



Agenda Item #:	<u>4.B.</u>
Meeting Date:	<u>June 28, 2022</u>
Prepared By:	<u>Linda Ruffing, Planning Consultant</u>
Reviewed By:	<u>Scott M. Duiven</u> Scott Duiven Community Development Director

REQUEST FOR PLANNING COMMISSION ACTION

PROJECT TITLE: Mill District Lot 1 (Residential Amenity Building)

SUBJECT: Major Design Review (DR 2022-06)
Conditional Use Permit (CUP 2022-03)

PROPERTY ADDRESS: 146 and 164 Healdsburg Avenue

ASSESSOR PARCELS: APN 002-870-002

GEN'L PLAN & ZONING: Mixed Use (MU)

APPLICANT/OWNER: Replay Healdsburg, LLC

RECOMMENDED ACTION:

By motion, it is recommended that the Planning Commission approve Resolution No. 2022-09 (Exhibit 1) approving Major Design Review DR 2022-06 and Conditional Use Permit 2022-03 for development and operation of a two-story building featuring a pool, fitness center and lounge to be used as an amenity and clubhouse for homeowners in the Mill District, based on the suggested findings and subject to the recommended conditions of approval.

PROJECT DESCRIPTION:

Lot 1 of the Mill District project is the northernmost lot in the development. It is roughly triangular in shape and is located on the east side of Healdsburg Avenue just south of the roundabout. It is bounded by the SMART rail right-of-way to the northeast, Saw Mill Circle (a public roadway that is under construction) to the south, and Lot 2 of the Mill District project to the east (Exhibit 2). Lot 1 is 1.4 acres in size.

The master Conditional Use Permit for the Mill District Project, as amended (CUP 2017-12.01, "MCUP"), allows for a 53-room hotel with a restaurant, up to 8,500 square feet (SF) of commercial space, associated parking, and the residential amenities building ("Amenity Building") on Lot 1. The MCUP allows for the design review process to be conducted in two phases with the first phase addressing the Amenity Building and the second phase addressing the hotel. The Design Review and Conditional Use Permit applications under consideration pertain to the Amenity Building only.

The applicant prepared a narrative description for the Amenity Building (Exhibit 3) which provides background information about the evolution of the Amenity Building location and the rationale behind

the request for phased Design Review on Lot 1. The fact that the market-rate residential development on Lot 4 is underway has prompted the need for the Amenity Building to move forward independent of the hotel development on Lot 1. Exhibit 4 presents an updated narrative that identifies modifications to the plans that were made in response to comments provided by the Planning Commission at a workshop on December 7, 2021.

The applicant has submitted an updated Plan Set (Exhibit 5) which provides a site plan and project information, site photographs, renderings, floor plans, elevations, building materials, an art installation floor plan and elevation, signage, phasing information, civil drawings (including easements and a survey for the condo map), grading and drainage plans, a preliminary landscape plan, and a lighting plan and specifications. Exhibit 6 presents the Storm Water Low Impact Development (SWLID) Report for the Amenity Building.

For the December 7, 2021, Planning Commission workshop, the applicant submitted additional documentation to help explain their vision for access and parking for the hotel. While the hotel entry court and parking are not part of the Amenities Building per se, the Amenity Building would eliminate the opportunity for ramped access to a parking structure on Lot 1 and constrain the dimensions of the entry court for the hotel. Additional information presented by the applicant at the workshop is attached to this staff report as background information, as follows: a floor plan for an underground parking structure that utilizes a lift storage system with valet access provided via two vehicle elevators (Exhibit 7), a queueing analysis to evaluate vehicle storage requirements for the entry court (Exhibit 8), an exhibit to illustrate potential queueing and parking in the entry court (Exhibit 9), and a fire protection analysis to address fire safety issues related to the parking structure (Exhibit 10).

As shown in Exhibit 5, the Amenity Building would be located on the southeast corner of Lot 1 directly behind the sidewalk on Saw Mill Circle. The ground level floorplate is 7,503 SF, the street frontage of the building is approximately 88 feet in length, and the building is 33 feet in height. The building length along the entry court is approximately 80 feet. Ground level facilities in the Amenity Building include a fitness studio with lockers, restrooms and changing facilities as well as circulation and "back of house" components - some of which would be assigned to the Homeowner's Association and some of which would be assigned to the hotel. Access to the Amenity Building would be provided off of the hotel entry court. The upper level of the Amenity Building includes a landscaped terrace with an outdoor swimming pool, a 1,014 SF clubhouse and restrooms. The gross floor area of the Amenity Building would be approximately 15,071 SF.

