



**CITY OF HEALDSBURG
CITY COUNCIL AGENDA STAFF REPORT**

MEETING DATE: March 2, 2020

SUBJECT: 3 North Street – Future Use of Site (APNs 002-173-002, 002-173-003, and 002-173-021)

PREPARED BY: David Woltering, Interim Community Development Director

STRATEGIC INITIATIVE(S):

Quality of Life
Economic Diversity & Innovation
Infrastructure & Facilities

RECOMMENDED ACTION(S):

Discuss and provide direction to staff.

PREPARED BY:

David Woltering, Interim Community Development Director
Mark Themig, Community Services Director
Larry Zimmer, Public Works Director
Stephen Sotomayor, Housing Administrator

COMMUNITY ENGAGEMENT/OUTREACH:

The property identified as 3 North Street has been the subject of numerous workshops and planning processes since about 2007 when the former City of Healdsburg Redevelopment Agency directed staff to initiate an environmental and design review process for possible removal of the existing Cerri building at the site, with possible preservation of the façade attached to a shade structure and installation of a public parking lot. The former Redevelopment Agency had purchased this former Purity Chemical Products property in 2004 to help meet parking needs in the downtown area. Community engagement has occurred in the form of notification of surrounding property owners and inclusion of invested parties, including, but not limited to, the Healdsburg Parks and Recreation Commission, the Healdsburg Certified Farmer's Market Association, Healdsburg 2040, and the Healdsburg Chamber of Commerce.

BACKGROUND:

More recently, at a City Council Work Session on January 21, 2020, the City Council considered potential future uses of several city-owned properties, including the 3 North Street property, the

Affordable Housing Site at the Montage/Saggio Hills property, and property identified as 155 Dry Creek Road. Generally, the focus of this Work Session was to assess the suitability of these sites as possible affordable housing opportunity sites. While the City Council was able to provide direction to staff on potential uses to pursue related to the Montage/Saggio Hills and 155 Dry Creek Road properties, the City Council was not able to provide similar direction on the 3 North Street site, having heard diverse options for that site, including a Community Pavilion-Farmers' Market project, an Affordable Housing project with 55 rental housing units, an Affordable Housing project with 45 rental housing units and space for the Healdsburg Regional Library, and, additionally, the possibility of a SMART (Sonoma Marin Area Rail Transit) train platform at the 3 North property. Instead, the City Council requested that staff return with additional information for Council consideration to enable the members to provide a direction to staff to pursue for the future use of the 3 North Street site. Based on the Council discussion regarding the options and related information, including the Foley Family pledge of \$7 million to construct the Community Pavilion-Farmers' Market project, the Council directed staff to return with more detailed information about the existing, approved schematic plan for the Community Pavilion-Farmers' Market; the Parks and Recreation staff recommendation for the future use of the 3 North Street site; and, possible master planning options of the West Plaza Park area. Accordingly, staff has gathered pertinent information and conducted additional research to provide to the City Council to assist the members in providing direction to staff for the future use of the 3 North Street site. Staff has organized this information around the following four topic areas as listed immediately below and described in more detail in the sections that follow:

- City Policies and Codes Related to the Use of the 3 North Street Property;
- Overview of the City's Recent, Current, and Anticipated Production of Affordable Housing;
- Potential for a SMART Station at the 3 North Street Site; and,
- History of and the Current Proposal for Siting a Permanent Community Pavilion-Farmers' Market at the 3 North Street Site.

Following these sections, staff offers a summary conclusion for City Council consideration.

DISCUSSION/ANALYSIS:

1. City Policies and Codes Related to the Use of the 3 North Street Property

The 3 North site is comprised of three parcels: Assessor Parcels Numbers 002-173-002; 002-173-003; and 002-173-02. The combined site area measures approximately 1.21 acres in area. The easternmost portion of the property, approximately 1/3 of an acre, contains the "Harry and Maggie Wetzel Native Plant Garden". The Cerri building, now vacant but formerly used for warehousing and fruit packing, is on the westernmost portion of the property. A parking lot area is located in between the Cerri building and the Wetzel Native Plant Garden. The railroad right-of-way is located immediately to the west of the site. The land uses surrounding the site include the Duchamp Hotel to the north; the West Plaza parking lot to the south; City Hall to the west; and, Foss Creek and the SHED retail building to the east.

General Plan Designation – Downtown Commercial (DC)

The General Plan designation of the site is Downtown Commercial (DC) (see Attachment C1

“General Plan Site Map”). This designation provides for a broad range of commercial and office uses, such as hotels, retail, restaurants and personal services; public and quasi-public uses when compatible with the overall purpose and character of the designation; and, similar and compatible uses. Pedestrian-oriented uses on the ground floor are encouraged. High Density Residential uses of 10 to 16 units per acre may be permitted when clearly subordinate to allowable commercial uses on the same site and designed to minimize impacts on residents from noise and other elements typically associated with a thriving commercial area. Residential density bonuses may be granted consistent with state law and the City’s housing incentives program. The maximum allowable floor area ratio (FAR) is 2.0 for non-residential uses, except for properties fronting the Plaza, where the maximum allowable FAR is 3.0 to reflect historic heights and floor levels of buildings. Residential floor area shall not be counted when calculating the maximum FAR.

Applicable General Plan Guiding Principles:

Protect and enhance the downtown and its plaza.

Downtown, including Healdsburg’s plaza at the heart of the community, is the City’s primary activity node and center of commerce, serving residents and visitors as well as the surrounding region. Efforts to enhance the downtown’s pedestrian orientation, collection of unique, locally-owned businesses and its historic character and charm will continue. Residential uses will continue to be allowed in the downtown to promote its vitality.

Embrace the city’s waterways.

