

From: Marie McCusker <marie@petalumadowntown.com>

Sent: Monday, November 11, 2024 10:26:59 PM

To: Kevin McDonnell <kmcdonnell@cityofpetaluma.org>; Janice Cader-Thompson <Jcaderthompson@cityofpetaluma.org>; Karen Nau <knau@cityofpetaluma.org>; Mike Healy <mhealy@cityofpetaluma.org>; Barnacle, Brian <bbarnacle@cityofpetaluma.org>; Dennis Pocekay <dpocekay@cityofpetaluma.org>; John Shribbs <jshribbs@cityofpetaluma.org>

Cc: Peggy Flynn <pflynn@cityofpetaluma.org>; Brian Oh <boh@cityofpetaluma.org>

Subject: PDA Letter to city Re Downtown Overlay

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---
Please find signed letter attached.

Dear Mayor Kevin McDonnell, City Council Members, Peggy Flynn, City Manager, and Brian O., Director of Community Development,

In November of last year, the Petaluma Downtown Association Board of Directors shared several concerns that we felt needed to be addressed within or in parallel to the downtown overlay. These issues were highlighted as essential for the continued vitality and integrity of our downtown community.

Today, the board convened to discuss these concerns further and would like to bring them to your attention once more, as outlined in our updated letter dated November 11, 2024, attached herewith.

For your reference, we have also attached our original letter from November 6, 2023.

Respectfully, on behalf of the Board of Directors,

Sincerely

Marie McCusker
Executive Director
Petaluma Downtown Association & Visitor Program
(707) 762 9348
marie@petalumadowntown.com



November 11, 2024

Mayor Kevin McDonnell, City Council Members
Peggy Flynn, City Manager
11 English Street
Petaluma, CA 94952

Dear Mayor McDonnell, City Council Members and City Manager,

We, the Board of Directors of the Petaluma Downtown Association, would like to urgently remind you of the concerns addressed in our letter of November 2023 regarding the proposed overlay, and in general the development of Downtown.

We firmly believe that any actions taken by the city to drive development in downtown Petaluma should address the concerns of downtown merchants. These concerns, as communicated last year are:

1. The creation of a retail formula for the downtown area so that prosperity does not inadvertently drive out our local businesses in favor of chain and franchise businesses.
2. More public parking should be addressed as part of any plan before changes are made that would further exacerbate the issue.
3. The creation of ordinances that would encourage or require the maintenance and development of blighted and underused properties. The overlay is part of this, but we do not feel it will be effective without directly addressing these issues.

We support the idea of a luxury hotel downtown. We have received conflicting information regarding how the overlay and spot zoning directly apply to the project and ask the city to make a clear statement on this matter. Based on Eric Danly's comments at the October 7th meeting we understand that spot zoning is legal in California if it provides a public benefit, which we believe it does in the form of a more prosperous downtown.

Please communicate to us where these issues stand in your planning process, and if we can expect to see them adopted in parallel with the proposed overlay. Thank you for your time and consideration.

Sincerely

K Schikore

Karla Schikore
President
Petaluma Downtown Association



PETALUMA DOWNTOWN ASSOCIATION

November 6, 2023

Mayor Kevin McDonnell, City Council Members
Peggy Flynn, City Manager
11 English Street
Petaluma, CA 94952

Dear Mayor McDonnell, City Council Members, and City Manager

We, the Board of Directors for the Petaluma Downtown Association, support the goal of the three sections of the proposed overlay to provide targeted opportunities to encourage development on underutilized and blighted lots around downtown, in order to encourage shopping, tourism, and to provide much need-in-fill housing. This decision was reached after numerous presentations for and against the overlay and the associated hotel, surveys of our members, and much internal debate, which did yield some concerns across a range of issues.

We feel the various presentations in support of the overlay have omitted important facts that worry the community. Some important points that should be made more public are:

- a. The downtown core and our historic buildings are already protected, and the overlay does not change that.
- b. The possible (not mandated) taller buildings are on the outskirts of the downtown core.
- c. The Petaluma Central Specific Plan, approved 20 years ago, already allows for four and six-story buildings in and around downtown, the proposed overlay extends similar options to some selected underused lots.
- d. The overlay does not give carte blanche to developers; the city's review process is still in place for all proposed projects.
- e. There is a setback requirement on the upper floors of these potentially taller buildings that will give a four-story building feel as experienced from street level.

This proposal does not address some issues that we feel are important and should be addressed with or in parallel to the overlay:

1. Parking can sometimes be challenging, especially for those with impaired mobility, and further development will only make this worse unless parking needs are addressed. This should be addressed both in the planning process for new developments in a manner that does not make projects fiscally untenable, and with the addition of a 3rd public parking structure as was called for in the Central Specific Plan. As always, we oppose paid/metered public parking and would suggest possibly linking costs to tourism through some mechanism.
2. The owners of blighted and underused properties should be encouraged to either pursue developments of their own or sell those properties to those who will. Suspension of impact fees is one option, and we are sure there are others.

3. The city planning process should be more transparent and predictable to potential developers, including Petalumen's with smaller projects, to prevent review processes that can take years, and to stop the addition of hurdles that should all have been known upfront.
4. There is concern that a more prosperous downtown could cause retail rents to increase to the point that small businesses would be priced out. Since our local businesses provide much of the character and charm to our downtown, we would like to see the city investigate means by which large chain/franchise stores would not overwhelm and displace the character of downtown.

We support the proposed hotel at the corner of Petaluma Blvd S and B Street. We believe this one development supports the character of Petaluma and the goals of a prosperous and welcoming downtown. We believe this project is near its failure point due to delays, the same delays that killed similar projects. We ask the city to separate this project from other tangential issues and make the appropriate decisions to allow it to proceed in the near future. Our planning department knows all the options and we ask them to investigate further ideas such as a zoning variance, seeking approval of just one small part of the overlay, pushing the whole overlay to faster approval, or other incentives to encourage the developer to continue the project.

Sincerely



Karla Schikore
President
Petaluma Downtown Association