

RESOLUTION NO.

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA RECOMMENDING THAT THE CITY COUNCIL AMEND THE GENERAL PLAN DIAGRAM AND TEXT FOR THE 38 DEGREES NORTH PHASE 3 PROJECT FROM RETAIL AND BUSINESS SERVICES AND MEDIUM DENSITY RESIDENTIAL TO MEDIUM HIGH DENSITY RESIDENTIAL AND REMOVE THE STAR SYMBOL AT THE PROJECT SITE; AMEND THE GENERAL PLAN TEXT TO REMOVE REFERENCE TO THE COMMUNITY SHOPPING CENTER ON PAGES 2-12, 2-20, AND 2-30 FOR THE PROPERTY AT 2660 PETALUMA HILL ROAD, SANTA ROSA 044-370-002, 044-370-010, 044-051-073, AND 044-051-055, FILE NUMBER PRJ21-011 (GPAM21-001)

WHEREAS, on May 19, 2021, applications were submitted to the Planning and Economic Development Department for a General Plan Diagram and Text Amendment and Rezoning for the entire 38 Degrees North site, to allow development of 38 Degrees North Phase 3, a 30-unit multi-family housing Project on an approximately 1.29-acre portion of a 15.82-acre site containing 120 existing multi-family units across 5.03 acres, and 172 approved multi-family housing units across 10.87 acres including a 2.54-acre Open Space Preserve located at 2660 Petaluma Hill Road, APNs 044-370-002, 044-370-010, 044-051-073, and 044-051-055 (Project); and

WHEREAS, the requested entitlements include a request to amend the General Plan land use designation from Retail & Business Services and Medium Density Residential to Medium High Density Residential and to remove the star symbol designating a future Community Shopping Center from the General Plan Land Use Diagram; and

WHEREAS, the requested entitlements also include a request to amend the General Plan Text to (1) remove reference to a Community Shopping Center at the site on page 2-12 of the General Plan, (2) remove reference to a "Community Shopping Center" in the southeast portion of the City in Table 2-4 on page 2-20, under General Plan Policy LUL-E-1, (3) remove reference to a Community Shopping Center at "Petaluma Hill Road at Yolanda Avenue" on page 2-22, Policy LUL-G-1, and (4) remove reference to the Community Shopping Center on page 2-30, Policies LUL-W and LUL-W-1; and

WHEREAS, the requested entitlements also include Rezoning for consistency with the General Plan and Major Design Review for a new 30-unit, multifamily residential project; and

WHEREAS, the proposed General Plan amendment is part of the Fall 2021 General Plan Amendment Package; and

WHEREAS, the Medium High Density Residential land use designation is intended to accommodate multifamily housing developments; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA) an Addendum to the previously adopted Mitigated Negative Declaration (MND) for the 38 Degrees

North Phase 2 project was prepared for the Project pursuant to CEQA Guidelines Section 15162; and

WHEREAS, City staff has evaluated the proposed Project in light of the standards for subsequent environmental review outlined in Public Resources Code section 21166 and CEQA Guidelines Section 15162 and concluded that the previously adopted MND fully analyzed and mitigated all potentially significant environmental impacts, that would result from the proposed Project; and

WHEREAS, the Addendum concluded that the General Plan Amendments for the Project would not cause new significant environmental impacts or substantial increases in the severity of significant effects beyond those previously identified as part of the City's environmental review process and none of the circumstances under CEQA Guidelines Section 15162 apply, therefore, no additional analysis is required; and

WHEREAS, on November 18, 2021, the Planning Commission approved a resolution recommending that the City Council adopt an Addendum to the previously adopted 38 Degrees North Phase 2 Mitigated Negative Declaration (State Clearinghouse No. 202020060247) for the Project; and

WHEREAS, adoption of the 38 Degrees North Phase 3 General Plan Amendment is consistent with the applicable goals and policies of the 2035 General Plan; and

WHEREAS, the staff findings justify amending the General Plan on the subject parcel because of prevailing development patterns in the area; and

WHEREAS, on November 18, 2021, the Planning Commission held a noticed public hearing to consider a General Plan Amendment for 38 Degrees North Phase 3; and

