



DATE: October 2, 2023

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Andrew Trippel, Planning Manager

SUBJECT: Adoption (Second Reading) of Ordinance No. 2864 N.C.S. Adopting a SmartCode Regulating Plan Zoning Map Amendment for the Oyster Cove Mixed Use Neighborhood Project Located at 100 East D Street, APN 007-700-006; City Record No. PLZA-2022-0004

---

### **RECOMMENDATION**

It is recommended that the City Council adopt (second reading) the attached Ordinance approving a Zoning Map Amendment to Section 2 of the Amended SmartCode Regulating Plan (2013) on a portion of the subject site from River Dependent Industrial (D3) to Urban Center (T5).

### **BACKGROUND**

On September 18, 2023, the City Council unanimously introduced the following regular ordinance for the Oyster Cove Mixed Use Neighborhood Project:

- Ordinance No. 2864 N.C.S. approving a Zoning Map Amendment to rezone a portion of the project site from D3 to Urban Center (T5)

The ordinance was introduced as presented here with no changes. The item is before the City Council for approval (second reading) of the ordinance. For a more in-depth discussion of the ordinance, please see Attachment 2, City Council Staff Report for the Oyster Cove Mixed Use Neighborhood, dated September 18, 2023.

### **DISCUSSION**

The Oyster Cove Mixed Use Neighborhood Project proposes adaptive re-use of an existing industrial site into a predominantly residential mixed-use development consisting of 132 residential condominium units arranged in 21, 3-4 story buildings oriented to East D St., the Petaluma River, and McNear Canal. Eleven of the units facing East D St. would be three- to four-story live/work units with living space above ground floor non-residential. The balance of the site will have 121 attached residential homes. The project complies with the City's inclusionary housing requirement by reserving 15% of units for income-qualifying households (7.5% at Low-Income and 7.5% at Moderate Income).

In addition to proposed residential development, the project proposes adaptive reuse of the existing “Oyster Shed” industrial building, adjacent to East D. St. and the Petaluma River, for a covered public plaza, public-serving boathouse, and commercial restaurant with an outdoor dining patio. Site landscape improvements and required offsite improvements would also be implemented. All project components including proposed residential, mixed-use, and commercial development, site access, on- and off-site improvements, parking, open space, public art, landscaping, lighting, site furnishings, utilities, requested warrants, sea level rise, construction activities, and architectural design are discussed in the City Council Staff Report for the Oyster Cover Mixed Use Neighborhood dated September 18, 2023 (Attachment 2).

## **PUBLIC OUTREACH**

This agenda item appeared on the City’s tentative agenda document on September 26, 2023, which was a publicly noticed meeting.

## **COUNCIL GOAL ALIGNMENT**

Based upon the information presented in this staff report, the proposed project complies with Citywide goals and priorities contained in the City of Petaluma General Plan 2025, the City of Petaluma Bicycle and Pedestrian Plan 2008, adopted as an appendix to the General Plan (see Mobility Chapter discussion), the River Access and Enhancement Plan adopted May 1996, the Central Petaluma Specific Plan (CPSP) adopted June 2, 2003, and the Petaluma SMART Rail Station Areas: TOD Master Plan, Station Areas Master Plan (2013). In addition, to the project’s consistency with adopted policy documents, the project also implements the following Citywide Goals and Priorities:

- Item 103 - Prioritize and incentivize sustainable infill development.
- Item 119 - Establish bicycle and walking paths and other river access amenities along the Petaluma River as identified in the River Access and Enhancement Plan.
- Item 120 – Robust focus on riverfront and river-oriented development.
- Item 140 - Expand the use of Transit Oriented Development (TOD) principles in new development, including greater massing allowances to facilitate thoughtful infill development proximate to TODs.

## **CLIMATE ACTION/SUSTAINABILITY EFFORTS**

The proposed project is consistent the Climate Emergency Framework adopted by the City Council on January 11, 2021 - eliminate transportation emissions by reducing vehicle miles traveled (VMT) through infill development and increased density and encouragement of and support for non-combustion vehicles in that the project proposes infill development on a site located proximate to transit and other multi-modal options and will expand bicycle and pedestrian facilities in the immediate project vicinity and install electric vehicle charging in proposed residences to encourage the use of non-combustion vehicles. The project is required to

comply with the City's All-Electric Ordinance. Additionally, the project incorporates several strategies to protect against the impacts of sea level rise, consistent with the Framework.

### **ENVIRONMENTAL REVIEW**

At the September 18, 2023, City Council meeting, the City Council approved Resolution No. 2023-151 N.C.S. adopting an Initial Study/Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) for the project. The proposed Zoning Map Amendment that would be adopted by Ordinance No. 2864 N.C.S. was fully analyzed within the scope of the MND prepared for the project.

### **FINANCIAL IMPACTS**

The Oyster Cove Mixed Use Neighborhood Project has a cost recovery account to pay for time and materials for processing the entitlements. Additionally, the project is required to pay its fair share of fees as set forth in the City of Petaluma Development & Capacity Impact Fees Booklet.

### **ATTACHMENTS**

1. Ordinance No. 2864 N.C.S. with Exhibit A: SmartCode Regulating Plan Zoning Map with Amendment
2. City Council Staff Report for the Oyster Cove Mixed Use Neighborhood Project dated September 18, 2023