

NORTH
BAY NEXT

Fast & Fair POLICY BRIEF

Improving How We Approve Housing

Sonoma County jurisdictions rely on a traditional method of approving houses that can add time, cost, and unreliability to the development process. Known as design review, it adds an additional layer of scrutiny to a project's aesthetic qualities—even those that comply with zoning regulations. This can add months to a project's entitlement time without necessarily adding value. At worst, design review allows projects to be held up under the objections of individuals or small groups of opponents, ultimately adding to their costs, and sometimes resulting in projects not getting built at all.

The good news is that reviewing new housing can benefit projects without being a burden to production. By minimizing their focus on aesthetic design and instead extracting benefits targeting the health, safety, and livable qualities of housing communities, cities have saved time while contributing to the quality of life of residents. In this policy brief we examine the uses (and misuses) of design review and its potential to add time and cost to projects without winning concessions beyond aesthetic qualities.

We argue that using discretionary review for changes to aesthetic features is a limited use of this valuable leverage. Winning fewer benefits while failing to cut meaningfully into our housing deficit is a lose-lose proposition. To make a real impact, we recommend areas for reform via consolidation of design review

into formal city bodies, with the goal of making the county a more rational and cost effective place to build high quality housing.¹

**Discretionary Review:
Why We Do it and How to Improve**

Cities rely on zoning codes to dictate what gets built and where. These codes shape communities—from the neighborhood level down to the parcel. But even with this advanced planning, not all proposed projects are perfectly consistent with zoning. Nor do zoning codes guarantee that the best of all possible projects get proposed. In these instances, cities want human eyes on proposed buildings in order to extract more from projects that meet the bare minimum of zoning requirements.

Adding a human eye allows cities to see when common variances are acceptable and should be approved or, conversely, when a project stands to make improvements. Cities leverage this subjective approval when they can extract different kinds of concessions from projects.

Weighing the Uses of Review

When cities let zoning do the work for them and are confident that zoning brings projects to high standards, they engage in what's called a *by-right process*: this is when zoning-compliant projects are approved with minimal scrutiny. Cities typically invest upfront in zoning law to specify exactly what they want and rely

on those laws to save time on staffing and approval later in the process. A UCLA study of 350 multifamily projects permitted in Los Angeles between 2018 and 2020 found that permitting times doubled for projects that went through discretionary review standards as opposed to by-right approval.²

Very few projects in Sonoma County are approved on a by-right basis. Instead, Sonoma County jurisdictions use *discretionary review processes*—the additional level of scrutiny described above (see Table 1).

TABLE 1	Primary Review Mechanism	Residential Developments Exempt from Discretionary Review
Cloverdale	Design Review	Single family homes
Cotati	Design Review	At discretion
Healdsburg	Design Review	Single family homes in select areas
Petaluma	Design Review	Single family homes outside of historic areas
Rohnert Park	Site Plan and Architectural Review	Single family homes
Santa Rosa	Design Review	Single family homes (under 5,000 sqft)
Sebastopol	Design Review	Buildings (except ADUs) in single-family or duplex zones
City of Sonoma	Design Review and Historic Preservation Commission	Single-family homes and duplexes located outside the Historic zone
Windsor	Site Plan and Design Review	Single family homes
County of Sonoma	Design Review	Single family homes outside of scenic resource areas

There are many types of review: some are applied to projects with a few common variances, others to projects with major variances from the zoning. But in Sonoma County, the preferred review process is known as design review, and it is applied to all projects *even when they are largely in compliance with underlying zoning*.³ Design review scrutinizes projects at a higher level of detail and land use fit. Other review methods, like Site Plan Reviews, ensure projects conform to zoning, offer sufficient amenities, and minimally impact neighbors before they are approved. These other methods are intended to move projects quickly from application to entitlement if they meet basic standards.

Design review by contrast has purview over multiple design components including fit with “neighborhood character” and compatibility with nearby design.⁴ Design review can be complex, longer in length, and—given its subjective nature—far less reliable in terms of total time to approval.

Disadvantages of Design Review

Design review boards, a mainstay of discretionary review processes since the 1970s, are an especially rigorous form of review in use in California. The highly personalized process of design review gives power to boards of volunteers to assert subjective judgment over a project’s architectural design, facade, and massing. Designed to win concessions that raise the aesthetic value of housing, however, this type of review also introduces potential problems that can outweigh their benefit and have unintended impacts on the production of denser missing middle and multifamily projects through added unreliability, time, and cost.