Healdsburg’s identity, origins, history and ecology are directly linked to the Russian River watershed. The City will promote a healthy watershed along with an accessible interface between the community, Foss Creek and the river.

Protect and enhance qualities that attract visitors to the City.

The valleys surrounding Healdsburg have evolved into one of the prime wine-producing regions in the world. Combined with the historic character of the central plaza and conscious efforts to enhance the pedestrian character of the downtown, Healdsburg had developed a worldwide reputation as a tourist destination. The City will protect and enhance these qualities to continue to attract visitors to the community.

Land Use Code – Downtown Commercial District (CD)

The Land Use Code classification of the site is Downtown Commercial District (CD). A summary of the applicable Land Use (Zoning) Code provisions are described below.

Article VI Commercial Districts

20.08.115 Purposes

In addition to the objectives prescribed in Section 20.04.010, commercial districts are included in the Land Use Code to achieve the following purposes:

- A. Provide appropriately located areas for retail stores, offices, service establishments, amusement establishments and wholesale businesses, offering commodities and services

required by residents of the city and its surrounding market area.

- B. Provide opportunities for retail stores, offices, service establishments, and wholesale businesses to concentrate for the convenience of the public and in mutually beneficial relationship to one another.
- C. Provide space for community facilities and institutions that appropriately may be located in commercial areas.
- D. Provide adequate space to meet the needs of modern commercial development, including off-street parking and truck loading areas.
- E. Minimize traffic congestion and to avoid the overloading of utilities by preventing the construction of buildings of excessive size in relation to the amount of land around them.
- F. Protect commercial properties from noise, odor, dust, dirt, smoke, vibration, heat, glare, heavy truck traffic, and other objectionable influences incidental to adjacent industrial areas.
- G. Provide appropriate development standards within commercial zoning districts to protect adjacent residential neighborhoods.

20.08.125 Special purposes of Downtown Commercial (CD) District

The following special purposes are intended to be achieved through the adoption and implementation of the CD District.

- A. Maximize the efficiency of the city's retail district by limiting or prohibiting uses that break the continuity of commercial frontage or are incompatible with an attractive pedestrian shopping area.
- B. use of vacant buildings by permitting certain conditional uses.

Article III Riparian Setbacks

Riparian setbacks have been established to protect rivers, creeks and streams from encroachment by urban uses and to protect riparian habitats, as follows.

20.24.085 Applicability

- A. These requirements apply to any structure or other form of development located on property adjacent to or near the Russian River, Foss Creek, or other stream or creek, except as provided in this section.
- B. The requirements of this article shall not apply to public streets or utilities, flood control facilities, erosion control structures or creek bank stabilization improvements that have been approved as required by governmental agencies having jurisdiction over them.

20.24.090 Riparian setback standards

- A. No building, structure or permanent or temporary improvement, including but not limited

to buildings of any type, garages, swimming pools and spas, parking lots (paved or unpaved), patios, platforms, decks, fences, liquid storage tanks, trash enclosures, mobile homes, retaining walls, debris, fill or trash shall be allowed within the following setbacks:

Russian River: one hundred (100) feet

Foss Creek: thirty-five (35) feet

All other streams and creeks: twenty-five (25) feet

- B. Setbacks shall be measured from the top of existing bank. Where channel improvements are proposed, subject to the approval of a variance pursuant to this section, setbacks shall be measured from the top of finished bank.
- C. Existing riparian vegetation within setback areas shall be maintained and protected from disturbance.

Master Planning Option(s)

The area that includes this property and the nearby area of the West Plaza parking lot have been discussed as opportunities for master planning. The 2019 Strategic Plan discusses preparing a Zoning and Density Study for the downtown area and SDAT work discusses bringing more housing to the downtown area as well as master planning. The scope of the master plan area is to be determined but could focus on the underutilized West Plaza parking lot area which is about 4+/- acres in area. This site could be developed with a mix of commercial and housing uses, while addressing needed parking and provide a connection to a future SMART rail station platform. This effort could require 18-24 months to complete and would benefit from the previously mentioned Zoning and Density Study and work anticipated on the next Housing Element Update in 2022.

Strategic Plan (2020-2025)

GOAL 1.2 - Zoning and Density Study of Downtown

Staff with the assistance of a selected consultant, will review current zoning and density constraints in the Downtown Area and will make recommendations for updates and revisions based on community and Planning Commission input, which will be forwarded to the City Council for review.

SDAT – Imagine Healdsburg 2040 (2018)

Discussion of housing downtown indicates the following: “Improve opportunities and requirements for upper floor housing downtown.”

General Plan, Zoning and Entitlements Related to Community Pavilion-Farmers’ Market and Housing Proposals

Community Pavilion-Farmers’ Market Proposal

- General Plan: Downtown Commercial (DC) – allows for public and quasi-public uses

- Zoning: Downtown Commercial (CD) – public assembly uses allowed with Conditional Use Permit
- Proposed Entitlements which could include General Plan Amendment to Public/Quasi Public, Zone Change to Public, Design Review, Historic Demolition Permit, Conditional Use Permit, Lot Merger; possible need for riparian setback variance; level of environmental review to be determined.

Housing Proposal

- General Plan: Downtown Commercial (DC) – allows for housing up to 16 units/acre, plus density bonus in accordance with State Density Bonus law; level of environmental review to be determined.
- Zoning: Downtown Commercial (CD) – MFD on same site as a commercial use permitted by right

Proposed Entitlements could include Density Bonus application, Design Review, Historic Demolition Permit, Lot Merger; possible need for riparian setback variance. Any housing development would need to include a commercial component in order to be consistent with the Land Use Code and General Plan.

