FORMATION OF THE RENEWAL ENTERPRISE DISTRICT JOINT POWERS AUTHORITY

CITY COUNCIL
DECEMBER 4, 2018
SONOMA HOUSING GROWTH

- Single Family units
- Multi Family units
PRE-EXISTING HOUSING CHALLENGES

• Median home price and rental rate growth exceed wage growth

• 1-3% residential vacancy

• Culture and history of:
  • Environmental protections
  • Urban separators
  • Preservation of working lands
IMPACT OF FIRES ON HOUSING

- **Real estate market in transition:**
  - 235% increase in buildable lots from 2017 to 2018
  - 16.6% fall in single family home listings

- **Trends in rent increases** and secondary displacement

- **600 student enrollment decline** countywide
  - Estimated additional loss by end of school year: 1,000 students

- **Poorest residents most impacted**
June 2018: Board of Supervisors and City Council approve staff to negotiate a Joint Powers Agreement based on the RED framework

- Working group formed with County, City and SCTA staff
- Guidance provided by County and City Build-Rebuild Ad Hoc Committees

City Council Ad Hoc Committee:
- Mayor Coursey | Council Member Schwedhelm | Council Member Rogers

Board of Supervisors Ad Hoc Committee:
- Supervisor Zane | Supervisor Gore

Community Partners:
- Sonoma County Transportation Authority & Regional Climate Protection Authority
- Sonoma Clean Power
RED: RENEWAL ENTERPRISE DISTRICT

• **Regionalizes** housing production
• **Pools** and leverages financing and funding
• **Shares risks** and benefits of development
• **Streamlines** review and provides confidence in good projects
• Puts equity, affordability and climate solutions in the center of local **economic strategy**
JOINT POWERS AUTHORITY
- PURPOSE -

• **Focus** housing development in specific geographies
• **Define** project criteria for which incentives and streamlined permitting processes are appropriate
• **Pursue** new opportunities for public-private partnerships
• **Expand**, pool, and leverage public and private financing
• **Explore** the most strategic use of publicly-owned land
• **Leverage** the regional housing planning tools and resources of MTC/ABAG
• **Achieve** rebuild goals and unmet regional housing needs
• **Implement** General Plans and Specific Plans while honoring community separators and urban growth boundaries
• **Incentivize** higher density, infill, and transit-oriented housing in Priority Development Areas, Transit Priority Areas, Designated Opportunity Zones, and Employment Investment Areas
• **Promote** zero net energy development and advance climate resiliency
• **Ensure** affordability and equity in housing development, and transparency and accountability
• **Improve** opportunities for area employers to recruit and retain a skilled workforce
RED PROJECT PARAMETERS

**Criteria Examples**
- set by JPA -

**Project Benefits**
- Access to Capital
- Access to Incentives

**Fund Uses**
- HOUSING, Infrastructure & Community Facilities

**Parameters**
- Affordability (rental & ownership)
- Location (PDA, TPA, OZ)
- Energy Efficiency
JOINT POWERS AUTHORITY
- GOVERNING BOARD -

0-2 Years: FOUNDING MEMBERS
- 4 Elected Officials:
  - 2 County BOS
  - 2 SR City Council

2 + Years: NEW MEMBERS
- Other cities may join with one elected official per jurisdiction
• **VOTING**
  • Founding Members 1 vote per representative (2 votes total per jurisdiction)
  • New Members 1 vote per representative (1 vote per each new city)

• **GOVERNANCE REVIEW** JPA will hold a public meeting after 2 years from formation
  • Review terms and conditions
  • Discuss amendments to agreement
  • Includes new members

• **STAFFING** Initial staffing will be done under contract with member entities or 3rd parties, including:
  • Executive Director 1 ED who may be an employee of one of the members
  • Treasurer Auditor-Controller-Treasurer-Tax Collector will act as initial treasurer
  • Staff Initial staffing will be provided by City and County staff, including City and County Counsel, CDC, HCS, PED
FINANCING

- Grants
- SB2 Funding
- Other State Funding
- Other Financing
QUESTIONS?