As shown on Exhibit 5, Sheet A1.00, pedestrian access includes a six-foot wide sidewalk adjacent to the west facade, and a five-foot wide sidewalk along the east facade connecting the rear emergency exit to the street. Three temporary parking spaces, including an accessible space, would be located in the entry court adjacent to the Amenity Building entry. Once the hotel is operational, these spaces would be removed and the accessible parking would be provided in conjunction with the hotel valet service. Access to the back of house and service-related space on the first floor of the Amenity Building would be provided via a garage entry at the southeast corner of the building.

The Amenity Building is adjacent to the potential location of the hotel amenities but is designed as a separate building with connection points designed to give the appearance of a single structure and to allow for sharing of emergency access points. The second-floor pool decks of the Amenity Building and the hotel amenities would be separated by elevation differences and would incorporate privacy walls to separate the uses. Exhibit 5, Sheet A8.04 provides a conceptual site plan for the adjoining hotel amenities.

The proposed development program for the Amenity Building is summarized in the following table:

PROJECT INFORMATION

GROSS BUILDING AREA

PHASE 1 GROSS BUILDING AREA - LEVEL 1	
PROGRAM	AREA
BOH	2605 SF
BOH CIRCULATION	222 SF
LOBBY	615 SF
RESTROOMS	1275 SF
SPA / FITNESS	2238 SF
VERTICAL CIRCULATION	549 SF
SUBTOTAL	7503 SF

PHASE 1 GROSS BUILDING AREA - LEVEL 2	
PROGRAM	AREA
CLUBHOUSE	1014 SF
COVERED OUTDOOR	419 SF
OUTDOOR	4066 SF
POOL	900 SF
RESTROOMS	401 SF
VERTICAL CIRCULATION	768 SF
SUBTOTAL	7568 SF
TOTAL GROSS AREA	15,071 SF

LOT COVERAGE & F.A.R.

LOT 1 AREA: 1.4 ACRES (60,972 SF)

PHASE 1 ONLY:

LOT COVERAGE: 7,503 SF / 60,972 SF = 12.3%
F.A.R.: 15,085 SF / 60,972 SF = 0.25

PHASE 1 + POTENTIAL HOTEL AND AMENITY BUILDINGS:

LOT COVERAGE: 33,096 SF / 60,972 SF = 54.3%
F.A.R.: 113,721 SF / 60,972 SF = 1.87

SETBACKS

NO REQUIRED SETBACKS

Exhibit 5, Sheets A1.02 and A1.03 show renderings of the south and west facades of the Amenities Building which face Saw Mill Circle and the hotel entry court, respectively. Sheets A3.01 and A3.02 show the building elevations and identify proposed exterior materials. The exteriors would include board form concrete, gray plaster, metal panels with a tarnished patina, vertical louvers to accent portions of the facades, steel frame doors and windows including bifold doors in the fitness center, and a standing seam metal roof.

Rather than the initial concept of a "green wall" that was presented at the Planning Commission workshop, the applicants propose that the south-facing plaster wall between the loading dock and the fitness center windows be left blank to allow for rotating public art installations. The wall will be constructed with the expectation that potentially heavy art installations will be fixed to the vertical surface. This change responds to concerns expressed about water demands and is consistent with Mill District's commitment to placing public art installations throughout the project. Exhibit 5, Sheet 8.02 shows examples of public art installations of a similar scale to the proposed art wall.

Exhibit 5, Sheet L1.0 presents the Preliminary Landscape Plan for the Amenity Building. All proposed species are low water use and an automatic, water conserving irrigation system would be installed, consistent with the City's Water Efficient Landscaping Ordinance.

A detailed exterior lighting plan is provided in Exhibit 5. The proposed lighting includes lighting for safety and security as well as accent lighting. Proposed fixtures are energy-efficient. Most luminaires attached to the building are either recessed or downcast and shielded, however the plan also includes a number of up-lit fixtures that are intended to accent landscaping, public art and architectural features.

SITE & VICINITY DESCRIPTION:

Lot 1 of the Mill District is presently covered with asphalt and dirt. The removal of structures associated with the former lumber mill on Lot 1 and in the vicinity was permitted in conjunction with earlier Mill District project approvals. The public street improvements associated with Saw Mill Circle are currently under construction. Lot 2, to the east, is currently undeveloped and is planned for future residential uses.

