



Agenda Item #:	<u>4B</u>
Meeting Date:	<u>May 25, 2021</u>
Prepared By:	<u>Linda Ruffing, Planning Consultant</u>
Reviewed By:	_____ Luke Sims Interim Comm. Development Director

REQUEST FOR PLANNING COMMISSION ACTION

PROJECT TITLE: North Village Hotel
SUBJECT: Major Design Review (DR 2021-06)
Major Conditional Use Permit (CUP 2021-03)

The proposed project consists of a 108-key hotel on an 8.12-acre parcel. The hotel includes a restaurant (indoor seating for 60 guests; outdoor seating for 40 guests) and a rooftop bar (seating for 60 guests in an indoor/outdoor setting); fitness facility and spa; and meeting and event spaces.

The proposed uses were approved by a Master Conditional Use Permit (CUP 2019-04) approved by the Planning Commission on February 11, 2020. A Major Design Review Permit and a Major Conditional Use Permit are required to authorize the proposed project design and operating characteristics.

PROPERTY ADDRESS: 16977 Healdsburg Avenue, Healdsburg, CA

Note: Site addresses have not yet been assigned to the parcels in the North Village development.

ASSESSOR PARCEL NO.: APN 091-060-040

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

APPLICANT/OWNER: Comstock Healdsburg, LLC

RECOMMENDED ACTION:

By motion, it is recommended that the Planning Commission approve Resolution No. 2021-07 (Exhibit 1) approving Major Design Review Permit DR 2021-06 and Major Conditional Use Permit CUP 2021-03 for development of the North Village Hotel project, based on the suggested findings and subject to the recommended conditions of approval.

PROJECT DESCRIPTION:

The applicant and property owner, Comstock Healdsburg, LLC, requests a Major Design Review approval (DR 2021-06) and a Major Conditional Use Permit (CUP 2021-03) to authorize development of a 108-key hotel and associated amenities on an 8.12-acre parcel located on the west side of Healdsburg Avenue adjacent to the northern Healdsburg city limit (Exhibit 2). The applicant's narrative project description is provided in Exhibit 3. The North Village Hotel is an integral part of the mixed use neighborhood envisioned for the North Village project. It will accommodate visitors of residents of the Enso Village and multi-family developments, its restaurants, spa and meeting facilities will be open to community members, and its visitors will help to support the North Village retail uses.

The Hotel has 108 guestrooms with outdoor terraces and private balconies. On-site amenities include an indoor/outdoor restaurant, rooftop bar, fitness and spa facilities, family and adult swimming pools, and a multi-purpose event space known as the "Grange." The outdoor landscape includes a chef's garden, walking paths, and courtyards surfaced with decomposed granite for gatherings and events. The Hotel includes a total of 81,238 square feet of conditioned space and an additional 32,512 square feet of covered, unconditioned space.

Exhibit M1 presents the Plan Set for both the Mixed Use and Hotel components of the North Village project. The design of the project is inspired by the agrarian and rural characteristics of the region. Residential scale building massings are clustered around courtyards and open spaces, reinforcing the village-like characteristics of the Hotel Project (Exhibit M1, Sheet A-1.6). The Hotel arrival court is centrally located at the north end of Boxheart Drive and the Hotel lobby/restaurant building is a three-story building centrally located in alignment with the Boxheart Drive. The Grange is located along Dovetail Lane directly across from the Promenade on the Mixed Use parcel allowing for a strong connection between the two public gathering spaces. On the interior of the site, the Grange connects to an area that was envisioned as a "common green" in the original plans but has been modified to a courtyard surfaced with decomposed granite with planters and drought-tolerant landscaping. Guest rooms are located in groupings of smaller two-story bungalows with exterior covered walkways and private balconies. The bungalows have a simple shape with shallow gabled roofs consistent with the agrarian architecture characteristics.

The Hotel project reduces the apparent size of the overall massing by breaking down the larger buildings into smaller footprints and volumes. Lower one- and two-story buildings are located on the east side of the Hotel site, stepping up to the three-story massing of the Lobby/Restaurant building further to the west. The architectural design uses simple building forms, barn-like shapes, low pitched gable roofs, and traditional materials such as standing seam metal roof, board and batten siding, and natural stone. Exhibit M1, Sheet L-1.3 shows the overall site plan and identifies the various buildings and outdoor areas.

A total of 124 off-street parking spaces are proposed for the Hotel, with nine spaces located at the Arrival Court and 115 valet parking spaces located in a parking lot located between the development and the NCRA corridor (Exhibit M1, Sheet A-1.24). A total of 35 shared on-street parking spaces are located on Boxheart Drive and Dovetail Lane and an additional 21 shared parking spaces are located at the Dovetail Lane entry to the parking lot. Exhibit M1, Sheet L-1.14 shows the landscape plan for the parking lot. It is landscaped with large oak trees to provide shade and screening.

A number of modifications to the Plan Set (Exhibit M1) were made in response to feedback provided at the April 13, 2021 Planning Commission workshop. The sheets that have been revised are noted with asterisks on the Index (Exhibit M1, Sheet G-0.2) and include the following:

- Sheet L-1.3 "Overall Site Plan" - revised landscaping plan to include crape myrtle canopy trees along the Dovetail Lane entry to the parking lot.
- Sheet L-1.14 "Hotel Tree Planting" - revised plan to include crape myrtle canopy trees along the Dovetail Lane entry to the parking lot.
- Sheet L-1.28 "Retail Street Outdoor Furnishing Layout" - revised to include additional outdoor bike racks and indoor bike racks, and to add dog waste stations.
- Sheets L-1.16 and L-1.17 were revised to reduce the water usage for irrigation through substitution of decomposed granite paving for turf in the primary lawn areas. In addition, secondary lawn areas are revised to a low water use turf alternative.

Exhibit 6 is a table showing updated Water Efficient Landscaping (WELo) calculations for the Hotel based on the substitution of decomposed granite surfaces for turf lawns. Exhibit M2 is a letter from Comstock (April 30, 2021) which provides written responses to comments received at the April 13, 2021 Planning Commission workshop.

The application also includes the following site-specific documentation along with documents that apply to both the Hotel and the Mixed Use Project:

- Exhibit 4 is a "Delivery Truck Turning Diagram" for the Hotel back-of-house loading area.
- Exhibit 5 is the "North Village Hotel Transportation Demand Management (TDM) Plan" (December 23, 2020) prepared by Walker Consultants.
- Exhibit 7 is a "Supplemental CUP Application for Alcohol-Related Uses"
- Exhibit M3 is a memo prepared by W-Trans (April 6, 2021) to address technical issues relating to the design and lay-out of the driveway from the parking lot to Boxheart Drive.
- Exhibit M4 is a memo prepared by Carlile Macy (April 30, 2021) to address Planning Commission questions regarding specifications for street trees.
- Exhibit M5 is a "Tree Inventory Report (Updated)" prepared by the project arborist (April 1, 2021)
- Exhibit M6 is a draft "Vegetation Management Plan" (April 5, 2021) prepared by Firewise 2000, LLC.
- Exhibit M7 is a "Reciprocal Easement Agreement" for the North Village Project.

