer service area that encompasses the Penngrove area, and a water service area that serves a small rural area on the western edge of the city. Although most amendments to the UGB require a popular vote, the City Council is empowered to amend the UGB to accommodate affordable housing projects under certain circumstances.

The City of Petaluma is actively promoting the development of higher-density housing to maximize the number of units that can be built within its UGB.

The General Plan 2025 projected an additional potential for 6,005 housing units at plan buildout beyond the base year of 2005. The potential growth estimates were based on actual development that has occurred since 2005, approved projects, projects that are currently in the formal review process, and anticipated projects (see Section 6 for further details).

Because there are ample areas within the UGB to more than accommodate Petaluma’s regional “fair share” of new construction during the planning period (see Section 6), the UGB is not a constraint on the ability of the City to meet its housing needs. In 2010, Petaluma voters extended the UGB to 2025, coterminous with the General Plan 2025’s planning horizon.

# HOUSING – 11

## 7. GOALS, POLICIES, AND PROGRAMS

The following goals, policies, and programs are designed to address the existing and projected housing needs of the City of Petaluma. Each program has one or more individuals, bodies, or agencies responsible for its implementation, along with a potential or committed funding source, and a schedule for its implementation during the 2015-2023 planning period.

### Goal 1 **Housing Supply**

---

**Provide adequate residential development opportunities to accommodate projected residential growth and facilitate mobility within the ownership and rental markets.**

**Policy 1.1** Promote residential development within the Urban Growth Boundary.

**Programs:**

**1.1** Utilize sites within the UGB to accommodate anticipated long-term residential growth.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023

**Policy 1.2** Encourage the development of housing on underutilized land that is appropriately zoned.

**Programs:**

**1.2** Utilize the Central Petaluma Specific Plan to facilitate the development of vacant and underutilized land at the heart of the City.

*A key objective of the Specific Plan is to establish a significant component of new housing near the downtown and the transit center.*

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023  
Potential units: Up to 1,617 new multi-family units

**1.3** Allow more flexibility in parking requirements for mixed-use developments in order to promote the development of residential uses along mixed use corridors.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/15 -1/31/2023

# HOUSING – 11

## Goal 2 Housing Variety

---

**Promote a range of housing types to meet the housing needs of all Petalumans.**

**Policy 2.1** Encourage a mix of housing design types.

**Programs:**

**2.1** Provide developers with an inventory of sites with a wide range of densities that allows a variety of product types.

Responsibility: City Council and planning staff

Funding: General Fund

Schedule: 1/31/15 – 1/31/2023

*The Site Inventory is listed on the Housing website at [www.cityofpetaluma.net/cmgr/housing](http://www.cityofpetaluma.net/cmgr/housing). Staff responds to inquiries from developers regarding suitable sites and refers them to the site inventory.*

**2.2** Utilize the Central Petaluma Specific Plan to facilitate the development of rental and live/work units in the downtown, e.g., high density housing, relaxed parking requirements, and encouraging on-site inclusionary units.

Responsibility: City Council and planning staff

Funding: General Fund

Schedule: 1/31/15 – 1/31/2023

Outcome: 240 ELI - Mod units

**Policy 2.2** **Allow flexibility within the City’s standards and regulations to encourage a variety of housing types.**

**2.3** Treat transitional and supportive housing as residential uses, subject only to those restrictions on residential uses contained in each respective zone.

Responsibility: City Council and planning staff

Funding: General Fund

Schedule: 1/31/15 – 1/31/2023

Outcome: Increase number of units for transitional and special needs including developmentally disabled.

# HOUSING – 11

## Goal 3 Development Constraints

---

**Minimize constraints on housing development to expedite construction and lower development costs.**

**Policy 3.1** Review and adjust city residential development standards that are determined to be a constraint on the development of housing.

**Programs:**

**3.1** Review and identify development standards that may be a constraint on the development of housing and amend the zoning ordinance accordingly.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: By 2018

**3.2** Continue to permit emergency shelters without a Conditional Use Permit or other discretionary action on industrial zoned parcels.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023

**Policy 3.2** Improve the city review and approval process for residential projects.

**Programs:**

**3.3** Enforce procedures and standards of Petaluma’s density bonus ordinance to facilitate the review and approval of projects proposing affordable housing.

*California Govt. Code Section 65915 required the City to adopt an ordinance that specifies the method of providing state-required developer incentives, including a maximum density bonus of 35%.*

Responsibility: City Council, City Attorney, planning staff  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023 - Ongoing

**3.4** Continue to subsidize and defer application fees, development impact fees, and on- and off-site improvements for affordable housing projects.

Responsibility: City Council  
Funding: Housing Fund  
Schedule: 1/31/15 – 1/31/2023



# HOUSING – 11

- 3.5** Continue to give priority processing to affordable housing projects.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023

- 3.6** Adopt residential design guidelines for single- and multi-family development that provides clear guidance with regards to design standards for applicants.

Responsibility: City Council, Planning staff  
Funding: General Fund  
Schedule: By 2018

- 3.7** Provide continuing professional education for public officials and decision makers to improve skills in such areas as project evaluation and the conduct of public hearings.

Responsibility: City Council  
Funding: General Fund  
Schedule: 1/31/15 – 1/31/2023

- 3.8** Actively participate in the Sonoma County Water Agency’s project to increase the capacity of the City’s water supply system in order to secure a safe, reliable imported water supply.

Responsibility: Department of Public Works and Utilities  
Funding: Water Resources  
Schedule: 1/31/15 – 1/31/2023

- 3.9** Actively participate in the Sonoma County Water Agency’s planning for a second Petaluma Aqueduct to influence the aqueduct alignment, capacity, and construction details to best reinforce the distribution system.

Responsibility: Department of Public Works and Utilities  
Funding: Water Resources  
Schedule: 1/31/15 – 1/31/2023

# HOUSING – 11

## Goal 4 Affordable Housing

---

**Promote the development of housing affordable to extremely low, very low, low- and moderate-income households.**

**Policy 4.1** Because of the dissolution of redevelopment housing set-aside funding, make the maximum use of other resources available for the provision of housing affordable to extremely low (ELI) to moderate-income households.

**Programs:**

**4.1** Continue to work with other agencies to receive a reasonable share of federal, state and private funding for housing.

*Examples of partnerships with other agencies include the Sonoma Co. Continuum of Care Committee (homeless issues); the Sonoma Co. Community Development Commission (Section 8 and other housing programs), ET AL.*

Responsibility: Housing Division  
Funding: Housing Fund  
Schedule: 1/31/15 – 1/31/2023

**4.2** Continue to work with non-profit housing organizations to benefit from their expertise in and resources for developing and supporting affordable housing.

*All of the affordable housing projects in the city have been developed in partnership with non-profit organizations. We meet annually with non-profit organizations as their partners in developing and supporting affordable housing.*

Responsibility: Housing Division  
Funding: Housing Fund  
Schedule: 1/31/15 – 1/31/2023

**Policy 4.2** Assign a share of the responsibility for providing affordable housing to the developers of market-rate housing and non-residential projects.

**Programs:**

**4.3** Require developers of residential projects, both homeownership and rentals, of five or more units to provide 15% of the units on-site for use as affordable housing with affordability restrictions for 45 years for homeownership developments and affordability restrictions for 55 years for rental developments.

**Subject to approval by the City Council**, developers may fulfill their inclusionary requirement by one of the following ways:

- a. Donate a portion of the project site or property to the City or a non-profit organization for use as affordable housing.

# HOUSING – 11

- b. The developer may make an in-lieu payment to the City’s Housing Fund in an amount equal to a 20% inclusionary requirement.
- c. Use alternative methods, such as but not limited to, requesting a smaller percentage of on-site units, and/or donating a separate parcel of land for development of affordable housing to otherwise satisfy the objectives of the City’s inclusionary policies reflected in this program.

Responsibility: City Council, Planning Division, and Housing Division,  
Funding: Housing Fund  
Schedule: 11/19/18 – 1/31/2023 (This program was revised 11/19/18 per resolution by the City Council)

#### 4.4 Administer the Housing - Commercial Linkage Fee Program.

*The Linkage Fee on certain commercial, industrial, and retail development partially offsets the impact on the need for affordable housing for Petaluma’s workforce.*

Responsibility: City Council, Housing Division,  
Funding: Housing Fund  
Schedule: 1/31/15 – 1/31/2023

#### **Policy 4.3** Facilitate the entry of low- and moderate-income households into the housing market.

##### **Programs:**

#### 4.5 Continue to support the Mortgage Credit Certificate Program administrated by the Community Development Commission of Sonoma County.

*Under this program, the IRS allows eligible homebuyers with a MCC to take 20 percent of their annual mortgage interest as a dollar-for-dollar tax credit against their federal personal income tax. This enables first-time buyers to qualify for a larger mortgage than otherwise possible, and can thus bring homeownership within their reach. Housing staff will coordinate with the County as lead agency all other Sonoma cities, and the MCC consultant. Housing staff will provide information about the program to all First time homeowner applicants.*

Responsibility: Housing Division staff  
Funding: Housing Fund  
Schedule: 1/31/15 – 1/31/2023

#### 4.6 Continue the existing partnership with the Housing Land Trust to administer the Homebuyers’ Assistance Program aimed at low- and moderate-income households.

Responsibility: Housing Division staff in partnership with the Housing Land Trust of Sonoma County  
Funding: As needed  
Schedule: 1/31/2015 – 1/31/2023

# HOUSING – 11

## Goal 5 Preservation of Affordability

---

**Preserve the City’s existing affordable housing and ensure the long-term affordability of new below-market rate units.**

**Policy 5.1** Preserve the affordability of the City’s existing affordable housing stock.

Programs:

**5.1** Continue to administer the Mobile Home Rent Stabilization Ordinance.

The City of Petaluma has 868 mobile home spaces in seven mobile home parks. Of those total spaces, 317 are under our Mobile Home Rent Stabilization Program.

Responsibility: City Council, Housing Division  
Funding: \$15,000 annually from Housing Fund  
Schedule: 1/31/2015 – 1/31/2023, Annually and ongoing

**5.2** Deny conversions of rental apartments to condominiums if the proposed conversion significantly diminishes the existing supply of rental units or threatens to lower the rental vacancy rates within Petaluma.

*The City allows conversion 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 conversions in the city.*

Responsibility: City Council  
Funding: General Fund  
Schedule: 1/31/2015 – 1/31/2023

**5.3** Retain federal, state and locally subsidized affordable units that may be lost through contract termination by utilizing the following techniques:

- Continue to monitor, at least every two years, at-risk units.
- Work with property owners to maintain the projects for lower incomes through extending their contract.

*We are working with the nonprofit owner of Park Lane Apartments to ensure that their HAP contract is renewed when it comes due in December of 2014.*

Responsibility: Housing Division  
Funding: Housing Funds  
Schedule: Bi-annually through 1/31/2023

# HOUSING – 11

**Policy 5.2** Ensure the long-term affordability of units developed or provided with City assistance.

**Programs:**

**5.4** Impose resale controls or rent restrictions on all units that receive state housing density bonuses and other incentives for not less than 30 years.

Responsibility: City Council, Housing Division  
Funding Source: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

**5.5** Continue to impose long-term resale controls or rent restrictions on affordable units provided through the inclusionary housing program or city subsidies to ensure that they remain affordable to the targeted income groups.

Responsibility: City Council, Housing Division  
Funding Source: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

## **Goal 6 Special Needs Housing**

---

### **Promote housing opportunities for special needs groups.**

**Policy 6.1** Support efforts to prevent homelessness.

**Programs:**

**6.1** Continue to support the Petaluma People Services Center (PPSC) Homeless Prevention Program, including the Mediated Assistance Program and the Renters Assistance Program.

*The Rental Assistance Program assists Petaluma individuals and families seeking to retain affordable housing by making a one-time payment of rent or mortgage on their behalf. The Renters Assistance Program is a grant program for the up-front costs of renting a home. Clients also receive information, referrals and counseling services to prevent future threats to their stability.*

Responsibility: City Council, Housing Division staff  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: Assist 100 households annually from becoming homeless by assisting them with one-time emergency rental assistance.

**Policy 6.2** Support efforts to provide housing and support services for the homeless.

**Programs:**

**6.2** Continue to support the Mary Isaak Center

# HOUSING – 11

*The Mary Isaak Center contains a 100-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 a multi-level case management and goal-setting program that helps clients with basic needs and access to social services, including life skills workshops, counseling services, referrals, showers, lockers, mail, laundry facilities, telephone and message services.*

Responsibility: City Council, Housing Division staff in partnership with COTS  
Funding: Housing Fund (as funding allows)/ In-kind  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: Emergency shelter and support services to 100 people per bed night

### 6.3 Continue to support the COTS Family shelter at MIC

*The Mary Isaak Center has a 32-bed transitional housing program for families located on the 2<sup>nd</sup> floor of the Mary Isaak Center. The program is designed to be the final step on their way to stability in permanent, independent housing.*

Responsibility: City Council, Housing Division staff in partnership with COTS  
Funding: Housing Fund,(as funding allows)/In-kind  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: Support services to 8-10 families per night

**Policy 6.3** Support efforts to provide transitional and supportive housing to those moving from homelessness to independent living.

### Programs:

### 6.4 Continue to support the ongoing maintenance of COTS family transitional homes located throughout the community through a partnership with Rebuilding Together, Petaluma.

Responsibility: City Council, Housing Division staff in partnership with COTS  
Funding: Housing Fund – in kind rental assistance equals \$25,000 per year.  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: Rental assistance and support services 21 families/mo.

### 6.5 Continue to support the ongoing maintenance of a City-owned four-bedroom house on Rocca Drive, leased and operated by the Vietnam Veterans of California serving homeless male veterans who are enrolled in the Agency’s Employment and Training Program.

Responsibility: City Council, Housing Division staff in partnership with VCC.  
Funding: Housing Fund (as funding allows)/ in kind rental assistance equals \$25,000 per year.  
Schedule: 1/31/2015 -1/31/2023  
Outcome: Housing and support services to 5 veterans per month.

# HOUSING – 11

- 6.6** Continue to participate in the Countywide Continuum of Care planning process as a “lead agency” along with the City of Santa Rosa and the County of Sonoma.

Responsibility: City Council, Housing Division  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

**Policy 6.4** Promote the construction and maintenance of housing for the elderly.

**Programs:**

- 6.7** Continue to support the construction of senior housing.

*The City of Petaluma will assist developers with the issuance of bonds, tax credit financing, funding applications, etc. to help develop senior housing. The City will pursue other alternatives for funding with federal and state agencies, such as TOD funding, MHP funding, etc.*

Responsibility: City Council, Housing Division staff in partnership with our non-profit partners  
Funding: Housing Fund, as funds are available  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: 100 additional elderly and disabled units.

- 6.8** Continue to support the “Rebuilding Together – Petaluma” (RTP) program.

*This non-profit, non-denominational volunteer organization provides home repair services to low-income Petalumans, many of whom are seniors or disabled, during its annual Rebuilding Day in April and throughout the year on an emergency basis and assist in the upgrade of the housing stock in targeted neighborhoods. The City funds Rebuilding Together with its CDBG entitlement grant. One of the priorities of Petaluma’s Community Development Block Grant program is to facilitate programs and projects for persons with special needs (homeless person, the disability community, etc.). Rebuilding Together also partners with Disability Services and Legal Center whose clients need repairs made to their home.*

Responsibility: City Council, Housing Division staff in partnership with RTP staff and volunteers.  
Funding: CDBG/Housing Fund -  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: Rehabilitation of 25-30 homes of low income and disabled persons per year.

**Policy 6.5** Promote the provisions of disabled-accessible units and housing for developmentally, mentally and physically disabled.

**Programs:**

- 6.9** Continue to require the inclusion of disabled-accessible units in projects that receive city assistance.

# HOUSING – 11

*All units developed with city assistance comply with Title VI (Civil Rights Act), Section 505 ( Rehabilitation Act of 1973) and Section 109 ( Housing and Community Development Act). The City of Petaluma requires that 10% of the units are accessible units.*

Responsibility: City Council, Housing Division  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

- 6.10** Support the construction of housing specifically designed for persons with a developmental, mental, or emotional disability.

*The City of Petaluma will continue its outreach with Buckelew Programs, Sonoma County Mental Health and the North Bay Regional Center for persons with developmental disabilities.*

Responsibility: City Council, Housing Division staff in partnership with non-profit developers such as Buckelew Programs.  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023  
Outcome: The City has two existing special needs apartment complexes for people with mental illness and developmental disabilities and will continue to pursue opportunities for future developments for the disabled.

- Policy 6.6** Promote the construction of rental units for larger families.

## **Programs:**

- 6.11** Continue to require family apartment projects that receive city funding to include units with more than two bedrooms.