BACKGROUND:

In early 2019, the City Council and Planning Commission approved master entitlements for the Mill District Project- a proposed mixed use development on a 9.59-acre former industrial site in central Healdsburg. When built out, the Project will include up to 208 residential units, a 53-key hotel, up to 15,000 square feet of commercial space, a 0.78-acre park, and associated site improvements.

To date, approved entitlements for the Mill District Project include the following permits plus several permit extensions and minor revisions plus three amendments to the Development Agreement:

- **January 8, 2019:** Master Conditional Use Permit, CUP 2017-12; Historic Demolition Permit, MISC 2017-01; and Heritage Tree Permit, HT 2017-02. (PC Resolution No. 2019-02)
- **March 11, 2019:** Tentative Subdivision Map, TM 2017-01. (CC Resolution No. 42-2019)
- **April 1, 2019:** Mill District Development Agreement, DA 2018-01. (CC Ordinance No. 1184)
- **June 25, 2019:** Design Review, DR 2019-10; Lot 7- 41 Affordable Housing Units. (PC Resolution No. 2019-10)
- **February 11, 2020:** Design Review Revision, DR 2019-10.01; Lot 7- 41 Affordable Housing Units. (PC Resolution No. 2020-04)
- **February 25, 2020:** Design Review DR 2019-24; Lot 5- Park. (PC Resolution 2020-06)
- **March 10, 2020:** Design Review DR 2019-05 and Variance V 2021-01; Lot 4- 39 Residential Units. (PC Resolution 2020-05)
- **April 6, 2020:** Final Map Approval; Mill District Final Map. (CC Resolution 30-2020)
- **April 26, 2022:** Amendment to Master Conditional Use Permit to allow phased design review for Lot 1 and remove the prohibition on restaurant uses in conjunction with the hotel on Lot 1 (CUP 2017-12.01)

The Planning Commission conducted a workshop on December 7, 2021, to provide an opportunity for the Replay design team to present their plans for the residential Amenity Building on Lot 1 of the Mill District Project site. The design team discussed the various considerations that informed the proposed siting and design of the facility and explained why it is necessary to bring this component forward in advance of the Design Review process for the hotel. Exhibit 4 presents the applicants' summary of comments received at the workshop and modifications that were made to the plans in response to that feedback. Modifications include:

- Use of a lighter color for the service door and loading dock area. A deep blue is now proposed.
- Landscape plans were revised to use all low-water-use plant species and to minimize irrigation needs. The green wall concept on the south wall of the Amenity Building was eliminated in lieu of an art wall that will be designed to support heavy installations and configured to allow for lighting to be incorporated into art installations.

- More details are provided for the vertical bifold doors between the fitness studio and the parking area, and raised planters are incorporated to provide a buffer between the sidewalk and the fitness studio windows.
- Rolling solar shades are included on the large windows of the second-floor clubhouse facility to prevent excessive solar heating.

CONSISTENCY ANALYSIS - HEALDSBURG GENERAL PLAN 2030, NORTH ENTRY AREA PLAN, LAND USE CODE & NORTH VILLAGE DEVELOPMENT AGREEMENT:

Central Healdsburg Avenue Plan (CHAP) Consistency Analysis

Exhibit 11 presents a matrix that summarizes the consistency of the proposed Amenity Building on Lot 1 with applicable design guidelines from the CHAP. As shown, the project is consistent with the "Walkable Frontage Guidelines" insofar as the building fronts the public realm on Saw Mill Circle and the temporary parking is appropriately located. The west and south facades of the building comply with the guideline limiting the width of blank walls along primary and secondary lot frontages. While the east and north facades include blank that exceed recommended limitations for blank facades, the east facade is single story and will be landscaped with trees and shrubs to soften the facade. The north-facing facade will be obscured by the future hotel development which will connect to the Amenity Building. A condition is recommended requiring that more details be provided on the Landscape Plan regarding container plants and/or plantings and irrigation along the east property boundary to ensure adequate screening of that blank facade. This will also help ensure compliance with the "Building Facade Articulation-Architectural Detailing Guidelines" of the CHAP.

