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VIA ELECTRONIC MAIL

April 24, 2023

Emmanuel Ursu
Principal Planner
City of Petaluma/Community Development
11 English Street
Petaluma, CA 94952

RE: 500 Hopper Street Development – Response to Planning Commission Comments during January 24, 2023, Planning Commission Study Session

Emmanuel,

On Tuesday, January 24, 2023, the Planning Commission (P.C.) met in a Study Session to offer feedback on a revised proposal from Scannell Properties (the Applicant) to develop our 39-acre site located at 500 Hopper Street. The proposal included 475 dwelling units consisting of 245 market-rate apartments, 90 detached single-family houses, 68 attached (duets) single-family houses, 72 below market-rate apartments, and 4,200 square feet of commercial space (File # PLMA-20-0001).

The following issues were raised during the meeting, and we have compiled corresponding responses.

1. COMMENT: Riverbank Setback – What is required and what is subjective?

RESPONSE: Regarding the river setback, we have read the Petaluma River Access and Enhancement Plan (PRAEP) adopted in May 1996. Per the PRAEP, we must establish a buffer zone between the top of bank and adjacent development. Pages 124 through 137 describe the “Downstream Segment” of the river which includes our 39-acre parcel. On page 125, the greenway width for our site is described in this statement: “Greenway width will vary depending on land use and bank stabilization treatment.” On page 129 in 2b., the program states “Where riverfront public access is provided, a minimum building setback of 30-60 feet from top of bank is recommended depending upon the circumstances pertaining to the site.” Lastly, on pages 132, 133, and 134, there are three (3) separate sections for Section O-O, which is the cross-section for our property. It appears that the minimum buffer zone of 30’ – 45’ would suffice in most portions of the river edge, but some areas would require 60’ – 75’. I believe the minimum buffer setback should suffice in most areas because there is not a structure abutting the setback. Also, the 75-ft minimum dimension is listed as a “ + or – “ meaning it can be more or less than 75-feet. To be conservative, we are using a 75’ setback to safely meet the intent of the River Access and Enhancement Plan. The Planning Department agrees with and supports a 75’ setback.

2. COMMENT: Will development cause flooding impacts to Lakeville Street, or cause other flooding impacts to the area?

RESPONSE: No, development on this site will not cause flooding on Lakeville Street. The proposed finished elevation of the site is lower than Lakeville Street, therefore, rainwater that falls on the site

will not drain to Lakeville Street or its infrastructure. Instead, stormwater will drain directly to the Petaluma River after being treated by a network of bioswales to prevent pollution to the Petaluma River and McNear Channel. The proposed roadways are designed to allow any overland flood waters, that accumulate due to extreme storm events, to escape towards the Petaluma River and McNear Channel away from Lakeville Street.

3. COMMENT: How will this development impact Sea Level Rise?

RESPONSE: With a 75' setback and finished elevation of the structures set at FEMA+200cm for projected sea level rise for the next 80 years, there are sufficient protections in place to protect the community from anticipated sea level rise. Additionally, the site design and proposed elevations are in alignment with the SLR Planning and In-Place Protection solutions discussed in the General Plan.

4. COMMENT: How will Electric Vehicle (EV) Charging Stations and solar microgrids be incorporated into the development?

5. **RESPONSE: EV Charging Stations will be incorporated into the overall site plan in numerous locations as well as in each private garage. Solar capability for residences will be installed on every home and for multi-family units. Back up battery storage will be designed and allowed for.**

6. COMMENT: Will the new neighborhood have an HOA?

RESPONSE: An HOA will be formed to maintain the private property areas including the duet residence courts, building exteriors and landscaping for all multi-family apartment units, bio retention areas and any park or other street areas not maintained by the City.

7. COMMENT: Should we move forward with this General Plan Amendment during a General Plan Update Process?

RESPONSE: The Planning Department verified that the City cannot stop a project from proceeding with a General Plan Amendment only because a General Plan Update is also in process. This would be holding a project hostage and is illegal.

8. COMMENT: What is the Affordable Housing Ratio and when will the units be built?

RESPONSE: 15% of the project's proposed units will be below market rate (affordable) units. Scannell Properties will dedicate 2.64 acres of land to Eden Housing, valued at over \$5.5M. The affordable units will consist of 72 units that will have 1-3 bedrooms in a 3-story walk-up configuration to allow for deeper affordability (30%-60%AMI). This allows for extremely low and very low housing levels. A development cannot achieve these low levels of affordability if units are dispersed. Eden Housing is committed to bringing the units to market as soon as possible as it scores well for funding grants. Additionally, because of the land dedication, the affordable project will not require further subsidy.