3 North Street Site’s Acquisition Using Redevelopment Agency Funds and Retention of the Property after Dissolution of the City of Healdsburg Redevelopment Agency in February of 2012

The 3 North Street Site was acquired by the City of Healdsburg Redevelopment Agency in 2004 using Redevelopment Agency funds to help meet parking needs in the Healdsburg’s downtown area. In 2011, the State of California initiated action to dissolve the Redevelopment Agencies, with dissolution occurring in February of 2012. The City of Healdsburg Redevelopment Agency was able to transfer this property to the City of Healdsburg prior to completion of the dissolution of the Redevelopment Agency. The property had a “governmental use” determination, based on the improvement of a portion of the site with the Wetzel Native Plant Garden and the property’s designation as a park. Staff is of the belief that this history of acquisition and retention would be of low risk in terms of complications associated with the proposed uses, Community Pavilion-Farmers’ Market or Affordable Housing/Commercial, being considered for this property. Nevertheless, staff would need to do further evaluation of this issue, particularly if the direction of future use is Affordable Housing/Commercial.

2. Overview of the City’s Recent, Current, and Anticipated Future Production of Affordable Housing

The City has been proactive in both the development and preservation of affordable housing. Currently, there are 520 units of affordable housing in the City of Healdsburg, with 141 of those units created during this RHNA planning period. Some of the major contributing projects are:

- 1201 Grove Street, 24 units;
- 110 Dry Creek, 37 units;

- 721 Center Street, 8 units;
- Sorrento Square, 6 units;
- Chiquita Grove, 4 units; and
- Monte Vina, 500 Piper Street and 531-535 University, 39 Units.

Beyond the projects listed above, the City also anticipates several affordable units coming online in the current cycle, with even more potentially coming online during the next RHNA cycle. In addition, Measure H will be considered by the electorate on Tuesday, March 3, 2020. If this measure is passed, it may have an impact on the creation of additional units.

A more detailed projection of future projects is provided below.

Goals and Policies

The Healdsburg City Council has made access to safe, affordable and decent housing a top priority as outlined in the City’s Fiscal Year 2018-2020 Council Goals, with the objective of “addressing the housing needs of Healdsburg workers and residents by updating and implementing City housing policies to increase the inventory of workforce and affordable housing in our community.”

This Council goal is supported by several documents including:

- The 2020-2025 Strategic Plan, Strategic Initiative 03;
- The City’s General Plan Housing Element; and
- The City’s Housing Action Plan (HAP)

Additionally, the City of Healdsburg’s 2020-2025 Strategic Plan’s Community Workshop Survey demonstrated that Affordable Housing was the number one priority for the Healdsburg community.

Housing Production

The development and preservation of affordable housing is necessary to meet the City’s priorities and objectives as stated above. There are several documents that outline the City’s housing production needs which include:

1. The City’s Regional Housing Needs Allocation (RHNA), as prescribed by the State of California through the City’s General Plan Housing Element, and
2. The HAP, as developed by the City’s Community Housing Committee and adopted by Council in February 2018.

Regional Housing Needs Allocation

One of the main regulatory drivers of affordable housing production is the State-mandated Regional Housing Needs Allocation (RHNA). Recently, RHNA production goals have been

directly tied to a City’s ability to manage its own land-use approval processes, and the ability to access grant funding for affordable housing and planning purposes.

As part of RHNA, the California Department of Housing and Community Development determines the total number of new homes each jurisdiction needs to build and how affordable those homes need to be in order to meet the housing needs of people in the community.

With the recent focus on affordable housing by the State Legislature, the need for jurisdictions to meet their RHNA has been increased, as several bills have been passed that place penalties on jurisdictions that do not meet their RHNA goals. Once such bill was SB 35, which was signed into law on September 29, 2017, and requires local jurisdictions not meeting their RHNA goals to streamline the approval of certain housing projects by providing a ministerial, or staff level, approval process and limits the amount of public hearings the City can conduct.

The City is currently on trajectory to exceed its RHNA numbers for the 2015-2022 RHNA cycle. Year to date, the City has exceeded its goals in all but the very low-income category; however, those units are scheduled to be completed prior to the end of the planning cycle.

The City’s projections for the end of the 2015-2022 RHNA Cycle are as follows:

Income Level	RHNA Allocation (2015-2023)	Current	Total Projected Units	Percent Complete
Very Low	31	13	37	119%
Low	24	25	41	170%
Moderate	26	64	71	273%
Market	76	130	184	240%
Total	157	232	333	212%

It is important to note, that the City and Burbank Housing purchased 39 units of multi-family housing during 2019 that do not count towards the City’s RHNA, and therefore, are not reflected in the tables above.

However, the units purchased provide the City of Healdsburg with 24 very low, 14 low apartments, and one moderate-income apartment. These include properties at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Avenue. While these units do not count towards our RHNA, they did prevent the displacement of 34 families 5 individuals.

In addition, these purchases enabled Burbank Housing to finance the remodeling of 90 units of existing affordable housing with \$9 million in tax credit funding. This not only extends the lifespan of our existing housing stock, but also extends the affordability period of each project, preserving these opportunities for future residents.

Future Housing Projects and RHNA Projections, 2023-2030

While the City will not receive its 2023-2030 RHNA until the Spring of 2021, it is widely believed that jurisdictions can expect a 100 percent increase in their RHNA. If this is the case, then the City of Healdsburg could expect to see its total housing allocation increase from 157 to 314 units.

Methodology and Analysis

In order to determine RHNA projections, Staff used existing projects in the housing pipeline that, in accordance to RHNA guidelines, can pull a building permit prior to 2030. While other housing opportunities may arise during this planning period, this exercise is limited to the currently known projects.

