



County of Sonoma
Permit & Resource Management Department

22 August 2022

HAND DELIVERED

The Honorable Shelly Averill
Presiding Judge of the Superior Court
600 Administration Drive
Santa Rosa, California 95403

RE: 2021-22 SONOMA COUNTY CIVIL GRAND JURY REPORT RESPONSE

Dear Honorable Judge Averill:

Thank you for the opportunity to respond to the 2021-22 Grand Jury Report. The Committee on Housing really delved into the issue and demonstrated a keen understanding of the housing issues that confront our community.

Please find attached Permit Sonoma's responses to the reports entitled, *Affordable Housing, Past, Present and Future* and *What Happens When the Grand Jury Make Recommendations?*

I regret not being able to thank the jurors for their excellent efforts.

Please contact with any questions or concerns about this response.

Sincerely,

Tennis Wick, AICP
Director

Attachments: Responses

cc: Sonoma County Board of Supervisors
Sheryl Bratton, Chief Administrative Officer
Grand Jury Foreperson



Response to Grand Jury Report Form

Report Title: Affordable Housing: Past, Present and Future

Report Date: June 14, 2022

Response by: Tennis Wick

Title: Director

Agency/Department Name: Permit Sonoma

FINDINGS: F1, F2, F3, F4, F5, F7, F10, F11, F13, F12, F14, F16, F17, F19, F20, F21, F22

I (we) agree with the findings numbered: F1, F2, F3, F4, F5, F7, F10, F11, F13, F12, F16, F17, F19, F20, F22

I (we) disagree wholly or partially with the findings numbered: F14, F15, F21

(Attach a statement specifying any portions of the findings that are disputed with an explanation of the reasons.)

RECOMMENDATIONS: R1, R2, R3, R4, R5, R6, R7, R8

- Recommendations numbered: R4, R5 have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered: R1, R6, R7 have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered: R2, R3, R8 require(s) further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. *This timeframe shall not exceed six months from the date of publication of the Grand Jury report.*)
- Recommendations numbered: _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 22 AUG 22

Signed: Tennis Wick

Number of pages attached: 4

(See attached Civil Grand Jury Response Requirements)

Grand Jury Affordable Housing Findings - Permit Sonoma Required Responses

Findings: Permit Sonoma disagrees wholly or partially with findings F14, F15, F21

F14. Payment of in-lieu fees to the housing jurisdiction results in fewer inclusionary Affordable Housing units and houses being built.

Permit Sonoma partially disagrees with this finding. In-lieu fees sometimes do result in fewer inclusionary affordable housing units being constructed. However, that is not always true. Whether in-lieu fees yield fewer inclusionary affordable housing units depends on a variety of circumstances, including the amount of the fee; the design of the inclusionary housing program; the total fees collected by the jurisdiction (all other factors being equal, smaller jurisdictions will generally collect a smaller total amount than larger jurisdictions due to a proportionately smaller number of units constructed), the value of land, availability of financing, and construction costs.

F15. Development of commercial projects such as hotels and big box stores is often favored over housing due to lesser demand on public services and increased sales or occupancy tax revenue.

Permit Sonoma agrees with the finding.

F21. Manufactured and factory built home construction provide less expensive routes to Affordable Housing without necessarily reducing its quality.

Permit Sonoma agrees with the finding.

Recommendations

Recommendations numbered: R4, R5 have been implemented.

(Attach a summary describing the implemented actions.)

R4. By December 31, 2022, Permit Sonoma and the nine Cities should identify properties within their jurisdictions and Spheres of Influence that could support the construction of infill housing and accessory dwelling units. (F1, F2, F3, F4, F16, F17)

Comment:

Recommendation R4 has been implemented.

The County with Permit Sonoma as its lead agency and all of the Cities are currently undergoing an update to their respective General Plan Housing Elements in accordance with the State-mandated time cycle. The update process requires jurisdictions to identify adequate sites that are zoned, available, and suitable for housing development to accommodate the jurisdiction's assigned share of the regional housing need. This is known as a site inventory. In 2019, Permit Sonoma initiated a process to identify and rezone adequate housing sites for its site inventory in the upcoming housing cycle. That process is focused on identifying sites located within the unincorporated County's existing urban service areas. The effort is proceeding as part of the County's Housing Element update. In 2019, Permit Sonoma brought forward a recommendation to remove the Z (Accessory Dwelling Unit Exclusion) Combining District from nearly 2000 .

agriculturally-zoned parcels to support the creation of accessory dwelling units in appropriate areas. Draft policy discussions for the County's Housing Element update are exploring ways to incentivize ADU development, such as fee reductions, easing development standards, and fiscal support. Senate Bill 10, effective at the beginning of 2020, allows local jurisdictions to rezone for higher residential density on qualifying parcels in transit-rich, urban infill areas; Permit Sonoma is evaluating the feasibility and potential effectiveness of implementing SB 10 within the unincorporated County. As the County proceeds with the Housing Element update and beyond, Permit Sonoma continues to explore policy ideas to encourage housing development in infill areas and the construction of ADUs.