Additional technical documentation for the North Village project includes a Geotechnical Report (May 2020), Master Hydrology Report (April 2020), Fire Flow Analysis Reports (September 2019; April 2020), Stormwater Low Impact Development Report (January 2021), a Preliminary Title Report, and a Declaration of Reciprocal Easement, Joint Use and Maintenance for the North Village Project.

These documents are available for review on the City of Healdsburg's website at:

<https://www.ci.healdsburg.ca.us/515/Applications-and-Studies-in-Progress>

SITE & VICINITY DESCRIPTION

The 32-acre North Village Project site is located at the northern end of Healdsburg between US 101 and Healdsburg Avenue. The site is bisected by the North Coast Rail Authority ("NCRA") right-of-way which runs roughly parallel to Healdsburg Avenue along the eastern boundary of the site. The NCRA rail corridor is currently inactive but is planned for future passenger rail service operated by Sonoma-Marín Area Rail Transit ("SMART"). Access to the North Village Project is provided via a public, at-grade rail crossing that is located mid-way along the Healdsburg Avenue frontage.

The North Village Hotel project site is located on the northeast portion of the North Village site. The 8.12-acre parcel is roughly rectangular in shape and is bounded by the NCRA right-of-way to the east and Dovetail Lane, a private street which provides east-west access within the North Village project to the south. Access to the Hotel site from Healdsburg Avenue will be provided via Boxheart Drive, the "main street" within the North Village project. These streets are part of the backbone infrastructure supporting development on the North Village site and are currently under construction.

The Hotel site is adjacent to private lands owned by the Lytton Rancheria to the north. A 2.89-acre parcel within the North Village development that is slated for Affordable/Workforce housing is located to the west and the Enso Village Senior Living Community ("Enso Village") and Mixed Use Project sites that are within the North Village development are located on the opposite side of Dovetail Lane to the south.

The Enso Village project has been approved on the property to the south and west of the Hotel site. It will include 221 senior independent living units, 54 assisted living/memory care beds, and associated amenities. The Enso Village project has received all of its entitlements and construction is expected to commence this summer. The property immediately south of the Hotel site has received master entitlements for a mixed use development comprised of 45 multi-family residences, 5 live-work units, and approximately 12,000 square feet of retail use. It is the subject of a separate Major Conditional Use Permit and Major Design Review application. The Montage Healdsburg (formerly known as Saggio Hills) project site is located on the east side of Healdsburg Avenue across from the project site. A luxury resort recently opened on the Montage site and residential development is currently underway. In addition to the resort and residences, the Montage project includes a planned community park, fire substation, and affordable housing that are in various stages of the planning and development review process.

The North Village Project site was previously operated as a lumber mill. Environmental remediation and grading were performed in 2004 in anticipation of future development. At that time, a surface drainage system was installed consisting of swales and a stormwater detention basin. In addition, there are two active faults within the North Village Project site, one of which traverses the Hotel site as shown on Exhibit M1, Sheet A-1.6. A 50' setback for inhabited structures is required on either side of the fault (see "seismic setback" on site plan).

BACKGROUND:

The North Village Hotel site is owned by Comstock Healdsburg, LLC, and is located within the North Entry Area Plan ("NEAP") planning area. In May 2019, the Healdsburg City Council certified an Environmental Impact Report and adopted the NEAP and an ordinance amending the Healdsburg Municipal Code to establish implementing regulations for the NEAP. The NEAP establishes a vision concept, land use guidelines, development standards and design guidelines for a new mixed-use neighborhood on the 32-acre North Village site.

In February 2020, the Planning Commission approved a Master Conditional Use Permit (CUP 2020-04 the "Master CUP") to authorize allowable uses and densities and the backbone infrastructure for a mixed-use community known as "North Village" on the 32-acre property. The backbone infrastructure includes a new signalized intersection on Healdsburg Avenue at the site access road (Boxheart Drive). The intersection is aligned with the entryway of a planned Fire Substation on the Montage site. Boxheart Drive enters the North Village site, crosses the NCRA right-of-way and curves to the north. It ends at an east-west street (Dovetail Lane) that provides east-west access within the North Village site. A secondary emergency vehicle access ("EVA") and rail crossing will provide access from Healdsburg Avenue near the northern boundary of the North Village site. Earlier this year, the City approved improvement plans

for construction of the backbone infrastructure to serve future development on the North Village site. The master developer, Comstock Healdsburg, LLC, has begun construction of the shared improvements.

In April 2020, the City Council entered into a Development Agreement ("DA") for the North Village project. The DA and the Master CUP for the North Village project allow for development of up to 301 residential units, approximately 12,000 square feet of commercial space, and a 108-key hotel with a restaurant, bar and other amenities on the North Village site. In exchange for these entitlements, the DA requires the developer to construct a minimum of 15 low- and very low-income units; 39 moderate-income units and 26 middle-income units, plus 30 senior living units that are targeted to households with very low- and moderate-incomes. In addition, Comstock is required to construct a Fire Substation on a parcel dedicated to the City by the Montage developer (with Comstock's contribution capped at \$2 million plus funds from Montage), to contribute \$250,000 to the City in "connectivity funds," to enter into a payment-in-lieu of taxes ("PILOT") agreement for the senior living community, and to collect a "hotel community benefit fee" of 1/2 cent on every dollar charged for room occupancy, parking and resort fees to be passed through to the City.

Comstock Healdsburg, LLC, has applied for Design Review and Conditional Use Permits (CUPs) for the 108-key North Village Hotel with ancillary facilities and for the North Village Mixed Use Project consisting of 45 multi-family units, 5 live work units, and 12,000 square feet of commercial space. On April 13, 2021, the Planning Commission held a workshop where the North Village development team presented their plans and vision for the North Village Hotel and the Mixed Use Project, discussed the various considerations that informed the design, and received informal feedback from the Planning Commission and the community. In response to feedback received, the applicant has revised the plans and documentation as summarized in Exhibit M2. The Major Design Review Permit and Major Conditional Use Permit applications are now scheduled for a public hearing by the Planning Commission on May 25, 2021.

CONSISTENCY ANALYSIS - HEALDSBURG GENERAL PLAN 2030, NORTH ENTRY AREA PLAN, LAND USE CODE & NORTH VILLAGE DEVELOPMENT AGREEMENT:

When the City approved the Master CUP and Development Agreement for the North Village Project, the Planning Commission and the City Council each made findings that the overall project's geographic location and contemplated categories of uses are consistent with the General Plan, the NEAP, and the applicable provisions of the City's Land Use Code. Accordingly, the City has already determined that a hotel consisting of a 108-key hotel, a restaurant, rooftop bar, fitness center and spa, and "Grange" building, is a consistent use, and such determination is vested under the Development Agreement. Accordingly, this Design Review and Conditional Use Permit application is focused exclusively on the design, operation, and maintenance of the North Village Hotel.