The City’s projections for the end of the 2023-2030 RHNA Cycle are as follows:

Income Level	RHNA Allocation (2023-2030)	Total Projected Units	Percent Complete
Very Low	62	99	159%
Low	48	124	258%
Moderate	52	121	232%
Market	152	292	192%
Total	314	636	202%

The following projects were considered in determining the ability to meet the 2023-2030 RHNA goals:

Project	Market	Moderate	Low	Very Low
Mill District	125			
North Village	167	54	9	26
155 Dry Creek*		17	25	13
Saggio Hills*		25	45	30
Other Sites*		25	45	30

**The total number of units and income levels are estimates as they have yet to be determined through a binding agreement.*

The North Village project, 155 Dry Creek (which Council recently approved the issuance of a Request for Qualifications/Proposals), and the Saggio Hills (or equivalent site) would provide enough units to meet the City’s projected RHNA for 2023-2030.

The income levels and affordability of projects not already subject to, or in the process of,

negotiating a Development Agreement have been estimated, but can be adjusted as necessary to either obtain financing, grants, or to meet the community’s housing needs.

In addition to the projects listed above, Staff estimates that other projects could be considered during the RHNA planning cycle. On January 21, 2020, Staff presented to the City Council several affordable housing development options on City-owned properties (Attachment H-1: Affordable Housing Site Analysis). This analysis also included a review of the unsolicited proposals the City received from Burbank Housing to develop the 3 North Site and the Community Center parking lot and ball fields (Attachment H2: Burbank Housing Proposals).

Progress Towards the Housing Action Plan

The City’s HAP is a community developed document that outlines the specific needs for housing in Healdsburg. While the State dictates RHNA production, the HAP establishes local housing objectives, more specifically, the HAP sets housing production goals and policies covering 2017-2022.

As with RHNA, the City has been making significant progress towards meeting the goals of the HAP as follows:

<i>HAP Goal</i>	Units Since 2017	Units Projected	Percent Complete
<i>200 New Deed Restricted Units</i>	92	216	108%
<i>125 New ADUs</i>	40	100	80%
<i>135 Units of Middle-Income Housing</i>	70	135	100%
<i>100 Units Multi-Family Rentals</i>	161	285	285%
<i>50% of all Units Mixed Product Type</i>	118	TBD	TBD*

**TBD once the total units are known at the end of 2022.*

On March 16, 2020, the City Council will receive from Staff formal progress reports on both the State mandated RHNA, which is referred to as the Annual Progress Report (APR), and the HAP report card.

Future Community Plans and Community Needs

As demonstrated above, the City of Healdsburg has a strong housing pipeline and the ability to meet both its State mandated and community housing goals. It is important to note that these are projections and actual production may differ based on changing conditions and community needs.

With respect to 3 North Street, the City of Healdsburg anticipates satisfying and exceeding the

State mandate for housing production, and the ability to meet the goals of the current Housing Action Plan, without the use of the site. Nevertheless, adopted City goals and policy clearly articulates the importance of affordable housing.

With the City’s General Plan Housing Element and HAP set to expire in 2022, there is an opportunity to assess our past housing goals, seek community and stakeholder input, and develop new goals over the next few years. These new planning processes and assessments will help determine the needs for future housing production.

3. Potential for a SMART Station at 3 North Street Site

Public Works staff coordinated with Sonoma Marin Area Rail Transit (SMART) to prepare a preliminary concept exhibit (See Attachment S1 “SMART Station-Platform Concept”), showing the potential location for a train platform at the 3 North Street location. SMART staff provided City staff with typical platform and station site dimensions for use in preparing the preliminary concept exhibit. SMART engineering staff has reviewed the preliminary concept exhibit and concluded that it appears there is sufficient physical space available within the existing railroad right-of-way to accommodate the station platform and related improvements, subject to preparing a complete, detailed engineering design. An easement for public sidewalk access to and from the station site may be required on the 3 North Street site, depending on access locations and constraints to be determined with a final design plan of both the SMART station platform and the 3 North Street property.

A second possible platform location just south of the site within the West Plaza parking lot was also discussed and is also considered viable but would likely require a realignment of the tracks outside of the current rail right-of-way.

If the SMART station platform is placed at 3 North, or West Plaza, there is potential to use a portion of the property at the current depot site for affordable housing. (See Attachment S2 “Existing Depot Site Housing Potential”) SMART staff is generally supportive of this idea, However, further discussions with SMART will be required to determine available area, specific location, and details of agreement to construct housing following City commitment to relocating the planned platform location. SMART staff supports moving the station closer to the downtown, but the SMART Board of Directors must review and approve.

It is also important to note the possibility of SMART coming to Healdsburg by 2024 as outlined in the attached letter from SMART. In order for this to happen, two important things would have to occur; Measure I would need to be approved, and a grant that SMART applied for would have to be approved. Some of this information is contained in the letter from SMART dated February 21, 2020 (Attachment S3 “SMART Extension Update”).

4. History of and Current Proposal for Siting a Permanent Community Pavilion-Farmers’ Market at 3 North Street Site

The focus of this section of the staff report is to provide City Council background information on the property located at 3, 9, and 15 North Street (commonly referred to as “3 North”, “Cerri”, or

“Purity” site) in relation to the proposed Community Pavilion-Farmers’ Market project. This information includes:

- A. Site History
- B. The City’s Purchase and Initial Planning Efforts
- C. 2015-2017 Planning Process
 - Concept Design
 - Schematic Design
- D. Environmental Analysis Summary
- E. Project Cost Estimates
- F. Operational Considerations
 - Case Studies
 - Operating Model Scenarios
 - Operating Budget Scenarios
 - The Farmers’ Market Fit
 - Operating Parameters/Hours of Operation
- G. Fundraising efforts
 - Naming Partner Pledge – Foley Family Foundation
- H. Parks and Recreation Commission Recommendation

A. Site History

Initial development of the 3 North Street property appears to have occurred prior to 1920 when at least one residence existed on the western side of the project site in the current location of the warehouse structure. In the early 1920’s, the Cerri family (pronounced "cherry" like the fruit) reportedly purchased the property and moved the residence to a different location. The family then constructed the existing warehouse for use as a grape distribution facility.