R5. By December 31, 2022, Permit Sonoma and the nine Cities should identify properties within their jurisdictions and Spheres of Influence that are likely opportunities for rehabilitation or repurposing to increase the availability of Affordable Housing. (F16, F19, F22)

Comment:

Recommendation R5 has been implemented.

As discussed above, the County's Housing Element is required to maintain a site inventory of properties that are suitable, available, and appropriately zoned to meet the County's share of the regional housing need. The County's site inventory will be updated upon adoption of the new Housing Element in 2023. The Sonoma County Community Development Commission currently provides funding assistance for rehabilitation of existing housing units with County Fund for Housing or other funding programs, including Community Development Block Grants (CDBG), Low and Moderate Income Housing Asset Fund (LMIHAF), and Permanent Local Housing Allocation (PLHA).

Recommendations numbered: R1, R6, R7 have not yet been implemented, but will be implemented in the future.

(Attach a timeframe for the implementation.)

R1. By December 31, 2022, Permit Sonoma and the nine Cities should begin to streamline their procedures, from preliminary review through the permitting process, related to the development of Affordable Housing. (F7, F10, F11, F13)

Comment:

Recommendation 1 has not yet been implemented, but will be implemented in the future. Permit Sonoma's existing inclusionary housing ordinance (codified as Sonoma County Code Chapter 26, Article 89) and policies require priority processing of affordable housing permits. During the Housing Element update process and beyond, Permit Sonoma is exploring additional measures to streamline the permitting process that may include developing broadly applicable objective design and development standards, creating an administrative, ministerial approval process for housing development projects, reducing permitting levels for certain housing or mixed-use projects (e.g., from Use Permit to administrative Design Review only), and making internal process improvements that expedite staff time spent on project review. These measures and more are being explored for the County's Housing Element update process in

2022-2023, and, if adopted by the Board, may be part of the updated Housing Element's implementation plan.

R6. By June 1, 2023, Permit Sonoma and the nine Cities should develop permit ready accessory dwelling unit and junior accessory dwelling unit plans. (F1, F2, F3, F4, F5, F7, F10, F11, F13, F21, F22)

Comment:

Recommendation R6 has not yet been implemented, but will be implemented in the future. Permit Sonoma has considered the development of pre-approved plans for ADUs to decrease pre-construction costs of ADU projects, but encountered technical and legal difficulties in doing so. Other jurisdictions encountered similar difficulties. As an alternative, Permit Sonoma is cooperating with the County of Napa to support the Napa-Sonoma ADU Center, where pre-reviewed, permit-ready plans will be provided with appropriate measures for design licensure and liability. Applications that come through the Center to Permit Sonoma will receive priority processing. The Napa-Sonoma ADU Center will "pre-review" the ADU plans for compliance with building codes and other applicable regulations. The concept is that plans that are pre-reviewed would benefit from expedited permit review and potentially reduced fees.

R7. By December 31, 2022, Permit Sonoma and the nine Cities should discuss integration of preliminary design review committees with their planning commissions to help expedite the construction of Affordable Housing. (F1, F2, F3, F4, F5, F7, F10, F11, F13, F19, F20, F21, F22)

Comment:

Recommendation R7 has not yet been implemented, but will be implemented in the future. Most multifamily residential projects require some level of design review, but multifamily projects that are consistent with zoning generally do not require review by the Board of Zoning Adjustments, Planning Commission or the Board of Supervisors. Affordable multi-family projects that are consistent with zoning would not undergo more than two hearings with the Design Review Committee to receive approval, and some would not require Design Review Committee review at all. Permit Sonoma also offers applications for Conceptual Design Review to allow projects to receive early feedback from the Design Review Committee before preparing a full application. The adoption of objective design and development standards would expedite the design review process and provide developers with more certainty on the requirements. Permit Sonoma anticipates initiating the development of objective housing standards in late 2023 after the Housing Element updated has been adopted.

Recommendations numbered: R2, R3, R8 require(s) further analysis.

(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.)

R2. By December 31, 2022, Permit Sonoma and the nine Cities should meet to consider standardizing their procedures related to the development of Affordable Housing. (F7, F10, F11, F13)

Comment:

Recommendation 2 requires further analysis.