WHEREAS, the Planning Commission finds that the Project is consistent with the following General Plan goals and policies:

| <b>LAND USE AND LIVABILITY</b> |   |
|--------------------------------|---|
| <b>LUL-A</b>                   | <b>Goal</b> – Foster a compact rather than a scattered development pattern in order to reduce travel, energy, land, and materials consumption while promoting greenhouse gas emission reductions citywide.  |
| <b>LUL-E</b>                   | <b>Goal</b> – Promote livable neighborhoods by requiring compliance with green building programs to ensure that new construction meets high standards of energy efficiency and sustainable material use. Ensure that everyday shopping, park and recreation facilities, and schools are within easy walking distance of most residents. |
| <b>LUL-F-1</b>                 | <b>Goal</b> – Do not allow development at less than the minimum density prescribed by each residential land use classification.   |
| <b>LUL-F-2</b>                 | <b>Goal</b> – Require development at the mid-point or higher of the density   |

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|--------------------------|---|
|                          | range in the Medium and Medium High Density Residential categories. Allow exceptions where topography, parcel configuration, heritage trees, historic preservation or utility constraints made the mid-point impossible to achieve. |
| <b>LUL-V</b>             | <b>Goal</b> – Establish a land use pattern and residential environment which promotes efficient, harmonious relationships between different activities and reinforces the identity of the southeast area.                           |
| <b>HOUSING</b>           |   |
| <b>H-A</b>               | <b>Goal</b> – Meet the housing needs of all Santa Rosa residents.   |
| <b>ECONOMIC VITALITY</b> |   |
| <b>EV-B-1</b>            | <b>Goal</b> – Monitor land use and development trends in the city to ensure an adequate supply of land that offers diverse use designations and development intensities.  |

WHEREAS, the Planning Commission finds that a General Plan Diagram and Text Amendments to amend the General Plan land use designation from Retail & Business Services and Medium Density Residential to Medium High Density Residential, remove the star symbol located on the site from the General Plan Land Use Diagram on the subject site, and amend the General Plan Text to (1) remove reference to a Community Shopping Center at the site on page 2-12 of the General Plan, (2) remove reference to a “Community Shopping Center” in the southeast portion of the City in Table 2-4 on page 2-20, under General Plan Policy LUL-E-1, (3) remove reference to a Community Shopping Center at “Petaluma Hill Road at Yolanda Avenue” on page 2-22, Policy LUL-G-1, and (4) remove reference to the Community Shopping Center on page 2-30, Policies LUL-W and LUL-W-1 is justified to achieve the objectives and policies of the General Plan in that:

- A. The proposed amendment ensures and maintains internal consistency with the goals and policies of all elements of the General Plan in that since the adoption of the Santa Rosa General Plan 2035, the City has approved several large retail-grocery uses in the southeast quadrant of the City that are within one mile of the Project site, while current market trends indicate a rise in commercial vacancy rates, which has limited the feasibility of providing a Community Shopping Center at the Project’s location. Moreover, a Retail and Grocery Analysis by Zonda, a market research consulting firm specializing in the real estate industry, was provided by the applicant as part of the Project, which concluded that the Project site does not support any anchor retail uses including grocery store anchor. Therefore, a General Plan Amendment to change the land use designation to Medium High Density Residential is warranted and meets General Plan Policy EV-B-1. Finally, General Plan 2035 identifies Santa Rosa’s share of Regional Housing Needs Allocation (RHNA) as 4,662 units, and adding 30 new additional residential units furthers the City’s goal to meet the RHNA while also meeting General Plan Policy H-A, which would be the highest and best use of the land, which is an essential community planning principle; and

