

CITY MANAGER UPDATE

September 28, 2018



City Manager's Office

Coffee with the City – More than 40 people attended the Coffee with the City event at the SHED on Wednesday morning. The City Manager and Department Directors answered questions about roundabout construction, accessory-dwelling units, downtown parking and more. The final Coffee with the City event of 2018 will be held December 12th at 8:30 a.m. at the SHED.



Community Services

Safety Fair Recap – Healdsburg Kiwanis, several City departments and various regional organizations partnered on the 2nd annual Family Safety Fair at the Community Center last Saturday. The event featured a bicycle rodeo, car-seat fittings, emergency-preparedness presentations, meet-and-greet with public safety officers, identity-protection shredding, and free lunch for all in attendance. The event was held in tandem with the Foss Creek Clean-Up and Healdsburg youth soccer games to reach a wide audience.



Planning

106 Matheson Update – The Planning Commission held a public hearing this week to consider a Design Review application for a mixed-use project. The project consists of a 315-seat restaurant (subsequently cut to 250 seats by the applicant), a Conditional-Use Permit (CUP) application for two residential units above the restaurant and a CUP application for an over-height fence. After lengthy public testimony, the Planning Commission unanimously voted to continue the item to a future date and requested that the applicant bring a revised project proposal to a future Planning Commission workshop. Key items discussed included the number of seats, the impact to downtown parking, perceived noise and a request to restudy components of the building's architecture.

Old Rossi Place Tentative Map – On Monday, October 1st, the City Council will consider approval of an application to subdivide a 1.73-acre site into six residential development lots.

Mill District Update – City staff is meeting weekly with the Replay development team to discuss the terms of a proposed development agreement.

North Entry Area Plan (NEAP) – The Planning Commission held a public workshop this week to discuss the administrative draft of the NEAP prior to its formal public review this fall. Key input for staff and a consultant included developing a community focal point to unify the development and create a sense of neighborhood, minimizing segregation of land uses, maximizing the opportunity for housing development and creating interconnected streets. In addition, community members suggested that if a hotel was to be built, it should be small-scale.

Public Safety

Fire Department Open House, October 6th – The Fire Department will hold its annual Open House next Saturday from 10 a.m. to 2 p.m. at the fire station, located at 601 Healdsburg Avenue. This family-friendly event will feature lots of fire-safety information and kids' activities, including live-fire demonstrations, fire-extinguisher training, a visit from Sparky the Fire Dog, fire-engine tours and free food.

Public Works

Roundabout Update – Planting has been delayed due to the composition of the soil, but it will be amended and further screened to ensure it's ready in the coming weeks for the planting of close to 3,000 plants, shrubs and trees. Any remaining permanent signage will be installed soon and the lighting in or near the roundabout has been installed except for several streetlights on West Mill Street, which will be placed in the coming weeks. The City will hold a ribbon-cutting ceremony on November 15th to celebrate the roundabout's completion. A bigger celebration will be held in the spring of 2019. More details will come soon.

Utilities

NCPA Conference – This week, the Vice Mayor and City's Utility Director attended the annual conference of the Northern California Power Agency (NCPA). The NCPA celebrates its 50th anniversary this year, and 2018 also marks the City's 50-year membership with this important joint powers agency. Conference topics centered on California's goal of 100 percent clean energy by 2045, greenhouse gas (GHG) reductions, and wildfires. The topics led into discussions on how to

best promote electric vehicles, reduce GHG through electrification of buildings, and how the state's existing generation sources will evolve over the coming decades.

Foss Creek Clean-Up Recap – More than 85 volunteers removed 2,280 lbs. of trash and recycling from the creek at the 16th annual Foss Creek Clean-Up last Saturday. Some of the larger items they removed included bicycles, a printer, a TV monitor, skateboard parts, and even a baby stroller. The clean-up participants came from the local Boy Scouts and Girls Scouts, 4-H and Healdsburg High School's Interact Club.



Measure P

On the next several pages is information on Measure P, a ballot measure amending the Growth Management Ordinance that will be placed before voters on the November 2018 ballot.



Measure P: Frequently Asked Questions

What is Measure P?

Measure P proposes an amendment to the City's Growth Management Ordinance (GMO). Healdsburg's GMO was passed by voter initiative in November 2000 as Measure M, and it limits residential growth in the City to 30 units, on average, per year, and no more than 90 units in a three-year period, with affordable units and accessory dwelling units exempt.

Specifically, Measure P asks if the current Growth Management Ordinance should be amended to allow for the construction of up to 150 additional multifamily, income-restricted rental units over a three-year period, with an average of 50 additional units per year.