In the early 1930’s, the Cerri family went bankrupt and the existing building was purchased for use in fruit packing. The building was also reportedly used to distribute sugar during prohibition. Between the 1930 and the mid-1970’s the property was used exclusively for fruit and nut packing and distribution by companies including the Rosenberg Brothers & Company and Del Monte. Fruit and sugar was likely delivered to and from the warehouse by a railroad spur located adjacent to the project site.

In the mid-1970’s, the Purity Chemical Products Company (Purity) purchased the warehouse structure for use in distribution and storage of agricultural products such as fertilizer, herbicides and pesticides. In addition, Purity stored and distributed pool and spa chemicals from the property.

B. City Purchase, Timeline, and Initial Planning Efforts

The former Redevelopment Agency of the City of Healdsburg purchased the Purity Chemical Products property located at 3, 9, and 15 North Street (commonly referred to as “3 North”, “Cerri”, or “Purity” site) in 2004 to help meet parking needs in the downtown area. Purity Chemicals continued to use the property under a lease agreement until September 2006 when Purity moved into their new facility on Grove Street.

In 2007, the former Redevelopment Agency Board directed staff to initiate environmental and design review process with the Planning Commission for removal of the building with possible preservation of the façade attached to a shade structure and installation of a public parking lot. In response to public opposition to the demolition, concerns about pressure on the Plaza, and desire to establish a permanent home for the Farmers' Market, the City reconsidered redevelopment options for the site and commissioned alternative redevelopment design options.

Over the course of the next three years the City proposed and vetted several different concepts through a public process. One of which was presented to the Planning Commission but ultimately rejected. However, in 2011, the State of California's initiated actions to dissolve redevelopment agencies creating uncertainty about the future of the property. With the subsequent official dissolution of the Redevelopment Agency in February 2012, the property went through a screening process to determine if the property was used for a governmental purpose. Ultimately, the City received ownership of the property in 2013 primarily due to the improvements related to the Wetzel Native Plant Garden and the property's designation as a park. Work on redeveloping the property ceased during the dissolution of the RDA.

C. 2015-2017 Planning Efforts

In 2011, local architect Alan Cohen and John Wordon provided a concept plan that retained the building but allowed for special event, potential space for a farmer's market and the ability for cars to park in the building when not in use. This in part triggered community discussion again regarding the future of the site. In 2014 the City conducted a parks and recreation community needs assessment. As part of the assessment, residents were asked what they would focus on if they could change one thing in the parks and recreation department over the next five years. Residents cited:

1. River access
2. Completion of the Purity Building for the planned farmers' market and parking
3. Completion of the Foss Creek Trail
4. Creation of a vibrant, multi-generational community center

In 2015, City Council included approximately \$1.527 million in funding in the FY 2015-16 Capital Improvement Program to initiate concept design work for redeveloping the 3 North Street site. (Subsequent to this action, on August 7, 2017, City Council reduced the 3 North Street project funding by \$145,419 to fund the City Hall parking lot expansion project. As part of City Council's FY18-20 budget work session on May 14, 2018, City Council directed that the remaining 3 North Street project funding (approximately \$1,158,500) be redirected to the Badger Park redevelopment project. Subsequent to this action, City Council reallocated \$177,211 of the remaining bond funding to fund the purchase of the Prentice Street apartments, and \$550,000 to fund the Piper-University Street apartments. The current remaining bond funding balance is \$585,225.54. The City anticipates a loan payback in the amount of \$275,000 from the Prentice Street apartment purchase for a projected available bond funding balance for Badger Park in the amount of \$860,225.54.)

City Council adopted the following goals/outcomes related to the project:

- 2015-2016: Complete plans, engineering and bid documents for Purity Project that can also be utilized as a special event venue and permanent home for the Healdsburg Farmers Market. Venue should also incorporate components that demonstrate energy efficiency and water conservation measures.
- 2016-2017: Begin construction to enhance parking on Cerri site.
- 2017-2018: Complete the planning process for the Cerri Building Project, including opportunities for public input, and commence development.

City Council provided direction on June 15, 2015 to develop a scope of work for an architect that includes public input and outreach process. The City entered into an agreement with TLCD Architects out of Santa Rosa to lead the design process with local representation from Architect Alan Cohen. In addition, the City commissioned a Phase 1 and Phase 2 Environmental Site Assessment to study any potential environmental issues.

City Council provided the following direction that guided the design:

- The site should provide parking
- The site should be the home of the Healdsburg Farmers Market
- In developing the concept design options, consider space for community events and activities
- Develop two concept design options:
 - Retain the existing building and renovate/repurpose
 - Remove the existing building and reconstruct the site with parking and shade structure(s)
- Identify ways to incorporate green building technology, including solar.
- Return to Council if public process raises ideas that require Council's consideration.

