Resolution No. 2021-147 N.C.S. of the City of Petaluma, California

RESOLUTION APPROVING THE INCLUSIONARY HOUSING AGREEMENT BETWEEN THE CITY OF PETALUMA AND CIVIC PARK CASA GRANDE 1, LLC FOR THE CASA GRANDE RESIDENTIAL DEVELOPMENTO LOCATED AT 240 AND 250 CASA GRANDE ROAD, APN 017-040-020 AND - 059

WHEREAS, the City Council of the City of Petaluma has developed housing goals to address the broad range of needs within the community; and

WHEREAS, the City Council of the City of Petaluma adopted the 2015-2023 Housing Element on December 1, 2014, with Resolution No. 2014-190 N.C.S.; and

WHEREAS, the City Housing Element General Plan mandate is to provide 10-15% of all market rate units as affordable; and

WHEREAS, the City's current Inclusionary Housing Policy, located in the 2015-2023 Housing Element and codified in Section 3.040 of the Petaluma Implementing Zoning Ordinance, requires developers of new residential development to provide affordable housing, and offers them options as to how they fulfill that requirement:

- 1) build on-site or dedicate a portion of the project site to the City for development of affordable units;
- 2) pay an In-lieu Fee, or
- 3) use alternative methods to meet the intent of the inclusionary requirement subject to approval by the City Council; and

WHEREAS, the housing units provided by this agreement and located in the Casa Grande Residential Development will increased the number of deed restricted ownership housing opportunities for low-income households at 80% AMI and Moderate-Income Households up to 120% AMI; and

WHEREAS, the proposed Inclusionary Housing Agreement (IHA) for the Casa Grande Subdivision binds the developer, at its sole cost and expense, to construct or cause to be constructed, a total of five (5) Affordable Units within the Project, which the developer shall cause to remain available for a minimum of ninety-nine (99) years for sale, transfer or conveyance, and the occupancy, as follows: Three (3) Affordable Units for Low-Income persons or households, and two (2) Affordable Units for Moderate-Income persons or households; and

WHEREAS, Environmental analysis for compliance with the California Environmental Quality Act (CEQA) for grading at the Subdivision has already been completed on December 7, 2020, when City Council adopted the project's Mitigated Negative Declaration and Mitigation Monitoring Reporting Program for the Casa Grande project located at 240 and 250 Casa Grande Road (Resolution No. 2020-181 N.C.S.), state clearinghouse number 2020100146; and

WHEREAS, additionally, approving the inclusionary housing agreement is exempt from the requirements of CEQA in accordance with CEQA Guidelines Section 15378, in that approving the IHA does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes an administrative activity.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Petaluma as follows:

- 1. The above recitals are hereby declared to be true and correct and are incorporated into this resolution as findings of the City Council.
- 2. Finds that Environmental analysis for compliance with the California Environmental Quality Act (CEQA) for grading at the Subdivision has already been completed. On October 27, 2020, the Planning Commission approved resolution No. 2020-15 N.C.S. recommending that the City Council adopt the project's Mitigated Negative Declaration (MND) and Mitigation Monitoring Reporting Program (MMRP). On December 7, 2020, City Council adopted the MND and MMRP for the Casa Grande project located at 240 and 250 Casa Grande Road (Resolution No. 2020-181 N.C.S.), state clearinghouse number 2020100146. Moreover, approving the inclusionary housing agreement is exempt from the requirements of CEQA in accordance with CEQA Guidelines Section 15378, in that approving the IHA does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes an administrative activity.
- 3. Approves the Inclusionary Housing Agreement and directs staff to execute an Inclusionary Housing Agreement between the City of Petaluma and Civic Park Casa Grande I, LLC that identifies the location and prices of the housing units to be provided to the City and authorizes the City Manager to execute any related documents necessary to implement the project.

Under the power and authority conferred upon this Council by the Charter of said City.

| REFERENCE: | I hereby certify the foregoing Resolution was introduced and Council of the City of Petaluma at a Regular meeting on the September 2021, by the following vote: | 1 , | Approved as to DocuSigned form: 55FF85AE94F3048D City Attorney |
|------------|---|------------------------------|--|
| AYES: | Mayor Barrett; Vice Mayor Barnacle, Fischer; Healy; King; | McDonnell, Pocekay | |
| NOES: | None | | |
| ABSENT: | None | | |
| ABSTAIN: | None DocuSigned by: | DocuSigned by: | |
| ATTEST: | Londur Foru == 18468994429E4492 City Clerk | Teresa Barrett Mayor Mayor | |