



Agenda Item #:	<u>3</u>
Meeting Date:	<u>March 28, 2023</u>
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Reviewed By:	<u>Scott M. Duiven</u> Scott Duiven Community Development Director

## PLANNING COMMISSION WORKSHOP

**PROJECT TITLE:** North Village Project - Parcel 2 Residential Townhomes

**SUBJECT:** Planning Commission Workshop on Parcel 2 Residential Townhomes - Design Review (DR 2022-23) and Tentative Map (TM 2022-06). Project consists of 24 townhome units in three 8-unit buildings. Each unit sits atop a two-car garage and has either two or three bedrooms. The townhomes will be targeted for sale to middle-income households.

**PROPERTY ADDRESS:** 201 Dovetail Lane

**ASSESSOR'S PARCEL NO.:** APN 091-060-041

**GEN'L PLAN & ZONING:** Mixed Use (MU); North Entry Area Plan Overlay (NEAP)

**APPLICANT:** Comstock Healdsburg, LLC

**PROPERTY OWNER:** CCS Healdsburg, LLC

### RECOMMENDED ACTION:

The Planning Commission will conduct a workshop to receive a presentation from the applicant, Comstock Healdsburg, LLC regarding the proposed "Parcel 2 Residential Townhomes" within the North Village project. The purpose of the workshop is for the Planning Commission to receive public input on the project and to provide informal feedback to the applicant and City staff regarding the conceptual development plans. No official action will be taken.

### BACKGROUND:

In May 2019, the City Council certified the North Entry Area Plan Environmental Impact Report, adopted the North Entry Area Plan, and adopted implementing regulations to guide development of a new mixed-use neighborhood on a 32-acre property at the north end of Healdsburg Avenue ([Attachment 1](#), Site Vicinity Map).

In February 2020, the Planning Commission approved a Master Conditional Use Permit ("MCUP") for the North Village Project and in April 2020, the City and CCS Healdsburg, LLC, entered into a Development Agreement ("DA") for the North Village Project.

The MCUP and DA established allowable uses, densities, and affordability requirements for residential uses on each of the parcels within the North Village site as follows:

- Parcel 1: 221 senior independent living units and 54 assisted living/memory care beds
- Parcel 2: 30 multi-family apartments
- Parcel 3: 108-key hotel with restaurant, bar, spa and special event facility
- Parcel 4: 45 multi-family apartments, 5 live-work units and 12,000 square feet of commercial/retail space.

Subsequently, parcel-specific entitlements were approved by the Planning Commission, including:

- Design Review/Conditional Use Permit for Enso Village Senior Living Community on Parcel 1 (November 2020)
- Design Review and Conditional Use Permit for North Village Hotel and ancillary facilities on Parcel 3 (May 2021)
- Design Review and Conditional Use Permit for Mixed Use/Residential Project on Parcel 4 (May 2021) and an amendment to those permits (February 2023)
- Amendment to MCUP to modify the number of residential units and affordability levels on Parcels 2 and 4 and to modify the Sitewide Shared Parking Plan (February 2023).

In addition, three amendments to the DA have been approved by the City Council. The amendments address the following topics:

1. Modifications to the affordability levels for 10 of the 30 affordable units within the Enso Village Senior Living Community (June 2022)
2. Modifications to the obligations of Comstock and the City relating to construction of a new Fire Substation on Healdsburg Avenue across from the North Village development (April 2022)
3. Modifications to the timing for recordation of Affordable Housing Regulatory Agreements for Parcels 2 and 4 (December 2022).

A 4th DA amendment, seeking to modify the number of units and affordability levels for residential uses on Parcels 2 and 4, is currently in process. The Planning Commission's recent approval of amendments to the MCUP and amendments to the Design Review and Conditional Use Permit for Parcel 4 will not become effective unless and until the 4th DA amendment is adopted. Similarly, the proposed Residential Townhome project on Parcel 2 cannot proceed unless the 4th DA amendment is adopted.

On February 28, 2023, the Planning Commission recommended that the City Council approve the 4th DA amendment. The Council conducted a public hearing on the 4th DA amendment on March 20, 2023, and continued action on the item until April 17, 2023. With regard to Comstock's request to reduce the number of units sitewide from 301 to 298 units, the Council directed staff to work with Comstock to identify a way to either include those three units in the project or to identify options for mitigating the loss of the three units.