Concept Design

The City conducted the concept design process between June 2015 and June 2016. As part of the concept design process the City solicited public input that included focus groups, public meetings and open houses, and online/electronic comments:

- City Council received five presentations on the project: 6/15/15, 7/6/2015, 10/5/15, 1/19/16, and 5/16/16
- The City conducted five group sessions (Farmers Market Board, Friends of the Farmers Market, the Arts Community, the Downtown Businesses/Chamber of Commerce, and a follow-up with the Farmers Market Board)
- The City held two public open houses for the community to tour the site 3/3/16 and 5/4/16
- The Parks and Recreation Advisory Commission received two reports on the project: 7/8/15 and 5/11/16

At the conclusion of this effort, City Council considered three concept design options (see Attachment P1 "Concept Design Options"):

In August 15, 2016, City Council directed staff and the design team to proceed with a schematic design that:

1. Maximizes parking
2. Preserves the façade and a portion of the building
3. Includes bathrooms and a kitchen
4. Can be implemented in phases
5. Uses an ecologically friendly surface for the parking lot surface

Schematic Design

With City Council’s direction to remove a portion of the building and a renewed focus on the site design, the City added Andrea Cochran Landscape Architects out of San Francisco to the design team to assist with schematic design. The design team evaluated different approaches to meet City Council's direction. As part of this work the team analyzed how best to maximize parking on the site, considered the advantages/disadvantages of preserving the front versus the rear portion of the structure, discussed where the façade should be placed, and evaluated whether some of the more prominent architectural elements of the structure could be repurposed.

The City held additional focus groups with representatives of the Farmer’s Market and event planners to get additional feedback and input. The City also hosted a fourth a public open house on March 27, 2017 to get feedback on the proposed schematic design. The feedback supported the schematic design with questions focusing on capacity for the Farmer’s Market, winter use, site circulation, the façade, phasing, and funding. This feedback would be analyzed as part of the future design work.

The outcome of this work was the proposed schematic design (see Attachment P2 “Schematic Design” and images below). Elements of the schematic design include:

6. 55 parking spaces
7. Repurposing the existing structure to include approximately 5,200 square feet of “pavilion” covered space for events and activities, with an additional 6,100 square feet of multi-purpose parking and "open air" event space
8. A catering kitchen and restrooms
9. Secondary unloading and loading area on the west side of the site for staging events and activities
10. Single vehicle entry point to minimize potential pedestrian/vehicle conflicts
11. Emergency vehicle access to Foss Street

The Parks and Recreation Commission considered the schematic design at their April 17, 2017 meeting and on a vote of 7-0 recommended approval of the schematic design. City Council reviewed the proposed schematic design on May 15, 2017 and on a vote of 5-0 approved the schematic design. As part of their action, Council also directed the staff to pursue funding opportunities and to move into design review. Council comments regarding this item can be found in the City Council meeting minutes included as Attachment P3 “May 15, 2017 City Council Minutes”.

A. Environmental Analysis

The City entered into agreement with EBA Engineering to conduct a Phase 1 and Phase 2

Environmental Site Assessments. A “Phase 1” assessment primarily focuses on research: what activities have been conducted on the site over the years, what records exist, etc. “Phase 2” involves actual testing, in which EBA took 29 different core, surface, and air samples on the site, both inside and outside of the structure. Overall, the results are relatively good (see Attachment P4 “Environmental Site Assessment Executive Summary”):

- There is a previously documented underground storage tank leak on NE corner of building; majority of site cleaned. If the structure in this area remains, no cleanup is required. If the building is removed, cleanup would be required.
- The analysis discovered a new underground storage tank leak on SE corner of building. The site is relatively small and voluntary cleanup is proposed.
- In approximately the same area as the new underground storage tank, the analysis detected perchloroethen (PCE) in soil vapor on SE corner of building. This discovery is not uncommon in the downtown Healdsburg area. The underground storage tank cleanup would remove most of the PCE vapor source, and the open air design would address potential air quality issues associated with repurposing the building.
- Inside the building, the analysis found low levels of copper and lead on concrete slab inside building. These can be mitigated through cleaning and design engineering.
- The analysis found no ground water contamination on the site.

B. Project Cost Estimates and Expenditures to Date

In 2017 the design team subcontracted the cost estimating to an outside firm, Cromb Associates Construction Cost Management. At that time the estimated cost for the project was \$5.3 million, which included construction, soft costs such as design and permitting, and a 15% contingency. The anticipated cost for construction in 2021 is approximately \$6.5 million - \$7 million. Since the concept/schematic design process began in 2015, the project expenses to date are as follows:

- Concept and Schematic Design Process: \$140,512,92*
(TLCD Architects, Andrea Cochran Landscape Architects, MKM Structural Engineers, Curtis and Associates Surveyors)
- Phase 1 and Phase 2 Environmental Site Assessment: \$ 55,644.70
(EBA Engineering)

*The City has an open professional services agreement with TLCDC in an amount not to exceed \$16,000 to assist with the funding pledge process.

C. Operational Considerations

While how the facility could be operated was discussed briefly during the 2015-2017 planning process, there were no conclusions because the feasibility of moving forward with the project was in question due to funding.

To try to provide some framework around how the facility could be operated if it were built, the Community Services team met several times over the past few weeks to develop potential operating models. These models are for illustrative purposes to demonstrate what the operations *could* be, not what they *would* be. Ultimately, the community, the Parks and Recreation

Commission, and the City Council would need to decide on what level of use and activity is acceptable for the site. If the project were to move forward, it's possible that the operation could be a blend of the two models.

The operational models proposed below operate the site similar to the Plaza, West Plaza Park, the Community Center, the Senior Center, Recreation Park, and other park and recreation facilities where the use is coordinated through the City's Community Services Department. Over the years the City has adopted operating protocol, policies, and fees that govern facility use that could be used as models for the operation of this facility. For example:

- **Special Event Policy:** The City has an adopted special event policy that governs special event of our parks. This policy limits and controls certain types of use. For example, events in the Plaza are limited to City or Healdsburg registered non-profits to ensure the Plaza is available for the community and not consumed with external special events. Staff anticipates that the City Council would adopt specific use policies for this facility if the project were to move forward, and these policies would be developed through a public process.
- **Fees:** The City also has an adopted fee schedule for use of facilities. The City Council recently approved revisions to the fee schedule that established a market rate for facility use that is applied to non-resident individuals and groups and a discounted rate for residents and resident organizations. Staff anticipates that the City Council would adopt a similar model for this facility.