The orientation of the Amenity Building is consistent with the CHAP's "Building Orientation Guidelines." The primary access to the facility is consistent with the "Building Access Location Guidelines" as is the secondary egress and access to the loading berth. As outlined on Exhibit 11, the Amenity Building complies with all of the applicable "Building Design and Massing Guidelines" in the CHAP. Under "Building Access Guidelines," the matrix explains that the primary entry is inconsistent with CHAP guidelines calling for prominent primary building entries.

As explained at the Planning Commission Workshop, the entry to the Amenity Building is deliberately de-emphasized as the facility will not be accessible to the public at-large and the applicants wish to minimize potential confusion for hotel guests and visitors who may seek to visit the very visible fitness facility. As shown on Exhibit 5, Sheet A3.01, the garage door would be recessed about 5' from the street and painted a dark blue to match the plaster that frames the door. This treatment was selected based on feedback received at the Planning Commission workshop and is consistent with the CHAP guidelines relating to the need to deemphasize garage doors and entrances along street frontages. As summarized on Exhibit 11, the Amenity Building is consistent with the "Building Windows and Transparency Guidelines," "Building Roof Guidelines," "Utility Guidelines," and "Lighting Guidelines" of the CHAP.

Land Use Code Consistency Analysis

Exhibit 12 presents a matrix that summarizes the consistency of the proposed Amenity Building with applicable regulations in the Land Use Code. As shown, the project is allowable in the Mixed Use District, however a conditional use permit is required because it is considered to be a "residential use as

a part of a mixed use development" since the Amenity Building will serve the residential uses in the Mill District and the other uses on Lot 1 are commercial (i.e., hotel; retail).

With regards to parking, the Amenity Building is only required to provide one ADA accessible parking space. It is assumed that other users will walk or bike the short distance from their residences to the Amenity Building. The site plan shows one accessible parking space and two other parking spaces that will be temporarily located adjacent to the building entry in what will eventually be the entry court for the hotel. Once the hotel is built, the accessible parking for the Amenity Building will be provided by the hotel valets through an arrangement with the hotel. A condition is recommended that requires approval of the Building Official prior to the temporary or permanent relocation of the accessible parking. The Land Use Code regulations for bicycle parking are not applicable to the use. Nevertheless, six indoor bicycle parking spaces are proposed in the lobby of the Amenity Building.

DISCUSSION/ANALYSIS:

Site Design and Layout. Exhibit 5, Sheet A1.00 presents a site plan that shows the Amenity Building in the context of potential future hotel development on Lot 1. As shown, the Amenity Building will anchor the southeast corner of Lot 1. Because of the two-phased design review process on Lot 1 and the timing of the Amenity Building, the design for the hotel will be required to complement the Amenity building design.

To some extent, the Amenity Building constrains options for onsite parking and the entry court for the hotel. As discussed at the Planning Commission workshop, the applicants have performed feasibility studies to evaluate potential underground stacked parking that would be accessed by two vehicle elevators and operated solely by valets. While the future hotel parking is not the subject of this design review permit, sufficient information was provided (and reviewed at the December 7, 2021, Planning Commission workshop) to demonstrate the feasibility of underground parking on Lot 1 given the proposed siting of the Amenity Building (see Exhibits 7, 8, 9 and 10).

As noted on Exhibit 5, Sheet C2.0, a rectangular shaped Emergency Vehicle Access (EVA) easement is recorded on the Final Map in the southeast corner of Lot 1. The Fire Chief and Fire Marshal have reviewed the EVA and determined that it is not necessary for emergency access on Lot 1 and the easement may be vacated. Emergency access for future development on Lot 2 will be addressed in conjunction with the design review process for the Lot 2 condominiums. Sheet C2.0 shows a 10-foot-wide public access easement (PAE) that will be recorded on Lot 2 adjacent to Lot 1 and the Site Amenity Building. This PAE is necessary to provide a path of travel to and from the emergency exit located in the northeast corner of the Amenity Building. A five-foot wide sidewalk would be established in this easement.

Sheet A2.01 of Exhibit 5 shows the interior trash storage room that is located adjacent to the loading berth. The applicants are continuing to work with Recology (local solid waste hauler) to establish whether the bins may be stored for pick up within the "loadingberth driveway/circulation" area at the back of sidewalk or whether they will need to be stored at the curb for pick-up. A condition is recommended requiring that this issue be resolved prior to issuance of building permits and that, if any restriping of parking and loading areas is needed, such striping shall be reviewed and approved by the City Engineer.