What income restrictions will apply?

New multifamily rental units drawn from the additional 50 growth management allocations allowed by Measure P would be restricted to occupants who earn no more than 160% of Sonoma County Area Median Income. Families of four generally earning between \$101,000 and \$134,000 would be eligible.

How will income restrictions be implemented?

Developers would be required to enter into an agreement with the City of Healdsburg restricting occupants to those earning no more than 160% of area median income.

Are units allowed by Measure P affordable?

Traditionally, affordable units are targeted to households earning up to 120% of area median income. Any multifamily rental units allowed by the GMO amendment would be required to be affordable to households earning between 121% and 160% of Sonoma County Area Median Income, or between about \$101,000 to \$134,000 annually.

Why is this issue before Healdsburg voters?

Measure M (the GMO) was passed by Healdsburg voters so any change to the GMO must also be approved by voters.

Why is the City sponsoring Measure P?

In the development of the City's Housing Action Plan, the need for housing for middle-income families -- those earning between 121% and 160% of area median income -- was a central theme. If growth management allocations are set aside specifically for these unit types, more may be developed.

What vote is needed for Measure P to pass?

A simple majority, or 51% of voters, must vote “yes” for Measure P to become law.

If Measure P passes, when will it go into effect?

If Measure P passes on November 6, 2018, the vote will need to be certified at a subsequent meeting of the Healdsburg City Council. The provisions of Measure P will be effective 10 days following the date the City Council certifies the election results.

Will Measure P allow more growth in Healdsburg?

Measure P will allow an average of 50 more units per year to be built in the City as long as they are multifamily rental units and are restricted to households earning no more than 160% of area median income. If more units are constructed, a slight increase in the population growth rate may result. While the rate of growth may change, Measure P will not allow more growth than anticipated by the Healdsburg General Plan (the City's comprehensive land use plan).



Information about Measure P Growth Management Ordinance Amendment Ballot Measure

Background

Here are definitions that are key to discussion of Measure P:

1. **Area Median Income:** This is the annual household income set by the U.S. Department of Housing and Urban Development (HUD) to determine the eligibility of applicants for certain federal housing programs. Most states and local governments use these limits to determine eligibility for their own programs. For Sonoma County in 2018, the area median income, or AMI, is \$84,100 for a family of four. The AMI varies depending on the number of persons in the household.
2. **Affordable housing:** Housing targeted to households earning 120% or less of area median income. In Sonoma County, maximum annual income for a family of four at 120% of area median income is about \$101,000. Much of the affordable housing stock in Healdsburg has been for lower-income households earning up to 80% of area median income.
3. **Middle-Income Households:** Healdsburg has defined “middle-income households” as households earning between 121% and 160% of area median income. This translates to around a \$101,000 to \$134,000 in annual income. Housing for this income range is not viewed as traditionally “affordable” as defined by HUD. Middle-income households are often referred to as the “missing middle” since these households do not qualify for assistance in HUD programs and often cannot afford market-rate housing. There are often few, if any, programs to assist these households in finding housing.

Growth Management in Healdsburg

- Growth management has existed in Healdsburg since November 2000, when Healdsburg voters passed Measure M. The measure was citizen initiated, and it established residential growth control in the City.
- Measure M limits residential construction to an average of 30 units per year, with no more than 90 in a three-year period. Small accessory-dwelling units (built on a parcel where a single-family unit exists or will be built concurrently) and affordable units renting or selling to households earning less than 120% of area median income are exempt from the limitation.
- The City recognizes the need for additional housing in Healdsburg. City Council has adopted a Housing Action Plan which focuses on 1) the development of affordable housing units restricted for long-term affordability, 2) accessory-dwelling units, and 3) units affordable to middle-income households. The need to develop housing affordable to middle-income families was a central theme of community discussion during preparation of the Housing Action Plan.

Proposed Growth Management Ordinance Amendment – Measure P

- Multifamily residential projects require growth-management allocations. Multifamily rental projects often include a greater number of units. Since the current growth-management program allows only 30 units annually, multifamily projects can be difficult to build.
- Currently, multifamily rental units targeted to middle-income renters require a growth-management allocation.
- Measure P would allow 50 additional growth management allocations as long as the units are:
 - Multifamily rental units; and
 - Subject to an agreement requiring the units be rented to tenants earning no more than 160% of area median income.
- Setting aside growth management allocations for multifamily rental units for middle-income households may provide an incentive that will encourage their development.
- Since the inception in 2000 of growth management in Healdsburg, the City has issued building permits for an average of about 29 units per year, including both exempt units and those subject to the GMO. Including only the units subject to growth management, the annual average is 13 units per year.