Attachment P5 "Special Event List" is an inventory of in-house, partnership, and external special event projected for 2020.

Case Studies

Staff identified ten facilities throughout the country that combine a Farmers' Market with a community event space. Of those ten, three were most like the proposed project:

- Overland Park Farmers' Market, Overland Park, Kansas
- Davis Farmers' Market, Davis, California
- Rockford City Market, Rockford, Illinois

Each of these facilities provides a different perspective into how Healdsburg's facility could be operated (see Attachment P6 "Case Studies Summary" and Attachment P7 "Case Studies Imagery").

Operational Model Scenarios

For illustrative purposes, staff developed two scenarios that could be considered bookends for the operation:

#1 – "Park Pavilion": A more passive approach toward the operation that would incorporate the Farmers' Market plus a limited number of events and activities, mostly those that either the City produces (some in partnership with other non-profits in town like Art After Dark) and some that

we permit to local non-profits like the Fitch Mountain Footrace. Under this model the costs are less and the revenue potential would be more limited. Examples of events and activities that could fall under this model include:

- Farmers' Market
- City-run Events
 - Movies in the Park
 - Sundays in the Plaza
 - Foss Creek Clean-up
 - Contracted Vendors: (Coffee Carts / Music)
 - 1-2 New events
- City-sponsored Events
 - Art After Dark
 - Jazz Village & Campus
 - Four Elements
 - Shakespeare in the Park
- External / Permitted Events
 - Healdsburg Crush
 - Turkey Trot
 - Healdsburg Half Marathon
 - Arts & Antique Fair

#2 – “Event Venue”: A much more active programmed space that would incorporate the Farmers' Market plus significantly more events. Staff has projected events like external ticketed events (concerts, food events, more races and rides hosted at the site, etc.), non-ticketed external events (e.g. expos, fairs, etc.), corporate events, and a limited number of weddings. The costs to operate the facility would be more, and revenue potential would also be greater. Examples of events and activities that could fall under this model include:

- All Activities from Park Pavilion model above
- Limited Number of Weddings (e.g. maximum of five/year)
- Corporate Events
 - Banquets
 - Retreats
 - Large Meeting
- Externally Sponsored - Ticketed
 - Concerts
 - Races and Rides
 - Food and Drink Festivals
- External Non-Ticketed Event
 - Arts, Crafts, Antique Fairs
 - Fundraisers
 - Food & Drink Festivals

Staff used several sources to come up with these scenarios including the three facility case studies from other cities across the country, the Villa operations, other local event venues like the Barlow in Sebastopol, wineries, and our own experiences.

Approximate capacity for the proposed community pavilion-farmers market is as follows (see Attachment P8 “Capacities”):

- Theater Seating: 912
- 6’ Rounds: 464

Operating Budget Scenarios

Using the two models from above, staff developed the following operating budget scenarios for each model, which are detailed in Attachment P9 “Operating Budget Scenarios”. It’s important to note that these budget scenarios are for illustrative purposes only, and would likely be different depending on the approach towards operation:

Model	Expenditures (Costs)	Revenue (Income)
Park Pavilion	161,000	16,117
Event Center	316,000	202,367

All of Community Services program areas are supported by funding the City receives from the Transient Occupancy Tax (TOT or “Hotel Tax”). If this project were to move forward, one potential source for supporting the operation would be the TOT. Looking ahead, the opening of the Montage Resort in the fall or early winter of 2020 and future hotels associated with the Mill District and the North Village projects will add to the City’s overall TOT revenue. City staffs will be working on these projections as part of the FY2020-2022 budget process that is currently underway.

Farmers’ Market Fit

On Monday, February 10, staff conducted a “fit analysis” exercise with the Farmers’ Market to further study the question raised of whether the market would fit on the proposed project site. Dave Kiff (President of the Market Board), Janet Ciel (Market Manager), Yael Bernier (Farmer), Kristin Morrison (Farmer), and Brigette Mansell (Community Representative on the Market Board) participated on behalf of the market. In addition, representatives of TLCD Architects, Andie Cochran Landscape Architects, Alan Cohen, and City staff also participated in the exercise.

As part of the exercise staff set up mock market stalls both inside the existing structure and outside in the parking area. Inside the structure, staff differentiated the elevated portion of the platform from the portion that would be brought down to ground level. On the outside, staff coned off the approximate dimensions of the parking area and painted a few sample parking spaces. The group also conducted a tabletop exercise in City Hall with to-scale figures that represented vendor tents and a variety of vehicle sizes.

At the conclusion of the exercise there was agreement from representatives of the Market that:

- The current market could fit on the project site.
- There is interest in using all portions of the site including the elevated section, which the market manager thought would be appealing to some market vendors.
- We showed how we could use the parallel parking on North Street adjacent to the project site for vendor parking, which would not require closing North Street.
- There is room for some expansion of the market on the site. However, if the market were to grow significantly, there would be a need to pursue the North Street closure concept to accommodate additional vendors.

The Farmers' Market confirmation of fit is included as Attachment P10 "Farmers' Market Statement of Support".

Operating Parameters/Hours of Operation

Finally, one question that has come up is the City's ability to regulate use of the site for sleeping and other activities outside of designated hours. After the Ninth Circuit's ruling in the Boise case, there are questions around a City's ability to manage these activities in parks and open spaces. In general, the law allows cities to enforce time, place and manner restrictions on sitting, sleeping, and lying in public spaces, so long as there are beds available in shelters that serve that area.