Building Design. The Amenity Building complies with the building height, setback, floor area ratio and site coverage regulations established for the Mixed Use District in the Land Use Code (Exhibit 12). The building design is also consistent with the layered framework of design guidelines contained in the CHAP

as explained in Exhibit 11 and summarized above. There are two building design issues that staff recommends be addressed through special conditions, as follows:

1. As noted in the CHAP consistency analysis, the large blank facade on the east side of the Amenity Building is not consistent with CHAP policies requiring that all visible sides of a building should have a consistent style and use of articulation. Once Lot 2 is developed, most of this facade will be visible only from internal locations on Lot 2. Nevertheless, those views are important. The Building Elevation for the east facade, as shown on Exhibit 5, Sheet A3.02 shows trees and low plantings along this facade that help to soften the expanse of blank wall. The Preliminary Landscape Plan on Sheet L1.0 shows "hedges and screen plantings" along this wall but does not indicate any tree species. A condition is recommended requiring submittal of a more detailed planting plan for all of the Amenity Building landscaping, including along this facade, at the building permit stage.
2. The CHAP requires that roof-mounted utilities be grouped to minimize their visual impacts and that mechanical equipment on roofs and/or alongside public spaces should be located and designed to minimize visual impacts. A condition is recommended to memorialize this requirement and ensure that it is addressed in the building permit review process.

Parking. The site plan indicates that three temporary parking spaces, including one van accessible ADA space, would be provided immediately west of the Amenity Building. This is temporary parking that would be removed when construction is underway for the hotel on Lot 1. The only space that is required is the ADA parking space. It is anticipated that the permanent ADA parking for the Amenity Building will be provided in conjunction with the hotel parking through an arrangement between the Homeowners Association and the hotel.

A condition is recommended establishing a requirement that a conveniently located ADA parking space be provided at all times following issuance of the certificate of occupancy for the Amenity Building. The condition requires that the parking area be reconfigured to allow for parked vehicles to turn around in order to exit onto Saw Mill Circle using forward motion. The condition also establishes a process for City approval as the ADA parking space is relocated over time.

Landscape Design. Overall, the landscape plan indicates a relatively nominal amount of landscaping, reliance on low water use species, and provides specifications for a water conserving irrigation system. Changes were made in response to concerns about water usage identified at the December 7, 2021, Planning Commission workshop. As noted above, the landscape plans appear to provide adequate plantings to enhance the pedestrian realm, soften the edges of the pool deck, and establish a vegetative buffer between the sidewalks and the fitness facility windows. It is not clear, however, that sufficient landscaping is proposed on the east facade to provide adequate screening. This can be addressed through a special condition requiring more detailed landscaping plans prior to issuance of the building permit. The applicant will also be required to submit documentation of compliance with the City's Water Efficient Landscape Ordinance (WELo) requirements.

Exterior Lighting. The lighting plans include ample lighting for outdoor uses on the pool terrace and on the ground level adjacent to the west and south frontages on Saw Mill Circle. Wall-mounted and recessed lighting is proposed to illuminate public spaces along the building facades. All of this lighting will comply with dark sky strategies and be shielded and downward-focused. In compliance with the CHAP,

some accent lighting is proposed and those fixtures would not be downward-focused. Staff recommends that a condition be added to require that all accent lighting be on dimmable switches and timers.

Potential Issues Relating to Future Lot 1 Development. As discussed in the December 7, 2021, Planning Commission workshop and the April 26, 2022, Planning Commission discussion relating to the Master Conditional Use Permit amendment to allow phased design review in order to accommodate phased development on Lot 1 - developing Lot 1 in two phases is certain to result in construction-related impacts that will affect the use of the Site Amenity facility. Given that the applicant has control over both phases of development, it will be incumbent on the applicant to help resolve potential conflicts before they occur. A condition is recommended requiring the applicant to notify Mill District homeowners, prior to City issuance of a certificate of occupancy for the Amenity Building, to advise them of potential construction-related impacts associated with development of a hotel on Lot 1 and to identify measures that will be taken to address such impacts.

FINDINGS:

Design Review Findings

Pursuant to Land Use Code section 20.28.125, the Planning Commission is required to make the following findings in order to approve a Design Review Permit. Suggested language to support each finding is shown in *italicized* text below each finding:

- A. The proposed development or use is consistent with all applicable policies and requirements of the General Plan and Land Use Code.

