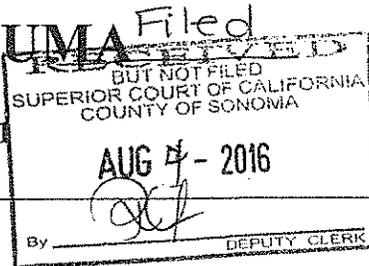


CITY OF PETALUMA

POST OFFICE BOX 61
PETALUMA, CA 94953-0061



David Glass
Mayor

Chris Albertson
Teresa Barrett
Mike Healy
Gabe Kearney
Dave King
Kathy Miller
Councilmembers

August 2, 2016

The Honorable Raima Ballinger
Presiding Superior Court Judge
Hall of Justice
600 Administration Drive
Santa Rosa, CA 95403

Foreperson
Sonoma County Civil Grand Jury
P.O. Box 5109
Santa Rosa, CA 95402

RE: Grand Jury Final Report for FY 2015/16 – Responses and Recommendations

Dear Judge Ballinger:

The City of Petaluma is pleased to provide our responses on behalf of the City of Petaluma (Planning) and the Petaluma City Council, to the Findings and Recommendations in the 2015/2016 Grand Jury Final Report, "Spotlight on Affordable Housing". These are formatted in accordance with Penal Code Section 933 and 933.05.

Thank you for the opportunity to respond to the Grand Jury's report. If you have additional questions, please let us know.

Sincerely,

David Glass
Mayor

John C. Brown
City Manager

cc: Sonoma County Board of Supervisors
Sonoma County Clerk
Petaluma City Clerk
Petaluma City Council
Sonoma County Cities

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Information Technology Division
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Risk Management Division
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Raina Ballenger
Approved: _____
Superior Court Judge

Date: 8.8.16

Response to Grand Jury Report Form

FILED

AUG 10 2016

Clerk of Superior Court of California,
County of Sonoma
By _____ and *RB*
Deputy Clerk

Report Title: Spotlight on Affordable Housing

Report Date: August 2, 2016

Response By: David Glass
John C. Brown

Title: Mayor
City Manager

FINDINGS:

We agree with the findings numbered: 1, 2, 3, 4, 5, 6, 7, 8, 9

F8 New or untapped sources of public and private monies are accessible to jurisdictions within the County.

Petaluma's Response:

The City agrees with F8, however, with each of those funding sources, the application process is highly competitive and comes with criteria that have to be met before funding is awarded.

We disagree wholly or partially with the findings numbered: n/a

RECOMMENDATIONS:

Recommendations numbered: R2, R3, R4 and R9 have been implemented.

R2 The City of Santa Rosa Planning and Economic Development Department and the Petaluma Planning Department encourage construction of granny units by reducing permit fees and zoning restrictions (F6).

Petaluma's Response:

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. Impact fees were reduced on accessory units in 2010 to 25% of the fees of a typical single-family unit.

R3 The Sonoma County Board of Supervisors, City Council of Santa Rosa and City Council of Petaluma improve regulation and oversight of vacation rental activity in order to determine how rental rates are affected by having long-term rentals removed from the market (F9).

Petaluma's Response:

In 2015, the City Council approved a short-term vacation rental ordinance which is Chapter 7.110 of the Implementing Zoning Ordinance. There are conditions that need to be met in order to rent property as a short-term vacation rental. This program is used to regulate short-term rentals and charge fees for the program. The ordinance contains a review provision to determine its impacts and effectiveness; this review will occur in approximately 24 months. Twelve properties have applied for the short-term rental program. The City's ordinance also stipulates the difference between "hosted" and "non-hosted" properties. Hosted properties are not an impact on long-term rentals. Before the ordinance was adopted, there were approximately 75 properties advertising with Airbnb; currently there are approximately 35 properties listed with Airbnb. It is too early to determine how the short-term vacation rentals will affect supply or affordability, but at this early stage, it appears to be minimal.

- R4 *The Sonoma County Board of Supervisors, City Council of Santa Rosa and City Council of Petaluma develop appropriate tax and fee schedules to offset the impact of short-term vacation rentals on housing supply (F9).*

Petaluma Response:

Petaluma's short-term vacation program is charging fees for applicants who want to rent their property as a short-term rental. The ordinance also restricts the number of days that property can be rented as a short-term rental to 90 days in a calendar year.

- R9 *The Sonoma County Board of Supervisors, City Council of Santa Rosa and City Council of Petaluma consider invoking AB 2135 to donate surplus lands to Land Trusts or to sell these properties at below market rates to developers in exchange for commitments to include affordable housing (F7, 8).*

Petaluma Response:

The Grand Jury's recommendation that Petaluma donate surplus lands to Land Trusts or to sell these properties at below market rates to developers in exchange for commitments to include affordable housing has been implemented in Petaluma in the past. This practice is consistent with the goals found in Petaluma's Housing Element and the Community Development Block Grant Consolidated Plan, which benefits the low income housing community, and will be recommended to be incorporated into the Housing Element when it is next updated. As noted in the report, there are two properties in Petaluma that could be surplused, and the City will examine each in the context of the Grand Jury's recommendation. It should be noted that the property at 951 Petaluma Boulevard South is subject to divestiture under Redevelopment dissolution and the City's actions with respect to this property will need to comply with Section 33334.16 of the California Health and Safety Code for property held by the Housing Successor Agency.

Recommendation numbered: n/a has not yet been implemented, but will be implemented in the future.

Recommendations numbered: n/a require further analysis.

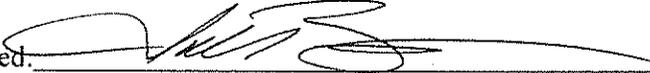
Recommendations numbered: n/a will not be implemented because they are not warranted or are not reasonable.

Date: 8-1-16

Signed: 

Mayor David Glass

Date: 8-1-16

Signed: 

John C. Brown, City Manager

Number of pages attached: 4