There is opportunity to increase coordination on housing initiatives among Permit Sonoma and the nine Cities. Most jurisdictions within the County are currently undergoing an update to their General Plan housing elements. The Association of Bay Area Governments (ABAG) convened the Napa Sonoma Housing Collaborative, composed of staff from jurisdictions within the two counties and consultants (funded by ABAG through 2023), to allow for jurisdictions to collaborate, share resources and information on the housing element update process. Planning directors meet regularly and share experience and effective strategies. After jurisdictions adopt their updated housing elements, a similar collaborative group could be formed to support housing element implementation. With the State legislature's recent history in mandating local streamlining of housing development project permitting, cities are working on similar efforts to respond to those State mandates or to implement other locally-led measures with the same goal to simplify permitting processes. The cities, Permit Sonoma on behalf of the County, and development proponents would benefit from the efficiencies of standardizing procedures and policies across the County, and a County-wide collaborative housing group could encourage that coordination.

R3. By December 31, 2022, Permit Sonoma and the nine Cities should meet to discuss the coordination of fee reduction standards for Affordable Housing throughout the County. (F11, F12, F14)

Comment:

Recommendation 3 requires further analysis.

Permit Sonoma currently offers reduced or waived development impact fees for accessory dwelling units. The County also offers a Single-Family Fee Development Fee Deferral Program, which defers the affordable housing fees applicable to construction of a new single-family home if the property builds an accessory dwelling unit and restricts it for rent to qualified low-income households. Deed-restricted affordable housing units are not subject to payment of affordable housing fees within the unincorporated County, however, other development impact fees still apply. Permit Sonoma could explore the possibility of waiving or reducing development fees for affordable housing projects.

R8. By December 31, 2022, Permit Sonoma and the nine Cities should review their permitting requirements to allow nontraditional options such as manufactured homes, factory built homes, and tiny houses to increase housing supply. (F1, F2, F3, F4, F5, F10, F11, F13, F21, F22)

Comment:

Revised June 2022

Response to Grand Jury Report Form

Recommendation 8 requires further analysis.

Manufactured homes and factory-built homes may be permitted as primary single-family residences or accessory dwelling units within the unincorporated County. "Tiny homes" is not an industry standard definition, and may encompass the latter two types of structures, or may refer to other housing structures on wheels (e.g. RVs, travel trailers, etc.). Housing on wheels may be used in certain circumstances as temporary housing for persons displaced by recent fire events, for property owners while their primary home is under construction, or for seasonal farmworker housing.

Response to Grand Jury Report Form

Report Title: What Happens When the Grand Jury Makes Recommendations?

Report Date: June 14, 2022

Response by: Tennis Wick

Title: Director

Agency/Department Name: Permit Sonoma

FINDINGS: F3, F5

I (we) agree with the findings numbered: _____

I (we) disagree wholly or partially with the findings numbered: **F3, F5. See attached.**

(Attach a statement specifying any portions of the findings that are disputed with an explanation of the reasons.)

RECOMMENDATIONS: R1, R2

- Recommendations numbered: **R1 has been implemented. See attached.**
(Attach a summary describing the implemented actions.)
- Recommendations numbered: **R2 has been partially implemented, and will be further implemented in the future. See attached.**
(Attach a timeframe for the implementation.)
- Recommendations numbered: _____ require(s) further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. *This timeframe shall not exceed six months from the date of publication of the Grand Jury report.*)
- Recommendations numbered: _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date:

22 AUG 22

Signed:

Tennis Wick

Number of pages attached:

3

(See attached Civil Grand Jury Response Requirements)

Permit Sonoma Response

What Happens When the Grand Jury Makes Recommendations?

Required Response to Findings

F3. The Recommendation that the City of Sonoma, the Valley of the Moon Water District and Sonoma Developmental Center implement plans to share existing water resources to reduce risks in emergencies was not implemented.

Permit Sonoma disagrees partially with this finding.

This finding is specific to City of Sonoma, Valley of the Moon Water District and Sonoma Development Center (SDC). Permit Sonoma does not have any jurisdiction or control over these entities. That said, Permit Sonoma has worked with the named agencies to inform the SDC Specific Plan. The draft Specific Plan and draft environmental impact report (DEIR) were released on August 10, 2022 and are available online at <https://www.sdcspecificplan.com/>. The draft Specific Plan includes the following goal and high-level policy to ensure that sharing of water resources in an emergency is addressed:

Goal 6-E. Water Supplies: Safeguard SDC's water supplies and water rights, ensuring adequate availability of water for residents, businesses, fire suppression needs, ecosystem services, and groundwater recharge.

