

**CITY OF SANTA ROSA PLANNING COMMISSION
REGULAR MEETING MINUTES
THURSDAY, MARCH 23, 2017**

Attachment 9

1. CALL TO ORDER

Commissioner Stanley called the meeting to order at 4:00 p.m.

2. ROLL CALL

Commissioners present: Duggan, Groninga, Stanley, Rumble. Commissioners Absent: Chair Cisco, Vice Chair Crocker, Commissioner Edmondson

3. APPROVAL OF MINUTES

None

4. PUBLIC APPEARANCES

Duane Dewitt - Discussed Santa Rosa Parking Issues

5. PLANNING COMMISSIONER'S REPORT

None

6. DEPARTMENT REPORT

Bill Rose, Supervising Planner, Discussed upcoming potential meeting agenda items

7. STATEMENTS OF ABSTENTION BY COMMISSIONERS

None

8. PUBLIC HEARING

**8.1 PUBLIC HEARING - DETURK WINERY VILLAGE - DENSITY BONUS AND
VACATION OF PUBLIC RIGHT-OF-WAY - 806 DONAHUE STREET AND 806 W. 9TH
STREET - FILE NO. PRJ16-012**

The Planning Commission will consider a request for Density Bonus for a 35% density increase, and a Vacation of Public Right-of-way for an approximately 18,725-square foot area along the east side of Donahue Street, between W. 8th Street and W. 9th Street.

Ex-Parte Disclosures: Commissioner Duggan and Stanley watched the appeal at the Council meeting, Groninga watched the Cultural Heritage Board denial. All commissioners including Commissioner Rumble visited the site and had nothing to disclose.

Bill Rose explained the projects influence on the progress of the Housing Action Plan.

Susie Murray, City Planner, presented the staff report and responded to questions.

Richard Deringer, Applicant, gave a presentation.

PUBLIC HEARING

Commissioner Stanley opened the public hearing at 4:28 p.m.

Teri Shore - Supported the project

Robin Stephani - Supported the project

Duane Dewitt - Supported the project

Commissioner Stanley closed the public hearing at 4:37 p.m.

A discussion ensued between the Commissioners and staff regarding parking issues and the addition of condition number 4 of Resolution 11824.

MOVED by Commissioner Duggan and Seconded by Commissioner Groninga, **CARRIED** 4-0-0-3 (Commissioner Duggan, Groninga, Rumble and Stanley voting Yes; Chair Cisco, Vice Chair Crocker and Commissioners Edmondson Absent); to waive reading of the text and adopt as amended:

RESOLUTION NO. 11824 ENTITLED: RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA RECOMMENDING THAT THE CITY COUNCIL VACATE A PORTION OF THE PUBLIC RIGHT-OF-WAY ALONG THE EAST SIDE OF DONAHUE STREET, BETWEEN W. 8TH STREET AND W. 9TH STREET, PURSUANT TO GOVERNMENT CODE SECTION 8300 ET. SEQ., TO ACCOMMODATE THE DEVELOPMENT OF DETURK WINERY VILLAGE; FILE NUMBER PRJ16-012

MOVED by Commissioner Duggan and Seconded by Commissioner Groninga, **CARRIED** 4-0-0-3 (Commissioner Duggan, Groninga, Rumble, Stanley voting Yes; Chair Cisco, Vice Chair Crocker, Commissioners Edmondson Absent); to waive reading of the text and adopt:

RESOLUTION NO. 11825 ENTITLED: RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA MAKING FINDINGS AND DETERMINATIONS AND RECOMMENDING THAT COUNCIL APPROVE A DENSITY BONUS FOR DETURK WINERY VILLAGE, LOCATED AT 806 DONAHUE STREET AND 8 W. 9TH STREET, ASSESSOR'S PARCEL NUMBERS 010-091-001 AND 010-091-007 - FILE NUMBER PRJ16-012

9. ADJOURNMENT

Commissioner Stanley adjourned the meeting at 4:58 p.m. to the City Council Joint Session meeting to be held on Tuesday, March 28, 2017 at 4:00 p.m.

Approved on:
APPROVED:

Clare Hartman, Executive Secretary

RESOLUTION NO. 11824

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA
RECOMMENDING THAT THE CITY COUNCIL VACATE A PORTION OF THE PUBLIC
RIGHT-OF-WAY ALONG THE EAST SIDE OF DONAHUE STREET, BETWEEN W. 8TH
STREET AND W. 9TH STREET, PURSUANT TO GOVERNMENT CODE SECTION 8300
ET. SEQ., TO ACCOMMODATE THE DEVELOPMENT OF DETURK WINERY VILLAGE;
FILE NUMBER PRJ16-012

WHEREAS, on April 15, 2015, an application was submitted to the Planning and
Economic Development Department requesting a Vacation of Public Right-of-way for a 18,725-
square foot area, located on the east side of Donahue Street, as shown in the legal description
attached hereto as Exhibit A and incorporated herein; and

WHEREAS, on April 19, 2016, the City Council adopted Resolution No. 28768 stating
its Intention to Consider Vacation of Public Right-of-way for a 18,725 square foot area along the
east side of Donahue Street, between W. 8th Street and W. 9th Street; and