9. COMMENT: How will pedestrians safely cross Lakeville Street?

RESPONSE: Caulfield Lane between Hopper and Lakeville Streets contains bike lanes and large 8-ft sidewalks on both sides of the street. The intersection at Lakeville Street and Caulfield Lane is currently signalized with pedestrian hybrid beacons (PHB), which is specifically designed to help pedestrians safely cross higher-speed roadways. Additionally, there are painted pedestrian street crossings to indicate where pedestrians should cross the street. This is a sophisticated, signalized intersection.

10. COMMENT: Why did the Applicant choose to ignore the boat dry dock?

RESPONSE: Per City Staff direction and concerns for the public's health and safety, the Applicant spent over \$100,000 on a structural analysis of all existing river retaining wall structures and concrete/wood abutments. Given the age and deterioration of these structures, the City Staff requested that all retaining structures be removed and the riverbank be restored to its natural state as a part of the approval package.

11. COMMENT: How will this development impact the Caulfield Lane Vehicular Bridge and overall traffic impact?

RESPONSE: See Fehr & Peers traffic memo.

12. COMMENT: Where will children in the new neighborhood go to school and will there be enough room?

RESPONSE: Per discussions with the Superintendent's office, families in Petaluma can choose which school their children attend: either Petaluma City School District or the Old Adobe School District.

Based on the 2020 Level I Developer Fee Study for Petaluma Joint Union High School District, the City of Petaluma and Sonoma County projects a build out of 4,582 residential units over the next 20 years. Based on our current site plan, our development site plan contains 475 new residential unit. Because 500 Hopper Street is one of the largest infill developments in Petaluma, it will account for just over 10% of the anticipated allocation of new units over the next 20 years. Additionally, based on our current entitlement schedule, final occupancy for the project is likely to occur in 2028 or 2029, which is approximately halfway through the study timeline.

Based on Senate Bill 2926, a school district is allowed to levy fees on developers for new construction. Any new development is required to pay a fee of \$4.08 per square foot for residential construction and \$0.66 per square foot for commercial/industrial construction.

13. COMMENT: Will there be any Habitat Restoration as part of the project?

RESPONSE: Along 820 linear feet of shoreline at five locations, the project will remove shoreline stabilization structures which include deteriorating timbers, pile retaining walls, vessel ramp remnants and a graving dock. The bank will be restored and sloped at a 3:1 ratio with the integration of a wetland bench to create and restore wetlands. The slope will be revegetated with native species in accordance with Agency approved planting plans. Remaining shoreline area is in its natural state but will be enhanced with native planting. Shoreline restoration efforts will reduce and help mitigate impacts from sea level rise.

14. COMMENT: Will Permeable Paving be incorporated into the project?

RESPONSE: Yes, permeable pavement will be included in the project. It will be best suited for alleyways and driveways with pedestrian or low-volume traffic roadways.

Additionally, please allow me to ask two follow-up questions (see bold print below) to the P.C. at the next Workshop:

1. In the context of the nearby commercial uses and the 4,200-square foot on-site commercial space proposed, does the project retain a meaningful mix of uses in the neighborhood that is consistent with the proposed Mix Use land use designation? (1-P-1, 1-P-6, 1-P-11, 2-P-4, 7-P-13)
 - a. **We heard that 8,000 +/- SF retail/commercial space would be sufficient for the project. Requesting confirmation with the Planning Commission that is acceptable.**
 - b. **Will the “work” portion (on the bottom floor) of a work/live residential unit count toward commercial space?**
2. Is Alternative Compliance for proposed land dedication, location, and tenure (rental only) to meet inclusionary housing requirements acceptable for the project? (Housing 2.2 and 4.3 and IZO Section 3.040)
 - a. **We did not hear objections to this question. Will the Planning Commission support Alternative Compliance (including rental units only) to meet inclusionary housing requirements?**

Thank you for taking your time and energy to discuss 500 Hopper Street. We look forward to developing a community that residents love and enjoy.

Sincerely,

SCANNELL PROPERTIES



Printed: Walker Williams

Title: Development Manager

CC: Andrew Trippel, AICP, Planning Manager
Emmanuel Ursu, Principal Planner
Heather Hines, Interim Community Development Director
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