Responsibility: City Council, Housing Division  
Funding: Housing Fund, as funds are available  
Schedule: 1/31/2015 – 1/31/2023



# HOUSING – 11

## Goal 7 Fair Housing

---

**Promote a choice of housing types and locations available to all persons, regardless of race, color, religion, sex, sexual orientation, national origin, ancestry, familial status, source of income, age, marital status, medical condition or disability.**

**Policy 7.1** Discourage discriminatory housing practices.

### Programs:

**7.1** Continue to refer fair housing complaints to the Mediation Assistance Program administered by the Petaluma People Service Center.

*Petaluma People Services Center provides a number of services including mediation and resolution of tenant/landlord disputes, helping tenants complete state and federal complaint forms, investigates complaints of housing discrimination, and providing outreach services. Fair housing information is disseminated in a variety of ways. PPSC prints brochures that it provides to the City and distributes to tenants and landlords.*

Responsibility: Housing Division staff in partnership with PPSC  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023 – Annually and ongoing  
Outcome: To assist any Petaluma resident in need of information or mediation regarding Fair Housing or tenant/landlord assistance.

**7.2** Initiate actions to address any fair housing issues or constraints on housing for the disabled identified by the 2012 Analysis of Impediments, including removing the constraints or providing reasonable accommodation for housing intended for persons with disabilities.

*The Analysis of Impediments is a county-wide document. The document pointed out five impediments that the jurisdictions needs to concentrate on. Those impediments are housing discrimination when residents were looking for housing; some areas in the county are ethnically segregated; shortage of transit opportunities; Hispanics/Latinos have a higher loan application denial rate and information about fair housing is not on jurisdictions' websites. Petaluma, through working with Petaluma People Services Center, is continuing to address these issues. We have posted fair housing information on our website as well as linking Petaluma People Services Center website to our page. PPSC's staff speaks Spanish and all materials that are distributed are printed in Spanish. Petaluma transit system is expanding and ridership has increased since 2008. Just recently the City extended the hours of its service.*

Responsibility: Housing Division  
Funding: Housing Fund and Block Grant Fund  
Schedule: 1/31/2015 – 1/31/2023

**7.3** Develop a reasonable accommodation procedure. A reasonable accommodation procedure will ensure persons with disabilities equal access to housing in accordance with fair housing laws.

## HOUSING – 11

*Government Code Section 65583(c)(3) requires the housing element provide program to address and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for persons with disabilities. The program will describe the process for requesting a reasonable accommodation retrofit (i.e. ramp request), and describe the extent to which existing requirements constrain or facilitate the application of an existing or proposed reasonable accommodation program*

Responsibility: Community Development Department  
Funding: CDBG Funds  
Schedule: By 2018

# HOUSING – 11

## Goal 8 Housing Maintenance

---

**Preserve and improve the city’s existing housing stock.**

**Policy 8.1** Promote the maintenance of existing residential units.

**Programs:**

**8.1** Continue to support the “Rebuilding Together – Petaluma” program.

*See Program 6.9 of the Housing Element for program details.*

Coordinate with the City of Petaluma’s Code Enforcement staff to identify unsound or deteriorating housing conditions for possible rehabilitation.

Responsibility: Housing Division and Code Enforcement staff  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

# HOUSING – 11

## Goal 9 Community Relations

---

**Promote the integration of affordable and special needs housing with existing neighborhoods.**

**Policy 9.1** Promote the integration of affordable and special needs housing projects on existing neighborhoods.

**Programs:**

**9.1** Continue to address community input of such projects on surrounding neighborhoods during the design review and approval process.

Responsibility: City Council, Planning Commission, Planning Commission (SPAR), planning staff  
Funding: General and Housing Funds  
Schedule: 1/31/2015 – 1/31/2023

**9.2** Monitor and continue to work with the managers of affordable and special needs housing projects to minimize potential impacts on surrounding neighborhoods.

Responsibility: Housing Division and Police Department  
Funding: Housing Fund  
Schedule: 1/31/2015 – 1/31/2023

# HOUSING – 11

## Goal 10 Energy Conservation and Greenhouse Gas Emissions

---

**Encourage energy conservation in housing and reduce the contribution to greenhouse gases from existing sources and minimize the contribution of greenhouse gases from new construction and sources.**

**Policy 10.1** Promote the use of energy conservation features in the design of residential development.

**Programs:**

**10.1** Continue to evaluate residential projects for consistency with Section 66473.1 (Energy Conservation) of the Subdivision Map Act during the development review process.

Responsibility: City Council and planning staff  
Funding: General Fund  
Schedule: 1/31/2015 – 1/31/2023

**10.2** Continue to require the planting of street and parking lot trees as part of residential projects to provide cooling during the summer months.

Responsibility: Tree Advisory Committee  
Funding: General Fund  
Schedule: 1/31/2015 – 1/31/2023



# **APPENDIX A**





# HOUSING NEEDS ASSESSMENT

## TABLE OF CONTENTS:

	<b>Page</b>
<b>Population and Employment Trends .....</b>	<b>1</b>
<b>Household Characteristics</b>	
Single Parent Households .....	5
Ethnicity.....	5
Age.....	5
Overcrowding .....	6
Educational Attainment .....	7
<b>Needs for All Income Levels.....</b>	<b>8</b>
<b>Housing Stock Characteristics</b>	
Existing Housing Supply .....	9
Occupancy Type .....	9
Age and Condition of Housing .....	9
<b>Housing Affordability</b>	
Housing Costs .....	10
Overpayment of Housing.....	11
<b>Special Housing Needs</b>	
Homelessness.....	11
Seniors .....	16
Disabled .....	17
Farmworkers .....	20
Large Families .....	21
Female-Headed Households .....	21
First Time Homebuyers .....	22

# APPENDIX A

## HOUSING NEEDS ASSESSMENT

A review of the City’s population, business and housing characteristics helps to identify trends and housing needs. The following analysis shows that although the City of Petaluma has had remarkable success in addressing the City Council’s affordable housing goals, the need for appropriate affordable housing continues to grow, particularly for three key populations: children, seniors, and Latinos. Unless noted, the data in the tables below is from the ABAG Housing Element Data Profiles & Projects 2013.

### POPULATION AND EMPLOYMENT TRENDS

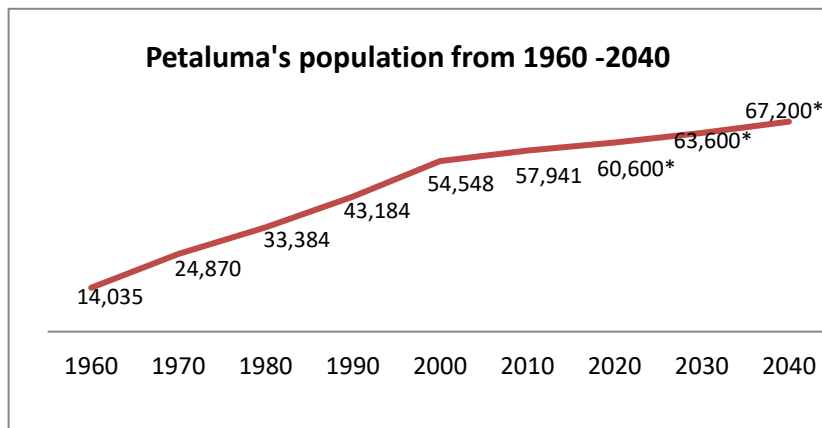
The City of Petaluma increased by 3,393 people since the Housing Element was last certified in 2009.

**Table 1A - Population Growth Trends**

Year	Population	Numerical Change	Percent Change	Average Annual Growth Rate
2000	54,548			
2010	57,941	3,393	5.68%	.0586%
Current – 2012	58,245	304	0.05%	.0260%

2000 & 2010 U.S. Census Bureau

The Sonoma County Economic Development Board reported in its Local Economic Report for the City of Petaluma 2012-2013 that the projections for Petaluma’s population growth is expected to rise 1.6% by 2016.



*\*ABAG's projections*

From 1960 to 2000, Petaluma’s population increased by 40,513 residents which represents an increase of almost 300%. Since the 2000 Census, Petaluma’s population has increased at a much slower pace, about .05% a year. The Association of Bay Area Governments (ABAG) projects that Petaluma’s population will continue to grow to 63,600 by 2040 which is an increase of 5,659 residents over 30 years.

**Table 2A - Population Characteristics**

	2000		2010	
	Number	Percentage	Number	Percentage
Total Population	54,548		57,941	
Male	26,661	49%	28,429	49%
Female	27,887	51%	29,512	51%
<b>Age</b>				
0 to 9	7,780	14%	7,319	13%
10 to 19	7,799	14%	7,605	13%
20 to 24	2,614	5%	3,153	5%
25 to 34	7,039	13%	6,896	12%
35 to 44	10,143	19%	8,145	16%
45 to 54	8,577	16%	9,582	17%
55 to 64	4,569	8%	7,691	13%
65 to 75	2,835	5%	3,996	7%
75 & older	3,192	6%	3,587	6%

*Source: ABAG Housing Element Data Profiles & Projections 2013*

As shown in Table 2A, the makeup of Petaluma’s population has remained relatively stable. The median age of Petaluma increased to 41 years old according to the 2010 Census.

## Employment Trends

Petaluma residents are employed in a variety of industries, with the majority working in education & health, professional/science occupations, retail and finance. See Table 3A

**Table 3A – Employment by Industry**

Industry Type	Number	Percent
Agriculture, forestry, fishing and hunting and mining	273	1.0%
Construction	2,188	7.8%
Manufacturing	2,779	9.9%
Wholesale Food	936	3.3%
Retail Trade	3,424	12.2%
Transportation, warehousing & utilities	1,319	4.7%
Information	988	3.5%
Finance, Insurance, real estate and rental & leasing	2,878	10.2%
Professional, scientific, management, administrative &	3,468	12.3%
Educational, health & social services	5,165	18.3%
Arts, entertainment, recreation, accommodation & food service	1,943	6.9%
Other services	1,535	5.5%
Public administration	1,266	4.5%
<b>TOTAL</b>	<b>28,162</b>	<b>100%</b>

Source: ABAG Housing Element Data Profiles & Projections 2013

According to the 2013-2014 City of Petaluma Local Economic Report, by the Sonoma County Economic Development Board, total employment has increased 2% from a year earlier. Although it is following an increasing trend, Petaluma’s total employment remains down 3.2% from a four year high in September of 2008, equating to about 1000 job. Most of Petaluma’s employed population is in the services sector, with the second largest sector being retail trade. There is more Finance/Insurance/Real Estate employment in Petaluma than Sonoma County which shows that money and real goods are concentrated more in Petaluma.

Petaluma is set to open their second major shopping retail center in the Summer/Fall of 2014 which will increase the jobs in the retail trade in the coming months.

## Household Characteristics

A brief snapshot of Petaluma’s household composition shows that the average household size is 2.70 persons; the average family size is 3.16 persons. The average household size of owner-occupied units is 2.75 persons; for rentals, 2.59 persons. These averages are slightly higher than Sonoma County, but lower than California. The majority of Petalumans (68 percent) reside in family households, 55 percent of which are married-couple families. Approximately 35 percent of family households include children under 18 and 26% of all households have one or more people 65 years and older.

## Single Parent Households:

Approximately 12.5 percent of family households with children are headed by single parents. Since a large proportion of single-parent households are low-income and “overpaying” for housing, they are a targeted clientele for our affordable housing communities. Table 5 shows the number of low-income households overpaying (i.e. paying 30% or more of their household income) on housing.

## Ethnicity

The demographic studies of Petaluma has not changed from the previous housing element. According to the 2010 Census, the largest ethnic group in Petaluma is White, representing 80.3% of the City’s total population. 21% of the population was documented as being of Hispanic origin which is the same as. The ethnicity of Petaluma has stayed consistent since the previous Housing Element. Race and ethnicity characteristics are shown in Table 4A.

Census	White	Hispanic	African American	Amer. Indian & Alaskan Native	Asian	Native Hawaiian & Pacific Islander	Other Race	Two or More Races
2000	45,906	7,985	632	294	2,135	93	3,317	2,171
2010	46,566	12,453	801	353	2,607	129	5,103	2,382

Source: 2000 and 2010 Census

Homes speaking a language other than English were 24.7% of the population with Spanish being the majority language at 16% of the population. In response to a 2008 Fair Housing review by HUD, the City of Petaluma incorporated a LEP Plan (Limited English Proficiency) into its housing policies and programs. The City’s fair housing plan has taken this population shift into consideration in our efforts to affirmatively further fair housing in Petaluma.

## Age

The age distribution of the City’s population also affects the type of housing that is needed. The dynamics of Petaluma’s population has not changed since the 2000 Census. (See Table 2A) Children under 5 years comprise approximately 6% of Petaluma’s population and school age children 5-19 years comprise approximately 20 percent. Adults aged 20-60 comprise 55 percent of the city’s population. The median age for Petaluma is 40.3 years which is higher than the 2000 Census when the median age was 37.1. The biggest change in the population occurred in the 55 to 64 group as the baby boomers age getting closing to retirement.

The preeminent fact about the elderly population is its size and comparative rapid growth. Slightly more than 19 percent of Petaluma’s citizens are over 60 years of age; which is an increase of 5% over the 2000 Census. One in eight Americans is a senior citizen today, compared to 1 in 25 at the dawn of the 20th Century and it is anticipated that during the life of this Housing Element, nearly one in five residents will be seniors. Extending out to 2020, the number of residents 60+ will increase by 34%. Census data indicates that 6.6% of seniors live at the poverty level.



The City’s affordable housing strategy has taken the dynamic growth of the aging population into consideration in planning future properties.

### Overcrowding

The U.S. Census defines overcrowded housing as units with more than one inhabitant per room, excluding kitchens and bathrooms. Large household sizes, multi-generational households, high numbers of children per household, low incomes, and the limited availability of large rental units all are factors in overcrowding.

The latest data shows that 705 of the city’s occupied dwelling units had more than one person per room (excluding kitchens and bathrooms) and were therefore considered “overcrowded.” These units represented 3.32 percent of total occupied units, which is a slight decrease over the 2000 Census rate of 5.1% of overcrowded units. Only .90 percent of the units were severely-overcrowded (over 1 1/2 persons per room) according to the ABAG data.

The city’s 3.32 percent level of overcrowding is significantly lower than that of California which stood at 8.4 percent of total households.

**Table 5A - Overcrowded Households**

Persons Per Room	Owner		Renter		Total Overcrowded	
	Households	Percent	Households	Percent	Households	Percent
1.00 or less	14,415	99.10%	6,125	91.4%	20,540	96.68%
1.01 to 1.50	105	0.70%	350	5.20%	455	2.14%
1.51 or more	25	0.20%	225	3.40%	250	1.18%
<b>TOTAL</b>	<b>14,545</b>	<b>100.00%</b>	<b>6,700</b>	<b>100.00%</b>	<b>21,245</b>	<b>100.00%</b>
<b>% Overcrowded by Tenure</b>		<b>.90%</b>		<b>8.60%</b>		<b>3.32%</b>

Source: ABAG Housing Element Data Profiles & Projections 2013

## Educational Attainment

The City has seen a remarkable increase over the last 40 years in the educational attainment of its residents, reflecting the change from an agricultural- and service-based economy to a more technical one. In 1970, nearly 32 percent of adults over 24 years of age were not high school graduates, while only 10 percent had earned a college or advanced degree. These proportions are now essentially reversed, with more than 37 percent possessing a bachelor's degree or higher. Only 11 percent had not graduated from high school, according to the American Community Survey, 2009-2011.

## NEEDS FOR ALL INCOME LEVELS

Section 65583(a)(1) requires an analysis of population and employment trends and documentation of projections and a quantification of Petaluma’s existing and projected needs for all income levels.

The Element must also quantify existing and projected extremely low income (ELI) households (incomes with 30% or below the AMI) and analyze their housing needs in accordance with Chapter 891, Statutes of 2006.

**Table – 6A - Housing Problems for All Lower Income Households**

	Total Renters	Total Owners	Total Households
<b>Household Income &lt;=30% MFI</b>	875	830	1,705
% with any housing problems	83%	77%	80%
% Cost Burden >30%	83%	78%	81%
% Cost Burden >50%	71%	73%	76%
<b>Household Income &gt; 30% to &lt;= 50% MFI</b>	1185	925	2110
% with any housing problems	78%	65%	72%
% Cost Burden > 30%	84%	65%	75%
% Cost Burden > 50%	44%	51%	48%
<b>Household Income &gt; 50% to &lt;= 80% MFI</b>	1590	1,765	3,355
% with any housing problems	79%	57%	68%
% Cost Burden > 30%	75%	57%	66%
% Cost Burden > 50%	23%	37%	30%

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data & ABAG

Of the 1,705 ELI households in Petaluma, the City projects that there will be a need for an additional 100 units for extremely low income households from 2015-2023 (utilizing the ABAG RHNA numbers, 50% of the Very Low allocation). Approximately 50% of that need will be addressed with the following projects already constructed:

- Vintage Chateau – Phase II – 55 and older – opened in 2012
- Logan Place – Opened in October 2013
- Kellgren Senior Apartments – opened in March of 2014

Policies to encourage and facilitate housing for extremely low income are found in Chapter 6 of this Housing Element. Those policies include:

Policy 2.1 – Promote a range of housing type to meet the housing needs of all Petalumans including extremely low income households; Policy 3.1 Minimize constraints on housing development to expedite construction and lower development costs; Policy 4.1 – Promote the development of affordable housing to extremely low, very low, low-and moderate income households; Policy 5.1 – Preserve the City’s existing affordable housing and ensure the long-term affordability of new below-market rate units. Petaluma’s existing affordable housing stock includes approximately 30% of the units affordable to



extremely low income households; Policy 6.1 – Support efforts to prevent homelessness; and Policy 7.1 – Discourage discriminatory housing practices.