Unreliable and Unpredictable Approval Times

The most significant impact of design review is on the predictability of approval times. The subjective nature of design review leads to an unpredictable and unreliable process with great range in the length of time. A 2021 study found design review approvals had more variable timelines compared to other review types, leaving developers less able to predict how long the process is likely to take at the outset.⁵ A study of Santa Monica’s review process, which is closest to the design review process utilized across Sonoma County, demonstrated that it has the largest deviation between median and mean approval timeframes—nearly 10 months.⁶

Sonoma County’s processes yield significant variance in time as seen in Figure 1. Unlike Planning or Zoning Administrators that follow relatively strict instructions on allowances, design review boards are bound by less formal guidelines and possess extensive interpretive latitude, making it hard for homebuilders to anticipate how to plan projects and line up financing accordingly.

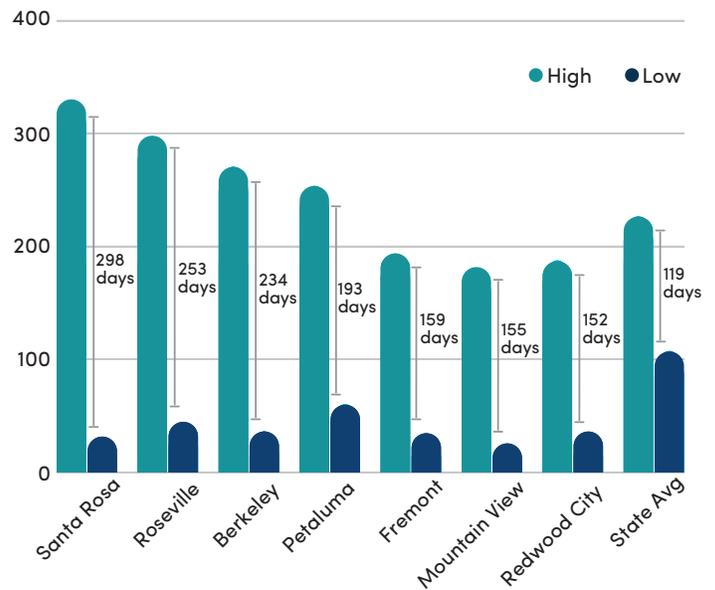


Figure 1. Permitting Time Variance: High and low average entitlement times for multifamily structures, 2020–2022

Source: California Department of Housing and Community Development “Annual Progress Reports - Data Dashboard and Download

Time and Cost

In addition to high variability in time, design review tends to lead to longer review times on average. This is due to three features of design review: (1) it is typically utilized even for projects that are in compliance with zoning, meaning more projects overall are subject to review; (2) it is often, though not always, conducted by a discrete board of volunteers, adding an additional stage of review; and (3) as a subjective process influenced by personal tastes, it can be harder for homebuilders to anticipate and respond to requests. (See the Case Study of W. Steele Lane’s approval timeline and process on the following page).

Proposed developments subject to discretionary review had longer approval time frames across all project sizes than do those with a mix of by-right and site review, but those with design review as their primary mechanism fared worst. Santa Monica’s median approval times for missing middle housing was 55 months and 101 months for projects of 150 units or more, compared to approval times of 11 and 22 months, respectively, in cities with a more integrated review process. This means design review can increase approval times five fold for larger projects.⁷ Closer to home in the Bay Area, cities with design review approval require nearly 50% more sessions to approve an equal number of projects as those without.⁸

In a review of five years of design review sessions, Generation Housing found everything from harmony with nature, to architectural school, to shading being used to hold up approval. In Sonoma County, where only plexes and multifamily homes are subject to design review, average entitlement times for these

typologies remain above average.⁹ (See Figure 2 on median entitlement times for denser housing typologies.)

Longer time spent in the development stage adds costs to these projects, which are already harder to finance. California YIMBY found that by requiring developers to keep up labor and material costs in the interim, the discretionary entitlement process raised some project costs by as much as 30 percent for affordable

developers.¹⁰ Add to that the annual rising construction costs of between 9 and 13 percent over the last two years, according to the DGS California Construction Cost Index, and Sonoma County’s average time of 2.16 years between application and completion for plex-style projects has the potential to add over 20% in costs to gentle density projects alone.