A detailed analysis of the consistency of the North Village Hotel with applicable City policies and regulations relating to design, operation and maintenance issues is provided in the following exhibits and summarized below:

- Exhibit 8 - Healdsburg General Plan 2030 Consistency Analysis
- Exhibit 9 - North Entry Area Plan Consistency Analysis
- Exhibit 10 - Land Use Code Consistency Analysis
- Exhibit 11 - North Village Development Agreement Consistency Analysis

Healdsburg 2030 General Plan

The Healdsburg 2030 General Plan land use designation for the project site is Mixed Use ("MU"). This land use classification provides for a broad range of commercial and residential uses, including multi-family residential, hotels and retail uses. Exhibit 8 presents a table that identifies relevant guiding principles, goals, and policies in the General Plan and evaluates the Project's consistency with them. As shown, the Hotel is consistent with General Plan guiding principles and policies relating to land use, natural resources, safety and community design. The Project is also consistent with General Plan land use policies pertaining to development at the North Entry.

North Entry Area Plan (NEAP)

The Healdsburg 2030 General Plan identifies the northern entry to Healdsburg as an area warranting special study in recognition of its importance both as an attractive gateway into the City and an area of transition from the rural landscape of the Alexander Valley to the more urban core of downtown Healdsburg. In May 2019, the City Council adopted the NEAP to provide specific policies and regulations to guide development on a 32-acre parcel of land located on the west side of Healdsburg Avenue at the north entry to Healdsburg (i.e., the North Village project site). Exhibit 9 presents a table that identifies relevant guiding principles and policies from the NEAP that relate to Land Use, Design, Circulation and Open Space. The table provides an evaluation of the North Village Hotel's consistency with these planning policies. As summarized in the table, the project is consistent with all of the applicable requirements of the NEAP.

Land Use Code

The Land Use Code contains regulations to implement the policies of the Healdsburg 2030 General Plan, including the NEAP. Applicable Land Use Code regulations for the Hotel include provisions relating to specific development standards for lands within the Mixed Use District and within the NEAP Overlay; and general development standards for parking, landscaping and refuse and recycling storage areas. Consistency of the Hotel with Land Use Code requirements is addressed in Exhibit 10.

North Village Development Agreement

On April 6, 2020, the City Council adopted a Development Agreement by and between the City of Healdsburg and CCS Healdsburg LLC for the North Village Project ("DA"). Specific provisions of the DA pertain to the Hotel project. Exhibit 11 evaluates the proposed consistency of the Hotel project with pertinent sections of the DA. As noted, the timing for some of the DA obligations is in the future.

DISCUSSION/ANALYSIS:

Through the Major Design Review Permit 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 projects are in scale and character with surrounding land uses, and that new development projects comply with the Healdsburg General Plan, local area plans and specific plans (in this case, the NEAP), and the Land Use Code.

While a Master Conditional Use Permit was granted for the entire North Village project (CUP 2019-04), a project-specific Major Conditional Use Permit is required for the Hotel component because "visitor lodging" is a designated conditional uses in the Mixed Use/NEAP Overlay zoning district. Subject to the limitation included in the Master CUP and the Development Agreement, discussed above, the Major

Conditional Use Permit process allows the Planning Commission to grant and deny applications and to impose conditions to ensure that the operation of proposed uses meets the objectives of the Land Use Code and will not adversely affect surrounding properties.

The following discussion focuses on key topics raised by the Planning Commission and community members at the April 13, 2021 workshop for the North Village Hotel and the Mixed Use Project. Exhibit M2 presents the applicant's response to feedback received at the workshop and summarizes revisions made in the final submittal. Exhibit M8 includes all City Department comments, including comments provided in the pre-application review process, many of which were addressed in subsequent plan revisions.

The reader also is directed to Attachment A of Exhibit 1, draft Planning Commission Resolution No. 2021-07, which sets forth a comprehensive set of Conditions of Approval recommended for the Major Design Review Permit (DR 2021-06) and Major Conditional Use Permit (CUP 2021-03) for the North Village Hotel. The Conditions of Approval are intended to ensure that the project is consistent with General Plan policies; NEAP policies, development standards and guidelines; and Land Use Code requirements. In addition, the conditions of approval associated with the Master Conditional Use Permit (CUP 2019-04) for the North Village project and mitigation measures identified in the certified Final Environmental Impact Report ("NEAP EIR") for the NEAP adopted through the Mitigation Monitoring and Reporting Program ("MMRP") remain applicable to the project.

Site Layout and Connectivity

Site Layout. As described in the North Village Hotel Narrative (Exhibit 3) and shown on the Site Plan (Exhibit M1; Sheet A-1.6), the Hotel includes two groupings of two story "guest bungalows." The west bungalows are arranged around a family pool and the east bungalows are arranged around a lap pool and fitness facility. A one-story spa facility is included with the east bungalows. In between the two bungalow groupings is the Hotel lobby/restaurant building, a three-story structure that is aligned with Boxheart Drive. The Grange building, a one-story barnlike structure for events and gatherings, fronts on Dovetail Lane and aligns with the Promenade at the Mixed Use Project across the street. Together, these two features are envisioned as a "community focal point" in the North Village project. Immediately south of the Grange is a utilitarian two-story structure with back-of-house facilities, storage/mechanical areas, a loading dock and service courtyard. Exhibit M1, Sheet A-1.23 shows the first, second and third floor layout of all of the structures.

As summarized in Exhibit 9, the layout of the North Village Hotel is consistent with the Guiding Principles of the NEAP and the NEAP Design Guidelines.

Sidewalks and Connectivity. Exhibit M1, Sheet L-1.13 shows a "Site Circulation Diagram" that illustrates pedestrian facilities within the Hotel parcel. Per the Master Conditional Use Permit, the sidewalks on Dovetail Lane are 6' wide. Crosswalks are provided at the traffic circle at the end of Boxheart Drive. The crosswalk on Dovetail Lane between the Promenade and the Grange has been given a special treatment as shown in Exhibit M1, Sheet L-1.26 and described in the applicant's response to comments received at the Planning Commission workshop (Exhibit M2):

"The crossing and connection between the Promenade to the Grange is visually emphasized by a combination of details to draw attention to this important crossing and connection. Decorative colored/texture concrete paving at the sidewalk and elevated widened crosswalk, enhanced with truncated dome pavers at the sidewalk edge as well as decorative bollards and streetlights to

enhance safety and traffic calming. Decorative pots and a border of perennials/ornamental grasses provide color and interest flanking the sidewalk areas on either side, as well as large scale shade trees. Night-time lighting of the Grange and Promenade entrances are designed to create a welcoming glow."