- B. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that based on the Retail and Grocery Analysis by Zonda, it is not anticipated that a major retail anchor will develop on the property. Additionally, given the restrictions on retail operations imposed by COVID-related state and local health ordinances, as well as the significant change in consumer shopping habits, retail has become a less profitable enterprise. Rezoning and amending the General Plan from Retail and Business Services and Medium Low Density Residential to allow for Medium High Density Residential aligns the property with its surrounding neighbors. The Project has been reviewed by City Staff and applicable outside agencies and has been conditioned appropriately. Finally, an Addendum to 38 Degrees North Phase 2 IS/MND concluded that the project would not result in significant effects on the environment with mitigations identified on the Mitigation Monitoring and Reporting Program as part of the Addendum; and
- C. The site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested/anticipated land use developments in that the Project site is surrounded by residential uses with some industrial uses to the southwest. The project is serviced by Petaluma Hill Road, the future extension of Farmers Lane, and Kawana Springs Road to the north, all designated as regional streets which can accommodate traffic and multi-modal transportation for the proposed use and existing surrounding uses. Some required public right-of-way improvements have been constructed as part of 38 Degrees North Phase 1, while Phase 2 right-of-way improvements were approved, and construction level drawings are under review by the City. All right-of-way improvements were reviewed in compliance with all applicable City standards as part of Phases 1 and 2 for the entire site and no changes are required as part of this General Plan Amendment; and
- D. The proposed Project has been reviewed in compliance with the California Environmental Quality Act (CEQA). An Initial Study (IS) was prepared for 38 Degrees North Phase 2, which resulted in a Mitigated Negative Declaration (MND). The draft MND was circulated for a 30-day public comment period commencing June 11, 2020. No comments were received. Potentially significant impacts related to Air Quality, Biological Resources, Cultural Resources, Energy, Geology/Soils, Greenhouse Gases, Hydrology/Water Quality, Noise, Transportation, Tribal Cultural Resources, and Cumulative Impacts were identified. The project impacts would be mitigated to a less than significant level through implementation of recommended mitigation measures contained in the Mitigation Monitoring and Reporting Program (MMRP) prepared for the Project, which identifies the timing of, and the agency or agencies responsible for enforcement and monitoring of each mitigation measure to be implemented. The mitigation measures included in the MMRP reduce potentially significant impacts to less than significant levels and demonstrate how compliance with existing Municipal Code requirements or City standards reduces impacts to less than significant levels. The IS/MND was adopted by Design Review Board Resolution No. 20-1012 on August 20, 2020.

An Addendum to the adopted 2020 MND was prepared on October 22, 2021, and reviewed by City Staff. Staff has determined that the project would not cause new

Resolution No. \_\_\_\_\_

significant environmental effects or substantial increases in the severity of significant effects beyond those previously identified and mitigated to a less than significant level through implementation of the aforementioned MMRP. An Addendum to an adopted MND may be prepared if no significant environmental effects will occur and none of the previously identified effects will increase in severity (CEQA Guidelines section 15164). None of the circumstances under CEQA Guidelines Section 15162 are triggered; therefore, an addendum complies with the requirements of CEQA.

Per CEQA Guidelines Section 15164(c), an addendum need not be circulated for public review, but can be included in or attached to the final EIR or adopted MND. Per CEQA Guidelines Section 15164(d), the decision-making body shall consider an addendum with the adopted MND prior to making a decision on the project.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Santa Rosa recommends approval by the City Council of a General Plan Amendment on the subject property to change the land use designation from Retail & Business Services and Medium Density Residential to Medium High Density Residential, remove the star symbol located on the site from the General Plan Land Use Diagram on the subject site, and amend the General Plan Text to (1) remove reference to a Community Shopping Center at the site on page 2-12 of the General Plan, (2) remove reference to a “Community Shopping Center” in the southeast portion of the City in Table 2-4 on page 2-20, under General Plan Policy LUL-E-1, (3) remove reference to a Community Shopping Center at “Petaluma Hill Road at Yolanda Avenue” on page 2-22, Policy LUL-G-1, and (4) remove reference to the Community Shopping Center on page 2-30, Policies LUL-W and LUL-W-1.

REGULARLY PASSED AND ADOPTED by the Planning Commission of the City of Santa Rosa on this 18<sup>th</sup> day of November, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: \_\_\_\_\_  
KAREN WEEKS, CHAIR

ATTEST: \_\_\_\_\_  
ANDREW TRIPPEL, EXECUTIVE SECRETARY