CASE STUDY:

1650 W. Steele Lane was first proposed in 2020 as a 36-unit multifamily residential building. Located near a SMART train stop, job hub, and the amenities at Coddington Mall, the project promoted walkable housing. Through three Planning approvals including an Addendum to a previously certified EIR, a Minor Conditional Use Permit, and Minor Design Review, the project was met with objections at numerous stages. At risk were its pedestrian friendly features that boosted its quality of life for residents. Nearly four years after the project was first proposed, it recently passed one of its final hurdles.

January 15, 2020. Neighborhood Meeting for the Project. Residents share concerns related to:

- Residential density of the project
- Increased traffic in the area

March 5, 2020 Design Review. The review board focused on aesthetic elements of the project, which it noted were not consistent with the neighborhood, including:

- Request to increase the size of parking spaces to accommodate larger vehicles for “farmer types, outdoors types, that drive crew cab trucks”
- Request to redo the aesthetic features and massing of the building because of “influence from Scottish Modernism like Mackintosh and European style of builds” that was deemed incompatible with the “Northern Cal vernacular medium and low density housing” on the street
- Request to “reduce the pedestrian plaza” to give more space for parking

December 20, 2022. Director of the Planning and Economic Development Department approves the State Density Bonus application.

January 19–25, 2023. Public hearing and project receives approval at a Special Meeting of the Zoning Administrator.

February 6, 2023. The City Clerk’s Office receives an Appeal application filed by opponents of the project’s reduced parking.

May 23, 2023. The City Council elects to postpone the appeal hearing for further review.

August 8, 2023. The City Council rejects the appeal and upholds the original approval.

Unrepresentative Process

Design review can add opportunities for the community to participate in the design and development of their city, but only if they allow for voices that are representative of the entire community. Currently, only 15% of volunteer appointments in the county are non-white despite 34% of the population being comprised of Latino, Asian/Pacific Islander, and Black residents. Only 5% of all board members are Latino compared to 27% of residents in Sonoma County. As counties have moved towards diversifying its class of electeds, these appointed boards stand out. Further, only a quarter of all county review staff are women. This means that many boards lack perspective on safety in multifamily design, child care, and amenities that disproportionately impact women in the county.

Finally, attendees at public meetings also tend to be whiter and wealthier than the community at large as well as more likely to be homeowners.¹¹ As Berkeley researchers note, “not all community members are equally empowered to participate in the planning process”.¹² This undermines claims that design reviews are essential to public input. Design review boards are a factor in delays when multifamily projects are sited near less dense housing or on smaller, residential side streets.

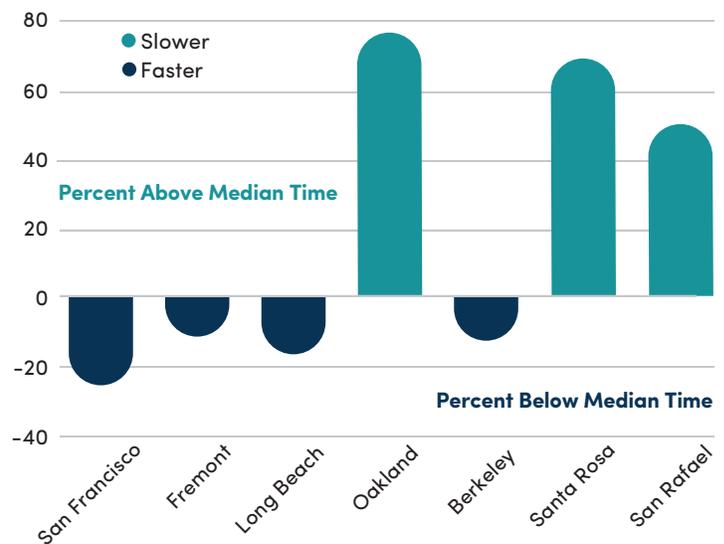


Figure 2. Approval Times for Smaller Multifamily Projects: Average time to entitlement of plex-style housing as a percent of median entitlement times for all housing types
Source: California Department of Housing and Community Development “Annual Progress Reports - Data Dashboard and Download

What Reforms Are Best for Sonoma County

Discretionary review allows cities to wield leverage over development and extract concessions. But that can be used effectively only if the concessions add meaningful value to the quality of life of residents. *We argue that design review is one of the least effective ways to use that leverage:* it adds more time for minimal extractions (aesthetic) while giving up better uses of review, such as extracting concessions on affordability, density, and transit benefits, that yield universal benefits. Utilizing review to win extractions on affordability addresses a real need and confronts the reality that, in our current market, affordability is harder to achieve than fancy facades.