WHEREAS, pursuant to Streets and Highways Code Section 8300 et. seq., the City
Council may approve vacation of the public right-of-way described in that resolution if it finds
that the area is unnecessary for present or prospective public use; and

WHEREAS, in accordance with Streets and Highways Code Section 8300 et. Seq., the
City proposes to reserve access rights for public uses together with public easements for public
sewer, water, storm drain, and public utilities within that portion of Donahue Street being
vacated; and

WHEREAS, pursuant to Streets and Highways Code Section 8300 et. seq., nothing shall
prevent the City from vacating a street without charging costs if it is determined that the vacation
is in the public interest to do so. Expanding the development area by 18,725 square feet will
allow the development of an additional 23 residential units and the inclusion of 15 residential
units reserved for very low income occupants; and

WHEREAS, an appraisal, prepared by Howard R. Levy, MAI, AI-GRS, Ward Levy
Appraisal Group, Inc., dated September 20, 2016, concluded that because the City will reserve
public access right on the subject area, the value of the property being vacated is zero dollars.
City staff has reviewed the document and agrees with that conclusion; and

WHEREAS, on March 23, 2017, the Planning Commission held a duly noticed public
hearing at which all those wishing to be heard were allowed to speak or present written
comments and other materials; and

WHEREAS, on March 23, 2017, the Planning Commission has considered the
application, the staff reports, oral and written, the General Plan and zoning on the subject
property, the testimony, written comments, the present or prospective public use(s) of the subject
right-of-way and other materials presented at the public hearing; and

WHEREAS, the Planning Commission finds that the requested Vacation of Public Right-of-way is justified to achieve the objectives and policies of the General Plan and Downtown Station Area Specific Plan in that:

- A. Pursuant to the California Streets and Highways Code Section 8324(b), if the legislative body finds that the area described in the Resolution of the City Council Stating Its Intention to Consider Vacation of Public Right-of-way (reference City Council Resolution No. 28768 attached to this report) is unnecessary for present or prospective public use, the legislative body may approve vacation of that area. The area being vacated is currently used for public parking. As conditioned, the City will reserve access for public uses in the entire area being vacated. Staff has determined that City-ownership of the area is not necessary for present or prospective public use.
- B. Pursuant to the California Streets and Highways Code Section 8321(f), nothing shall prevent the review authority from vacating a street or public service easement without charging costs if it is determined that the vacation is in the public interest to do so. The addition of 18,725 square feet to the Project area will result in an additional 23 residential units. The applicant has also provided an appraisal prepared by Howard R. Levy, Ward Levy Appraisal Group, Inc., dated September 20, 2016 (Appraisal). The Appraisal concludes that the value of the property is zero dollars since the City will reserve the entire 18,725-square foot area for public use. City staff has reviewed the appraisal and agrees with that conclusion.
- C. The requested Vacation of Public Right of Way helps to ensure the land use promotes the use of public transit by establishing appropriate new housing units within walking distance of Downtown SMART Station site.
- D. The requested Vacation of Public Right of Way facilitates the development of affordable housing within the boundaries of the Downtown Station Area Specific Plan.
- E. The ownership in fee of the public right-of-way is not necessary to provide pedestrian and public parking in that the City will reserve public access for pedestrian and public parking and right and privileges associated with public utilities within the Donahue Street corridor.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends to the City Council that it approve vacation of a 18,725-square feet of area located along the east side of Donahue Street between W. 8th Street and W. 9th Street for, based on the legal description stamped March 24, 2016, subject to each of the following conditions:

1. A legal description and plat of the proposed right of way vacation are to be attached to the vacation document approved by City Council and marked as "Exhibit A". The legal description shall include reference to the Public Access and Public Utility Easement Reservation.

2. Reservations of Public Access, Sewer, Water, and Storm Drainage Easements and a Public Utility Easement will be made over the portion of the Right of Way to be vacated. The easement reservations shall encompass all public and franchise utilities. The City of Santa Rosa shall have access to this easement at all times, day and night. All utility surface structures (i.e. manholes, storm drain inlets, underground boxes and vaults, etc.) shall be fully accessible at all times.
3. Design of private improvements in the public easement corridor on Donahue Street shall be subject to review and approval of the City Engineer, Director of Planning and Economic Development. The Water Department in the course of Public Utility maintenance activities will take due caution when performing or repair of public utilities and will not be responsible for repairs or replacement of tree, landscaping or structures not specifically approved by the City Engineer, Director of Planning and Economic Development on City approved public improvement plans.
4. Public improvements shall be completed prior to final occupancy (final inspection on Building Permit) being issued for any of the DeTurk Winery Village structures (Buildings A, B, C or D).
5. The vacation of that portion of Donahue Street described in Exhibit A is subject to execution and recordation of a parking agreement between the City and the Developer to retain a shared public use of the parking stalls within the vacated right of way on Donahue Street.
6. An Irrevocable Offer of Dedication of the Vacated Right of way shall be recorded concurrently with the approved Vacation by which the City may take back the Vacated Right of Way if the project, as approved, does not receive approval for final occupancy from the City before the expiration of all City approved time extensions of City entitlements and or Building Permits, or as otherwise agreed by the City.
7. Prior to issuance of any building permits for any portion of the project, the Vacation of Public Right of Way, Parking Agreement, Housing Agreement, Irrevocable Offer of Dedication and any other documents required to be recorded by the project's conditions of approval shall be recorded concurrently by the City Engineer, subject to City Clerk approval, with conformed and original recorded copies returned to Planning and Economic Development Engineering Development Services.
8. The City Clerk shall be directed by City Council that the Vacation of Right of Way is not to be recorded until notified by the Chief Building Official that the Building Permit has been approved and is ready to be issued.

