

Exhibit A

Renewal Enterprise District (RED) Project Criteria

As articulated in the joint powers agreement creating the Renewal Enterprise District, the goals and purpose of the RED include the following:

- *Achieving the Founding Members' fire recovery rebuild goals and meeting current and previously unmet regional housing needs, within five years;*
- *Honoring community separators and urban growth boundaries, and implementing existing and future general plans and specific plans;*
- *Incentivizing higher density, infill, and transit-oriented housing in Priority Development Areas, Transit Priority Areas, Designated Opportunity Zones, Rural Investment Areas, and Employment Investment Areas;*
- *Promoting zero net energy development and advancing climate resiliency at the regional, neighborhood, and homeowner scale;*
- *Ensuring affordability and equity in housing development;*
- *Improving opportunities for local employers to recruit and retain a skilled workforce; and*
- *Ensuring transparency and accountability regarding achievement of housing goals.*

RED Project Criteria

| <u>STEP ONE: MEET THRESHOLD CRITERIA</u> | |
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| A project must meet <i>all four</i> threshold criteria to be considered as a RED Project. A project that meets all four threshold criteria may proceed to Step Two. If a project does not meet all threshold criteria, it cannot qualify as a RED Project. | |
| 1 | <p><u>The project must be located on an infill site.</u> "Infill site" is defined as a lot located within the incorporated City of Santa Rosa, or within an urban service area in the unincorporated County of Sonoma, that:</p> <ol style="list-style-type: none">Has been previously developed, orIs a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses. <p>"Urban service areas" are defined in the Sonoma County General Plan. (Adapted from Pub. Resources Code § 21099(a)(4).)</p> |
| 2 | <p><u>The project must provide mid- to high-density development.</u> The project must achieve a density that is above the mid-point of the density range allowed in the local jurisdiction's base zoning for the project site, without applying density bonus. For example, if a local zoning code allows density between 10-20 dwelling units per acre, the project must deliver over 15 dwelling units per acre.</p> |
| 3 | <p><u>The project must be located entirely within a Transit Priority Area, Priority Development Area, Rural Community Investment Area, Specific Plan Area, High-Quality Transit Corridor or Qualified Opportunity Zone.</u></p> <ul style="list-style-type: none">• "Transit Priority Area" (TPA) is defined as an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Transportation Improvement Program or applicable regional transportation plan. (Reference: Pub. Resources Code, § 21099(a)(7).) |

STEP ONE: MEET THRESHOLD CRITERIA

A project must meet *all four* threshold criteria to be considered as a RED Project.

A project that meets all four threshold criteria may proceed to Step Two. If a project does not meet all threshold criteria, it cannot qualify as a RED Project.

- “Priority Development Area” (PDA) means a specifically defined geographic area, identified by a local jurisdiction to be appropriate for residential and commercial development, that is incorporated into Plan Bay Area or its successor plan(s). *PDA*s are incorporated into Plan Bay Area, which is the Bay Area region’s state-mandated Sustainable Communities Strategy (SCS) that integrates transportation, land use and housing to meet greenhouse gas (GHG) reduction targets set by the California Air Resources Board. *PDA*s are typically accessible to transit, jobs, shopping, and other services. *PDA*s incorporated in Plan Bay Area may be viewed here: <https://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2050/explore?location=38.383150%2C-122.858757%2C11.22>.
- “Rural Community Investment Area” (RCIA) means one of six designated rural planning areas that arose during the SCS process for developing Plan Bay Area. *RCIA*s are centers and corridors of economic and community activity surrounded by agricultural, resource or protected conservation lands in unincorporated Sonoma County. As of February 2020, *RCIA*s are located in Forestville, Graton, Guerneville, Larkfield, Penngrove, and The Springs. (See SCS Priority Development Area Investment & Growth Strategy, June 12, 2017.)
- “Specific Plan Area” means a geographic area for which a specific plan, as defined by Gov. Code § 65451, has been adopted.
- “High-Quality Transit Corridor” is defined as a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. (Reference: Pub. Resources Code, § 21155(b)(3).)
- “Qualified Opportunity Zones” means those areas designated by the Governor as opportunity zones and identified on the State of California Department of Finance website. As of February 2020, Opportunity Zones designated in the City of Santa Rosa include the Downtown Opportunity Zone and Roseland Opportunity Zone. A portion of the Springs area of unincorporated Sonoma County (identified as Census Tract 1503.05) is also a designated Opportunity Zone.

4 The project must be residential or mixed use residential. “Residential or mixed use residential” means a project where at least 75% of the total building square footage of the project consists of residential use. (Reference: Pub. Resources Code § 21159.28(d).)

STEP TWO: EVALUATION CRITERIA

Projects that meet all Threshold Criteria (Step One) will be evaluated based on the project's incorporation of *one or more* of the Evaluation Criteria below.