## HOUSING STOCK CHARACTERISTICS

As of this writing, the number of new residential construction permits is low but has increased from the last Housing Element and the median home sales price is slowly increasing to pre-recession prices. While the home sales prices has not reached the prices at the peak in 2007, they are steadily increasing which is not good news for first time homebuyers.

### Existing Housing Supply

Petaluma is a community that offers a wide variety of housing. Although single-family detached homes make up the majority of the housing stock, the City has nearly 3,000 multi-family units and more than 898 mobile homes. The 2013 housing unit count of 22,868 represented an increase of 801 units since the prior Housing Element.

According to the ABAG data profiles, there were 999 vacant housing units in 2010, or 4.4% of all housing units in Petaluma. This represents an increase of 59% over the 2000 levels. Since 2010, the vacancy rate in Petaluma has gone back down to the 2000 levels of 1.8%. It is very difficult to find a rental apartment or single family unit in today's market. The City of Petaluma does a rental vacancy survey twice a year and for the past two years, the vacancy rate for rentals over 30 units was under 2%.

### Occupancy Type

Approximately 66 percent of the City's units are owner-occupied, which is a decrease from the last Housing Element where homeownership was at 70%. Since the last Housing Element was certified, federal, state, and local policies which favored homeownership often resulted in public and private lending practices which allowed sub-prime and other risky loans to be offered to residents unable to sustain them. The negative fallout from those practices is now being felt and the City's affordable housing program will emphasize the production in rental housing for the near future, until homeownership opportunities become available.

### Age and Condition of Housing

Petaluma's housing stock is considerably newer than in California as a whole. Almost 31 percent of its units have been constructed since 1980. However, 9.5 percent were constructed prior to 1940, compared to 9.4 percent statewide. Older housing stock is typically in greater need of maintenance and rehabilitation.

The most recent available reliable data regarding housing conditions is the 2010 Census, which identified 124 units as lacking complete plumbing facilities and 191 as lacking complete kitchen facilities. As part of the prior Housing Element, a survey was completed of three older Petaluma neighborhoods with the condition of each housing units classified as: sound, sound deficient, deteriorating, or dilapidated. Rebuilding Together Petaluma then targeted those neighborhoods with the highest level of need for

rehabilitation. A total of ten projects were completed. One neighborhood was the target of a weekend code enforcement “check-up” by City staff. (see Code Enforcement)

### **Code Enforcement**

The City’s full-time code enforcement/neighborhood preservation enforcement officer has allowed a neighborhood preservation effort to operate concurrently with code enforcement. Using a somewhat restrictive code enforcement ordinance, staff is able to make great progress in getting property owners to clean up their front and side yards which had become neglected and, in some instances, consumed by illegal structures. The City is considering a consolidated version of a property maintenance code, which utilizes numerous building, fire, health and safety, and housing code minimum standards.

Staff researched what other cities were doing to address housing conditions. Those cities that were most successful, created their own property maintenance code based on current local and state regulations, the IPMC, and most of all what their community was asking for. The intention of creating a new ordinance was to take generic code enforcement regulations and make them more specific, allowing staff to pinpoint each violation on a property.

### **Rehabilitation**

The City’s rehabilitation partner is “Rebuilding Together - Petaluma,” a community-based non-profit agency that rehabilitates approximately 25-40 homes in the city annually. The program solicits applications through information printed on city water bills, and targets households with incomes of 70 percent or less of the area median income, the elderly and disabled, single parents and large families. Using 400 community volunteers and donated materials, the program undertakes a wide range of repairs for each house that can include painting, new roofs, wheelchair ramps, electrical rewiring, new bathrooms, replacement flooring, plumbing repairs, furnace and hot water heater installation, smoke detector installation, landscaping, and window and door replacement. An annual allocation is provided to this project from the CDBG Housing Fund.

## **HOUSING AFFORDABILITY**

### **Housing Costs**

**For Sale:** Unlike information provided in the last Housing Element, the housing market in Sonoma County continues to rebalance in the midst of the current housing climate. Most real estate economists aver that a healthy real estate market exists when the median home price is no more than 3-4 times the amount of the median family income. Home prices in Petaluma are slowly increasing and the average sales price is approximately \$500,000, which is almost six times the median household income (\$76,900 for a household of four). If this trend continues, the housing costs will not be affordable for lower income residents.

**For Rent:** Fair Market Rent (FMR) is a HUD classification. It includes shelter rent and the cost of utilities, except telephone and cable, for the median priced apartment. HUD’s affordability guidelines recommend that an individual spend no more than 30% of his/her income on housing and related costs. According to Petaluma’s Vacancy Survey completed in April 2014, the average rent for apartments is as follows:

- 1 bedroom                      \$1,484/month
- 2 bedrooms                     \$1,764/month
- 3 bedrooms                     \$2,221/month

To afford the FMR in Petaluma, applying that guideline, an individual would be required to earn between \$20.00 to \$37.00 per hour, depending on the number of bedrooms. Lack of affordable rental housing can lead to overcrowding, household stress, and even homelessness.

HUD establishes annual income limits in various categories that are used in the administration of its programs. HUD's goals and guidelines state that the maximum monthly housing cost that households in each income category should bear should not be more than 30 percent of a family's income, which includes utilities.

According to state and federal law, a lower-income (i.e., less than 80% of median income) household that pays more than 30 percent of its income for housing is living in unaffordable housing. These households are classified as "overpaying" for housing.

### Overpayment for Housing

In **Table 6A**, 81% of renters in Petaluma with incomes below 80% median income are paying more than 30% of their income for housing costs and 67% of owner-occupied units are paying 30% or more for housing costs. This statistic has increased since the last Housing Element when approximately 63% of renters and 58% of owners were "overpaying" for housing

To address the issue for mobile home residents, the City adopted a Rent Stabilization Ordinance in 1993. At that time, a survey of mobile home park tenants reported that just over half of the respondents reported they paid more than 30 percent of their income for housing expenses. About 40 percent reported paying more than 35 percent of their income for housing

## SPECIAL HOUSING NEEDS

### HOMELESSNESS

The U.S. Department of Housing and Urban Development (HUD) defines the homeless as persons who are:

- Sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned buildings.
- Sleeping in emergency shelters.
- Living in transitional or supportive housing for homeless persons but who originally came from streets or emergency shelters.
- Being evicted within the week from private dwelling units and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing.
- Being discharged within the week from institutions in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing.
- 

Reasons for homelessness in Petaluma include:

- The lack of permanent affordable housing caused by dissolution of redevelopment

- The current foreclosure crisis
- A low rental vacancy rate of 1.9%
- Personal emergencies
- Cutbacks in federal housing assistance
- Chronic substance abuse
- Insufficient support systems
- Spousal/partner abuse or abandonment
- Physical or mental illness
- A lack of life skills
- Loss of employment
- 

Populations at risk of becoming homeless also include those living in subsidized housing units if their subsidies are discontinued, and those with fixed or low incomes facing rent increases.

### Extent of Need

Chapter 633, Statutes of 2007 (SB2) amends housing element law regarding planning and approval for emergency shelters and transitional and supportive housing. This section describes in detail how the City of Petaluma has met our need to not just encourage, facilitate and zone for emergency shelters, but to actually construct emergency shelters, supportive and transitional housing and to design and implement state-of-the art programs for addressing the critical needs of homeless persons in our community. As required by SB 2, the following table presents the required analysis of homeless population needs in Petaluma. This information was provided by our local nonprofits who state that numbers are fluid and change weekly.

**Table 7A – Petaluma’s Homeless Population Needs Assessment**

COTS	Emergency Shelter		Transitional		Supportive	
	Single	Family	Single	Family	Single	Family
Need	430	15	113	65	211	75
Supply	100	15	32	48	54	75
<b>Balance</b>	<b>330</b>	<b>0</b>	<b>81</b>	<b>17</b>	<b>157</b>	<b>0</b>

*2013 Continuum of Care Point in Time Census*

Petaluma has a state of the art homeless shelter, serving families and singles. The homeless numbers are from a point in time survey in January 2013. Some of the unmet need are clients who are seasonal (winter clients) who do not choose to utilize shelter services except during inclement weather. These clients are served by providing cots, blankets, and good in the community room at the Mary Isaak Center.

Of the unserved homeless singles and families who are not served by the shelter they are directed to the Petaluma’s faith-based family homeless program, a series of rotating volunteer churches. The City also provides “upstream support” by funding homeless prevention programs such as Petaluma People Services Center Rental Assistance program and the new Stimulus Homeless Prevention funds.

Committee on the Shelterless (COTS) owns and operates seven transitional houses called Integrity Houses which are self-managed. These units provide the flexibility to accommodate the unmet need. Supportive services are provided to Integrity houses by “mainstream” agencies such as County Mental Health Department, Alcohol and Other Drug Abuse (OADA) programs, veteran services, etc.

HUD requires all entitlement jurisdictions to participate in the Continuum of Care program and all Continuum of Care participants are required by HUD to complete a bi-annual “point-in-time survey”. The 2013 homeless count in Sonoma County inclusive of Petaluma shows the following data:

- 4,280 homeless individuals (including 277 children and 851 single transition age youth living on their own) were identified countywide (January 2013)
- More than one-half (54%) of the homeless were located in Santa Rosa. Twenty-four percent, or 1,027 persons, were located in the south area of the county, including the cities of Petaluma, Cotati and Rohnert Park, with 88% of those being in Petaluma.
- Approximately 29% of the homeless adults were women.
- 10% percent of the homeless adults received wages. Nineteen percent had a fixed income, such as SSI, SSDI, SDI, Social Security or a pension and nineteen percent had income from Public Aid or other income. Thirty-five percent had no income.
- Approximately 11% of the homeless population are veterans.
- Sixty-three percent of the homeless adults had special needs associated with drugs or alcohol or mental health issues with 30% experiencing a severe mental disorder.



Based on these surveys, the “typical” respondent could be characterized as a single male between 25 and 45 years of age, originally from outside of Sonoma County, who had lived in Petaluma for at least two years, had been homeless for more than one year, and had not slept in the Petaluma Shelter during the previous month.

### Existing Homeless Facilities

The City of Petaluma has undertaken a number of successful projects and programs that address the needs of the local homeless population. It is estimated that over 85,000 bed-nights of shelter are provided annually through these programs.

Petaluma has one emergency shelter, the Mary Isaak Center with 100 beds for single adults, operated by COTS (Committee On The Shelterless). COTS also operates one small 15 bed shelter for families, the ids Fist Family Shelter (KFFS).

The MIC provides a 24-hour-a-day, year-round full-service, supervised homeless facility. COTS annually provides over 137,000 hot meals and over 762,000 pounds of food delivered in the community.

All clients participate in a multi-level case management and goal-setting program that helps clients with basic needs and access to social services. Members receive increasing support as they complete goals. Mental and physical health, substance abuse, and domestic violence assistance services, as well as job training, among others, will be offered on-site.

## Existing Transitional and Shared Housing

The City’s transitional housing program consists of three separate programs operated by COTS. 1) A 32-bed transitional housing program for families located on the 2<sup>nd</sup> floor of the Mary Isaak Center, 2) One shared transitional house with 9 beds and 3) Four houses with a total of 32 beds for single adults.

The City’s transitional housing program assists those families and single adults by providing a shared home either in a neighborhood or at the Mary Isaak Center that is designed to be the final step on their way to stability in permanent, independent housing. With a combined total of 73 beds for single adults and families, the City’s transitional housing program provides case management, children’s programs, budgeting and credit repair classes and a host of skills-building programs to enable their return to self-sufficient and long-term housing stability.

## Existing Permanent Supportive Housing (PSH)

COTS’s Permanent Supportive Housing (PSH) program consist of two separate programs

- Community Based Permanent Supportive Housing for Chronically Homeless and Veterans. A 9-bed program located in 4 – bedroom apartments in Petaluma.
- The 37-bed Integrity House program, located in 11 shared homes in the community
- 

Partnering with COTS Petaluma is able to provide permanent, subsidized housing with supportive services to mostly chronically homeless and veterans. A goal of the City is to keep these vulnerable individuals housed long-term, preventing their return to shelters or the streets.

In addition, the City continues to support the Vietnam Veterans of California in the operation of a four-bedroom house on Rocca Drive as a transitional home for homeless male veterans who are enrolled in the Agency’s Employment and Training Program.

Transitional housing may be located in any zoning district that allows residential uses. There is no special permit or approval process required for proposed facilities. (See Table 8A below)

TABLE 8A - HOUSING TYPES PERMITTED BY ZONING DISTRICT														
RESIDENTIAL USE	IMPLEMENTING ZONING ORDINANCE											SMART CODE		
	RR	R1	R2	R3	R4	R5	MH	MU1A	MU1B	MU1C	MU2	T4	T5	T6
Emergency Shelter*	-	-	-	-	-	-	-	-	-	-	-	CUP	CUP	CUP
Transitional Housing**	P	P	P	P	P	P	P	P	P	P	CUP	P	P	P
Supportive Housing**	P	P	P	P	P	P	P	P	P	P	CUP	P	P	P

P=Permitted CUP=Conditional Use A= Accessory Use  
 S=Permit Required in Specific Use Regulations - = Use Not Allowed.  
 \*Use not explicitly defined in Implementing Zoning Ordinance. See Policy 3.1, Program 3.2.  
 \*\*Use not explicitly defined in zoning ordinance. Recognized as residential uses and subject to those restrictions on residential uses contained in each respective zone. See Policy 2.2, Program 2.3.

## **Homeless Prevention**

The In Lieu Housing Fund provides funding to the Petaluma People Services Center (PPSC) Homeless Prevention Program, which since 1989 has provided financial assistance for housing and critical needs to families and individuals who are homeless or threatened with homelessness.

The Agency's funding provides administrative and operational support to two components of the Homeless Prevention Program. The Mediated Assistance Program assists Petaluma individuals and families seeking to retain affordable housing by making a one-time payment of rent or mortgage on their behalf.

The Renters Assistance Program is a grant program for the up-front costs of renting a home. Clients also receive information, referrals and counseling services to prevent future threats to their stability.

Typical clients served by these programs are normally self-sufficient families with children whose incomes are less than 50 percent of the median and who are faced with unplanned financial emergencies. These emergencies include medical crises, break-up of the family unit, steep increases in rent or utilities, or other unforeseen financial burdens that result in their postponing rent payments. The PPSC provides timely assistance to residents who have exhausted all other avenues and are facing eviction.



## Seniors

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.



*Sunrise of Petaluma Senior Apartments*

### Extent of Need

The American Community Survey 2009-2011 reported 11,017 city residents age 60 or over (19 percent of the population), and 4,746 households headed by persons 65 and over (22.9 percent of total households). This proportion of elderly population falls between that of Sonoma County, which is somewhat higher, and the state. Of the total elderly households, 3,768 were owner-occupied units (27 percent of all owner households) and 978 were renter households (14 percent of all renter households). Individuals living alone and who were 65 years of age or over accounted for 4,826 of the city's households in 2007 (22.9 percent of total households.)

The American Community Survey also reported 4.5% of the households had grandparents who were responsible for grandchildren under 18 years of age which did not change since the last Housing Element.

As citizens get older, their housing needs change. Special housing needs of the elderly include smaller and more efficient housing to minimize maintenance and barrier-free designs to accommodate restricted functions.

The majority of the seniors are on fixed incomes such as pensions, social security, and personal savings. Many elderly households pay an excessive proportion of their income for housing because their incomes are low. The American Community Survey 2009-2011 identified 475 residents over the age of 65 living in poverty, which is approximately 6.6%.

Low-income senior homeowners face special challenges to live in and maintain their homes. While many younger homeowners can perform routine home repairs themselves, many elderly homeowners are often too frail to do so and must rely on others for help. They may also not be able to afford modifications that are needed to their homes to ensure their safety and improve their mobility, such as grab bars and ramps.



*Vintage Chateau II – Opened Sept. 2012*

Many single senior homeowners may be especially dependent on professional or other outside assistance for home repairs. Some have no or few companions or nearby relatives who can help them care for their homes, and some elderly widows come from generations where women traditionally

relied on their spouses or other family members for the major upkeep of their homes.

Senior people are less willing to move, despite the physical condition of their homes. Most often the home is paid for so it is more cost effective to stay in the home that they may have lived in 30 or more years.