REGULARLY PASSED AND ADOPTED by the Planning Commission of the City of Santa Rosa on this 23rd day of March, 2017, by the following vote:

AYES: (4) Commissioner Duggan, Groninga, Rumble, Stanley

NOES: (0)

ABSTAIN: (0)

ABSENT: (3) Chair Cisco, Vice Chair Crocker, Commissioner Edmondson

APPROVED: _____
CHAIR

ATTEST: _____
EXECUTIVE SECRETARY

RESOLUTION NO. 11825

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ROSA
MAKING FINDINGS AND DETERMINATIONS AND RECOMMENDING THAT
COUNCIL APPROVE A DENSITY BONUS FOR DETURK WINERY VILLAGE,
LOCATED AT 806 DONAHUE STREET AND 8 W. 9TH STREET, ASSESSOR'S PARCEL
NUMBERS 010-091-001 AND 010-091-007 - FILE NUMBER PRJ16-012

WHEREAS, an application for Density Bonus requesting a thirty-five percent (35%) density increase was submitted to the Planning and Economic Development Department by Richard Deringer for the development of DeTurk Winery Village, a mixed use project that includes 185 residential units, 15 of which are designated for very low income occupants, for the properties located at 806 Donahue Street and 8 W. 9th Street, Assessor's Parcel Numbers 010-091-001 and 010-091-007; and

WHEREAS, the project will designate eleven percent (11%) of the maximum allowable units for very low income occupants and, pursuant to Section 20-31.060 of the City of Santa Rosa Zoning Code, the applicant is entitled to two concessions and a thirty-five percent (35%) density increase. The applicant has requested concessions for building height and parking requirements; and

WHEREAS, State Density Bonus Law, California Government Code Section 65915 requires that when a housing developer meets certain criteria for a density bonus that the local jurisdiction must grant the regulatory concession(s) unless the City makes a written finding that the concessions or incentives (1) are not required in order to provide for affordable housing costs as defined by state law, (2) would have a specific adverse impact upon public health and safety or physical environment or any real property listed in the California Register of Historical Resources, or (3) would be contrary to state or federal law; and

WHEREAS, a historical analysis, prepared by Susan Clark, concludes that the proposed project is compatible with the existing historic structures; and

WHEREAS, on March 23, 2017, the Planning Commission held a duly noticed public hearing on the application at which all those wishing to be heard were allowed to speak or present written comments and other materials; and

WHEREAS, the Planning Commission has considered the application, the staff reports, oral and written, the General Plan and zoning on the subject property, the testimony, written comments, and other materials presented at the public hearing; and

BE IT RESOLVED that the Density Bonus, is approved subject to each of the following conditions:

1. The applicant shall enter into an agreement with the Santa Rosa Housing Authority to provide fifteen (15) units designated for very-low income occupants, for a period of 55-years, with, at a minimum, the provisions set forth in Zoning Code Section 20-31.100(B).

2. The units designated for very-low income occupants shall be:
 - a. Constructed at the same time as the market rate units;
 - b. Reasonably dispersed throughout the development and/or phases if applicable;
 - c. A similar unit type and size as market rate units;
 - d. Reasonably compatible with the design or use of the remaining units in terms of appearance, materials and quality finish; and
 - e. Remain substantially the same through repairs and improvements for the entire 55-year period in which these units are designated for very low income occupants.
3. There shall be four (4) community vehicles provided at no cost to DeTurk Winery Village residents. These vehicles shall be kept in good condition for the life of the project.
4. Residential parking spaces shall be unbundled from residential units for the life of the project. Unbundled parking, as defined by the Zoning Chapter 20-70, are spaces that are separated from the cost of housing, meaning that residents with no vehicles would realize a cost savings by not leasing a parking space.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission finds and determines this entitlement to use would not be granted but for the applicability and validity of each and every one of the above conditions and that if any one or more of the above said conditions are invalid, this entitlement to use would not have been granted without requiring other valid conditions for achieving the purposes and intent of such approval.

REGULARLY PASSED AND ADOPTED by the Planning Commission of the City of Santa Rosa on the 23rd day of March, 2017, by the following vote:

AYES: (4) Commissioner Duggan, Groninga, Rumble and Stanley

NOES: (0)

ABSTAIN: (0)

ABSENT: (3) Chair Cisco, Vice Chair Crocker, Commissioner Edmondson

APPROVED: _____
Chair

ATTEST: _____
Executive Secretary

CITY OF SANTA ROSA
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
STAFF REPORT FOR PLANNING COMMISSION
MARCH 23, 2017