As shown on Exhibit M1, Sheet L-1.13, the pathway connection through the Grange to the event lawn is private with public access. Sheet L-1.13 also shows the section of the Perimeter Trail on the Hotel parcel. The segment located on the east side of the parking lot is 6' wide and surfaced with decomposed granite. When it heads north along the base of the northern hills, it becomes a 3-4' wide dirt pathway per the Master CUP.

In addition, as noted in Exhibit 11, the North Village DA addresses connectivity by requiring the North Village project developer to provide shuttles from the North Village site to downtown Healdsburg and to make a \$250,000 contribution to the City for connectivity improvements. Comstock is also required to construct a segment of the Foss Creek Pathway along the Healdsburg Avenue frontage of the entire North Village project site as part of the shared infrastructure improvements. This pedestrian and bicycle facility is part of the backbone infrastructure for the North Village project that is currently under construction.

As summarized in Exhibit 9, the North Village Hotel is consistent with the Guiding Principles of the NEAP and the NEAP Design Guidelines and policies relating to connectivity.

Vehicular Circulation and Parking

Location of parking lot access driveway. The Traffic Circulation Exhibit for the North Village Hotel is shown on Exhibit M1; Sheet C-1.07. Primary access is from Boxheart Drive and secondary access is from Dovetail Lane. All hotel parking will be valet parking with loading and unloading at the Hotel entry courtyard. It is anticipated that much of the traffic on Dovetail Lane between the hotel entry and the east parking lot will be related to valet services.

The Planning Commission reviewed the alignment of the driveways onto Boxheart Drive from the east parking lot and the Enso Village development at the February 2020 Master CUP hearing and the November 2020 Enso Village Design Review permit. At the April 13, 2021 Planning Commission workshop on the Hotel and Mixed Use components of the North Village project, the Planning Commission reviewed an Access Evaluation Memo (Exhibit M3) prepared by W-Trans that addresses the driveway from the east parking lot and evaluates sight distances, turn lane warrants, all-way stop-control warrants and queueing. The memo concludes that the driveway has adequate sight distances for vehicles traveling in both directions on Boxheart Drive, that additional controls and turn lanes at the driveway are not warranted and therefore not recommended, and that queueing along Boxheart Drive is not expected to exceed the distance between the driveway and the rail crossing. A condition is recommended as part of the Conditional Use Permit for the Mixed Use Project that would allow the City Engineer to require installation of a "right turn only" sign for vehicles exiting the driveway if warranted by traffic volumes and accident data.

Traffic Control for Special Events. At the April 13, 2021 workshop, the Planning Commission suggested that potential traffic congestion concerns related to special events at the Hotel be addressed through a special condition requiring the Hotel to provide traffic control at the intersection when hosting special events. A condition establishing this requirement is included in the attached Resolution (Exhibit 1).

Dovetail Lane access. The section of Dovetail Lane fronting the Hotel site functions as a driveway and then, to the east of the crosswalk linking the Promenade to the Grange, Dovetail Lane becomes the drive aisle of a parking lot with perpendicular parking on each side. Dovetail Lane maintains a 26' width throughout which meets Fire Code requirements.

Parking. Walker Consultants prepared a shared parking study for the entire North Village project for the Master CUP. The study projected a peak parking demand of 513 parking spaces for the peak period (7:00 PM on a weekend day in the spring). As shown on Exhibit M1, Sheet A-1.24, a total of 583 spaces will be provided sitewide, resulting in a surplus of 70 parking spaces for the site.

The Hotel Transportation Demand Management ("TDM") Plan (Exhibit 5) prepared by Walker Consultants estimates that the peak parking demand of the Hotel project during the peak demand hour for the entire North Village development is 130 spaces. Parking for the Hotel would be provided by a combination of surface parking lots and off-street parking. A total of 124 spaces (9 spaces in the Arrival Court and 115 in the east parking lot) are reserved for Hotel valet parking only spaces. The benefits of implementing a valet parking operation are that the hotel will be able to use its parking supply to its maximum capacity.

The Hotel would also be served by "shared parking" within the North Village Project which includes 17 spaces in the east parking lot, 21 spaces in the Dovetail Lane parking lot, 22 parallel parking spaces on Boxheart Drive, and 13 diagonal spaces on Dovetail Lane. In total, there are 73 shared parking spaces.

Walker Consultants concluded that the pool of 73 shared parking spaces can be used as floating capacity to handle demand for exceptionally large special events, or periods of concurrent high parking demand by all land uses in the development that generate higher demand than the typical peak or design day that has been accounted for in the shared parking model. As explained in Exhibit 5, the parking supply is expected to be adequate to meet parking demands associated with hotel guests, employees and visitors.

A condition is recommended that requires submittal of a parking signage plan for City review and approval prior to issuance of permits for the project. A condition is also recommended requiring signage that expressly prohibits parking of any vehicle within the 26' designated emergency vehicle access ("EVA") that extends through the entire east parking lot and on Dovetail Lane (Exhibit M1, Sheet C1.01).

A condition is recommended requiring implementation of the TDM Plan and submittal of annual monitoring reports to provide a process whereby adaptive measures can be required if mobility and shared parking objectives are not met. A condition is recommended that requires the hotel operator to utilize off-site parking facilities with shuttle service for special events, if experience demonstrates that parking demands cannot be met on-site.

Bicycle Facilities. Exhibit M1, Sheet L-1.28 shows the bicycle parking locations, fixtures and quantities. A total of 8 bike parking spaces are provided in service court area for Hotel employees based on an estimated 31 employees. While the proposed number of long-term bike parking spaces exceeds CALGreen standards, these "long-term bike parking" spaces should either be in an indoor bicycle room or bike lockers.

Sheet L-1.28 does not identify short-term bike parking spaces for visitors to the Hotel site. While overnight guests are less likely to arrive via bicycle, visitors to the restaurant, bar and special events should be encouraged to bike. Special conditions are recommended requiring the applicant to provide long-term bike racks for employees at the Service Court and short-term bike racks at a convenient and visible location on the Hotel parcel subject to review and approval by the Planning & Building Director.

The Hotel Project Narrative (Exhibit 3) indicates that the Hotel will provide courtesy bikes for guests to use to explore Healdsburg.

The Master CUP (CUP 2019-04) requires the developer to provide a bike share station on the North Village site. The applicant has indicated that the location will be identified in consultation with a citywide bike-share vendor. A special condition is recommended to ensure that the bike share station is installed prior to occupancy of the Hotel.

