

Item #8: Resolution to Certify the Final Environmental Impact Report (Final EIR) for the Downtown Housing and Economic Opportunity Overlay and EKN Appellation Hotel Project (SCH No. 2024040565)

- **Question: Vol 1, pg 14, ES 2 - Consistent with the pace of development that the City has experienced over the past two decades, "5" this Draft EIR evaluates.... What/where is footnote 5?**
 - **Response:** It is on page 2-29 of the FEIR and states, "For comparison, the Central Petaluma Specific Plan (CPSP), adopted June 2, 2003, and covering an area shown in Exhibit 2-4, provided for an estimated 1,997,942 square feet of new nonresidential development. Since the time of its adoption, a total of 303,640 square feet of nonresidential development has been approved within the CPSP, representing 15 percent of the CPSP buildout potential over 11 years. As such, estimating a 25 percent buildout over 20 years is a reasonable estimate."
- **Question: Why is it acceptable to consider a 25% buildout?**
 - **Response:** Please see answer above. And footnote 6 on Page 2-29 which explains the legal justification for considering a certain level of buildout. Footnote six states, "When it is difficult to foresee future conditions or events, an EIR may rest its analysis on reasonable estimates or assumptions. Claremont Canyon Conservancy v Regents of Univ. of Cal. (2023) 92 CA5th 474, 492-93; Citizens for a Sustainable Treasure Island v City & County of San Francisco (2014) 227 CA4th 1036, 1067. An EIR is not required to include an analysis of a worst-case scenario. East Oakland Stadium Alliance v City of Oakland (2023) 89 CA5th 1226, 1252-1253."
- **Question: For the CUP requirements, can the CUP be waived or omitted with or by a Density Bonus?**
 - **Response:** No. Only objective standards can seek density bonus waivers or concessions and the CUP requirement is a discretionary standard.
- **Question: Vol 2, pg 34, 2-28 If "parking Availability" is not a CEQA topic, where is it analyzed?**
 - **Response:** Parking is not an impact required to be analyzed under CEQA. The FEIR addresses secondary effects related to parking and found that the impacts are not significant (See pages 4-29 and 4-69). The Final EIR, Volume 1, states on page 3.3-16 that: "According to the IZO, sites and structures located in the City's Parking Assessment District are exempt from the requirement to provide off-street parking facilities. The parcels that comprise the Overlay Area and Hotel site, which are located within the City's Municipal Parking Assessment District are shown in Table 3.3-2, Existing Uses in Proposed Overlay Areas. Two of the three parcels that make up the Hotel site are within the Parking Assessment District."
Please also see the Final EIR Volume 2 Master Response 14 Hotel and Overlay

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Impacts on Parking, which addresses parking and CEQA, the effects of parking on VMT, parking requirements, and the City's Downtown Parking Study.

- **Question: pg 8 staff report - how many of the parcels in each Area are vacant?**
 - Response:
 - A: 77% is undeveloped, vacant and/or surface parking
 - B: 0% but 76% is surface parking
 - C: 43% of the land is vacant and/or surface parking
- **Question: pg 10 staff report - says "Error" What was intended here?**
 - Response: Those were links to the Municipal Code or past staff reports that did not convert when the word document was uploaded to PrimeGov, the City's agenda management software.
- **Question: How does the density guidance work on a mixed use proposal? If a proposal includes 50% of floor one being commercial and 50% parking and non residential; and also a basement used for parking; with 3 stories of residential above (floor 2 thru 4), is the max density (excluding any density bonuses) still the basic 30 units/acre? Commercial and parking would not reduce the residential density?**
 - Response: No, a mixed use project will not reduce the allowable density. Regardless, of mixed use or just residential, the State Density Bonus law allows for a density bonus (e.g. an increase in the base density) for qualifying projects. To qualify for a density bonus, the project would be required to offer a percentage of the unit to very low, lower, or moderate-income residents. The amount of the density bonus is set on a sliding scale, based upon the percentage of affordable units offered at each income level.
- **Question: Can we place restrictions on the height based on building type/use? For instance, allow a hotel to have increased height but not a commercial office building.**
 - Response: The City Council has discretion in approval of a zoning ordinance and therefore could request modifications to the proposed Overlay as part of introduction of the ordinance. The proposed Ordinance before the Council for consideration tonight reflects the Planning Commission's recommendation and the City Council's direction from the November 2024 Overlay workshop. Depending upon the scope of requested changes those changes may be able to be incorporated into tonight's introduction and brought back as part of the second reading of the ordinance. A more significant departure from the proposed Overlay could require a continuance to complete additional staff and/or environmental analysis for the modified scope.
- **Question: What is the combined property and sales tax that the city receives from the parcels in the overlay?**
 - Response: Based on county property tax bills, the total 1% of property tax generated annually in the overlay area is \$212,000 of which Petaluma receives approximately 11% or \$23,000. Additionally, it is estimated that given the

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number of vacant lots and service businesses that do not generate sales tax currently yields approximately \$259,000. The total of these combined is \$282,000 received in taxes in this area.

- **Question: From the time Adobe Road winery began construction, how long has this project taken? How much longer until completion? This project and height was not mentioned in the FEIR, although it will have a major influence on the City's future with its size as a venue. Page 43**
 - **Response:** The building permit was issued August 2024 and it is expected to complete construction in the first quarter of next year. The 3-story building will be appx 42' with the top of the bell tower to be appx 56.6'.
- **Question: 4.17c /Valet Service – off site location? Employee parking -offsite? Bike Parking? Location? 93 rooms = 93 parking spaces needed. Yet, only 53 will be provided? What is the # of deliveries that will be made every day? Delivery service/garbage service location? Goal 4G5 / 4P21 Page 282 Not all vehicles will be able to go into underground parking?**
 - **Response:** Please see Master Response 14 regarding Hotel Parking and Master Response 13 regarding Valet parking. Additionally, the Hotel Traffic Study encompasses deliveries to the Hotel.
- **Question: Besides the Hotel application are there any other developments proposed for the areas outlined in the 3 Overlays? What is the timeline for these development applications? I think there is 2 in Subarea A, besides the hotel?**
 - **Response:** A building permit is issued for the former Fourth and Sea site and staff is working on a proposal to assist with the re-tenanting of the former Walnut Grill site. Additionally, there are two projects entitled in Subarea C. Both of which are currently on the market.