As noted in Table 2, Sonoma County jurisdictions are permitting projects per capita at all price points below other cities. But only two of our jurisdictions are producing units for moderate and low incomes at above 10 units per 1,000 residents. In cities like those in Sonoma County where providers can command higher rents and are able to withstand longer review times, extended reviews that focus on extracting high-end aesthetic concessions only add time and costs to projects, skewing more projects towards the higher end of the price spectrum.¹³ Given our low production rates of below moderate units, minimizing entitlement times will save costs that can instead be put towards extracting greater affordability for residents.

TABLE 2	Below Moderate Units	Above Moderate Units	Total Units	Total Units Permitted per 1,000 People	<Moderate Units Permitted per 1,000 People
Mountain View	651	5,458	6,109	74.96	7.99
Roseville	4,241	5,906	10,147	67.20	28.09
Rohnert Park	298	1,496	1,794	40.77	6.77
Redwood City	864	2,367	3,231	39.60	10.59
Fremont	1,304	7,056	8,360	36.75	5.73
Berkeley	674	3,609	4,283	36.61	5.76
Healdsburg	158	202	360	32.14	14.11
Cloverdale	171	87	258	28.99	19.21
State Average	227,188	700,950	928,138	23.65	5.79
Santa Rosa	967	2,953	3,920	22.66	5.59
Petaluma	205	982	1,187	20.12	3.47
County of Sonoma	692	974	1,666	11.41	4.74
Cotati	36	44	80	10.81	4.86
Sebastopol	34	25	59	7.97	4.59
Windsor	60	109	169	6.50	2.31
City of Sonoma	47	0	47	4.43	4.43

“We miss out on opportunities that are permitted by the zoning code that many residents assume developers are not interested in building. In fact, these projects are doable within small lots, but there needs to be a process that guarantees predictability.”

– Affordable housing provider, Sonoma County

Integrate Design Review Functions

We recommend integrating design review functions within broader planning bodies. This policy is doable now with minimal code changes, eliminates a full step focused exclusively on design, and provides the following three significant benefits:

(1) Combining design review with other departments places design under the purview of planning staff, who are charged with staying closer to the code and are subject to accountability for delivering benefits to the public. Minimizing personal aesthetic taste can allow staff to focus on design that influences and supports real human behavior in objective ways, like shorter commutes, walkability, proximity to friends and family, and other evidence-based impacts that add more value than aesthetic revisions.

(2) Eliminating design review as a separate and discrete stage of review can undo decades of policy that primed residents to view the public approval process as their chance to veto and delay new projects for any aesthetic concern. Design review platforms allow small, unrepresentative groups to speak on behalf of their personal tastes to the detriment of the residents who stand to benefit from affordable housing the most.

(3) Depersonalizing the process diminishes prolonged negotiation over highly subjective revisions that can deter new, smaller developers from entering the market. At a time when the county is seeking to attract smaller developers, including minority-owned developers, they “may view the process as intimidating without access to, personal knowledge of, or connections to Design Review Board members and their preferences” according to some researchers.¹⁴

Several examples of cities who have scaled down their review process include:

- Cities like Los Gatos who have implemented an early-stage review process whereby design review is included with planning and site review to minimize late-stage revisions that can be time-consuming and costly. As noted in interviews with city planners from Los Gatos, staff can focus on basic issues of conformity with general plans rather than the details of design, which can prove lengthy and unpredictable.
- Cities who utilize Site Plan Reviews offer another option similar to integration. Site Plan reviews ensure projects conform to zoning, offer sufficient amenities, and minimally impact neighbors before they are approved. They are intended to move projects quickly from application to entitlement if they meet basic standards.¹⁵
- Finally, we have already seen that some consolidation is possible here without any sacrifice to quality of housing. Under the Resilient City modifications to design review, Santa Rosa responded to the need for quick rebuilds by minimizing the number of sessions, reformatting the sequencing of the review process, and empowering the Zoning Administrator with final authority to implement Conceptual Design recommendations.

These changes require minimal resequencing or staffing changes and can be implemented with flexibility based on the needs of each jurisdiction.

Conclusion

Aesthetic review offers minimal extractions without the benefits of time and cost. At worst, aesthetic reasons are cited in opposition to highly needed multifamily housing located near less dense existing homes. Cities must therefore be careful with how extensive their design review functions are and should instead leverage discretionary review by winning concessions that focus on more objective quality of life indicators. By minimizing subjective input on aesthetics, we can save time and cost while also diminishing the unreliability that comes with highly personal judgments over aesthetic features. These changes will allow cities to protect what's in their residents' interests without getting bogged down in costly debates over minor aesthetic details like color and facades. To reach our need for 58,000 homes by 2030 we must prioritize fast and fair approvals, making Sonoma County an easier and more rational place to build.