Transportation Demand Management. The Hotel TDM Plan (Exhibit 5) was prepared to identify a transportation and mobility strategy that will provide Hotel guests, visitors and employees with access to multiple transportation options and viable alternatives to driving alone. The TDM Plan identifies "high priority" TDM strategies that are deemed foundational for development of a comprehensive TDM program. The Hotel TDM Plan includes two tables (p. 11) identifying project design measures and transportation program measures that can help reduce trips made by Hotel guests, visitors and employees.

Both the North Village hotel and the Enso Village senior living community will offer shuttle services that will be made available to residents, visitors and employees throughout the North Village Project. The TDM Plan notes that schedules for the Hotel shuttle should be coordinated with the shuttle planned for the Enso Village senior community, such that shuttle access is available for all user groups. The shuttle service is a key tool to reduce vehicle trips and parking demands associated with Hotel employees and visitors to its restaurant and bars. The Hotel Narrative Description (Exhibit 3) also indicates that on-demand shuttle service will be available to transport hotel guests to and from North Village to regional transportation hubs including Sonoma County Regional Airport.

The TDM Plan recommends that the North Village Hotel coordinate with the Enso Village shuttle service in order to provide the most effective shuttle service possible to meet the mobility needs of the various user groups. Exhibit M1, Sheet C-1.07 identifies a future shuttle stop location at the east parking lot entryway to the Promenade on the Mixed Use parcel as shown on Exhibit M1, Sheet C-1.07.

Exhibit 5 includes two tables (starting on p. 11) that identify project design measures and transportation program measures to encourage reduction of single vehicle trips. A special condition is recommended requiring implementation of a coordinated and integrated TDM program with annual reporting to the City in order to ensure the effectiveness of the TDM program and individual measures for each target group.

In addition to the shuttles, direct access to Sonoma County Transit Route 60 service will be provided at bus stops located on either side of Healdsburg Avenue at the North Village project entry. Given that the majority of workers employed in Healdsburg commute from Windsor and Santa Rosa, direct access to transit service is an effective TDM strategy. The Hotel Narrative Description indicates that the Hotel Operator will provide employee subsidies to encourage transit use.

Aesthetics

Building design and views. The Plan Set includes a Narrative Description (Exhibit M1, Sheet G-0.4) which explains the guiding principles for design of the North Village neighborhood. The building designs are inspired by the agrarian and rural character of the area. Building forms are simple with low pitched gable roofs. Buildings are clad with traditional materials like standing seam metal roofs, board and batten siding and natural stone. Sheet AM-1.1 shows the palette of materials that is proposed.

The buildings on the Hotel site step down from the west towards Healdsburg Avenue. On the westernmost side of the Hotel site, two-story guest units line Dovetail Lane and are arranged around a family pool (Sheet A-1.18). Sheet AR1-1.1 shows a rendering of the west cluster of guestrooms and the pool.

The three-story Lobby/Restaurant building is located at the Arrival Court at Boxheart Drive (Sheet A-1.14). Sheet AA-1.1 shows a close-up nighttime rendering of the Lobby/Restaurant building from the Arrival Court. Sheet AA-1.3 shows a view from the interior of the Hotel site, looking south at the Lobby/Restaurant building and the Grange. Sheets AA-2.1 and AA-2.2 show the floor plans for the Lobby/Restaurant. The first-floor restaurant has dining both indoors and on an outdoor terrace. Guest units are located on the second floor and the third floor has guest rooms on the west side and a "rooftop bar" on the east side. Sheet AA-3.1 shows elevations of the Lobby/Restaurant building.

To the east of the Arrival Court, the one-plus story Grange is on the Dovetail Lane frontage. Sheet A-1.16 and Sheet AB-1.1 show views of the Grange as viewed from the south and north. The Grange is an iconic structure with barn-like massing and details. Sheet AB-3.1 shows elevations of the Grange and the attached back-of-house building that adjoins a service court/loading area.

A one-story Spa building is located to the east of the Grange and a grouping of two-story guest bungalows are arranged around a courtyard with a lap pool and fitness facilities. Sheet AC-3.1 shows the east and west elevations of the Spa building. Sheet AR3-1.1 shows a rendering of the east cluster of guest rooms with the fitness building in the foreground.

The scale of the Hotel from Healdsburg Avenue is illustrated in the "Project Entry View from Healdsburg Avenue (without trees) rendering (Sheet A-1.8).

Exterior lighting. The lighting plans are included in Exhibit M1, Sheets EL1.10 - EL3.00. Sheet EL1.10 shows the hierarchy of fixtures and heights and Sheet EL3.00 shows the schedule of fixtures.

Sheets EL2.02 through EL2.05 and EL2.08 provide the details for lighting on the Hotel site. At the Arrival Court, lighting is recessed and integrated with the trellis with bollard lights and path lights along the walkways and accent lights at the columns. On the interior of the site, the lighting is discrete, yet sufficient to light the many exterior walkways and access points to the guestrooms and other Hotel amenities.

Landscape Design

Hotel Parcel Landscape Plans. Exhibit M1, Sheet L-1.3 shows the overall site landscaping plan for the Hotel site and illustrates the location and spacing of trees along the street frontages, the site interior, and in the parking lot. Sheets L-1.4 through L-1.11 show enlargement plans and sections of various areas within the Hotel site that depict the layout of outdoor facilities, hardscape features (courtyards, pathways, walls, fencing) and the location of trees and groundcover.

Sheet L-1.14 shows the Tree Planting Plan. Its legend indicates the species, size, and water use. As shown, a variety of native and ornamental species are proposed. Sheet L-1.15 shows photos depicting the trees at maturity. As suggested at the Planning Commission workshop, additional crape myrtles have been added along the back of sidewalk on the Dovetail Lane entry to the parking lot to provide shade.

Tree plantings on Perimeter Trail. A grove of olive trees is proposed on the hill slope to the north of the Hotel, which will help to shade the Perimeter Trail in that location. In addition, a coast live oak will be planted to the east of the olive grove (Exhibit M1, Sheet L-1.28) to provide shade. Three benches are proposed at shaded locations along the trail as shown on Sheet L-1.28. Two of these benches were added in response to suggestions at the Planning Commission workshop. The benches are spaced approximately 275' apart which is similar to the bench spacing on the Perimeter Trail at the Enso Village site.

Street trees. At the April 13, 2021 Planning Commission workshop, Commissioners noted a desire to see the largest street trees possible. Exhibit M4 is a memo from the project landscape architect explaining that the larger shade trees along Boxheart Drive are specified at 36" box size. Smaller ornamental trees

are specified at 24" box size. To accentuate the project entry and the traffic circle at the Boxheart Drive/Dovetail Lane intersection, 60" box trees are specified. These larger trees will be located in planter areas with more growing space to thrive. The specifications also include installation of Silva Cells for the street trees. the Silva Cells are a modular suspended pavement system that provides additional uncompacted soil volumes to better support large tree growth.