House sharing can provide older homeowners with revenue, as well as added security and companionship, and provides renters with affordable housing. Accessory apartments, which are separate units within a home, offer the same advantages as well as privacy.

Efforts are needed to help the seniors maintain independent life styles. Housing locations near public transit are needed for senior citizens because they may not drive. The elderly need additional auxiliary services such as housecleaning, health care, and grocery delivery when illness and disability limit their capacity to fend for themselves.

As it becomes increasingly difficult for the elderly to live independently, there is a need for congregate or group housing that provides small individual units without kitchens or with minimal provision for cooking, and some common facilities and services, including shared arrangements for meals and housekeeping services. Congregate care housing is particularly attractive to older persons, as building design and services can be tailored to their specific needs. Providing housing that will allow seniors to “age-in-place” will become increasingly important for our non-profit senior housing partners.

### **Existing Senior Housing and Services**

Since 2009 when the previous Housing Element was completed, the Petaluma Community Development Commission contributed more than \$6.1 million to construct 117 affordable senior rentals in two projects, bringing the total number of senior units to 646 units.

There are 14 residential care for the elderly facilities licensed in the City, ranging from small residential care homes that can accommodate three to six senior individuals, to larger facilities such as Adobe House (capacity of 80) and Sunrise of Petaluma (capacity of 89).

To help address the needs of this special population, the City of Petaluma supports Rebuilding Together Petaluma, a non-profit, non-denominational volunteer organization that provides home repair services to low-income Petalumans, many of whom are elderly, during its annual rebuilding day in April. The program has repaired and rehabilitated over 450 Petaluma households since its inception in 1997 and will be supported with CDBG funds.

The seniors own a large percentage of the mobile homes in Petaluma. Mobile homes meet the needs of many seniors because they provide an independent living environment with smaller yards and homes requiring lower levels of maintenance. The City’s Mobile Home Rent Control Program provides rent stabilization for approximately 300 very low- and low-income mobile home park residents.

### **Disabled**

Census 2010 defines a disability as a long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

In response to the serious lack of accessible housing in the United States, the Fair Housing Act requires that all



ground floor dwelling units in buildings of four or more units without elevators and all dwelling units in elevator buildings of four or more units include the following basic features of accessible and adaptive design:

- Public and common areas must be accessible to persons with disabilities
- Doors and hallways must be wide enough for wheelchairs
- All units must have:
  1. An accessible route into and through the unit
  2. Accessible light switches, electrical outlets, thermostats and other environmental controls
  3. Reinforced bathroom walls to allow later installation of grab bars and
  4. Kitchens and bathrooms that can be used by people in wheelchairs.

### Extent of Need

The census identified 5,112 Petaluma residents as having a disability, with over 40% of the disabled population having more than one disability. Included in that number is 2,392 residents who are 65 or older who have a disability with 74% of those disabled residents being over 75.

**Table 9A - Persons with Disabilities by Disability Type**

	Number	Percent
Total Disabilities	5,112	----
Total Disabilities for Ages 5-64	2,720	53.2%
Sensory disability	814	29.9%
Physical disability	1,086	39.9%
Mental disability	1,257	46.2%
Self-care disability	349	12.8%
Go-outside-home disability	543	20.0%
Total Disabilities for Ages 65 +	2,392	46.8%
Sensory disability	1,376	57.5%
Physical disability	1,478	61.8%
Mental disability	702	29.3%
Self-care disability	531	22.2%
Go-outside-home disability	1,327	55.5%

Source: ABAG Housing Element Data Profiles & Projections 2013

The City has funded both new construction, rehabilitation of existing facilities and implemented programs and policies (See Policy 6.5 and related programs) to address existing and projected needs of our disability community.

The City of Petaluma follows state and federal regulations which require that any new residential construction of three or more apartments or four or more condominium units be accessible and/or adaptable to disabled persons. Petaluma implements and enforces Chapter 11, 1998 California Code. The City provides information to all interested parties regarding accommodations in zoning, permit processes, and application of building codes for housing for persons with disabilities.

## Developmentally Disabled

According to Section 4512 of the Welfare and Institutions Code a “developmental disability” means a disability that originates before an individual attains age 18 years, continue, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional center, four developmental centers, and two community-based facilities. The North Bay Regional Center is one of the 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The following information from the North Bay Regional Center, charged by the State of California with the care of people with developmental disabilities, defined as those with severe, life-long disabilities attributable to mental and/or physical impairments provides a closer look at the disabled population.

*Source: North Bay Regional Center*

By Zip Code	0-14 Years	15-22 Years	23-54 Years	55-65 Years	65+ Years	Total
94952	52	27	53	12	3	147
94953	0	42	52	5	8	107
94954	95	0	0	0	0	95
<b>Total for City</b>	<b>147</b>	<b>69</b>	<b>105</b>	<b>17</b>	<b>11</b>	<b>349</b>

There are a number of housing types appropriate for people living with a development disability: rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of consideration that are important in serving this need group.

In order to assist in the housing needs for persons with Developmental Disabilities, the City has implemented programs to coordinate housing activities, encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with

developmental disabilities, outreach with the North Bay Regional Center, and pursue funding sources designated for persons with special needs and disabilities. Please see Policy 2.2 and Policy 6.5.

### Existing Housing and Services

The 13-unit Salishan Apartments project for persons with a developmental disability was constructed at 780 Petaluma Boulevard South by North Bay Rehabilitation Services. The property has been very successful in serving our most low income disabled community. The City has also completed a property with Buckelew Programs, a non-profit organization for person with a mental disability. The property, Boulevard Apartments, includes 14 units for very low-income persons who have a mental illness.



The Fair Housing Act requirements for accessible housing are included in California’s Title 24 regulations, which are enforced by the City through its building codes, building plan review, and site inspections. All city-assisted housing is compliant with both Title 24 regulations and the Americans With Disabilities Act. All senior units developed with city assistance are disabled-accessible. Additionally, Old Elm Village, an 88-unit affordable family rental project that opened in 2002 with support from the City, has six accessible units in a range of sizes. In 2010, the National Association of Mental Illness of Sonoma County (NAMI Sonoma County) purchased a foreclosed property in Petaluma with Neighborhood Stabilization funds from the County of Sonoma. The property was rehabbed with Petaluma’s CDBG funds and houses low income people with a mental disability.

The City also continues to fund local nonprofits to remove physical barriers in homes occupied by persons with a disability.

### Farmworkers

The California Department of Economic Opportunity estimates that California is able to adequately house only about 30 percent of its seasonal farmworkers. According to Sonoma County housing information, the annualized average employment in farm production and services is approximately 5,000 with 1,500 being seasonal farm workers. The majority of farmworkers live in the unincorporated County.

#### Extent of Need

The ABAG Housing Element Data identified 273 Petaluma residents who were employed in the farming, fishing, or forestry occupations, which is approximately 1% of the workforce. Of that number, an even smaller percentage would be farmworkers. In Petaluma, permanent rental housing is the most likely the best housing option for farmworkers that live in the city.

However, farmworker housing remains a regional need, as described in the Sonoma County Consolidated Plan 2010 prepared by the Sonoma County Community Development Commission. Most farms and/or vineyards are situated in the county.

Another unique factor of the farming community is that most seasonal farmworkers are single men who leave their families behind to work in the fields, and who have no adequate housing. These men live in

fields, shacks, barns, or other unsuitable places. Although there is some overlap in many need areas, the housing needs of the male seasonal farmworker differ markedly from the housing needs of farmworker families.

All residential zoning districts in Petaluma that allow affordable housing as a permitted use, would permit farmworker housing to be built.

### Existing Housing

All of the city's affordable units help to address the housing needs of farmworker households, especially larger rental units.

### Large Families

Large families are defined as households with five or more members. A typical indicator of problems associated with housing large families is overcrowding and housing discrimination.



*Round Walk Village Affordable Apartments*

### Extent of Need

The 2010 Census reported only 477 large owner-occupied households (3.4 percent of total) in Petaluma, but a higher percentage for large renter households (363 households, 6.1 percent of total). 2009-2014 Housing Element policies (Policy 6.6) will encourage larger units to match the emerging demographics which show a substantial increase in large (particularly Latino) families.

### Existing Housing

In the past, the Low-Income Housing Tax Credit Program encouraged the production of affordable housing with a relatively higher proportion of four-bedroom units. As indicated above, the City also promotes the inclusion of larger units. Examples include the 74-unit Corona Ranch project, which has 32 three-bedroom and 10 four-bedroom units and Round Walk Village, which has 47 three-bedroom and 6 four-bedroom units. Burbank Housing just completed a 66 unit affordable housing property, Logan Place, which will help fulfill the need of housing large families.

### Female-Headed Households

The incomes of female-headed households are typically lower than those of other types of families. The largest housing obstacle for these families is the escalating cost of housing and the vacancy rate in our rental market.



## Extent of Need

In the 2009-2011 American Community Survey, it was reported that 15% households were comprised of female householders with no husband present and children residing with them under 18 years of age. This is a 9% increase from the 2000 Census. The median earnings in 2010 for full-time female householders were \$50,670, compared with \$61,171 for full-time males. Female-headed households represented more than 40 percent of all Petaluma families living in poverty in 2007.

## Existing Housing and Services

The chief beneficiaries of the PPSC's homeless prevention programs described earlier are single mothers, who continue to represent the fastest-growing component (currently 80 percent) of the nation's population of homeless families.

## First-Time Homebuyers

Low- and moderate-income households often need assistance to purchase their first home. The City of Petaluma has participated in the federal Mortgage Credit Certificate Program since 1993, during which time more than 150 first-time low- and moderate-income homebuyers have been able to purchase a home in Petaluma. Under this program the IRS allows eligible homebuyers with a MCC to take 20 percent of their annual mortgage interest as a dollar-for-dollar tax credit against their federal personal income tax. This enables first-time buyers to qualify for a larger mortgage than otherwise possible, and can thus bring homeownership within their reach. The MCC program is administered locally by the Community Development Commission of Sonoma County.



Frates Square – Opened in 2008

Since 1988, the City has contributed over \$3.2 million to assist in the development of 169 single-family homes and townhomes in seven projects that were sold to first-time low- and moderate-income homebuyers. In addition to supporting their construction, the City also provided downpayment assistance through “silent second” mortgages that require no loan payments until the house is sold. Over the last five years, we have lost 50 properties due to foreclosures or short sales. Since the downturn in the real estate market in 2008 and the dissolution of redevelopment agencies by the State of California, there are no funds allocated to subsidize the silent second mortgage program.

A glowing example our First-Time Homebuyer program is Frates Square which is a 26 unit development using the Land Trust model. The City of Petaluma partnered with the Housing Land Trust of Sonoma County and a private developer, Delco Builders, to build the homes to sell to low and moderate income families. There were no “silent second” loans on the 26 homes that were purchased by the homeowners. With the land trust model, we have not lost any of the homes to foreclosure.

# APPENDIX B





## Appendix B - Review of 2009-2014 Element

Name of Program/Policy	Objective	Status of Program/Policy	Continue Modify Delete
<b>1.1</b> Utilize sites within the UGB to accommodate anticipated long-term residential growth.	Promote Residential Development within the Urban Growth Boundary	N/A No development applications were received outside UGB during this Housing Element.	Continue
<b>1.2</b> Utilize the Central Petaluma Specific Plan to facilitate the development of vacant and underutilized land at the heart of the City.	Encourage the development of housing on underutilized land that is appropriately zoned	The Final Station Area Plan has been completed; adoption by the City Council in June 2013.	Continue
<b>1.3</b> Allow more flexibility in parking requirements for mixed-use developments in order to promote the development of residential uses along mixed use corridors	Encourage the development of housing on underutilized land that is appropriately zoned	The Central Petaluma Specific Plan parking requirements are lower than the rest of the City. Ongoing.	Continue
<b>2.1</b> Provide developers with an inventory of sites with a wide range of densities that allows a variety of product types.	Encourage a mix of housing design types.	A site inventory is available upon request. The site inventory is also on the city's website.	Continue
<b>2.2</b> Utilize the Central Petaluma Specific Plan to facilitate the development of rental and live/work units in the downtown, e.g., high density housing, relaxed parking requirements, requiring of on-site inclusionary units.	Encourage a mix of housing design types.	The CPSP was adopted in 2003 and is the main planning tool for the downtown. The economic downturn resulted negligible new development activity through 2013.	Continue
<b>2.3</b> Ensure that the Development Code update defines transitional and supportive housing as residential uses, subject only to those restrictions on residential uses contained in each respective zone.	Allow flexibility within the City's standards and regulations to encourage a variety of housing types.	The Development Code update is in progress and will be completed prior to adoption and certification of the 2015-2023 housing element.	In process
<b>3.1</b> Review and identify development standards that may be a constraint on the development of housing and amend the Development Code accordingly.	Review and adjust city residential development standards that are determined to be a constraint on the development of housing.	On hold due to limited staff.	Continue
<b>3.2</b> Ensure that the Development Code update identifies the "Mixed Use" and "Civic Facilities" zones as permitting emergency shelters without a Conditional Use Permit or other discretionary action.	Review and adjust city residential development standards that are determined to be a constraint on the development of housing	The City is in the process of identifying a zone permitting emergency shelters without a Conditional Use Permit or other discretionary action and will be completed prior to adoption and certification of the 2015-2023 Housing Element.	In process

<b>3.3</b> Adopt procedures and standards for density bonuses and other incentives required by state law to facilitate the review and approval of projects proposing affordable housing	Improve the city review and approval process for residential projects	A review and modification of the City's municipal density bonus incentives is in process and will be completed prior to adoption and certification of the 2015-2023 Housing Element	In process
<b>3.4</b> Continue to subsidize and defer application fees, development impact fees, and on- and off-site improvements for affordable housing projects	Improve the city review and approval process for residential projects	Ongoing	Continue
<b>3.5</b> Continue to give priority processing to affordable housing projects	Improve the city review and approval process for residential projects	City staff provides technical assistance to potential affordable housing developers in regards to funding applications, i.e. HOME	Continue
<b>3.6</b> Adopt residential design guidelines for single- and multi-family development that provides clear guidance with regards to design standards for applicants	Improve the city review and approval process for residential projects	On hold due to staff limitations.	Continue
<b>3.7</b> Provide continuing professional education for public officials and decision makers to improve skills in such areas as project evaluation and the conduct of public hearings	Improve the city review and approval process for residential projects	Incomplete due to budget limitations.	Continue
<b>3.8</b> Actively participate in the Sonoma County Water Agency's project to increase the capacity of the City's water supply system in order to secure a safe, reliable imported water supply	Improve the city review and approval process for residential projects	Ongoing by Dept. of Public Works and Utilities (previously Water Resources) staff.	Continue
<b>3.9</b> Actively participate in the Sonoma County Water Agency's planning for a second Petaluma Aqueduct to influence the aqueduct alignment, capacity, and construction details to best reinforce the distribution system	Improve the city review and approval process for residential projects	Department of Public Works and Utilities personnel continued to work with the County on this project.	Continue
<b>4.1</b> Continue to ensure that at least 30 %of all dwelling units developed by the Petaluma Community Development Commission (PCDC) are affordable to low- or moderate-income households, and that not less than 50 % of these are affordable to very low-income households. Ensure that at least 15 percent of all dwelling units developed in the redevelopment project area by public or private entities or persons other than the agency are affordable to low- or moderate-income households, and that not less than 40 % of these are affordable to very low-income households. Continue to allocate 100 % of the Low/Moderate Income Housing Fund to housing projects within the city	Make the maximum use of resources available for the provision of housing affordable to extremely low (ELI) to moderate-income households	PCDC became irrelevant following the 12/29/2011 dissolution of CA Redevelopment Agencies. This funding is no longer available. Program discontinued.	Delete

<p><b>4.2</b> Continue to work with other agencies to receive a reasonable share of federal, state and private funding for housing</p>	<p>Make the maximum use of resources available for the provision of housing affordable to extremely low (ELI) to moderate-income households</p>	<p>The City Housing Division works collaboratively with all public, private and nonprofit housing agencies to pursue all funding possibilities. The loss of redevelopment set-aside has hindered our historic leveraging capability.</p>	<p>Continue</p>
<p><b>4.3</b> Continue to work with non-profit housing organizations to benefit from their expertise in and resources for developing and supporting affordable housing</p>	<p>Make the maximum use of resources available for the provision of housing affordable to extremely low (ELI) to moderate-income households</p>	<p>See above.</p>	<p>Continue</p>
<p><b>4.4</b> Continue to require residential projects of five or more units to contribute to the provision of below-market rate housing in one of the following ways:</p> <ul style="list-style-type: none"> <li>a. Within a half-mile radius of the planned SMART stations, the developer shall provide at least 15 percent of the units in a rental housing project at rents affordable to very low- and low-income households and 15 percent of the units in a for-sale project at prices affordable to low- and moderate-income households for a minimum period of 30 years.</li> <li>b. Dedicate a portion of the project site or property elsewhere to the City or a non-profit organization for use as a site for affordable housing. This option is allowed only if the City or a non-profit agency has a pending project.</li> <li>c. When the project is non-transit oriented, the developer can make an in-lieu payment to the City's Housing Fund.</li> <li>d. Use alternative methods to meet the intent of the inclusionary requirement, subject to approval by the City Council.</li> </ul>	<p>Assign a share of the responsibility for providing affordable housing to the developers of market-rate housing and non-residential projects</p>	<p>During the current Housing Element period, 189 units were built that provided housing for low income persons and persons with disabilities. Although this is far below our RHNA numbers, it is a great accomplishment considering we lost our RDA funding 3 years into the planning period. A language change is being made to (a) from "shall" to "encourage" to provide flexibility on a case by case basis.</p>	<p>Modify</p>
<p><b>4.5</b> Continue to implement the Commercial Linkage Fee Program</p>	<p>Assign a share of the responsibility for providing affordable housing to the developers of market-rate housing and non-residential projects</p>	<p>Regency Shopping Center resulted in revenue of approximately \$833,000/a portion of Deer Creek \$400,000 which will be utilized for affordable housing projects and/or programs.</p>	<p>Continue</p>