#### **PROJECT DESCRIPTION:**

Parcel 2 is located in the northwest corner of the North Village site. While the parcel is 2.89 acres in size, the development area is constrained by steep slopes on the north and west sides of the parcel, a drainage channel/easement at the base of the slopes, and Dovetail Lane on the south side of the parcel. Given these constraints, the actual development area is slightly over an acre in size.

The applicant, Comstock Healdsburg, LLC, has filed applications for a Design Review permit (DR 2022-23) and a Tentative Map (TM 2022-06) for a 24-unit townhouse complex. The project consists of three separate identical buildings, each of which contains 8 townhomes. Each townhome sits on top of an attached two-car garage. The townhomes have 2 or 3 bedrooms with 2-1/2 to 3 baths and range in size from 1,178 square feet to 1,711 square feet. The Tentative Map would establish the 24 condominium parcels and a common parcel that includes the circulation, landscaping, and open space on the project site. The townhomes are intended to be "Category C" units that will be marketed for sale to middle income households (i.e., households earning between 120% and 160% of the area median income). In Healdsburg, that income range equates to \$135,350 - \$180,480 for a family of four (based on the California Department of Housing & Community Development's median household income for Sonoma County adjusted for household size). Affordability covenants for the townhome will be established by an Affordable Housing Regulatory Agreement and Resale Restrictions in accordance with the DA.

A narrative description for the proposed Parcel 2 Residential Townhomes project is included in Attachment 2. Preliminary conceptual plans for the project are presented in Attachment 3. The plan set includes a site plan, floor plans, elevations, building materials, site cross-sections, renderings, survey and easement map, preliminary grading plan, preliminary utility plan, preliminary landscape plan, and a conceptual materials board. Attachment 4 presents the proposed Tentative Map for the 24 condominium units and the common parcel. The Tentative Map includes grading, street and utilities improvement plans. Attachment 5 presents the Shared Parking Diagram associated with the recently approved amendment to the Sitewide Shared Parking Plan (CUP 2019-04.02). The Stormwater Low Impact Development Plan for the Parcel 2 Residential Townhomes project is included in Attachment 6. The Parcel 2 Transportation Demand Management Plan is presented in Attachment 7.

At the workshop, the applicant and the project design team will provide a detailed presentation of the plans for the Parcel 2 Residential Townhomes project. They will respond to questions and solicit feedback from the Planning Commission. Staff will work with the applicant to ensure that feedback provided by the Planning Commission is addressed prior to the project returning to the Commission for a public hearing and action on the Design Review and Tentative Map applications.

#### **DESIGN REVIEW AND TENTATIVE MAP PROCESS:**

The Design Review and Tentative Map applications for the Parcel 2 Residential Townhomes will be processed concurrently by the City's Community Development Department. For the public hearing on the applications, staff will prepare a detailed analysis of the project's consistency with the City's planning policies and development standards and will recommend conditions of approval, as appropriate.

Through the Design Review process, the Planning Commission is tasked with ensuring that new development is attractive and enhances the appearance of the community, that the best possible traffic circulation is obtained, that the design and layout of new development is in scale and character with surrounding uses, and that new development complies with policies of the Healdsburg General Plan and the North Entry Area Plan and regulations in the City's Land Use Code.

In order to approve the Design Review permit, the following findings must be made:

1. The proposed development or use is consistent with all applicable policies and requirements of the General Plan and Land Use Code.
2. 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.

3. The proposed development or use is consistent with the purposes of the zoning district in which it is located.
4. 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.
5. For proposed developments or uses in the North Entry Area Plan Overlay, the design of the development or use, and all appurtenant structures, is consistent with the goals, policies, objectives and design guidelines set forth in the North Entry Area Plan, as adopted by the Healdsburg City Council on May 20, 2019, as may be amended from time to time.