Tree preservation. The applicant submitted a Tree Inventory Report (Exhibit M5) prepared by an arborist. The report identifies nine existing trees either on or immediately adjacent to the site (trees #3 - #11). As shown on the map on p.12 of the report, the trees are all located on the hillslope on the north side of the Hotel parcel. Two of the trees are willows and the remainder are oaks (coast live oak and valley oak). All of the trees are suitable for preservation. One tree (shown as #8 on the map) has a diameter of 50" and is a heritage tree. That tree is located just north of the property line. None of the trees would be affected by the proposed Hotel development. Tree #9, a Red Twig Willow located on the northwest side of the property is close to a proposed pedestrian/cart path and protective measures are identified in the report. A special condition is recommended to ensure that sufficient tree protection measures are specified in construction plans for work in the vicinity of this tree.

Landscape maintenance requirements. A Reciprocal Easement Agreement for the entire North Village Project (Exhibit M7) establishes shared easements throughout the project in order to benefit and share expenses within such easements, including a "Grant of Easement for Surface Maintenance of Private Streets Easement Area. Article 1, Section 40 defines the term "Surface Maintenance" to mean:

"...the maintenance, repair, reconstruction and replacement, and operation [...]of plantings (including trees, shrubbery, ground cover and other landscape materials), walls or fences, lighting fixtures and lights, an irrigation system including irrigation pipes, fittings and wiring, sidewalk, pathway, hardscape and landscape and related Improvements, weed abatement, electric pedestal meters, water meters, landscape area drainage, planting and replanting, landscape maintenance, garbage pick-up, power, water and all other utility charges, including without limitation, improvements or changes arising by operation or requirements of law, as necessary and appropriate for the use and upkeep of the surface of such Easement Area, and the correction, remedy, and repair of the effects of wear and tear, natural conditions, damage, erosion, acts of God, or other causes, so as to allow the full and proper use of such Easement for the use and benefit of the Parcel Owners benefitted by such Easement and their respective Permittees."

The responsibility for completion of Surface Maintenance is assigned to a "Maintenance Manager." The Maintenance Manager responsibility is initially assigned to the Owner of Parcel 1 (Enso Village) but may be changed to the Owner of Parcel 3 (North Village Hotel). The Mixed Use and Affordable/Workforce Housing parcels may not assume the responsibilities of Maintenance Manager.

Article 3 of the Reciprocal Easement Agreement establishes the "General Rules Applicable to Use, Maintenance and Construction." At the April 13, 2021 Planning Commission workshop on the North Village Hotel & Mixed Use projects, the Planning Commission expressed concern about the standards that would be applied to the maintenance of street landscaping. A special condition is recommended requiring the Reciprocal Easement Agreement to be amended to include a provision establishing a standard for landscape maintenance within the Private Streets Easement Area as follows:

"All landscape operation, maintenance, repair, reconstruction and replacement shall be done in a first class and workmanlike manner in accordance with best landscaping practices, including regular mowing, edging, trimming, weeding, irrigation, fertilization, pest control, pruning and replacement of plant materials as needed."

Compliance with Water Efficient Landscape Ordinance

Land Use Code Section 20.16.105 establishes the City's water-efficient landscaping requirements. It is intended to implement a "whole systems approach to design, construction, installation and maintenance of the landscape resulting in water-conserving climate-appropriate landscapes." Compliance with this objective is especially important given the increasing frequency of drought-related water shortages in the region.

At the April 13, 2021, Planning Commission workshop on the North Village Hotel and Mixed Use Project, the Planning Commission expressed concerns about irrigation requirements related to the amount of lawn included in the landscaping plans. The initial Hotel landscape plans included nearly 700,000 gallons per year Estimated Total Water Use ("ETWU") associated with special landscape areas (i.e., for the event lawn and the vegetable beds at the Hotel).

In an effort to reduce irrigation related water needs and to harden the landscape to withstand drought conditions, the applicant has modified the landscaping plans as shown on Exhibit M1, Sheet L-1.16. to eliminate the event lawn and other turf areas totaling 26,000 SF. Instead of turf, these areas will be surfaced with decomposed granite as shown on Sheet L-1.12 which illustrates the hardscape layout. Additional "pedestrian paving" is proposed that further reduces the extent of landscaped area.

As a result of these changes, the ETWU for the project was reduced by 30%. Whereas the total ETWU for the Hotel and Mixed Use Projects combined was initially 1.54 million gallons, it is now 1.04 million gallons. Exhibit M1, Sheet L-1.18 shows the updated Water Efficient Landscape Worksheet for the Hotel and Mixed Use Projects. Exhibit 6 shows the Water Efficient Landscape Worksheet for the Hotel only. As shown, the ETWU for the Hotel is now 770,000 gallons.

Operational Considerations

Noise levels associated with rooftop bar and special events. The site-specific conditional use permit process is intended to address potential issues relating to the mix of uses on the North Village site. One source of potential conflict is noise relating to the rooftop bar that is located on the third floor of the Lobby/Restaurant and special events in the Grange building given the proximity to residential uses on the other North Village parcels. Additionally, the Hotel operator will need to be manage nighttime noise levels to avoid disturbing guests on the premises. Exhibit 7 is a narrative responding to the Supplemental CUP Application Questionnaire for Alcohol-Related Uses. This narrative indicates that the Hotel will have live entertainment and amplified music, special events (including private parties, business events and community events). The size of the events will be limited by building and fire code occupancy limits. The maximum occupancy of the Grange building is 249 persons per Fire Code requirements. The adjacent outdoor spaces can accommodate additional visitors. The narrative indicates that all uses on the Hotel site will comply with the restrictions of the City's noise ordinance. HMC Section 9.32.080 establishes maximum exterior sound levels for commercial-zoned properties of 65 dBA L₁₀ (daytime) and 60 dBA L₁₀ (nighttime). Nighttime is the period between 8:00 PM and 7:00 AM.

A special condition is recommended requiring all operations at the Hotel, including special events, to comply with the City's noise ordinance (HMC, Chapter 9.32) which limits nighttime exterior sound levels to 60 dBA L₁₀ between the hours of 8:00 PM to 7:00 AM.

Designated pet use areas. At the April 13, 2021 Planning Commission workshop, a question was raised regarding how the project design accommodates the needs of dogs. In Exhibit M2, the applicant has indicated that their preferred method for addressing the needs of resident and visiting pets is to provide Dog Waste Stations at strategic ingress points to walking paths and trails on the North Village Site. The

dog waste stations include a combo bag dispenser/ disposal bin. As shown on Exhibit M1, Sheet L-1.28, Dog Waste stations would be located at five locations on the Hotel site including a pet use area with artificial turf and waste station near the Arrival Court. Two of the Dog Waste Stations would be located at entries to the Perimeter Trail. Pet owners will also have opportunities to exercise their pets on the Perimeter Trail and/or at the community park that is planned on the east side of Healdsburg Avenue.