<b>4.6</b> Continue to support the Mortgage Credit Certificate Program administrated by the Community Development Commission of Sonoma County	Facilitate the entry of low- and moderate-income households into the housing market	Housing staff coordinates with the County and other jurisdictions on the county-wide MCC program. 5 certificates were issued in Petaluma in 2009-2014.	Continue
<b>4.7</b> Reinvent the First-Time Homebuyer Assistance Program aimed at low- and moderate-income households	Facilitate the entry of low- and moderate-income households into the housing market	Housing staff worked with the Housing Land Trust to construct 26 homes and administer the City's homeownership program.	Continue
<b>5.1</b> Continue to administer the Mobile Home Rent Stabilization Ordinance	Preserve the affordability of the City's existing affordable housing stock	Housing staff works in cooperation with SCCDC to administer the City's ordinance, which assists 317 mobile home park residents under the Rent Stabilization Ordinance.	Continue
<b>5.2</b> Deny conversions of rental apartments to condominiums if the proposed conversion significantly diminishes the existing supply of rental units or threatens to lower the rental vacancy rates within Petaluma	Preserve the affordability of the City's existing affordable housing stock	No condominium conversions proposed in 2009-2014. Ongoing	Continue
<b>5.3</b> Impose resale controls or rent restrictions on all units that receive state housing density bonuses and other incentives for not less than 30 years	Ensure the long-term affordability of units developed or provided with City assistance.	Ongoing	Continue
<b>5.4</b> Continue to impose long-term resale controls or rent restrictions on affordable units provided through the inclusionary housing program or city subsidies to ensure that they remain affordable to the targeted income groups	Ensure the long-term affordability of units developed or provided with City assistance	Ongoing	Continue
<b>6.1</b> Continue to support the Petaluma People Services Center (PPSC) Homeless Prevention Program, including the Mediated Assistance Program and the Renters Assistance Program	Support efforts to prevent homelessness	PPSC has helped over 390 households with assistance and received over 30,000 requests for rental assistance. Substantial funding decreases due to dissolution of redevelopment agency. Ongoing as funding allows.	Continue
<b>6.2</b> Continue to support the Mary Isaak Center	Support efforts to provide housing and support services for the homeless	The Mary Isaak Center has sheltered over 500 persons annually with over 37% exiting into housing. Ongoing as funding allows.	Continue
<b>6.3</b> Continue to support the COTS Family Center	Support efforts to provide housing and support services for the homeless	The Family Center moved to the Mary Isaak Center in 2011. 30 Families are served annually with 75% of those families exiting to housing.	Continue

<b>6.4</b> Continue to support the Salvation Army’s Petaluma Area Transitional Housing program	Support efforts to provide shared and transitional housing to those moving from homelessness to independent living	Through 2010, the Salvation Army had helped 15 families with their program. Due to loss of redevelopment funding, the City can no longer fund this program.	Delete
<b>6.5</b> Continue to support the ongoing maintenance of COTS family transitional homes located throughout the community	Support efforts to provide shared and transitional housing to those moving from homelessness to independent living	COTS has housed 96 homeless people through their transitional program. The City leases to COTS 4 houses for this program. This program will be modified from families to singles.	Modify
<b>6.6</b> Continue to support the ongoing maintenance of a City-owned four-bedroom house on Rocca Drive, leased and operated by the Vietnam Veterans of California serving homeless male veterans who are enrolled in the Agency’s Employment and Training Program	Support efforts to provide shared and transitional housing to those moving from homelessness to independent living	Vietnam Vets has 4 veterans in the Rocca Drive property. Maintenance of the house is funded on an as needed basis.	Continue
<b>6.7</b> Continue to participate in the Countywide Continuum of Care planning process as a “lead agency” along with the Santa Rosa and the County of Sonoma	Support efforts to provide shared and transitional housing to those moving from homelessness to independent living	Ongoing. Staff is on the Continuum of Care Board and participates monthly in all meetings.	Continue
<b>6.8</b> Continue to support the construction of senior housing	Promote the construction and maintenance of housing for seniors	Since the last Housing Element, there have been 116 units of senior housing built. Ongoing. Although funding projects will be more problematic in the future.	Continue
<b>6.9</b> Continue to support the “Rebuilding Together – Petaluma” (RTP) program	Promote the construction and maintenance of housing for seniors and disabled	Rebuilding Together Petaluma rehabs between 20-25 houses for low income persons annually. Over 200 properties were rehabled during the last Housing Element.	Continue
<b>6.10</b> Continue to support the Disability Services and Legal Center program to remove physical barriers in homes occupied by persons with a disability, many of whom are elderly	Promote the construction and maintenance of housing for seniors	This program was not funded due to loss of redevelopment funds. DSLC is partnering with Rebuilding Together to serve the disabled population with CDBG funds.	Delete
<b>6.11</b> Continue to require the inclusion of disabled-accessible units in projects that receive city assistance	Promote the provisions of disabled-accessible units and housing for developmentally, mentally and physically disabled	Ongoing	Continue
<b>6.12</b> Support the construction of housing specifically designed for persons with a developmental, mental, or emotional disability	Promote the provisions of disabled-accessible units and housing for developmentally, mentally and physically disabled	All new construction follows federal and state requirements for accessibility and/or adaptability for disabled persons through the local processes. 16 units for disabled persons were included in new affordable housing properties – Logan, Kellgren and Vintage Chateau II.	Continue

<b>6.14</b> Continue to require apartment projects that receive city funding to include units with more than two bedrooms	Promote the construction of rental units for larger families	Logan Place a 66-unit affordable complex, completed in 2013, includes 27-3 bedroom units . This program is ongoing	Continue
<b>7.1</b> Continue to refer fair housing complaints to the Mediation Assistance Program administered by the Petaluma People Service Center	Discourage discriminatory housing practices	Ongoing. PPSC has served over 1,000 low income residents with Tenant/landlord problems. Outreach, education and mediation all our services to discourage discriminatory practices.	Continue
<b>7.2</b> Initiate actions to address any fair housing issues or constraints on housing for the disabled identified by the 2008 Fair Housing Audit and the Analysis of Impediments, including removing the constraints or providing reasonable accommodation for housing intended for persons with disabilities	Discourage discriminatory housing practices	The City of Petaluma, in coordination with the City of Santa Rosa and the County of Sonoma has completed an <u>Analysis of Impediments</u> in 2012 as required by HUD.	Continue
<b>8.1</b> Continue to support the “Rebuilding Together – Petaluma” program	Promote the maintenance of existing residential units	Petaluma’s Code Enforcement staff continue to identify unsound or deteriorating housing conditions for possible rehabilitation. CDBG funds are used to support Rebuilding Together.	Continue
<b>9.1</b> Continue to address the potential impacts of such projects on surrounding neighborhoods during the design review and approval process	Minimize the impacts of affordable and special needs housing projects on existing neighborhoods	The addition of our 33 affordable communities in any neighborhood has always proven to be positive.	Continue
<b>9.2</b> Continue to work with the managers of affordable and special needs housing projects to minimize potential impacts on surrounding neighborhoods	Minimize the impacts of affordable and special needs housing projects on existing neighborhoods	See above	Continue
<b>10.1</b> Continue to evaluate residential projects for consistency with Section 66473.1 (Energy Conservation) of the Subdivision Map Act during the development review process	Promote the use of energy conservation features in the design of residential development	Petaluma has adopted the State’s Green Building Code, CA Green, including Tier 1 requirements.	Continue
<b>10.2</b> Continue to require the planting of street and parking lot trees as part of residential projects to provide cooling during the summer months	Promote the use of energy conservation features in the design of residential development	Petaluma has adopted the CA Green Tier 1, as well as Site Plan and Architectural guidelines for this program.	Continue

# APPENDIX C





## APPENDIX C – Affordable Housing Achievements

### PROJECTS:

#### CONSTRUCTION OF AFFORDABLE HOUSING through 2014

Project/Program Name	Units by Income / Need Group	Funding Source	Funding Amount	Developer /Agency	Year
Daniel Drive Apartments	5 Very Low	Units Donated	\$50,000	PEP	1980
Wilson Street I	10 Very Low	CDBG	\$85,000	PEP	1984
Lindberg Lane Senior Apartments	12 Very Low 4 Low	Units Donated	\$590,000	PEP	1986
Wilson Street II	6 Very Low	CDBG	\$335,000	PEP	1988
Madrone Village	23 Very Low	Hsg Fund LIHTC-9	\$250,000	Burbank	1988
Magnolia Hills (FTHB)Self-Help	32 Low/Mod	Hsg Fund	\$140,000	Burbank	1988
Madison Manor FTHB	8 Low/Mod	CDBG	\$120,000	Burbank	1990
Cherry Hills Townhomes	29 Low/Mod	Hsg Fund	\$580,000	Burbank	1991
Mountain View Senior Apts.	16 VL-Senior 4 Disabled 4 Low-Senior	Hsg Fund CDBG	674,000 155,000	PEP	1991
Caulfield Lane Senior Apts.	22 Very Low Senior	Hsg Fund CDBG LIHTC	400,000 124,500	PEP	1992
Hillview Oaks Townhomes	30 Low / Moderate	Land Don. Hsg Fund	500,000 150,000	Burbank	1992
Washington Creek Apts.	32 Very Low / Low	Hsg Fund LIHTC	320,000	Eden	1993
Corona Ranch	74 Very Low / Low	Land Don. LIHTC-9	720,000	Eden	1994
Corona Crescent	16 Low / Moderate	Land Donation	80,000	Eden	1994
Park Lane Apartments	90 Very Low /Low	Hsg Fund HUD-Title 6	\$295,000	Burbank	1994
Vallejo Street I Senior Apts.	44 Very Low / Low Senior	Hsg Fund LIHTC-9	851,800	PEP	1994

Project/Program Name	Units by Income / Need Group	Funding Source	Funding Amount	Developer /Agency	Year
Wisteria	28 Low / Moderate	Land Don. Hsg Fund BEGIN	1,100,000 250,000 280,000	Burbank	1996
Round Walk Village Apts.	129 Very Low / Low	Hsg Fund CDBG HOME LIHTC-4	933,000 110,000 930,500	Burbank	1996
Sunrise of Petaluma Sr. Apts.	15 Very Low / Low Senior –	Bond Issue		Private	1997
Vallejo Street II Senior Apts.	40 Very Low / Low Senior	Hsg Fund LIHTC-9	532,900	PEP	1998
Salishan Apartments	13 – Very low – disabled	Hsg Fund CDBG HUD 811	368,380 45,000	NBRS	1999
Vintage Chateau Senior Apartments	240 Very Low And Low	Hsg Fund	\$10,000	USA Prop	2000
Edith Street Senior Apartments	22 – Very low-Seniors	Hsg Fund HOME funds HUD 202	890,000 340,000	PEP	2001
Old Elm Village	87 – Very Low and Low Income	Hsg Fund CDBG HOME LIHTC-9	1,331,600 349,500 800,000	Burbank	2001
Richard S. Lieb Senior Apartments	22 – Very low – seniors	Hsg Fund HOME funds HUD 202	885,000 797,050	PEP	2004
Downtown River Apartments	80 – Very Low and Low income	Hsg Fund HOME Fund LIHTC - 4	3,662,000 3,466,000	Eden	2005
Mc Dowell Blvd. Duplex	2 – Low	Hsg Fund	\$75,000	PEP	2006
Boulevard Apartments	14 – Very low income for mentally disabled	Land Don Hsg Fund HUD 811	480,200	Buckelew Programs	2006
Frates Square	26 – Moderate Income	Land Donation		Delco Bldrs and Housing Land Trust	2007

Project/Program Name	Units by Income / Need Group	Funding Source	Funding Amount	Developer /Agency	Year
Casa Grande Senior Apartments	57 – Very low and low income-seniors	Hsg Fund HOME HUD 202 LIHTC-4	1,664,000 3,950,000	PEP	2009
Vintage Chateau II	67 – Very Low and Low income seniors (55+)	Hsg Fund LIHTC-4	4,500,000	USA Prop	2012
Logan Place Apts	65 ELI, Very Low and Low income family rental	Hsg Fund HOME MHP LIHTC-4	3,650,000 4,000,000 6,000,000	Burbank Housing	2013
Kellgren Senior Apts	49 Very low and low income senior	Hsg Fund HUD 202 LIHTC -4	1,600,000	PEP	2014
<b>Total</b>	<b>1,417 units</b>				

## PROGRAMS:

<b>FIRST-TIME HOMEBUYERS ASSISTANCE:</b>					
<b>Program Name</b>	<b>Service Provided</b>	<b>Funding Source</b>	<b>Funding Amount</b>	<b>Agency</b>	<b>Year</b>
Silent Second Mortgage-FTHB	210 Low/Mod	Housing Fund	\$12,059,358	N/A	1988-On-going
Mortgage Credit Certificate	150 Low / Mod.	Housing Fund	\$ 10,000	N/A	1991-On-going
Second Mortgages	18 Low/Mod	Housing Fund	\$376,000	N/A	1991-1998

<b>CONSERVED UNITS:</b>					
<b>Program Name</b>	<b>Service Provided</b>	<b>Funding Source</b>	<b>Funding Amount</b>	<b>Agency</b>	<b>Year</b>
Park Lane Apartments	90 Very Low	Housing Fund Tax Exempt Bonds	\$295,000	Burbank	1994
Valley Orchards Sr. Apts.	20 Low Senior	N/A	N/A	Private	1993

Program Name	Service Provided	Funding Source	Funding Amount	Agency	Year
Homeless/Transitional Shelter – Families	15 beds/night 32 Trans. Hsg beds	Housing Fund	100,000/yr As funding allows	COTS	On-going
Homeless/Transitional Shelter – Singles - MIC	100 beds/night 41 Trans. Hsg beds	Housing Fund	100,000/yr as funding allows	COTS	On-going
Rental Assistance Programs	200 hholds/yr.	Hsg Fund CDBG	141,500/yr as funding allows	PPSC	On-going
Housing Rehabilitation - Low, moderate, senior and disabled	35 hholds/yr.	CDBG	200,000/yr as funding allows	Rebuilding Together	On-going
M. Home Rent Stabilization	317 units under the ordinance	Hsg Fund	Self-sustaining		On-going
Fair Housing	250 persons annually	Hsg Fund	50,000/yr. as funding allows	PPSC	On-going
Meal Program for seniors	212 persons annually	CDBG	53,000/yr as funding allows	PPSC	On-going
Boys and Girls Club of Petaluma	250 persons annually	Hsg Fund	400,000 as funding allows	B&GC	On-going



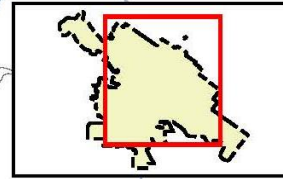
## APPENDIX D





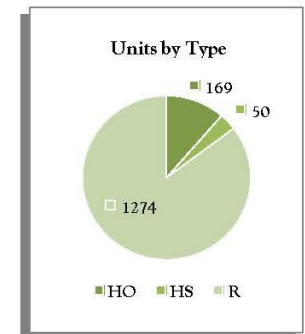
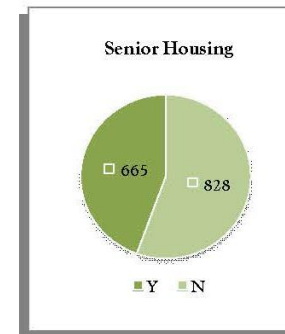
# Assisted Housing Communities