In determining consistency with the City's planning policies and development standards, topics typically addressed by the Design Review process include:

- Siting, massing, design and architectural style of proposed structures
- Building design details, materials, colors
- Site access, vehicular circulation and parking
- Emergency access
- Pedestrian access, circulation and connectivity
- Landscaping and lighting plans
- Solid waste storage and collection facilities
- Usable outdoor space (private and shared)
- Grading, drainage and utilities
- Mitigation of construction-related impact
- Compliance with environmental review requirements

The Planning Commission's role in review of the Tentative Map is advisory to the City Council. The findings required for approval of a Tentative Map are as follows:

1. The proposed map and its design and improvements are consistent with the general plan and any applicable specific plan.
2. The site is physically suitable for the type and proposed density of development.
3. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
4. The design of the subdivision and the type of improvements are not likely to cause serious public
5. The design of the subdivision and the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision.
6. Unless otherwise provided by the Subdivision Map Act, the design of the subdivision provides, to the extent feasible, for future passive or natural heating or cooling opportunities in the subdivision.

Topics typically addressed in the review of Tentative Maps include:

- Conformance of parcel configuration with zoning requirements
- Adequacy of proposed on-site and off-site improvements including vehicle and pedestrian access and storm drain facilities
- Dedication of easements for site access, emergency vehicle access, storm drainage facilities, and utilities

- Compliance with environmental review requirements,

### **ENVIRONMENTAL ANALYSIS:**

During the NEAP planning process, an Environmental Impact Report ("NEAP EIR") was prepared to analyze the potential project and cumulative environmental impacts associated with future development under the NEAP (State Clearinghouse No. 2018062041). The NEAP EIR found that, with the implementation of mitigation measures identified in the EIR, all significant impacts could be reduced to a less than significant level except for the traffic impacts and safety hazards at the U.S. 101/Dry Creek Road intersection and the Dry Creek Road/Grove Street intersection. These impacts were identified as significant unavoidable adverse impacts and pursuant to CEQA Guidelines section 15083, a Statement of Overriding Considerations was adopted as part of the City Council resolution certifying the NEAP EIR. On May 20, 2019, the City Council certified the NEAP EIR and adopted a Mitigation Monitoring and Reporting Program ("NEAP MMRP") to ensure that mitigation measures identified in the EIR are implemented.

Review of the Master Conditional Use Permit and Development Agreement for the North Village project involved preparation of an Environmental Checklist in order to determine whether and to what extent the NEAP EIR remained sufficient to address the potential impacts of the project. The analysis included updated traffic modeling and greenhouse gas emissions analysis to account for the specific uses proposed. An Addendum to the NEAP EIR was prepared, pursuant to Public Resources Code section 21166 and CEQA Guidelines section 15164, to document the City's review of the North Village project. As explained in the Addendum, the City determined that the North Village Project did not warrant preparation of a new subsequent or supplemental EIR as it involved no new significant environmental effects and would not result in a substantial increase in the severity of previously identified significant effects.

For the Parcel 2 Residential Townhomes project, which is a component of the North Village Project, the City has identified the following applicable CEQA streamlining and/or tiering code sections, each of which, separately and independently, provides a basis for the project's CEQA compliance:

- A. A Community Plan Exemption, pursuant to Public Resources Code section 21083.3 and CEQA Guidelines section 15183;
- B. Reliance on the NEAP EIR as a Program EIR, pursuant to CEQA Guidelines section 15168.

Based on an examination of the analysis, findings, and conclusions of the NEAP EIR and Addendum, the potential impacts of the proposed North Village Project remain within the impacts previously analyzed and disclosed in the NEAP EIR and its Addendum. Moreover, none of the circumstances described in CEQA Guidelines section 15162 that require subsequent or supplemental environmental review have occurred. Therefore, per CEQA Guidelines sections 15162, 15164, and 15183 no further analysis is required under CEQA before taking action on the Design Review and Tentative Map applications for the Parcel 2 Residential Townhomes.

### **FISCAL IMPACT:**

The North Village Project is a privately funded development. The project will generate property and sales tax revenues which will help to offset the City's costs of providing services to the project.

**ATTACHMENTS:**

1. Site Vicinity Map
2. Project Narrative - Parcel 2 Residential Townhomes
3. Plan Set - Parcel 2 Residential Townhomes
4. Parcel 2 Tentative Map
5. Shared Parking Diagram (01-12-22)
6. Parcel 2 SWLID (11-28-22)
7. Parcel 2 Transportation Demand Management Plan (10-25-22)