1. Fryman, Annie. "Why S.F. NIMBYs are about to lose all their power to stop new housing." San Francisco Chronicle. Sep. 25, 2023.
2. Michael Manville, Paavo Monkkonen, Nolan Gray & Shane Phillips (2023) Does Discretion Delay Development?, Journal of the American Planning Association, 89:3, 336-347.
3. A report in Berkeley Law classifies design review processes as "tools that impose discretionary review that are applied even where a proposed project is consistent with the underlying base zoning district's use and density requirements". See O'Neill, M., Gualco-Nelson, G., & Biber, E. (2018). Getting it Right: Examining the Local Land Use Entitlement Process in California to Inform Policy and Process. UC Berkeley: Berkeley Law. Retrieved from <https://escholarship.org/uc/item/50m0h67f>
4. O'Neill, M., Gualco-Nelson, G., & Biber, E. (2018). Getting it Right: Examining the Local Land Use Entitlement Process in California to Inform Policy and Process. UC Berkeley: Berkeley Law. Retrieved from <https://escholarship.org/uc/item/50m0h67f>
5. Michael Manville, Paavo Monkkonen, Nolan Gray & Shane Phillips (2023) Does Discretion Delay Development?, Journal of the American Planning Association, 89:3, 336-347. It is predicted that zoning compliant projects approved under provisions such as SB 35 can be done in as little as 6 weeks rather than years – revealing that discretionary review imposes arbitrary and inflated approval delays without necessarily adding value to the quality of housing stock.
6. O'Neill, M., Gualco-Nelson, G., & Biber, E. (2018). Examining the Local Land Use Entitlement Process in California to Inform Policy and Process. UC Berkeley: Berkeley Law. Retrieved from <https://www.law.berkeley.edu/wp-content/uploads/2019/02/Examining-the-Local-Land-Use-Entitlement-Process-in-California.pdf>
7. Ibid. "The time lags observed in Santa Monica and Pasadena suggest that Site Plan Review processes might move more efficiently in Long Beach and Los Angeles."
8. Oakland (where the primary discretionary tool is DRB) entitled 67 MF projects but conducted 126 discrete sessions to do it for a per-project review rate of 1.8 sessions. By contrast, San Francisco (no DRB) entitled 85 projects and conducted 105 discrete sessions to do it for a per-project review rate of 1.2 sessions
9. Data from the California Department of Housing and Community Development "Annual Progress Reports - Data Dashboard and Download." <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard>
10. Jacobson, Emily. (2023). "The Dysfunctional Metropolis: Reforming Los Angeles's Land Use Planning and Entitlement." California YIMBY Education Fund. Retrieved from: https://cayimby.org/wp-content/uploads/2023/06/LA-Dysfunctional_Metropolis-Report.pdf
11. Lemar, Anika Singh. (2022). "The public hearing process for new housing is broken. Here's how to fix it." Brookings institute. Retrieved from: <https://www.brookings.edu/articles/the-public-hearing-process-for-new-housing-is-broken-heres-how-to-fix-it/>
12. O'Neill, M., Gualco-Nelson, G., & Biber, E. (2018). Getting it Right: Examining the Local Land Use Entitlement Process in California to Inform Policy and Process. UC Berkeley: Berkeley Law. Retrieved from <https://escholarship.org/uc/item/50m0h67f>
13. This suggests that long approval times are not de facto deterrents to completing projects, likely because the ability of developers here to command higher rents enables them to withstand longer approval times.
14. Jacobson, Emily. (2023). "The Dysfunctional Metropolis: Reforming Los Angeles's Land Use Planning and Entitlement." California YIMBY Education Fund. Retrieved from: https://cayimby.org/wp-content/uploads/2023/06/LA-Dysfunctional_Metropolis-Report.pdf
15. O'Neill, M., Gualco-Nelson, G., & Biber, E. (2018). Examining the Local Land Use Entitlement Process in California to Inform Policy and Process. UC Berkeley: Berkeley Law. Retrieved from <https://www.law.berkeley.edu/wp-content/uploads/2019/02/Examining-the-Local-Land-Use-Entitlement-Process-in-California.pdf>



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