## City of Petaluma, California



#	NAME	TYPE	UNITS	SENIOR	YEAR BUILT
1	Daniel Dr	R	7	Y	1980
2	Wilson St 1	R	10	Y	1984
3	Lindberg Ln	R	16	Y	1986
4	Madrone Village	R	23	N	1988
5	Magnolia Hills	HO	32	N	1988
6	Wilson St 2	R	6	Y	1988
7	Madison Manor	HO	8	N	1990
8	Cherry Hill	HO	29	N	1991
10	Mountain View Ave	R	24	Y	1991
11	Hillview Oaks	HO	30	N	1992
12	Caulfield Ln	R	22	Y	1992
13	Washington Creek Apts	R	32	N	1993
14	Park Lane Apts	R	90	N	1994
15	Corona Crescent	HO	16	N	1994
16	Corona Ranch Apts	R	74	N	1994
17	Vallejo St 1	R	45	Y	1994
18	Wisteria Homes	HO	28	N	1996
19	Round Walk Village	R	129	N	1996
20	Sunrise	R	15	Y	1997
21	Vallejo St 2	R	40	Y	1998
22	Salishan Apts	R	13	N	1999
23	Vintage Chateau	R	240	Y	2000
24	Edith St	R	23	Y	2001
25	Old Elm Village	R	87	N	2001
26	Mary Isak Center	HS	50	N	2004
27	Lieb Senior Apts	R	23	Y	2004
28	Downtown River Apts	R	81	N	2005
29	Boulevard Apts	R	14	N	2006
30	Casa Grande	R	58	Y	2008
31	Frates Square	HO	26	N	2008
32	Vintage Chateau II	R	88	Y	2012
33	Logan Place Apts	R	88	N	2013
34	Kellgren	R	50	Y	2014

R = Rental HO = Home Ownership HS = Homeless Shelter



**Legend**

**Assisted Housing**

- Owner
- Shelter
- Rental
- Rental (Senior)



0 700 1,400 2,800 4,200 5,600 Feet



# APPENDIX E



**RESIDENTIAL SITES INVENTORY ANALYSIS**  
**City of Petaluma**  
**May 2014**

**Background**

In 2013 the Association of Bay Area Governments and the Metropolitan Transportation Commission released *Plan Bay Area*, a 25-year integrated vision for transportation, housing and jobs including the 2015-2023 Regional Housing Needs Allocation (RHNA) for all Bay Area jurisdictions. The City of Petaluma's portion of the regional housing need was assigned as a total of 745 new housing units in the following categories:

199 Very Low-Income Units  
103 Low-Income Units  
121 Moderate-Income Units  
322 Above Moderate-Income Units  
**745 Total Units**

This site inventory analysis has been conducted to meet the requirements of Government Code Sections 65583 and 65583.2, requiring a parcel-specific inventory of lands suitable for residential development within the income categories outlined above. The inventory focuses on projects built since the beginning of the baseline Regional Housing Needs Allocation (January 1, 2014), current residential development proposals, and an assessment of vacant and underutilized sites appropriately designated and zoned for residential development.

The City of Petaluma General Plan 2025 included a comprehensive, parcel-specific review of land use and infrastructure capacity and serves as the foundation for this analysis. The inventory provides a list of sites by Assessor Parcel Number (APN), including general plan land use classifications and zoning that represent development opportunities within the planning period. For each site an evaluation of development standards, existing constraints, and infrastructure and service availability was conducted in order to derive a realistic development capacity.

The City's land inventory was developed using a variety of resources including Geographic Information System (GIS) datasets, Sonoma County Assessor data, field surveys, a review of adopted planning documents, and a review of recently approved and pending projects. This study focuses on lands designated as residential or mixed use and that are either vacant or significantly underutilized. The inventory does not include parcels designated for non-residential development as the City's General Plan established adequate sites for residential development.

The inventory focuses on those sites with the potential for 5 or more units within the City's Urban Growth Boundary and the sites identified are located geographically throughout that area. Additional residential development potential, not included in this analysis, exists through smaller infill projects. The site inventory contained in Attachment 1 was assembled in May 2014 and represents a snapshot of potential residential development at that time. The sites identified by number correspond to those identified on the attached map exhibit (Attachment 2).

## **Key Sites for Affordable Housing Projects**

The tables/analyses below focus on key sites from the inventory (Attachment 1) that represent the greatest potential for affordable housing and are divided into the following three categories: approved, proposed, and vacant or underutilized sites.

### ***Approved Housing Projects:***

Units which have been issued finals on or after January 1, 2014, may be credited against the RHNA to determine the balance of sites that must be identified. Table 1 below lists residential projects built, under construction, and/or approved since January 1, 2014.

**Table 1: Residential Units – Built, Under Construction and/or Approved**

Site #	Project Name	Status	Total Units	Units by Income Level				Methodology of Affordability Determination
				VL	L	M	AM	
5	The Birches (Yarberry)	Appr.	22	0	0	0	22	Ant. Sales Price
6	Kellgren Senior Apts.	Built	50	49	0	1	0	Rent Price
7	McDowell Townhomes	Appr.	35	0	0	0	35	Ant. Rent Price
35	Quarry Heights	Constr.	172	0	0	0	172	Ant. Sales Price
47	Sunnyslope II	Appr.	21	0	0	0	21	Ant. Sales Price
49	Pinnacle Ridge	Appr.	11	0	0	0	11	Ant. Sales Price
50	Maria Drive Apartments	Appr.	144	0	0	0	144	Ant. Rent Price
		<b>TOTAL</b>	<b>455</b>	<b>49</b>	<b>0</b>	<b>1</b>	<b>405</b>	

As shown in the table above, progress has already been made toward fulfilling the housing need for each category. Most notably, the above moderate need has already been met for the planning period. Consequently the remainder of the site inventory analysis will focus only on those sites likely to accommodate affordable housing based on current affordable housing proposals or sites with land use classifications most suitable for affordable housing.

### ***Proposed Affordable Housing Projects:***

A few affordable housing projects are currently in the works. Two of the sites have been purchased by non-profits for future affordable housing projects and are included in Table 2 as anticipated future affordable housing.

**Table 2: Proposed or Anticipated Projects**

Site #	Project Name	Status	Total Units	Ownership	Anticipated Affordability
30	PEP – Haystack MU	Antic.	31	Nonprofit	ELI, LI
33	951 Pet. Blvd South	Prop.	50	Nonprofit	ELI, LI
		<b>TOTAL</b>	<b>81</b>		

### ***Vacant and Underutilized Sites:***

The survey set out to identify all vacant and underutilized parcels with residential potential within the study area. While vacant parcels were readily identified, the identification of underutilized parcels was more subjective. Vacant lands are defined as parcels that are vacant or

have very minor structures or outbuildings. Underutilized sites are defined as parcels with existing uses not developed to the greatest potential of the General Plan 2025 and Implementing Zoning Ordinance; those containing nonconforming uses; and/or sites having significant redevelopment potential.

Examples of underutilized sites include large residential parcels with potential for additional units and aging commercial centers now designated as mixed use that exhibit redevelopment potential with a combination of residential and commercial uses. For each identified site, suitability for development was determined by evaluating overall site potential, potential for consolidation of adjacent lots, location and extent of uses on each lot, condition of existing uses if any, consideration of conforming and nonconforming uses, status of existing uses (operating or non-operating), and any expressed interest by property owners or developers to develop those sites.

Sites classified as High Density Residential or Mixed Use and that are vacant or largely vacant represent the greatest potential for development of affordable housing to very low- and low-income households. The High Density and Mixed Use classifications allow densities of up to 30 du/acre and 60 du/acre respectively. Per Section 65583.2(c)(3)(B) of the Government Code, the City’s land use and zoning are consistent with the standard of 20 du/acre for suburban jurisdictions and thus these sites are considered appropriate for accommodating affordable housing and are the primary focus of this study. These sites are included in Table 3 below. All sites analyzed for residential potential can be found in Attachment 1.

**Table 3: Vacant and Underutilized Sites**

Site #	Project Name	Status	Total Units
2	Brody Ranch	Underutilized	300
3	Drew Property 1	Underutilized	105
4	Drew Property 2	Underutilized	75
12	Baywood Equities	Vacant	100
13	Baywood LLC	Vacant	250
19	Ravenscroft Properties	Underutilized	50
24	Trautwein Property	Vacant	10
25	Old Silk Mill	Underutilized	30
29	Golden Eagle	Underutilized	250
31	SMART Property	Vacant	170
32	Lind et al. Properties	Vacant	75
36	South Petaluma Part.	Vacant	45
37	Wind River Part.	Underutilized	40
38	Royal Petroleum	Underutilized	35
39	State of California	Underutilized	30
41	Husary Property	Underutilized	35
		<b>TOTAL</b>	<b>1,600</b>

Note: This table contains key sites to accommodate low- and moderate- income housing. Attachment 1 contains an inventory of all vacant and underutilized residential sites analyzed.

**Summary of Suitable Affordable Housing Sites:**

As demonstrated in the above Tables (1 thru 3) Petaluma has sufficient sites to meet its fair share of the Regional Housing Needs Allocation. Table 4 below compares the RHNA to the site inventory analysis. In order to estimate the number of units by income level, staff assigned a percentage to each income category based on the overall RHNA numbers, multiplied that percentage by the total potential in Tables 2 and 3, then added that potential to the number of units built/approved in order to arrive at the total site inventory capacity by income group. Staff recognizes that this distribution will vary on a project by project basis, but until such time as projects are proposed, this methodology offers a consistent assumption for estimating future affordable housing potential.

**Table 4: Comparison of RHNA and Residential Site Capacity**

<b>Income Group</b>	<b>Total RHNA</b>	<b>RHNA as % of Total</b>	<b>Units Built/ Approved</b>	<b>Additional Potential Based on RHNA %</b>	<b>Site Inventory Capacity</b>
Very Low	199	26.8%	49	451	500
Low	103	13.8%	0	232	232
Moderate	121	16.2%	1	272	273
Above Moderate	322	43.2%	405	726	1,131
<b>Total</b>	<b>745</b>	<b>100%</b>	<b>455</b>	<b>1,681</b>	<b>2,136</b>

**General Plan Classifications/Zoning to Accommodate Affordable Housing**

The Petaluma General Plan 2025, adopted in May 2008, established eight residential land use classifications including, mixed use and mobile homes, to provide for a full range of housing types. Residential density is expressed as a minimum and maximum number of housing units per net acre (that is, exclusive of existing and proposed public streets and other vehicular rights-of-way). Development regulations and or site conditions may reduce development potential within the stated ranges – for example steep slopes, floodplains, designated setbacks and other standards may limit maximum attainable densities. Adopted in June 2008, the Implementing Zoning Ordinance carries out the policies of the Petaluma General Plan by classifying and regulating the uses of land and structures within the City, consistent with the General Plan. Providing consistency between land use and zoning facilitates residential development by eliminating the need for costly and time consuming general plan amendments or rezoning.

The Central Petaluma Specific Plan (CPSP) is incorporated by reference into the adopted General Plan 2025. Lands within the CPSP area are regulated through the SmartCode® rather than the Implementing Zoning Ordinance. The SmartCode© is a form-based zoning code with an emphasis on the physical relationships between people, buildings, and public spaces. The SmartCode was updated as part of the Petaluma SMART Rail Station Areas: TOD Master Plan adopted in June 2013. The CPSP covers approximately 380 acres of mostly underutilized land immediately east of and adjacent to the City’s historic downtown core. The intent of the plan is to redirect development from the fringes of the City to the central core; accommodate greater diversity and intensity of development and activities; and give the area identity and interest. To that end, the plan calls for mixed use development with residential densities up to 60 units per acre; building heights up to 6 stories; limited and flexible parking requirements; and



opportunities for multi-modal transportation options; including a station site on the SMART rail corridor and the City's bus transit mall.

The City of Petaluma is considered a suburban jurisdiction. Government Code Section 65583.2(c)(3)(B) states that sites allowing at least 20 units per acre are deemed appropriate to accommodate housing for lower income households. In Petaluma, sites classified as High Density Residential or Mixed Use meet this definition.

### **Realistic Development Capacity**

A utilization rate was assigned to each of the land use/zoning categories. The utilization rate reflects the observation that few parcels are built to their maximum potential. The goal of this inventory is to present a realistic assessment of future development potential as opposed to maximum buildout. The utilization rates reflect observed patterns and emerging trends. Lower density residential sites typically develop at close to their maximum intensity, for these sites a utilization rate of 90% was selected to reflect right-of-way dedication. Higher density sites, often due to regulatory or physical constraints, are typically built to less than the maximum allowed. An evaluation of recently completed residential projects within the Corona-Ely Specific Plan Area resulted in the selection of 80% as a utilization rate for medium to high density residential.

Mixed Use sites fall into two categories – those within the Central Petaluma Specific Plan Area (CPSP) allowing for up to 60 units per acre and those outside the CPSP which allow for a maximum of 30 units per acre. An analysis of several recent projects within the CPSP area revealed densities in the range of 31 to 45 units per acre and an average density of 38 units per acre or a utilization rate of around 60%. With the exception of one of the projects in Table 5 all of the projects evaluated within the CPSP included commercial uses integrated into the project (vertical mixed use). Within the CPSP area, when residential units are combined with office or retail commercial uses, in a single building or on the same parcel, the maximum density allowed by the applicable zone is calculated on the basis of the total area of the parcel.

Outside the CPSP area Mixed Use tends to reflect a wide range of uses spread horizontally along arterial corridors with diversity of uses across parcels rather than within single parcels. In these mixed use areas parcels may develop as only residential with a conditional use permit and would be limited to a maximum of 30 units per acre, similar to the High Density Residential land use category. Table 5 provides a sample of buildout capacities for several recent Mixed Use projects in Petaluma.

**Table 5: Sample of Mixed Use Buildout Capacities**

Project	Acreage	Maximum Density	Constructed/ Approved Units	Actual Density
<b>Projects within the CPSP area.</b>				
Downtown River Apts.	2.21	60	81	36.7
Basin Street Landing	1.10	60	43	39.1
Rivertown Court	1.38	60	56	40.6
Waterfront Apts.	2.87	60	90	31.4
Celsius 44	1.43	60	44	30.8
Water Street North	2.40	60	107	44.6
<b>Average</b>				<b>37.2</b>
<b>Projects Outside the CPSP area.</b>				
Old Elm Village	5.0	30	88	17.6
Park Square (Azure)	5.8	30	154	26.6
Park Central	8.3	30	240	28.9
Lieb Senior Apts.	.84	30	23	27.4
Salishan Apts.	.35	30	13	37.1
Boulevard Apts.	.90	30	14	15.5
<b>Average</b>				<b>25.5</b>

**Table 6: Utilization Rates for Residential Land Use Categories**

Residential Land Use Category	Utilization Rate
Rural Residential (0.1-0.6 hu/ac)	90%
Very Low Density Residential (0.6-2.5 hu/ac)	90%
Low Density Residential (2.6-8.0 hu/ac)	80%
Diverse Low Density Residential (6.1-12.0 hu/ac)	80%
Medium Density Residential (8.1-18.0 hu/ac)	80%
High Density Residential (18.1-30.0 hu/ac)	80%
Mobile Homes (8.0-18.0 hu/ac)	80%
Mixed Use (up to 30 hu/ac)	80%
Mixed Use within CPSP (up to 60 hu/ac)	60%

**Second Units**

Consistent with State law, Petaluma allows for second units in all single-family residential zones providing height, setbacks, floor area, and parking requirements can be met. Construction of accessory dwellings over the past five years has averaged around 5 units per year. At this rate, approximately 40 more second units could be projected over the course of the planning period. While Government Code Section 65583.1 allows the City to apply second units toward its

adequate sites requirement, the City has not chosen to do so as not enough information is known as to the occupancy or rents of such units.

### **Potential Development Constraints**

#### ***Water/Wastewater:***

Water and wastewater in Petaluma have become inextricably linked. The City of Petaluma's primary source of water is Russian River water purchased from the Sonoma County Water Agency (SCWA). Regulatory and environmental issues have delayed the SCWA's expansion of its water transmission system, limiting the amount of water the SCWA can provide. The City completed an analysis of water supply and demands based on buildout of the General Plan 2025 and compared them to the available SCWA supply. The analysis showed that projected demands exceed the amount of water the SCWA can provide based on current agreements. In response, the City completed the Water Supply and Demand Analysis Report (June 2006) establishing a long-term plan that increases the use of recycled water to offset potable water use, greatly expands water conservation programs, and includes a moderate use of groundwater to meet increasing potable water demands through 2025.

The City's Ellis Creek Water Recycling Facility (WRF) replaced the City's aging wastewater treatment plant. All of Petaluma's wastewater is now conveyed to this new facility. The facility has been designed to handle future wastewater demands through the buildout of the General Plan 2025 and beyond. The WRF is capable of providing up to 5.4 million gallons per day of tertiary recycled water that will be reused for a variety of applications such as pasture, edible crops, vineyards, golf courses, playing fields, parks and at the WRF itself. If needed, the system can be expanded to process as much as 6.7 mgd of recycled water.

#### ***Flooding:***

Flooding has taken place in the City, to the extent that at least some street flooding occurs, on average once per year over the past twenty or so years. Recent significant flooding events (meaning street and property flooding) have occurred in Petaluma in 1982, 1983, 1986, 1995, 1996, 1998, and 2005. The largest flood of record in the City of Petaluma occurred from January 3 through 5, 1982. The last significant flood event occurred on December 30-31, 2005, over-taxing both piped and open channel systems.