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| A | <p>On-site affordable units. The project includes physical construction on-site of units deed restricted to be available at an affordable housing cost¹ to extremely low-income, very low-income, and/or low-income² persons or households, based on the current income limits for Sonoma County published by the state Department of Housing and Community Development (“HCD”) for each income level and adjusted for household size. Qualifying on-site affordable units may include, but are not limited to, any affordable units required for density bonus and compliance with local ordinances. Projects providing on-site affordable units that vary from this standard may be considered under this category if the level of affordability is equivalent and the variation is necessary for compliance with a specific state or federal housing or financing program.</p> |
| B | <p>On-site workforce housing. The project includes physical construction of restricted on-site workforce housing. “Workforce housing” means housing units that are (1) available at an affordable cost to persons and households earning between 80% and 120% of area median income, and (2) located proximate to jobs-rich areas. For purposes of this criterion, “affordable cost” for a rental unit is defined as in Criterion A, adjusted for income and household size; for an owner-occupied unit, “affordable cost” is defined as the maximum purchase price that will be affordable to the specified household size, calculated in accordance with Health & Safety Code § 50052.5 for a moderate-income household.</p> |
| C | <p>On-site “Affordable by Design” units. The project includes unrestricted “affordable by design” housing. In general, housing units that are affordable by design are smaller than typical market-rate units, more efficient, or have fewer amenities. <i>Affordability by design may generally be achieved by: developing smaller units; using stick-built lower-rise construction; and providing reduced or unbundled parking in areas that are within walking distance to transit or an employment center.</i></p> |
| D | <p>Proximity to Transit. The project is located within ½ mile of a Major Transit Stop, Transit Station or High-Quality Transit Corridor.</p> <ul style="list-style-type: none"> • “Major Transit Stop” is defined as a site containing an existing rail or bus rapid transit station, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods, or a major transit stop included in the applicable regional transportation plan. (<i>Reference: Pub. Resources Code, §§ 21155(b)(3); 21060.2; 21064.3.</i>) • “Transit Station” is a rail station or bus transfer station. • “High-Quality Transit Corridor” is a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. (<i>Reference: Pub. Resources Code, § 21155(b)(3).</i>) |

¹ “Affordable housing cost” is defined consistent with state law as not more than 30 percent of gross household income, with variations, and “housing cost” commonly includes rents or mortgage payments, utilities, and property taxes and insurance for owner-occupied housing.

² HCD defines these income levels as a percentage of area median income (“AMI”) consistent with state law, as follows: extremely low-income (0-30% of AMI), very low-income (30%-50% of AMI), and low-income (50%-80% of AMI).

STEP TWO: EVALUATION CRITERIA

Projects that meet all Threshold Criteria (Step One) will be evaluated based on the project's incorporation of one or more of the Evaluation Criteria below.

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| | <ul style="list-style-type: none"> • “Within ½ mile” means that all parcels within the project have no more than 25 percent of their area farther than ½ mile from the stop or corridor. (<i>Reference: Pub. Resources Code, §21155(b)(3).</i>) |
| E | Energy Efficiency. Project energy efficiency features exceed local and state requirements applicable to the project. |
| F | Water Efficiency. Project water efficiency features exceed local and state requirements applicable to the project. |
| G | Excellent and innovative design. The project reflects excellent or innovative design. <i>Examples include, but are not limited to, innovative incorporation of private open spaces such as rooftop patios or gardens; “living” roofs; “living” walls; activated retail or neighborhood serving uses at street level; street level residential uses with street orientation; on-site or off-site installation of public art demonstrating excellence in aesthetic quality, workmanship, innovation and creativity; fitness areas/facilities; restaurants; grocery stores or neighborhood markets; gathering spaces; outdoor amenities such as benches and tables; community gardens; common kitchen facilities; use of universal design).</i> |
| H | On-site child care. Project includes construction of a child care facility/after school care facility or programming located on the premises of, as a part of, or adjacent to, the project. “Child care facility” means a facility installed, operated and maintained for the nonresidential care of children. |
| I | Prevailing wage. Project provides prevailing wage, labor certification and/or apprenticeship programs with local labor unions. |
| J | Public outdoor spaces. The project provides public outdoor spaces or communal living spaces. <i>Examples include, but are not limited to: parklets, micro-parks, public squares or gardens, climbing walls, community gardens, urban parks and similar outdoor features that are usable and enhance quality of life.</i> |
| K | Bicycle or pedestrian connectivity and/or pedestrian access. The project incorporates bike or pedestrian connectivity or pedestrian access. <i>Examples include: Class 2 bike access and connectivity, bike parking, pedestrian safety features at or near crosswalks, and/or access to nearby transit stops.</i> |
| L | Located within a disadvantaged community. “Disadvantaged community” is defined as an area identified by the California Environmental Protection Agency pursuant to California Health and Safety Code § 39711, or an area that is a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation. (<i>Reference: Cal. Government Code, § 65302(h)(4)(A), (C).</i>) |
| M | Off-site construction of affordable housing, workforce housing or units that are “affordable by design”. The project includes physical construction of off-site affordable housing, workforce housing, or housing that is “affordable by design,” or rehabilitates existing structures in disrepair pursuant to applicable state and local laws. |
| N | Mixed door housing. Project integrates affordable and/or workforce units, as applicable, side by side with market-rate units. |

IMPLEMENTATION

- At the discretion of the Board, RED Project funding commitments may be contingent on project readiness, which may be demonstrated by showing that any predicate legislative actions (e.g., rezoning) have been approved, that CEQA review is completed, and/or that major entitlements have been granted.
- RED Project funding commitments shall expire 18 months after the date of approval. The Board may, in its sole discretion, consider a one-time extension of an additional 18 months for good cause, upon written request by the applicant setting forth the basis for good cause.