The proposed Amenity Building on Lot 1 is consistent with the Mill District Project approvals which were found to be consistent with the Healdsburg 2030 General Plan. The development is consistent with all provisions of the Land Use Code.

- B. The proposed design of the development or use, and all appurtenant structures, is consistent with the policies set forth in the Citywide Design Guidelines, as may be amended from time to time.

The Mill District project site, including Lot 1, is located within the planning area of the CHAP and, therefore, the project design of the Amenity Building was evaluated for consistency with the CHAP. See discussion below in Finding E.

- C. The proposed development or use is consistent with the purposes of the zoning district in which it is located.

As noted above, the proposed Amenity Building is consistent with the Land Use Code as it relates to the MU Zoning District. Multi-family residential development is a permitted use in the MU District and the Amenity Building is an accessory use to the residential development that is permitted in the Mill District.

- D. The proposed development or use is consistent with all other conditions imposed by the Planning Commission or City Council with respect to any matter related to the purpose of design review.

The proposed development of the residential Amenity Building on Lot 1 is consistent with the approved Mill District Project, including the Tentative Map (TM 2017-01), Master Conditional Use Permit (CUP 2017-12), Historic Demolition Permit (MISC 2017-1), Heritage Tree Removal Permit (HT 2017-02), and Development Agreement (DA 2018-01). All applicable conditions associated with

these permits and the Mitigation Monitoring and Reporting Program (MMRP) will apply to development on Lot 1, except as modified by this approval.

- E. For proposed developments or uses in the Central Healdsburg Avenue Plan area, the design of the development or use, and all appurtenant structures, is consistent with the policies set forth in Chapter IV, "Building Design Framework," of the Central Healdsburg Avenue Plan dated November 2013 and adopted by the Healdsburg City Council on January 21, 2014, as may be amended from time to time.

As detailed in the staff report and Exhibit 11 for DR 2022-06 and CUP 2022-03, the proposed site layout and architectural design of the proposed residential Amenity Building on Lot 1 to serve as a recreational facility and clubhouse for homeowners in the Mill District meet the intent of the Building Design Framework outlined in the CHAP.

Conditional Use Permit Findings

Pursuant to Land Use Code Section 20.28.165, the Planning Commission is required to make the following findings in order to approve a conditional use permit. Suggested language to support each finding is shown in *italicized text* below each finding:

- A. **The proposed location and operation of the conditional use is in accord with the Healdsburg general plan and any applicable planned development, specific or area plan.**

The entire Mill District Project site is designated Mixed Use (MU) in the Healdsburg General Plan and is subject to the policies and guidelines of the Central Healdsburg Avenue Plan (CHAP). As detailed in the staff report for Major Design Review Permit DR 2022-06 and CUP 2022-03 and Exhibit 11 (CHAP Consistency Analysis), the proposed Lot 1 Amenity Building is consistent with the Healdsburg 2030 General Plan as implemented by the design guidelines established in the CHAP.

- B. **The proposed location and operation of the conditional use is consistent with the applicable development standards of this Land Use Code.**

The Mill District Project includes a mix of commercial and multi-family residences, and Lot 1 is approved for hotel and commercial uses. Because the Amenity Building is accessory to the residential uses in the Mill District, a site-specific conditional use permit is required. Both the use type and the project location are consistent with the Mixed Use (MU) District as established in the Land Use Code. As detailed in the staff report for Major Design Review Permit DR 2022-06 and CUP 2022-03 and Exhibit 12 (Land Use Code Consistency Analysis), the Lot 1 Amenity Building complies with the applicable development standards of the Land Use Code.

- C. **The proposed location of the conditional use and the conditions under which it would be operated and maintained will not be detrimental to public health and safety or materially injurious to uses, properties or improvements in the vicinity.**

Lot 1 in the Mill District Project is located in a Mixed Use (MU) District, and is surrounded by Healdsburg Avenue to the west, Saw Mill Circle and lands within the Mill District Project site to the south and southeast and the SMART railroad right-of-way to the north east. The master entitlements for the Mill District Project were evaluated for consistency with the CHAP EIR and it was determined that the Project would not significantly impact properties or improvements in the immediate vicinity of the site. Based on the analysis that was performed for the Master Conditional Use Permit (CUP 2017-12) for the Mill District Project, the project will not result in or create a detrimental condition on the property, property vicinity or within the community. The CHAP EIR and its MMRP include

mitigation measures to ensure that construction-related activities do not result in impacts to nearby properties and/or uses. Special conditions from CUP 2017-12 will apply to the Lot 1 Amenity Building along with site-specific special conditions required for DR 2022-06 and CUP 2022-03.