Floods in the Petaluma River Basin are normally of short duration, lasting 3 to 4 days, or less. Tributaries of the Petaluma River can begin to rise within hours after a heavy storm event has begun if antecedent soil moisture content is already high. Typically floods occur between December and March.

Including the Petaluma River, there are approximately 18 miles of channels that have been studied in detail by the Federal Emergency Management Agency (FEMA) within the City. Based on the historic records of flood events and the detail to which streams have been studied and floodplains delineated within the City by FEMA, it is clear that flooding is a significant problem.

Policies detailed in Water Resources Element (Chapter 8) of the Petaluma General Plan 2025 reduce exposure to flood hazards by: excluding new inhabited structures in the portion of properties containing areas of water depths exceeding one foot during a 100-year storm event; requiring elevation of structures two feet above the base flood elevation in areas with less than one foot of water during a 100-year storm event; and a prohibition of first floor residential within the regulatory floodplain.

***Topography:***

Overall the City of Petaluma is relatively flat with the exception of the City's western and southern edges. The most common type of ground failure in Sonoma County is landslides, the downslope movement of soil and rock debris. Landslide susceptibility is a function of several factors, including earthquake-induced ground shaking, rainfall conditions, rock and soil types, steepness and orientation of slope, bedrock orientation, vegetation, and human disturbance (i.e., road cuts, grading, construction, removal of vegetation, and changes in drainage). General slope instability determinants can be based on the fact that landslides occur most often on slopes steeper than 15 percent in Petaluma's hillsides, in areas with a history of land sliding, and in areas underlain by geologic units that have demonstrated stability problems in the past.

The General Plan 2025 designates areas of steep topography with rural to low density land use categories to allow for clustering or other means of addressing/avoiding steep slopes. With no high density housing in these areas, topography related issues are unlikely to represent an impact to affordable housing.

***Biological Resources:***

The biological resources planning area includes all lands within Petaluma's Urban Growth Boundary (UGB). Within the UGB, most of the land in the lower reaches is developed and urbanized. Areas along the Petaluma River and its tributaries, however, provide valuable habitat for several special status plant and animal species, as do grassland and oak savannah habitats along the south and western portion of the UGB. Appropriate mitigation measures to reduce impacts to sensitive habitats and special status species would be imposed on a project-by-project basis according to Petaluma's environmental review process and consultation with appropriate State and federal regulatory agencies.

***Noise:***

Future development within the city's Planning Area will result in new roads and increased traffic volumes, thus increasing noise levels in some areas. Continued growth and congestion on the Highway 101 corridor has led to plans to expand the highway to six lanes. Increased traffic volumes on the highway will result in increased noise exposure for all adjacent development. Additionally, continued growth of the city—residential as well as commercial and industrial uses—will further increase traffic and noise levels on arterial roadways both leading to and crossing over Highway 101. Sensitive receptors along Washington Street, Petaluma Boulevard, Lakeville Highway, and McDowell Boulevard will be impacted by increased noise exposure. Housing in these areas would require incorporation of mitigation measures to ensure that interior noise levels do not exceed 45 db CNEL.

***Summary/Conclusion:***

The General Plan 2025 and accompanying Environmental Impact Report provide policies and mitigations to address identified constraints. The EIR is a program EIR that examines the potential effects resulting from implementing designated land uses and policies proposed in the General Plan 2025. The impact assessment evaluates the General Plan as a whole and identifies the broad, regional effects that may occur with its implementation. As a programmatic document, the EIR does not assess project-specific impacts. At the program level, development is feasible for all of the sites identified in the attached inventory. Any future development project will be subject to individual, site-specific environmental review, as required by State law.



## City of Petaluma Residential Land Inventory - 2014

Site	APN	Name	General Plan Land Use Classification	Zone	Density	Acres	Capacity	Existing Land Use	Infra. Capacity	Environmental Constraints
1	137061009	Corona Road Subdivision	Very Low Density/Low Density Residential	CNTY	0.6-2.5/2.6-8.0 hu/ac	5.63	32	Residential (1 unit)	Yes	Potential minor flooding
	137061011	Corona Road Subdivision	Very Low Density/Low Density Residential	CNTY	0.6-2.5/2.6-8.0 hu/ac	4.35		Vacant	Yes	Potential minor flooding
2	137061040	Brody Ranch	Medium/High Density Residential	R4 and R5	8.1-18.0/18.1-30.0 hu/ac	15.93	300	Light Industrial & Residential (2 units)	Yes	Noise, adjacent to railroad
3	137061019	Drew Property 1	Mixed Use	MU1B	0.0-30.0 hu/ac	7.02	105	Light Industrial	Yes	Noise, adjacent to railroad
4	048080036	Drew Property 2	Mixed Use	MU1B	0.0-30.0 hu/ac	5.04	75	Light Industrial & Residential (2 units)	Yes	Floodplain
5	137061022	The Birches (Yarberry)	Medium Density Residential	PCD	8.1-18.0 hu/ac	2.21	21	Vacant	Yes	None
6	137170038	Kellgren Senior Apartments	High Density Residential	R5	18.1-30.0 hu/ac	1.71	50	Vacant	Yes	None
7	137061026	North McDowell Commons	Medium Density Residential	R4	8.1-18.0 hu/ac	1.08	35	Vacant	Yes	Noise
	137061035	North McDowell Commons	Medium Density Residential	R4	8.1-18.0 hu/ac	1.13		Residential (1 unit)	Yes	Pot. Historic, noise, minor floodplain
8	149413023	Avila Ranch	Low Density Residential	R4	2.6-8.0 hu/ac	4.92	21	Residential (1 unit)	Yes	Creek remnant
9	149413025	557 Sonoma Mountain Pkwy (adjacent to Avila Ranch)	Low Density Residential	R4	2.6-8.0 hu/ac	1.94	6	Residential (1 unit)	Yes	None
10	017040021	Casa Grande High School Surplus	Medium Density Residential	PUD	8.1-18.0 hu/ac	16.90	180	Vacant	Yes	None
11	017040016	280 Casa Grande Road	Medium Density Residential	R4	8.1-18.0 hu/ac	0.99	92	Residential (1 unit)	Yes	None
	017040020	250 Casa Grande Road	Medium Density Residential	R4	8.1-18.0 hu/ac	1.00		Residential (1 unit)	Yes	None
	017040051	270 Casa Grande Road	Medium Density Residential	R4	8.1-18.0 hu/ac	4.21		Residential (1 unit)	Yes	Adjacent creek, minor floodplain
	017040059	240 Casa Grande Road	Medium Density Residential	R4	8.1-18.0 hu/ac	3.39		Residential (1 unit)	Yes	Adjacent creek, minor floodplain
12	005201001	Baywood Equities	High Density Residential	R5	18.1-30.0 hu/ac	5.56	100	Vacant	Yes	Noise, air quality
13	005060041	Baywood LLC	High Density Residential	R5	18.1-30.0 hu/ac	0.94	250	Vacant	Yes	Potential toxics
	005060042	Baywood LLC	High Density Residential	R5	18.1-30.0 hu/ac	18.67		Vacant	Yes	Floodplain, potential toxics
	005060067	Baywood LLC	High Density Residential	R5	18.1-30.0 hu/ac	0.71		Vacant	Yes	Potential toxics
14	136100025	Johnson Property	Medium Density Residential	R4	8.1-18.0 hu/ac	42.32	500	Vacant	Yes	Partial floodplain, noise, air quality
15	019010006	Sid Commons	Medium Density Residential	R4	8.1-18.0 hu/ac	4.41	282	Vacant	Yes	None
	019010009	Sid Commons	Medium Density Residential	PUD	8.1-18.0 hu/ac	14.29		Vacant	Yes	Partial floodplain, wetlands, noise
16	048142014	Anderson TR	Medium Density Residential	R4	8.1-18.0 hu/ac	5.57	109	Vacant	Yes	Partial floodplain, oaks
	048142015	Anderson TR	Medium Density Residential	R4	8.1-18.0 hu/ac	12.53		Residential (1 unit)	Yes	Topography, oaks
17	019020004	Thompson Property	Medium Density Residential	R4	8.1-18.0 hu/ac	4.32	28	Residential (1 unit)	Yes	Topography, oaks
18	019020014	Baker Property	Medium Density Residential	R4	8.1-18.0 hu/ac	2.68	17	Residential (1 unit)	Yes	Oaks
19	019030007	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.16	50	Residential (1 unit)	Yes	None
	019030008	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.13		Residential (1 unit)	Yes	None
	019030009	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.80		Agriculture - Petaluma Bounty	Yes	None
	019030010	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	1.19		Residential (1 unit)/Agriculture - Bounty	Yes	None
	019030011	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.31		Agriculture - Petaluma Bounty	Yes	None
	019030012	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.66		Agriculture - Petaluma Bounty	Yes	None
	019030014	Ravenscroft TR (Shasta Ave)	Mixed Use	MU1A	0.0-30.0 du/ac	0.13		Agriculture - Petaluma Bounty	Yes	None
20	048210007	Orciuoli TR (Jessie Lane)	Low Density Residential	CNTY	2.1-8.0 hu/ac	6.21	40	Vacant	Yes	None
	048210009	Orciuoli TR (Jessie Lane)	Low Density Residential	CNTY	2.1-8.0 hu/ac	5.79		Vacant	Yes	Seasonal creek, potential minor flooding
21	006491001	Cooper Property (1825 Petaluma Blvd. North)	Low Density Residential	R2	2.1-8.0 hu/ac	1.49	6	Residential (3 units)	Yes	Topography
	006491002	Brown Property (1755 Petaluma Blvd. North)	Low Density Residential	R2	2.1-8.0 hu/ac	4.08		24	Residential (2 units)	Yes
22	006051065	Cedar Grove Property	Medium Density Residential	R4	8.1-18.0 hu/ac	4.16	63	Residential (2 units)	Yes	Floodplain, historic resources, noise
	006051079	Cedar Grove Property	Medium Density Residential	R4	8.1-18.0 hu/ac	4.37		Vacant	Yes	Floodplain, historic resources, noise
23	007041006	Clover Stornetta Property	Diverse Low Density Residential	R3	6.1-12.0 hu/ac	3.38	29	Vacant	Yes	Floodplain, noise
24	007361031	Trautwein Property (901 Martin Circle)	High Density Residential	R5	18.1-30.0 hu/ac	0.44	10	Vacant	Yes	None
25	007163002	Old Silk Mill	Mixed Use	MU2	18.1-30.0 hu/ac	1.21	30	Light Industrial (Vacant)	Yes	Potential toxics, noise
26	136010025	Riverfront LLC	Mixed Use	T5/T6	0.0-60.0 hu/ac	39.12	273	Vacant	Yes	Wetlands, noise
27	006163040	IRIS Asset LLC (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	2.99	130	Commercial	Yes	None
	006163041	IRIS Asset LLC (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	0.59		Commercial	Yes	None
28	006163005	Schram Property (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	1.24	100	Light Industrial	Yes	Mitigated
	006163025	Schram Property (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	0.26		Vacant	Yes	Mitigated
	006163051	Schram Property (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	0.65		Vacant	Yes	Mitigated
	006163053	Schram Property (Water Street North)	Mixed Use	T5	0.0-60.0 hu/ac	0.26		Vacant	Yes	Mitigated
29	007142026	Golden Eagle Shopping Center	Mixed Use	T6	0.0-60.0 hu/ac	7.31	250	Shopping Center	Yes	None
30	007143003	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	0.48	120	Vacant	Yes	Floodplain, noise, potential toxics
	007143004	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	0.24		Vacant	Yes	Floodplain, noise, potential toxics
	007143007	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	0.16		Light Industrial	Yes	Floodplain, noise, potential toxics
	007143008	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	0.15		Light Industrial	Yes	Floodplain, noise, potential toxics
	007143014	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	0.02		Vacant	Yes	Floodplain, noise, potential toxics
	007143015	Haystack Mixed Use Project	Mixed Use	T5/T6	0.0-60.0 hu/ac	3.00		Vacant	Yes	Floodplain, noise, potential toxics
31	007131003	SMART Property	Mixed Use	T5/T6	0.0-60.0 hu/ac	4.66	170	Vacant	Yes	Floodplain, noise, potential toxics
32	007153001	Lind Property 300 East D Street	Mixed Use	T5	0.0-60.0 hu/ac	0.24	73	Light Industrial	Yes	Noise
	007153002	Menary Property 310 East D Street	Mixed Use	T5	0.0-60.0 hu/ac	0.24		Vacant	Yes	Noise
	007700005	Lind Property	Mixed Use	T5	0.0-60.0 hu/ac	1.60		Vacant	Yes	Noise
33	008530007	City of Petaluma (951 Petaluma Blvd. South)	Mixed Use	T5	0.0-60.0 hu/ac	1.30	50	Office	Yes	Floodplain

Site	APN	Name	General Plan Land Use Classification	Zone	Density	Acres	Capacity	Existing Land Use	Infra. Capacity	Environmental Constraints
34	019210032	Vartnaw Property (1340 Pet. Blvd. South)	Medium Density Residential	CNTY	8.1-18.0 hu/ac	1.67	16	Vacant	Yes	None
35	Misc.	Quarry Heights Subdivision	Diverse Low Density Residential	PUD	6.1-12.0 hu/ac	43.55	172	Under Construction (remaining units)	Yes	Mitigated
36	019210010	South Petaluma Partners	Mixed Use	PUD	0.0-30.0 du/ac	1.47	50	Industrial	Yes	Potential toxics, noise
	019210039	South Petaluma Partners	Mixed Use	PUD	0.0-30.0 du/ac	1.64		Industrial	Yes	Potential toxics, noise
37	019210005	Wind River Partners (1473 Pet. Blvd. South)	Mixed Use	CNTY	0.0-30.0 hu/ac	2.45	40	Light Industrial	Yes	Potential toxics, noise
38	019210006	Royal Petroleum (1475 Pet. Blvd. South)	Mixed Use	CNTY	0.0-30.0 hu/ac	0.93	35	Light Industrial	Yes	Potential toxics, noise
	019210007	Royal Petroleum (1501Pet. Blvd. South)	Mixed Use	CNTY	0.0-30.0 hu/ac	1.42		Light Industrial	Yes	Potential toxics, noise
39	019210008	State of California (1525 Pet. Blvd. South)	Mixed Use	CNTY	0.0-30.0 hu/ac	1.76	30	Light Industrial	Yes	Potential toxics, noise
40	006083054	Keller Court Commons	Low Density Residential	R2	2.1-8.0 hu/ac	1.66	8	Vacant	Yes	None
41	019090004	Husary Property (1155 Bodega Avenue)	Mixed Use/Very Low Density Residential	CNTY	0.0-30.0/0.6-2.5 hu/ac	5.01	38	Commerical and Residential	Yes	Noise
	019090053	Husary Property (1103 Bodega Avenue)	Very Low Density Residential	CNTY	0.6-2.5 hu/ac	1.34		Vacant	Yes	Noise
42	019090006	Soernsen Property (1005 Bodega Avenue)	Very Low Density Residential	CNTY	0.6-2.5 hu/ac	3.33	12	Residential (1 unit)	Yes	Topography, noise
	019090058	Soernsen Property (1002 Bodega Avenue)	Very Low Density Residential	CNTY	0.6-2.5 hu/ac	2.17		Vacant	Yes	Topography, noise
43	019090056	RSCC Petaluma LLC (1436 Western Avenue)	Rural Residential	CNTY	0.1-0.6 hu/ac	16.16	8	Vacant	Yes	Topography, habitat
44	008321001	CWS Utility Services (La Cresta Drive)	Very Low Density Residential	R1	0.6-2.5 hu/ac	5.91	*	Vacant - Open space acquisition pending	Yes	Topography, habitat
	020030015	CWS Utility Services (La Cresta Drive)	Very Low Density Residential	R1	0.6-2.5 hu/ac	7.13		Vacant - Open space acquisition pending	Yes	Topography, habitat
45	008073001	Reynaud Property (910 English Street)	Very Low Density Residential	R1	0.6-2.5 hu/ac	8.03	**	Vacant	Yes	Topography, habitat
46	019120040	Davidon Homes Property	Very Low Density Residential	R1	0.6-2.5 hu/ac	6.58	66	Vacant	Yes	Topography
	019120041	Davidon Homes Property	Very Low Density Residential	R1	0.6-2.5 hu/ac	52.27		Residential (1 unit) and Agriculture	Yes	Topography, habitat, wetlands, creek
47	019203008	Sunnyslope II Subdivision	Very Low Density Residential	PUD	0.6-2.5 hu/ac	8.82	21	Residential (1 unit)	Yes	Topography
48	019401013	Ferrin Subdivision	Low Density Residential	R2	2.6-8.0 hu/ac	4.40	12	Residential (3 units)	Yes	Topography
49	019401019	Pinnacle Ridge Subdivision	Very Low Density Residential/Rural Residential	PUD	0.1-0.6/0.6-2.5 hu/ac	15.08	11	Vacant	Yes	Mitigated
50	007280077	Maria Drive Apartments	High Density Residential	R5	18.1-30.0 hu/ac	2.90	144	Office	Yes	Mitigated
	007280078	Maria Drive Apartments	High Density Residential	R5	18.1-30.0 hu/ac	2.95		Office	Yes	Mitigated
51	007610029	Addison Ranch	Medium Density Residential	PUD	8.1-18.0 hu/ac	7.35	100	Residential	Yes	None
	007610031	Addison Ranch	Medium Density Residential	PUD	8.1-18.0 hu/ac	6.65		Residential	Yes	None

501.11      **4,384**

\* Pending open space acquisition, no units assumed.