PROJECT TITLE

Deturk Winery Village

APPLICANT

Richard Deringer on behalf of
Odyssey Development Company

ADDRESS/LOCATION

806 Donahue Street and 8 W. 9th Street

PROPERTY OWNER

Railroad Square Village, LLC

ASSESSOR'S PARCEL NUMBER

010-091-001 & 010-091-007

FILE NUMBER

PRJ16-012

APPLICATION DATE

May 24, 2016

APPLICATION COMPLETION DATE

May 24, 2016

REQUESTED ENTITLEMENTS

Density Bonus and
Vacation of Public Right-of-way

FURTHER ACTIONS REQUIRED

Density Bonus – City Council
Vacation of Public Right-of-way – City
Council

PROJECT SITE ZONING

TV-R-H-SA (Transit Village Residential
within both the Historic and Station Area
combining districts)

GENERAL PLAN DESIGNATION

Transit Village Medium

PROJECT PLANNER

Susie Murray

RECOMMENDATION

Approval

CITY OF SANTA ROSA
PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE PLANNING COMMISSION

FROM: SUSIE MURRAY, CITY PLANNER
PLANNING AND ECONOMIC DEVELOPMENT

SUBJECT: DETURK WINERY VILLAGE

AGENDA ACTION: TWO RESOLUTIONS

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission, by separate resolutions, recommend the City Council approve both a Density Bonus for a thirty-five percent (35%) density increase and Vacation of Public Right-of-way for an approximately 18,725-square foot area along Donahue Street for the Deturk Winery Village project.

EXECUTIVE SUMMARY

The Deturk Winery Village project (Project) involves four applications: A Landmark Alteration Permit, Design Review, Density Bonus and Vacation of Public Right-of Way (ROW). Preliminary Design Review and a Landmark Alteration Permit were both approved on January 31, 2017 on appeal to the City Council (Council). The applications now before the Planning Commission (Commission) include the Density Bonus and Vacation of Public ROW. The Commission is being asked for a recommendation that the Council approve both applications.

ANALYSIS

1. Project Description

The Project includes 185 apartments of which 15 would be designated for very low income occupants for a period of 55 years. This represents 6.7% of the City's 5-year goal for market rate units and 1.4% of the 5-year goal for very low income units. The Project would also retain approximately 20,000 square feet of existing commercial space.

The development site is located at 806 Donahue Street and 8 W. 9th Street, adjacent to the rail tracks. The General Plan and Downtown Station Area

Specific Plan (DSASP) both target this site for high density residential development. The site is located within two recognized historic districts (West End and North Railroad) and is currently developed with the historic DeTurk Winery which is listed on the California Register of Historic Resources.

The applications before the Commission include a Density Bonus requesting a 35% density increase and a Vacation of Public Right-of-way for an approximately 18,725-square foot area along the Donahue Street frontage. The Commission is being asked to recommend to the Council approval of both applications.

2. Surrounding Land Uses

North: Transit Village Medium (25-40 units per acre)

South: Transit Village Medium

East: Transit Village Medium and directly adjacent to the SMART rail tracks

West: Low Density Residential (2-8 units per acre) and Parks & Recreation

DeTurk Winery Village is located in the West End Preservation District. The Project site is bordered to the east by the SMART tracks and, just beyond the tracks, the recently approved Pullman Lofts site. The site is bordered to the west by Donahue Street, with the DeTurk Round Barn, DeTurk Park and residential properties directly across the street. The site is bordered to the north by W. 9th Street and to the south by W. 8th Street, both of which provide a mix of commercial uses in the Project vicinity.

3. Existing Land Use – Project Site

The Project site is currently developed with the historic DeTurk Winery complex consisting of both the Winery structures and the U.S. Bonded Warehouse structures. The large building located on the north end of the Project site had been determined to have no historic significance. The existing buildings are currently occupied with mix of commercial uses, including a gym, moving and storage companies, and a book publishing company.

4. Background

- November 5, 2015 – The first of two Joint Concept Design Review meetings was held before the Design Review Board and the Cultural Heritage Board (jointly, Boards).
- February 24, 2016 – A neighborhood meeting was held at the DeTurk Round Barn to introduce the Project. Approximately 20 neighbors attended.
- March 3, 2016 – The second Joint Concept Design Review meeting was held before the Boards.

- April 19, 2016 – The Council adopted Resolution No. 28768 stating its Intention to Consider Vacation of Public Right-of-way for a 18,725 square foot area along the east side of Donahue Street, between W. 8th Street and W. 9th Street.
- May 24, 2016 – The Project applications, including Design Review, Landmark Alteration, Density Bonus and Vacation of Public Right-of-way, were submitted to Planning and Economic Development.
- August 11, 2016 – In response to the Issues Letter dated June 21, 2016, the applicant submitted a revised set of plans.
- October 6, 2016 – The first of two joint public hearings before the Boards was held to consider Preliminary Design Review and LMA. Direction was given to the applicant and the meeting was continued to a date uncertain.
- November 3, 2016 – The second joint public hearing of the Boards was held. Both Preliminary Design Review and LMA were denied.
- November 10, 2016 – The applicant submitted an appeal application to the City Clerk.
- January 31, 2017 – The City Council granted the appeal and approved both Preliminary Design Review and a Landmark Alteration Permit.

PRIOR CITY COUNCIL REVIEW

On April 19, 2016, the Council adopted Resolution No. 28768, Stating its Intention to Consider Vacation of Public Right-of-way for an 18,725-square foot area spanning from W. 8th Street to W. 9th Street, along the east side of Donahue Street.