ALTERNATIVES:

The Planning Commission may consider the following alternative actions:

Staff Recommendation – Approve Resolution No. 2022-09 (Exhibit 1) approving Design Review DR 2022-06 and Conditional use Permit 2022-03 for development and operation of a two-story building featuring a pool, fitness center and lounge to be used as an amenity and clubhouse for homeowners in the Mill District, based on the suggested findings and subject to the recommended conditions of approval.

Alternative 1 – Approve Resolution No. 2022-09 (Exhibit 1) with modifications based on changes identified at the Planning Commission hearing.

Alternative 2 – Continue action on the applications in order for the applicant to address design-related concerns and require that revised plans be brought back to the Planning Commission for future action. This would likely require noticing of a future public hearing.

Alternative 3 – Continue action on the applications and provide direction to staff to prepare a resolution for denial based on inconsistencies with project approvals and/or applicable City regulations or policies. This would require noticing of a future public hearing.

ENVIRONMENTAL ANALYSIS:

The environmental review for the Mill District Project ("Project") relied upon the certified EIR for the Central Healdsburg Avenue Plan ("CHAP") which was prepared pursuant to the California Environmental Quality Act (Pub. Res. Code § 21000, et seq.) ("CEQA"), and certified by the Healdsburg City Council on January 21, 2014 (State Clearinghouse No. 2012112011). An Environmental Checklist and a Certificate of Determination prepared for the Project each concluded that:

1. The Project would not result in any significant impacts that: (1) are peculiar to the Project or Project site; (2) were not identified as significant project-level, cumulative, or off- site effects in the CHAP EIR; or (3) were previously identified significant effects, which as a result of substantial new information that was not known at the time that the CHAP EIR was certified, are determined to have a more severe adverse impact than discussed in the CHAP EIR. As a result, pursuant to Section 15183, the Project is exempt from further environmental review under CEQA.
2. The Project would not cause new significant impacts not previously identified in the previously certified CHAP EIR, nor result in a substantial increase in the severity of previously identified significant impacts. No new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the CHAP that would cause significant environmental impacts to which the Project would contribute considerably, and no new information has been put forward that shows that the Project would cause significant environmental impacts. Therefore, no supplemental environmental review is required for the Project in accordance with Public Resources Code Section 21166, and CEQA Guidelines Sections 15162 and 15164.
3. The Project would not cause new significant impacts not previously identified in the previously certified CHAP EIR, which may serve as a "Program EIR" under CEQA, nor result in a

substantial increase in the severity of previously identified significant impacts. No new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the CHAP that would cause significant environmental impacts to which the Project would contribute considerably, and no new information has been put forward that shows that the Project would cause significant environmental impacts. Therefore, no supplemental environmental review is required for the Project in accordance with CEQA Guidelines Sections 15162 and 15168.

The proposed development of the Lot 1 Amenity Building is a component of the Mill District Project, and as such, its environmental impacts were considered as part of the environmental review for the Mill District Project. All mitigation measures identified for the Mill District Project will apply to the development of Lot 1 pursuant to the Mitigation Monitoring Reporting Program (MMRP) previously adopted as part of the Project Approvals. No additional environmental review would be required for the Lot 1 Amenity Building.

FISCAL IMPACT:

All City costs for processing Mill District Project entitlements are funded by the applicant in accordance with a Cost Recovery Agreement between the project applicant and the City of Healdsburg.

EXHIBITS:

1. Proposed Planning Commission Resolution No. 2022-09
2. Lot 1- Site Location Map
3. Lot 1- Pool House Project Description
4. Lot 1- Pool House Updated Project Information
5. Lot 1- Amenity Building Plan Set (02-07-22)
6. Lot 1- SWLID Report
7. Lot 1- Hotel Parking Garage Schematic
8. Lot 1- Walker Parking Queuing Study
9. Lot 1- Auto Plaza Exhibit
10. Lot 1- H&S Fire Protection Memo
11. Central Healdsburg Avenue Plan (CHAP) Consistency Analysis
12. Land Use Code Consistency Analysis