\*\* Significant constraints, capacity cannot be determined without site specific review. No affordable units anticipated.



# RESIDENTIAL LAND INVENTORY OPPORTUNITY SITES

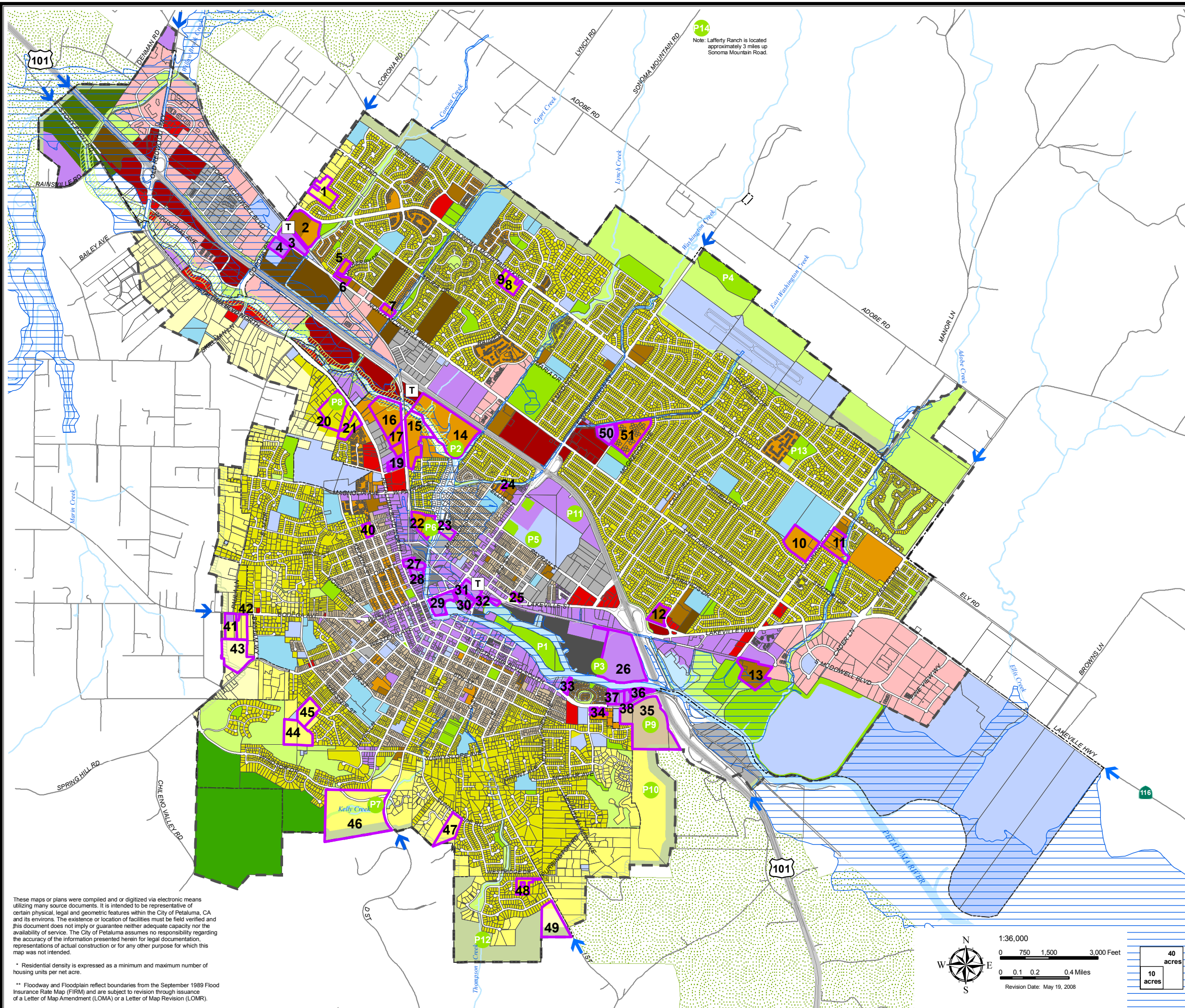
## Petaluma General Plan 2025

### LAND USE CLASSIFICATIONS\*

- Rural Residential (0.1-0.6 hu/ac)
- Very Low Density Residential (0.6-2.5 hu/ac)
- Low Density Residential (2.6-8.0 hu/ac)
- Diverse Low Density Residential (6.1-12.0 hu/ac)
- Medium Density Residential (8.1-18.0 hu/ac)
- High Density Residential (18.1-30.0 hu/ac)
- Mobile Homes (8.0-18.0 hu/ac)
- Neighborhood Commercial
- Community Commercial
- Mixed Use
- Business Park
- Public/Semi-Public
- Education
- Industrial
- Agriculture Support Industrial (CPSP)
- River Dependent Industrial (CPSP)
- Agriculture
- City Park
- P1 Proposed City Park
- Open Space
- Regional Park
- Urban Separator
- Urban Separator Path
- River Plan Corridor
- Community Separator

### Legend

- Rail/Transit
- Gateways
- City Limits
- Urban Growth Boundary (UGB)
- Rivers and Creeks
- Floodway\*\*
- Floodplain\*\*



P14  
Note: Lafferty Ranch is located approximately 3 miles up Sonoma Mountain Road.

These maps or plans were compiled and/or digitized via electronic means utilizing many source documents. It is intended to be representative of certain physical, legal and geometric features within the City of Petaluma, CA and its environs. The existence or location of facilities must be field verified and this document does not imply or guarantee neither adequate capacity nor the availability of service. The City of Petaluma assumes no responsibility regarding the accuracy of the information presented herein for legal documentation, representations of actual construction or for any other purpose for which this map was not intended.

\* Residential density is expressed as a minimum and maximum number of housing units per net acre.

\*\* Floodway and Floodplain reflect boundaries from the September 1989 Flood Insurance Rate Map (FIRM) and are subject to revision through issuance of a Letter of Map Amendment (LOMA) or a Letter of Map Revision (LOMR).

1:36,000

0 750 1,500 3,000 Feet

0 0.1 0.2 0.4 Miles

Revision Date: May 19, 2008

40 acres

10 acres

City of Petaluma  
11 English Street  
Petaluma, CA 94952  
generalplan@ci.petaluma.ca.us





## Residential Sites Inventory Analysis (May 2014)

This attachment has been prepared to provide additional information on several properties identified in the Residential Sites Inventory Analysis. Because determining development potential or interest on underutilized sites can be more subjective, this analysis focuses on those lands with significant additional potential and/or for which owners have expressed interest in future additional development or redevelopment. Underutilized properties such as the Brody Ranch, the Drew Properties, etc. listed below have minor structures associated with large sites and in many cases have expressed interest at one time or another in future residential or mixed use development.

### Site #2: Brody Ranch - Underutilized

---



**General Plan Designation:** Medium & High Density

**Zoning Designation:** R4 and R5

**Acreage:** 15.93 acres

**Existing Land Use:** Light Industrial/Residential

**Estimated Housing Potential:** 300 units

**Description:** Adjacent to a planned SMART rail station this site has been designated to provide a mixture of medium and high density housing due to its close proximity to future regional transit service. The majority of the site is vacant; the two residences are farmhouses reflecting past/current agricultural uses. Owner/developer representative have expressed interest in future residential development of site.

**Affordable housing development incentives and requirements:** The proposed density allowing the development of 300 units could yield a minimum of 45 affordable units (Policy 4.2). Density bonus provisions (Program 3.3) may increase the total number of possible units and the number of affordable units. Depending upon the proposed tenure of affordable units, the City would partner with the Housing Land Trust for ownership units (Policy 4.7) and with Eden Housing or BHDC (Policy 4.3) for rentals to provide both financial and staff assistance. Policy 4.2, Program 4.4 (a) would encourage that the units be provided on-site.

### Site #3: Drew Property 1 - Underutilized

---



**General Plan Designation:** Mixed Use

**Zoning Designation:** MU1B

**Acreage:** 7.02 acres

**Existing Land Use:** Light Industrial

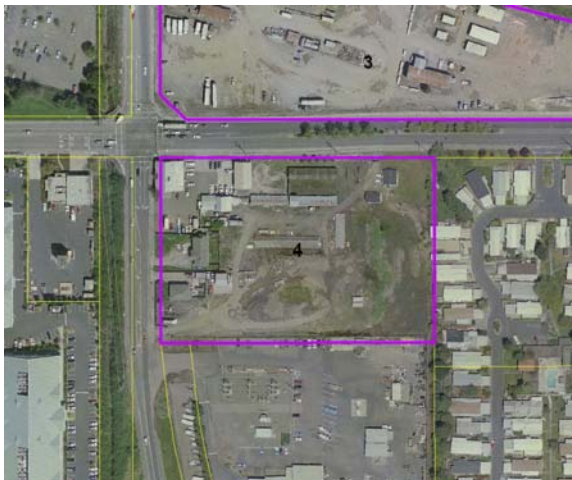
**Estimated Housing Potential:** 105 units

**Description:** Potential location for the planned SMART rail station this site is designated mixed use with the anticipation of supporting some commercial and residential transit-oriented development. The existing light industrial use is a truss manufacturing operation. The majority of the site is vacant with open sided structures and storage areas. The property had previously been optioned for development reflecting an interest in future redevelopment by the owner.

**Affordable housing development incentives and requirements:** The proposed residential/commercial mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 15 below-market-rate units. City housing staff will coordinate with the potential mixed-use developer to fulfill the affordable housing obligation in a manner which meets the housing needs of the City and fits the requirements of the commercial development. Policy 4.2, Program 4.4 (a) encourages that the units be provided on-site.

### Site #4: Drew Property 2 - Underutilized

---



**General Plan Designation:** Mixed Use

**Zoning Designation:** MU1B

**Acreage:** 5.04 acres

**Existing Land Use:** Light Industrial/Residential

**Estimated Housing Potential:** 75 units

**Description:** Located across from the planned SMART rail station this site has been designated mixed use in anticipation of commercial and residential development. The site is largely vacant with 2 residential units, an automotive repair shop, and some onsite storage. The property had previously been optioned for development reflecting an interest in future redevelopment by the owner.

**Affordable housing development incentives and requirements:** The proposed residential/commercial mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 11 below-market-rate units. Policy 4.2, Program 4.4 (a) encourages that the units be provided on-site.

### Site #25: Old Silk Mill - Underutilized

---



**General Plan Designation:** Mixed Use  
**Zoning Designation:** MU2  
**Acreage:** 1.21 acres  
**Existing Land Use:** Light Industrial (vacant)  
**Estimated Housing Potential:** 30 units  
**Description:** The Old Silk Mill building is a significant historic resource which after decades of manufacturing uses is currently vacant and in declining condition. During the General Plan process the new owners of the property requested designation of the site as high density residential in order to provide for the adaptive reuse and restoration of this building for housing. It was later amended to Mixed Use to accommodate a hotel proposal. Recent interest is again for residential.  
**Affordable housing development incentives and requirements:** The proposed mixed use zoning of the site could allow additional housing units and provide housing opportunities for low and moderate income households. The proposed density allowing the development of 30 units could yield a minimum of 4 affordable units (Policy 4.2).

### Site #29: Golden Eagle Shopping Center - Underutilized

---



**General Plan Designation:** Mixed Use (CPSP)  
**Zoning Designation:** T6  
**Acreage:** 7.31 acres  
**Existing Land Use:** Shopping Center  
**Estimated Housing Potential:** 250 units  
**Description:** Located in close proximity to both historic downtown Petaluma, the planned downtown SMART station, and within the Central Petaluma Specific Plan area this site is ideally suited for redevelopment as a mixed use project. The property is currently occupied by an older shopping center. The property was purchased a few years ago by a local developer with the intent of redeveloping the site into a high intensity mixed use site with commercial, office, and residential uses. In the current market no redevelopment proposal has come forward.  
**Affordable housing development incentives and requirements:** The proposed mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 37 below-market-rate units. Policy 4.2, Program 4.4 encourages that the units be provided on-site.



### Site #37: Wind River Partners - Underutilized

---



**General Plan Designation:** Mixed Use

**Zoning Designation:** CNTY

**Acreage:** 2.45 acres

**Existing Land Use:** Light Industrial

**Estimated Housing Potential:** 40 units

**Description:** Located at the southern entrance to Petaluma, Site's 36 through 39 are anticipated to see redevelopment activity within this planning period. A large area opposite these sites was recently annexed and property owners within this area have expressed interest in moving forward with annexation as well. This property is currently used as a salvage yard for recycled building materials; the majority of the site is dedicated to outdoor storage.

**Affordable housing development incentives and requirements:** The proposed mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 6 below-market-rate units. The developer would be given the option of paying into the City's In-lieu housing fund. The funds would then be utilized by the housing staff and leveraged to provide housing for ELI households in a more central location with support services.

### Site #38: Royal Petroleum - Underutilized

---



**General Plan Designation:** Mixed Use

**Zoning Designation:** CNTY

**Acreage:** 2.35 acres

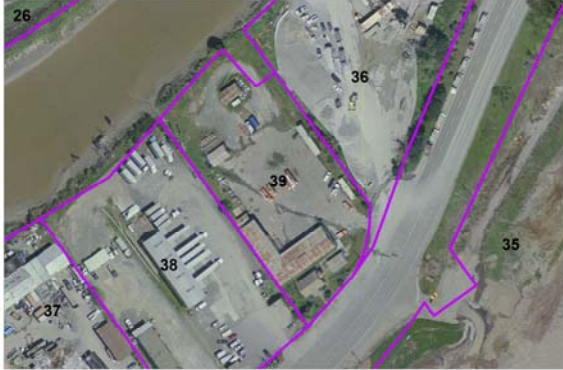
**Existing Land Use:** Light Industrial

**Estimated Housing Potential:** 35 units

**Description:** Located at the southern entrance to Petaluma, Site's 36 through 39 are anticipated to see redevelopment activity within this planning period. A large area opposite these sites was recently annexed and property owners within this area have expressed interest in moving forward with annexation as well. This property is currently used for storage and shipping with the majority of the site undeveloped.

**Affordable housing development incentives and requirements:** The proposed mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 5 below-market-rate units. The developer would be given the option of paying into the City's In-lieu housing fund. The funds would then be utilized by the housing staff and leveraged to provide housing for ELI households in a more central location with support services.

**Site #39: State of California - Underutilized**



**General Plan Designation:** Mixed Use  
**Zoning Designation:** CNTY  
**Acreage:** 1.76 acres  
**Existing Land Use:** Light Industrial  
**Estimated Housing Potential:** 30 units  
**Description:** Located at the southern entrance to Petaluma, Site's 36 through 39 are anticipated to see redevelopment activity within this planning period. A large area opposite these sites was recently annexed and property owners within this area have expressed interest in moving forward with annexation as well. This property is currently owned by the State and is used as a corporation yard for Caltrans. While no development plans have been brought forward. This site, either individually, or in conjunction with the adjacent sites has significant redevelopment potential.  
**Affordable housing development incentives and requirements:** The mixed use zoning of the site allows additional housing units and provides housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a yield a minimum of 4 below-market-rate units. The developer would be given the option of paying into the City's In-lieu housing fund. The funds would then be utilized by the housing staff and leveraged to provide housing for ELI households in a more central location with support services.

**Site #41: Husary Property - Underutilized**



**General Plan Designation:** Mixed Use/Very Low Density  
**Zoning Designation:** CNTY  
**Acreage:** 6.35 acres  
**Existing Land Use:** Commercial and Residential  
**Estimated Housing Potential:** 38 units  
**Description:** Located at the western edge of town, this property already contains a mixture of convenience commercial and nonconforming residential units. Designation as mixed use would allow a portion of the site to formalize the existing uses while allowing for intensification. The owner of the property indicated a desire for future development/redevelopment of the site during the process of updating the General Plan.  
**Affordable housing development incentives and requirements:** The proposed mixed use zoning of the site will allow additional housing units and provide housing opportunities for low and moderate income households. The City's inclusionary housing policy would require a minimum yield of 5 below-market-rate units. The developer would be given the option of paying into the City's In-lieu housing fund. The funds would then be utilized by the housing staff and leveraged to provide housing for ELI households in a more central location with support services.