Public Access. Throughout the planning process for the North Village project, the developer has stated that the Grange and the "common green" area beyond will be accessible to the community. Exhibit M1, Sheet L-1.13 designates the connection through the Grange to the common green as a "private with public access" connection. The Hotel Project Narrative (Exhibit 3) indicates that Grange will be available for public use and that the common green can also be used for public gatherings and events. In addition, as required by the NEAP, the Hotel restaurant and bar areas will be open to the public.

Service Courtyard. The site plan (Exhibit M1, Sheet A-1.6) shows a Service Courtyard/Loading Dock located between the back of house facilities on the east side of the Grange building and the Spa building. The Service Courtyard is located within the 100' seismic setback. The storage, mechanical and loading facilities are located within the setback area and are allowable because they are not considered habitable space per the California Building Code. Sheet AB-2.1 shows the Floor Plan for this structure and indicates that there will be a "seismic joint to isolate portion of building located within the fault trace zone. Trash/recycling storage is located in this building and would be readily accessible by collection vehicles. Exhibit 4 provides a diagram illustrating adequate space for delivery trucks to maneuver to use the loading dock while entering and exiting the Service Courtyard by forward motion.

Vegetation management. The North Village Project site is located in a "Moderate Fire Hazard Severity Zone" as specified by CalFire and the Healdsburg 2030 General Plan. The applicant has submitted a draft Vegetation Management Plan ("VMP") (Exhibit M6) prepared by Firewise 2000, LLC. The VMP assesses on-site and off-site wildland fire hazards and risks that may threaten the North Village project. Enso Village has prepared a separate VMP for their 16-acre parcel. The North Village VMP includes a map delineating "fuel modification zones" within the development. Fuel modification immediate zone 1 is the area within 5' of the exterior walls of the buildings. Within zone 1, no combustible materials are permitted other than scattered potted plants or groundcover from approved plant lists. Fuel modification irrigated zone 2 includes the landscaped and irrigated zones which will be planted with drought tolerant, fire resistant and irrigated fire-resistant lawns, ground covers, low growing shrubs, and occasional fire-resistant trees. Fuel modification zone 3 is a non-irrigated zone where shrub vegetation is thinned, trees are limbed up, and dead and dying vegetation is removed on an on-going basis, as needed.

A condition is recommended requiring that the final landscaping plans be reviewed and approved by the planning department and fire marshal, in consultation with the VMP preparer, to ensure consistency with the final VMP.

Secondary emergency access and evacuation. The North Village project has a secondary emergency vehicle access ("EVA") from Healdsburg Avenue which crosses the railroad tracks at a location near the northeast corner of the project area. The EVA is being installed as part of the shared improvements for the project and, per the Master CUP, the EVA must be in place prior to the storage of flammable materials on site and/or vertical construction. Additionally, an amendment to the North Village Reciprocal Easement Agreement was recently prepared to assign the Maintenance Manager the responsibility to maintain the EVA and ensure its ongoing operations. In addition, the Maintenance Manager is required to ensure compatibility between the EVA and future rail service. Accordingly, the Maintenance Manager

will serve as a "Mobility Coordinator" for the North Village Project to plan for and provide tactical coordination and conduct town-hall meetings to cover emergency evacuations and other safety issues.

FINDINGS

Design Review Permit Findings

Pursuant to Land Use Code section 20.28.125, the Planning Commission is required to make the following five findings in order to approve a Major Design Review Permit. Suggested language to support each finding is shown in *italicized text* below each finding:

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

The proposed North Village Hotel is a commercial use type that is permitted within the Mixed Use "MU" land use classification in the Healdsburg 2030 General Plan. Prior approvals of the Master Conditional Use Permit (CUP 2019-04) and the Development Agreement (DA 2020-01) for the North Village Project determined that the Hotel uses and densities are consistent with the General Plan. As shown in Exhibit 8 to the staff report for the May 25, 2021, Planning Commission hearing on DR 2021-06 and CUP 2021-03 for the North Village Hotel, the project is consistent with General Plan policies relating to natural resources, safety and community design. The North Village Hotel is consistent with the vision, guiding principles, policies and guidelines of the North Entry Area Plan (NEAP) which was adopted as an amendment to the Healdsburg 2030 General Plan. The North Village Hotel complies with the requirements of the Mixed Use "MU" zoning classification and the North Entry Area Plan "NEAP" Overlay as established in the Land Use Code (Healdsburg Municipal Code, Title 20) as discussed in detail in the staff report and Exhibit 9 and Exhibit 10 for DR 2021-06 and CUP 2021-03.

B. 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.

Although the Citywide Design Guidelines are applicable to all projects subject to Major and Minor design review, they are only mandatory within "Character Area 1." In areas subject to a specific Area Plan, such as the NEAP, the Area Plan provides design guidelines and standards, and the Citywide Design Guidelines are only used to provide additional information about topics not addressed within the Area Plan. The North Village Hotel project site is located within the planning area for the NEAP, which establishes comprehensive design standards for the Project. Therefore, the Hotel design was evaluated for consistency with the design guidelines established in the NEAP. See discussion below for Finding E.

C. The proposed development or use is consistent with the purposes of the zoning district in which it is located.

The North Village Hotel is a commercial use that was determined to be consistent with the special purposes of the MU District and the NEAP Overlay when the Planning Commission granted a Master Conditional Use Permit (CUP 2019-04) for the North Village Project on February 11, 2020. The Hotel is a "visitor lodging" use type that requires a site-specific conditional use permit. The Major Conditional Use Permit (CUP 2021-03) has been considered in conjunction with the Major Design Review Permit (DR 2021-06). The proposed Hotel is generally consistent with the zoning district, and as conditioned, the project is consistent with the zoning district's specific requirements.

- D. 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.**

The proposed North Village Hotel is consistent with the NEAP, the Master Conditional Use Permit for the North Village Project (CUP 2019-04), and the North Village Development Agreement (DA 2020-01). All applicable conditions associated with the Master Conditional Use Permit are incorporated into this approval. The North Village Hotel is also required to comply with all applicable mitigations of the Final Environmental Impact Report for the North Entry Area Plan (NEAP FEIR) and the NEAP FEIR Addendum, as presented in the adopted Mitigation Monitoring and Reporting Program (NEAP MMRP).

- E. 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.**

As detailed in the staff report and Exhibit 9 for Major Design Review Permit DR 2021-06 (NEAP Consistency Analysis), the proposed North Village Hotel is consistent with the Guiding Principles, Land Use & Development Standards, and Design Guidelines established in the NEAP.