On January 31, 2017, the Council adopted Resolution Nos. RES-2017-013 and -014, approving Preliminary Design Review and a Landmark Alteration Permit, respectively, for the Project.

ANALYSIS

1. General Plan

The General Plan land use designation for the site is Transit Village Medium which allows a density of 25-40 units per acre. This designation is intended to accommodate mixed-use development within one-half mile of the downtown SMART station. Residential uses are required and ground floor commercial uses are encouraged.

The following General Plan goals and policies are applicable to the Project:

- LUL-A Foster a compact rather than a scattered development pattern in order to reduce travel, energy, land, and material consumption while promoting greenhouse gas emission reductions citywide.
- LUL-F Maintain a diversity of neighborhoods and varied housing stock to satisfy a wide range of needs.
- LUL-G Promote mixed use sites.
- LUL-L Ensure land uses that promote use of transit.
- UD-A Preserve and enhance Santa Rosa's scenic character including its distinctive districts.
- UD-G-2 Locate higher density residential uses adjacent to transit facilities, shopping, and employment centers, and link these areas with bicycle and pedestrian paths.
- H-A Meet the housing needs of all Santa Rosa residents.
- H-A-2 Pursue the goal of meeting Santa Rosa's housing needs through increased densities, when consistent with preservation of existing neighborhoods. Higher density sites are illustrated on the General Plan Land Use Diagram, which will allow the development of dwellings for 210 very low income households annually. Proposals for new higher density sites must be designed in context with existing, surrounding neighborhoods.
- H-C Expand the supply of housing available to lower income households.
- H-D-11 Continue to provide funding and offer incentives such as density bonuses, reduced parking requirements, design flexibility, and deferred development fees.
- H-F-4 Continue to implement the City's Density Bonus Ordinance, consistent with State Law.
- NS-B-1 Do not locate noise-sensitive uses in proximity to major noise sources, except residential is allowed near rail to promote future ridership.
- NS-F-1 Require remediation and cleanup in identified areas where hazardous materials have impacted soil or groundwater.

Transit Village Medium is the City's highest density residential land use designation; it was implemented to encourage higher density residential projects in proximity to the downtown SMART station. Pursuant to General Plan Policy H-

F-4, which provides for continued implementation of the City's Density Bonus Ordinance, the Project proposes 185 apartments, 15 of which will be designated for very low income occupants and includes a request for a 35% density increase. The request is consistent with State Law, which allows development at densities higher than allowed by the General Plan land use designation in return for affordable units. The Project is generally consistent with the General Plan.

2. Downtown Station Area Specific Plan (DSASP)

The DSASP is the result of a community based vision for downtown Santa Rosa. It is centered around the downtown SMART station and defines the framework for development. The subject property is located within the Railroad Corridor Sub-Area of the DSASP, and has been selected for high density residential development.

There are several goals and policies that overlap with the General Plan goals and policies discussed above. To avoid duplication, the goals and policies shown below represent those that were not discussed in the previous section:

- LUL-E Promote livable neighborhoods. Ensure that everyday shopping, park and recreation facilities, and schools are within easy walking distance.
- SP-LU-2.1 Provide a variety of housing types and densities in the Specific Plan Area.
- SP-LU-2.3 Utilize existing City programs and policies to encourage and facilitate development of affordable housing within the Specific Plan Area.
- SP-LU-5.1 New development shall be designed to reinforce and enhance the distinctive and unique qualities of the Sub-Area it is located within.
- SP-LU-5.5 Infill development in the residential and historic sub-areas should incorporate and reflect character defining elements of the area as identified by the City's Cultural Heritage Board and follow the design guidelines outlined in the City's Processing Review Procedures for Historic Properties.
- SP-LU-6 Encourage development projects that will improve the quality of life in the Specific Plan Area and draw new residents into the core of Santa Rosa.
- SP-T-4.1 Ensure that parking requirements in the Specific Plan Area stimulate transit-oriented development by supporting and encouraging shared parking where possible and by allowing reductions to on-site parking requirements when supported by a parking study.

- SP-T-4.2 New on-street parking spaces created as part of a new development project may be counted towards meeting the project's overall parking requirement.
- SP-T-4.5 The largest mixed-use projects should be given incentives to provide additional shared parking spaces that benefit the surrounding area.
- SP-T-4.9 Monitor parking demand over time, particularly in locations where Specific Plan Sub-Areas and adjacent residential neighborhoods interface, including the West End Neighborhood.
- SP-T-4.11 Allow private residential development projects to provide "unbundled" parking, defined in the Zoning Code as parking spaces that are separated from the cost of housing, meaning that residents with no vehicles would realize a cost savings by not leasing a parking space. Correspondingly, residents may pay more to lease more than one parking space.

Goals and policies of the DSASP direct development towards transit-oriented development, with an emphasis on affordable housing, reduced parking and mixed use. The Project includes several transit-oriented components, including increased densities in close proximity to a transit facility, reduced parking, unbundled parking, and shared vehicles available for residential occupants at no charge. The Project is generally consistent with the DSASP.