Policy 6-27. Maintain water supply and filtration at the site and ensure adequate flexibility and supply to serve regional needs in case of an emergency.

Further, Permit Sonoma has supported Sonoma Water's efforts in the development of a Regional Water Supply Resiliency Study and a decision support framework model that considers regional and local water supply sources and infrastructure and enables the simulation of emergency water supply shortages, which will serve as an important tool for emergency water sharing planning.

Permit Sonoma will continue to work with these entities on coordinated and resilient regional water resources planning and it is expected that a more detailed outline of emergency water sharing would occur after adoption of the SDC Specific Plan.

F5. The future sources of water for the Sonoma Developmental Center property are undetermined at this time.

Permit Sonoma disagrees partially with this finding. Permit Sonoma is in the process of developing a Specific Plan and associated Environmental Impact Report for SDC. As part of this process, Valley of the Moon Water District has prepared a Water Supply Assessment which was adopted on July 12, 2022. The Water Supply Assessment identifies on-site surface water resources for serving future development on the SDC property.

Required Response to Recommendations

R1. By September 30, 2022, Permit Sonoma, Sonoma Water, the Valley of the Moon Water District, and the City of Sonoma Water Department meet to ensure that in any SDC Specific Plan, the water resources of the site are utilized for any future development with limited reliance on water from the Sonoma Aqueduct. (F5)

Recommendation 1 is being implemented.

Permit Sonoma, Sonoma Water and Valley of the Moon Water District staff have been meeting to discuss the Water Supply Assessment (which has now been adopted by the Valley of the Moon District Board of Directors). The Water Supply Assessment identifies sufficient water resources on-site to serve the level of future development being considered for the SDC Specific Plan area. Sonoma Water staff have provided input to Permit Sonoma on development of the Specific Plan and associated Environmental Impact Report.

The draft Specific Plan and draft environmental impact report (DEIR) were released on August 10, 2022 and are available online at <https://www.sdcspecificplan.com/>. The draft Specific Plan includes the following goal and policies to ensure that onsite water resources are used for future development and to limit reliance on other water sources by requiring recycled water during construction:

Goal 6-E. Water Supplies: Safeguard SDC's water supplies and water rights, ensuring adequate availability of water for residents, businesses, fire suppression needs, ecosystem services, and groundwater recharge.

Policy 6-26. Ensure the SDC site's water rights are retained for uses within the core campus and for habitat preservation, ecological services, groundwater recharge in the open space area, and to increase the reliability of the regional water supply.

Policy 6-28. Use water from SVCSD's Recycled Water Trucking Program for construction site activities, including dust control, cement mixing, soil compaction, to the greatest extent feasible.

Discussions between the agencies will continue as needed as the County responds to comments on the DEIR and brings the draft Specific Plan forward for consideration. The agencies meet again on August 18, 2022. The Sonoma County Planning Commission and then Board of Supervisors are expected to hold hearings on the draft Specific Plan and EIR before the end of the calendar year.

R2. By September 30, 2022, Permit Sonoma, Sonoma Water, the Valley of the Moon Water District, and the City of Sonoma Water Department meet to ensure that a SDC Specific Plan includes an outline for the sharing of water resources of the site during emergencies. (F3)

Recommendation R2 has been partially implemented and will be further implemented in the future. The draft Specific Plan and draft environmental impact report (DEIR) were released on August 10, 2022 and are available online at <https://www.sdcspecificplan.com/>. The draft

Specific Plan includes the following goal and high-level policy to ensure that sharing of water resources in an emergency is addressed:

Goal 6-E. Water Supplies: Safeguard SDC's water supplies and water rights, ensuring adequate availability of water for residents, businesses, fire suppression needs, ecosystem services, and groundwater recharge.

Policy 6-27. Maintain water supply and filtration at the site and ensure adequate flexibility and supply to serve regional needs in case of an emergency.

Based on discussions between Permit Sonoma and Sonoma Water, we expect that a more detailed outline of emergency water sharing would occur after adoption of the SDC Specific Plan. All named parties are in the process of scheduling additional meetings to discuss regional water supply planning issues. The agencies meet again on August 18, 2022. The Sonoma County Planning Commission and then Board of Supervisors are expected to hold hearings on the draft Specific Plan and EIR before the end of the calendar year.

Further, Permit Sonoma supports Sonoma Water's efforts in the development of a Regional Water Supply Resiliency Study and a decision support framework model that considers regional and local water supply sources and infrastructure and enables the simulation of emergency water supply shortages, which will serve as an important tool for emergency water sharing planning.