Conditional Use Permit Findings

Pursuant to Land Use Code Section 20.28.165, the Planning Commission is required to make the following findings in order to approve a conditional use permit. Suggested language to support each finding is shown in *italicized text* below each finding:

- A. The proposed location and operation of the conditional use is in accord with the Healdsburg general plan and any applicable planned development, specific or area plan.**

The entire North Village Project site is designated Mixed Use (MU) in the Healdsburg General Plan and is subject to the policies and guidelines of the North Entry Area Plan (NEAP). As detailed in the staff report for Major Design Review Permit DR 2021-06 and Exhibit 8 (Healdsburg 2030 General Plan Consistency Analysis) and Exhibit 9 (NEAP Consistency Analysis), the proposed North Village Hotel is consistent with the Healdsburg 2030 General Plan and the NEAP.

- B. The proposed location and operation of the conditional use is consistent with the applicable development standards of this Land Use Code.**

The proposed North Village Hotel is a visitor lodging use type which requires a site-specific conditional use permit. Both the use type and the project location are consistent with the Mixed Use (MU) District and the North Entry Area Plan (NEAP) Overlay as established in the Land Use Code. As detailed in the staff report for Major Design Review Permit DR 2021-06 and Exhibit 10 (Land Use Code Consistency Analysis), the Hotel complies with the applicable development standards of the Land Use Code.

- C. The proposed location of the conditional use and the conditions under which it would be operated and maintained will not be detrimental to public health and safety or materially injurious to uses, properties or improvements in the vicinity.**

The location of the North Village Hotel site is in a Mixed Use (MU) District, surrounded by lands within the North Village Project site to the south and west, the NCRA railroad right-of-way,

Healdsburg Avenue and the Montage Healdsburg development to the east, and vacant property outside of the city limits to the north. The NEAP EIR determined that the North Village Project as a whole would not significantly impact properties or improvements in the immediate vicinity of the site. The NEAP Final EIR and the NEAP MMRP include mitigation measures to ensure that construction-related activities do not result in impacts to nearby properties and/or uses. Based on the analysis in the NEAP EIR and its required mitigation measures, the proposed North Village Hotel will not result in or create a detrimental condition on the property, or property in the vicinity or within the community.

ALTERNATIVES:

The Planning Commission may consider the following alternative actions:

Staff Recommendation – Approve Resolution No. 2021-07 (Exhibit 1) approving Major Design Review Permit DR 2021-06 and Major Conditional Use Permit (CUP 2021-03) for development of the North Village Hotel, based on the suggested findings and subject to the recommended conditions of approval.

Alternative 1 – Approve Resolution No. 2021-07 (Exhibit 1) with modifications based on changes identified at the Planning Commission hearing.

Alternative 2 – Continue action on the applications in order for the applicant to address design-related concerns and require that revised plans be brought back to the Planning Commission for future action. This would likely require noticing of a future public hearing.

Alternative 3 – Continue action on the applications and provide direction to staff to prepare a resolution for denial based on inconsistencies with applicable City regulations or policies. This would require noticing of a future public hearing.

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. The Draft and Final EIRs are included as Exhibit M9 and Exhibit M10, respectively. The NEAP MMRP is included as Exhibit M11.

Review of the MCUP application 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 (Exhibit M12). 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 North Village Hotel, 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.

As explained in the Addendum, the Environmental Checklist found that the North Village Project did not warrant preparation of a new subsequent or supplemental EIR as it involves no new significant environmental effects and would not result in a substantial increase in the severity of previously identified significant effects.

The proposed North Village Hotel is consistent with the NEAP and the Master CUP; it proposes the same development program in substantially the same footprint for development as the City previously reviewed and approved. The project is within the broader development assumptions analyzed in the EIR and would not cause new significant environmental impacts not previously identified in the EIR or result in a substantial increase in the severity of previously identified significant unavoidable impacts. Therefore, the Addendum provides substantial evidence to support the conclusion that the potential environmental impacts associated with the North Village Hotel have already been adequately analyzed in the NEAP EIR that the City previously certified, and no further review or analysis under CEQA is required.

Based on an examination of the analysis, findings, and conclusions of the NEAP EIR and Addendum, the potential impacts of the proposed North Village Hotel remain within the impacts previously analyzed and disclosed in the NEAP EIR. Therefore, per CEQA Guidelines sections 15162, 15164, and 15183 no further analysis is required under CEQA before taking action on the Major Design Review Permit and Major Conditional Use Permit for the North Village Hotel.

FISCAL INFORMATION:

The North Village Hotel is a privately funded development. The project will generate transient occupancy tax, property tax, and sales tax revenues which will help to offset the City's costs of providing services to the project. In addition, the DA requires a "Hotel Community Benefit Fee Agreement" to be recorded against the property. Starting 10 years after the issuance of a certificate of occupancy for the Hotel, the Hotel will contribute to the City a fee equal to one half cent for every dollar charge to hotel guests for room occupancy, parking, and resort fees.

DEPARTMENT COMMENTS:

The North Village Hotel project applications were referred to City Departments, the City Arborist, SMART and Recology for review and comment. Comments received are included as Exhibit M8 and, where applicable, information and suggested conditions are integrated into the recommended conditions of approval for the Project.

EXHIBITS:

Note: Exhibits M9, M10, M11, and M12, as identified below, are available electronically on the City of Healdsburg website and in the online agenda packet for the May 25, 2021 Planning Commission meeting.

Master North Village Project Exhibits:

- M1 - North Village Plan Set (05/25/21)
- M2 - Comstock Responses to PC Workshop Comments (04/30/21)
- M3 - Access Evaluation Memo (W-Trans, 04/06/21)
- M4 - Street Tree Memo (Carlile Macy, 04/30/21)
- M5 - Tree Inventory Report-Updated (Horticultural Associates, 04/01/21)
- M6 - Draft Vegetation Management Plan (Firewise 2000, 04/05/21)
- M7 - North Village Project Reciprocal Easement Agreement
- M8 - City Department Comments (Hotel & Mixed Use Projects)
- M9 - Draft NEAP EIR (First Carbon Solutions; 11/30/18)
- M10 - Final NEAP EIR (First Carbon Solutions; 4/09/19)
- M11 - NEAP MMRP (First Carbon Solutions; 2/11/20)
- M12 - NEAP Addendum (First Carbon Solutions; 2/04/20)
- M13 - Correspondence Received (prior to publication of 05/25/21 packet)

North Village Hotel - Exhibits

1. PC Resolution No. 2021-07
2. Site Vicinity Map- North Village Hotel
3. North Village Hotel Narrative (04/05/21)
4. NV Hotel- Delivery Truck Turning Diagram
5. NV Hotel Transportation Demand Management (TDM) Plan (12/23/20)
6. North Village Hotel- Updated WELO Calculations for Parcel 31 (05/19/21)
7. NV Hotel CUP Supplemental Application for Alcohol-Related Uses
8. Healdsburg General Plan 2030 Consistency Analysis- Hotel Project
9. North Entry Area Plan Consistency Analysis- Hotel Project
10. Land Use Code Consistency Analysis- Hotel Project
11. North Village Development Agreement Consistency Analysis- Hotel Project