3. Zoning Code

The development site is located within the TV-R-H-SA zoning district (Transit Village - Residential, and is within both the Historic and Station Area combining districts). This zoning district is consistent with the General Plan land use designation and is applied to areas within approximately one-half mile of a transit facility that are considered appropriate for mixed use projects. As a mixed-use project, combining residential and commercial uses, the Project is an allowed use within the TV-R-H-SA zoning district. The Project is generally consistent with the development standards for such use.

Density Bonus

Zoning Code Chapter 20-31 sets forth the City's Density Bonus regulations. It is intended to provide incentives for the production of affordable housing. Pursuant to both Zoning Code Section 20-31.060 (A) and Government Code § 65915 (State of California density bonus regulations), because this housing developer is electing to designate 11% of the maximum allowable units for very low income occupants, the Project is entitled to two concessions and a 35% density increase. The applicant is requesting concessions for building height and parking. The proposed 185 residential units includes the maximum 35% density increase.

Zoning Code Section 20-31.080(B) requires the City to grant the concessions requested by the applicant unless the City can make a written finding, based on substantial evidence, that one or more of the following circumstances apply:

1. The concession is not required in order to provide for affordable housing costs or affordable rents.
2. The incentive or concession would have a specific adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5 of the California [Government Code](#), upon public health and safety or physical environment or any real property that is listed in the California Register of Historical Resources and for which the City determines there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households.
3. The incentive or concession would be contrary to State or Federal law.

With respect to the potential for a specific adverse impact on historical resources (number 2 above), portions of the Project site, including the DeTurk Winery building and the U.S. Bonded Warehouse, are listed on the California Register of Historical Resources. The historical analysis prepared by Susan Clark recognizes that space has been left between the historic and new structures so that key features of the historic structures remain clearly visible from the street, and the proposed height of Buildings A and D are similar to the historic winery building. The analysis concludes that the proposed height will not have an adverse impact on the historical resources and that the proposed apartment buildings are compatible with the historic DeTurk Winery and U.S. Bonded Warehouse.

Zoning Code Section 20-31.030 provides a list of application requirements. Included in the list are:

- Identification of the location, acreage, and the maximum number of base units allowed under the zoning and the land use designated under the General Plan without the density bonus.

The maximum allowable density without density bonus for the 3.44-development area is 137 units. The applicant is proposing that 15 of those units (11%) be designated for very low income occupant, which qualifies the Project for a 35% density increase; a total of 185 units.

- Identification of the total number of units proposed, specifically identifying the density bonus units and the affordable units which will demonstrate eligibility under this Chapter.

The applicant has provided an exhibit, attached to this report, that demonstrates eligibility for Density Bonus.

- Identification of the requested concessions or incentives or a list of any alternative concessions or incentives which would provide, in the developer's opinion, an equivalent financial value to the concession or incentive requested. This requirement does not impair the applicant from substituting a new incentive or concession from what is initially proposed, but substitution may cause project delays and require revision of environmental documents, and may necessitate additional processing fees as determined by the Director of Community Development.

The applicant has requested concessions for building height and parking.

- A clear statement of how the requested concessions or incentives are necessary to make the proposed housing development economically feasible, and result in identifiable, financially sufficient and actual cost reductions. The information should be sufficiently detailed to enable City staff to examine the conclusions reached by the developer.

The applicant has provided a justification for the Density Bonus; a copy is attached to this report.

- Other pertinent information as the Director of Community Development may require to enable the City to adequately analyze the identifiable, financially sufficient and actual cost reductions of the proposed housing development with respect to the requested additional concession or incentive and other concessions or incentives which may be made available.

The applicant has provided all additional information requested by City staff, including technical reports, an appraisal for the area being vacated, aerial views, etc.

The Project was reviewed by staff and has been found in compliance with the Zoning Code Density Bonus regulations.

Parking

The Project meets parking requirements, which were calculated using a hybrid of City and State regulations. With respect to the residential component of the project, the applicant is requesting a concession for parking under both Zoning Code Section 20-31.080 (density bonus) and State Law. Under Section 20-31.080 the requested concession must be granted unless, as set forth in more detail above, (1) the concession is not required in order to provide for affordable housing costs or affordable rents, (2) the concession would have a specific

adverse impact upon public health and safety or physical environment or any real property listed in the California Register of Historical Resources, or (3) the concession would be contrary to State or Federal law. Staff finds that none of the exceptions apply.

Moreover, because the project includes 11 percent very low income units and is located within one-half mile of a major transit stop, State Law (Gov Code Section 65915(p)(2)) precludes the City from requiring more than .05 parking spaces per bedroom. The project meets that standard as set forth below.

As to the commercial component of the project, the project satisfies the Code's parking requirements as set forth below. Zoning Code Section 20-36.050(C) also provides grounds for additional flexibility, if desired, stating that, for projects that do not need a minor or major conditional use permit, "the review authority may, as a condition of a project approval, approve an increase or decrease in parking spaces," if the review authority finds that (1) due to special circumstances associated with the operation of the use at its location, the proposed use will generate a parking demand different from the standards specified in the code, and (2) the number of parking spaces approved will be sufficient for its safe, convenient, and efficient operation of the use.

In total, DeTurk Winery Village must provide 170 spaces, calculated as follows:

- Through a request for Density Bonus, the Project will designate 15 units for very-low income occupants. Pursuant to State Law (Gov Code §65915(p)(2)), the required parking for the residential portion of the Project is 0.5 spaces per bedroom, totaling 128 spaces. These spaces are provided in off-street locations.
- The Project includes approximately 20,000 square feet of commercial space. West End Fitness & Sport Center currently operates within that space. An 18% parking reduction was previously granted for the gym reducing the parking requirement to 17 spaces (reference CUP13-049, attached). At the time of approval, West End Fitness & Sport Center occupied 12,500 square feet.
- Zoning Code Section 20-36 (Table 3-4) requires non-residential uses within the Railroad Corridor Sub-Area to provide one parking space for every 300 square feet of operating space. This standard was applied to the remaining 7,500 square feet of commercial space requiring another 25 parking spaces.

The Project provides 174 parking spaces which meets the parking requirements as shown above. As shown in the table below, there are 132 off-street spaces which will be designated solely for residential uses. There are 42 on-street spaces, 10 more than currently available.

Land Use	Required by	Required Spaces	Available Spaces	Location of Spaces
Residential	Gov Code §65915(p)(2)	128	132	Off-street (101 in Building D; 18 Building C; and 13 in the surface lot)
Existing Gym (12,500 SF)	CUP13-049	17	17	On-street
Existing Gym (7,500 SF)	Zoning Code Table 3-4	25	25	On-street
	Total	170	174	

Zoning Code Section 20-36.050(C)(4)(c) encourages alternative solutions to meeting parking requirements for development within the DSASP boundary. The project also incorporates the following alternative measures which are intended to reduce parking demand:

- There will be four community vehicles available for residential occupants of DeTurk Winery Village. There will be no charge to residents for the use of these vehicles. They will be parked in the off-street residential spaces.
- Parking spaces will be unbundled from residential units. Unbundled parking spaces are spaces that are separated from the cost of housing, meaning that residents with no vehicles would realize a cost savings by not leasing a parking space.
- There are 42 parking spaces along the east side of Donahue Street. These spaces are within the Project boundary and meet the City's parking requirement. The applicant will provide a public access easement over this area and all 42 spaces will be available to the public on a first come, first serve basis. Initially, these spaces will be restricted to 2-hour parking Monday through Friday, 8:00 a.m. to 6:00 p.m., and will have unrestricted parking at night time and on weekends. This agreement will allow the City to modify parking restrictions in that area in the future.

A Traffic and Parking Study, prepared by W-Trans, dated September 27, 2016, concluded that, with the incorporation of these programs, parking demand is met. The Project was reviewed by staff and has been found in compliance with the Zoning Code parking regulations.

4. California Streets and Highways Code

The applicant has requested a Vacation of Public ROW for approximately 18,725 square feet along Donahue Street. Pursuant to California Streets and Highways Code Section 8324(b), the review authority must make one finding prior to vacating the street:

- The area is unnecessary for present or prospective public use.

The area being vacated is currently used for public parking. As conditioned, the City will reserve access for public uses in the entire area being vacated. As such, staff has determined that City-ownership of the area is not necessary for present or prospective public use. Such reservation of an easement is permitted under Streets and Highways Code Section 8340.

Pursuant to the California Streets and Highways Code Section 8321(f), nothing shall prevent the review authority from vacating a street or public service easement without charging costs if it is determined that the vacation is in the public interest to do so. The addition of 18,725 square feet to the Project area will result in an additional 23 residential units. The applicant has also provided an appraisal prepared by Howard R. Levy, Ward Levy Appraisal Group, Inc., dated September 20, 2016 (Appraisal). The Appraisal concludes that the value of the property is zero dollars since the City will reserve the entire 18,725-square foot area for public use. City staff has reviewed the appraisal and agrees with that conclusion.

5. Design Guidelines

The Project has been found in compliance with the City's Design Guidelines. Preliminary Design Review was granted by the Council on January 31, 2017, Resolution No. RES-2017-013. Final Design Review was delegated to staff.

6. Historic Preservation Review Standards

The Project has been found in compliance with the City's Historic Preservation Standards. A Landmark Alteration Permit was approved by the Council on January 31, 2017, Resolution No. RES-2017-014.

7. Neighborhood Comments

A well-attended neighborhood meeting was held on February 24, 2016. Comments generally pertained to parking, density, building height, property values, safety, periods of construction, street improvements, and architectural design.

Staff has received several calls throughout the application review process from

three neighbors concerned about building height.

All written correspondence is attached.

The following table summarizes neighborhood concerns and provides staff's response:

<u>Comment/topic</u>	<u>Staff response</u>
Parking	The Project meets parking requirements, however, Zoning Code Section 20-36.050(C)(1)(a) allows the review authority to increase the required number of parking spaces. As such, the applicant has requested a concession for parking.
Density	The requested density is allowed, and encouraged, through the Density Bonus regulations.
Building height	The Project qualifies for two concessions with the designation of 15 units for very low income occupants for a period of 55 years. The applicant has requested an increase in building height as one of those two concessions.
Property values	No economic analysis was prepared for or reviewed by staff, nor should an economic analysis influence the decision of the Project.
Safety	The Project plans have been reviewed by City staff and conditioned appropriately for public safety.
Periods of construction	A condition of approval limits construction hours to Monday through Friday, 7:00 am to 6:00 pm. With consideration to special events at the DeTurk Round Barn and nearby residential uses, no noise generating activities associated with construction are permitted on Saturdays, Sundays or holidays.
Street improvements	The Project plans have been reviewed by City staff and conditioned appropriately.
Architectural design	Preliminary Design Review and a Landmark Alteration Permit were approved by the Council on January 31, 2017.
Short-term rentals	The City does not currently regulate vacation rentals

as a land use separate and distinct from a residential land use.

Vacation of Public ROW If approved, the vacated 18,725 square feet of public ROW will allow for an additional 23 residential units.

8. Public Improvements/On-Site Improvements

- The applicant will stripe 42 diagonal parking spaces, including two ADA spots, crosswalks, and ADA ramps.
- The intersections at W. 8th Street and Donahue Street, and W. 9th Street and Donahue Street shall be improved to current City street standards.
- A raised median will be installed along W. 9th Street to limit ingress/egress from the garage to right in/right out only.
- Sidewalks along W. 9th Street and Donahue Street shall be improved to current City standards.
- Existing contamination within Donahue Street will be remediated.

FISCAL IMPACT

If the request for Vacation of Public Right-of-way is approved, it would convert 18,725 square feet of public ROW to taxable real property.

ENVIRONMENTAL IMPACT

The Project has been found in compliance with the California Environmental Quality Act (CEQA) pursuant to the following CEQA Guidelines, as further outlined in the draft resolutions provided herewith:

- Section 15183 - Consistent with the General Plan, the DSASP, and zoning, for each of which an EIR was certified
- Section 15332 - In-fill Development
- Section 15330 - Involves cleanup of known contamination along Donahue Street
- Section 15331 - Involves restoration measures which have been found to be consistent with the Secretary of the Interior's Standards.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On November 3, 2017, a joint meeting of the Design Review and Cultural Heritage Boards was held. The meeting resulted in a denial of both Preliminary Design Review and a Landmark Alteration Permit. That decision was reversed on appeal, and both entitlements were approved by the City Council on January 31, 2017. The Council delegated Final Design Review to staff.

During the aforementioned meeting, and prior to the denial, a motion to approve was made. During the Boards' discussion, several advisory conditions were made. The conditions that pertain to the Density Bonus have been incorporated into the draft resolution, and include:

- Require on-going maintenance for the shared vehicles provided for residential occupants of DeTurk Winery Village.
- Residential parking spaces would remain unbundled for the life of the Project.
- Materials and finishes used for affordable units shall be of the same quality as those used for market-rate units.
- All units, affordable and market-rate, shall be regularly maintained. All replacement materials and finishes provided for affordable units shall be of the same quality as those used for market-rate units.

NOTIFICATION

- November 10, 2015 – A Notice of Application for the Intent to Vacate Right-of-way was mailed to property owners within 400 feet of the site.
- May 26, 2016 – A Notice of Application for the Project was mailed to property owners within 400 feet of the site.
- September 2016 – Pursuant to Zoning Code Chapter 20-66, a Notice of Public Hearing was mailed to property owners within 400 feet of the subject site, a Notice of Public Hearing was published in the Press Democrat, and three public hearing signs were installed on site announcing the October 6, 2016, Joint DRB and CHB meeting.
- October 2016 - Pursuant to Zoning Code Chapter 20-66, a Notice of Public Hearing was mailed to property owners within 400 feet of the subject site, a Notice of Public Hearing was published in the Press Democrat, and three public hearing signs were installed on site announcing the November 3, 2016, Joint DRB and CHB meeting.
- January 2017 - Pursuant to Zoning Code Chapter 20-66, a Notice of Public Hearing was mailed to property owners within 400 feet of the subject site, a Notice of Public Hearing was published in the Press Democrat, and three public

hearing signs were installed on site announcing the January 31, 2017, Council meeting.

- March 2017 - Pursuant to Zoning Code Chapter 20-66, a Notice of Public Hearing was mailed to property owners within 400 feet of the subject site, a Notice of Public Hearing was published in the Press Democrat, and five public hearing signs were installed announcing the March 23, 2017, Planning Commission meeting. Pursuant to California Streets and Highways Code Section 8323, all notifications were made 15 calendar days prior to the hearing.

ISSUES

There are no unresolved issues for the Project.

ATTACHMENTS

Attachment 1 - Disclosure Form

Attachment 2 - Location and Neighborhood Context Map

Attachment 3 - Density Bonus Justification

Attachment 4 - Project Plans and Elevations

Attachment 5 - Affordable Units Exhibit

Attachment 6 - Appraisal

Attachment 7 - Technical Reports (Historic Evaluation, Addendum to Historic Evaluation, DPR Primary Record, Northwest Information Center site history, DPR Form 523 for North Railroad District, and Traffic and Parking Study)

Attachment 8 - Council Meeting Staff Report & Resolutions (April 19, 2016 & January 31, 2017)

Attachment 9 - DRB/CHB Meeting Minutes and Staff Report (October 6, 2016)

Attachment 10 - DRB/CHB Meeting Minutes, Board Memo, and Resolutions (November 3, 2016)

Attachment 11 - Legal Description

Attachment 12 - Public Correspondence

Resolution 1 - Vacation of Public ROW

Resolution 2 - Density Bonus

CONTACT

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