D. Fundraising Efforts

In June 2017, staff convened a working group that consisted of Park and Recreation Commissioners, representatives of the Friends of the Farmers' Market and community members to discuss various funding approaches for the project. Shortly after, staff also initiated a conversation with a member of a local family regarding their potential interest in supporting a project in Healdsburg. After this initial conversation, in November 2017 staff presented the 3 North Street project as a potential option. At the time it seemed a logical choice: the project had completed a recent design process, had significant community support, and received unanimous City Council approval.

Over the course of several months, staff and the family continued communication about the project and determined that there was interest. At that point, staff shared more specifics including the detailed cost estimates (which were available on the City's web site), potential timelines, and the process moving forward. In July 2019 staff met with an additional representative of the family where we affirmed interest and identified a plan for final family approval. Unfortunately, the Kincade Fire impacted this plan and delayed the final approval. On January 13, 2020, the City received a written pledge from the Foley Family to fund the project.

Naming Partner Pledge – Foley Family Foundation

The Foley Family Foundation has pledged up to \$7 million to fund the construction of the 3 North Street – Farmers' Market project as it's currently planned. The funding comes with the requirements that the Foley Family have naming rights for the project – an arrangement that's commonly referred to as a Naming Partner. The pledge also requires that the overall arrangement be outlined in an agreement between the Foley Family Foundation and the City. The pledge is included as Attachment P11 "Foley Family Foundation Pledge".

Staff has received the following questions regarding the pledge:

Q: Are there other requirements associated with the pledge?

A. No. The only requirements are that the Foley Family have naming rights, and that the arrangement be outlined in an agreement.

Q: What would be the name of the facility?

A. The name has not been finalized, but it would involve the Foley Family and would also recognize the role of the Farmers' Market. For example, it could be the "Foley Family Community Pavilion" with the subtitle "Home of the Healdsburg Farmers' Market". The name would be finalized as part of the funding agreement with the family, which would be approved by City Council.

Q: Is the funding from Foley Family Wines?

A. No. The funding is from the Foley Family.

Q: Will the Foley's have a role in operation?

A. No. While specific operational aspects still need to be developed, the current concept is that the City would operate the facility similar to the Plaza, West Plaza Park, the Community Center, the Senior Center, and other park and recreation facilities where the use is coordinated through the City's Community Services Department.

In follow-up discussions with representatives of the Foley family, the family has requested that City Council provide direction on their interest in moving forward with the pledge. In order to meet the timeline of the funding pledge, the City Council would need to approve a funding agreement by April 15. The agreement itself could affirm the City's support of the approved plan and grants naming rights to the Foley family. Additional details could be addressed after April 15th.

E. Parks and Recreation Commission Recommendation

On February 12, the Parks and Recreation Commission considered the 3 North Street Project and the Foley Family Foundation pledge to fund the project. On a motion by Commissioner Tripathi, seconded by Commissioner Birdsong: *The Parks and Recreation Commission enthusiastically supports the generous donation from the Foley Family Foundation for construction of the 3 North Street Project as it bring the most value to the entire community, and wishes to see the project started as soon as possible.* Motion carried 7-0.

SUMMARY:

The previous sections in this report provide information pertaining to the possible future use of the City-owned 3 North Street property, with focus given to the following topic areas: 1) related City policies and codes; 2) the City's efforts, past, present, and projected future related to affordable housing production; 3) the potential for a SMART rail platform or station at or near the subject site; and, 4) the history of City efforts to date and related information pertaining to a Community "Event" Pavilion-Farmers' Market at the site. Important informational points from these sections are as follows:

- The site has a Downtown Commercial General Plan land-use designation;

- Key General Plan policies that pertain to the property and its surrounding land-use area include “Protect and enhance downtown and the plaza”; “Enhance the City’s waterways”; and, “Protect and enhance qualities that attract visitors to the City”. These policies acknowledge this area as the heart of the community; the center of commerce; an area to serve visitors and the surrounding region, an area for locally owned businesses; and, an area to protect the historic character and charm for the benefit of attracting visitors;
- The subject property was acquired by the City using Redevelopment Agency funds, and the City was able to retain the property after dissolution by the State because the Agency had transferred the property to the City prior to the dissolution and a determination that the site serves a “governmental use” because of the “Wetzel Native Plant Garden” located on the property and its designation as a park;
- The City of Healdsburg is anticipated to meet and exceed its State mandated Regional Housing Needs Allocation (RHNA) for the current 5th cycle and the next 6th cycle, without using this site for housing production, acknowledging the local City policy articulates more aggressive housing production goals;
- SMART representatives have indicated that there is sufficient space within the existing railroad right-of-way to accommodate a station platform adjacent to the 3 North Street site and the possibility of an optional station platform at the West Plaza parking lot;
- There may be the opportunity to coordinate with SMART to locate affordable housing on the SMART-controlled existing former train depot site in the community;
- The previously approved schematic plan for a Community Pavilion-Farmers’ Market would fit typical farmers’ market needs and could serve a broad range of community activities and events;
- The approved Community Pavilion-Farmers’ Market schematic plan could be further refined as directed by the City Council to broaden the range of activities and events and the duration of use during the year;
- Moving forward with the development of the 3 North Street site in the near term would still allow for opportunities to master plan the 4+/- acre West Plaza parking lot area to address possibilities there for housing and commercial uses related the City’s 2019 Strategic Plan suggested Downtown Zoning and Density Study, SDAT’s master planning and housing recommendations, and work anticipated with the City’s next Housing Element update in 2022. Additionally, given SMART’s anticipated extension of rail service to Healdsburg not occurring until at least 2024, there would be the opportunity consider finalizing a location and design for a SMART station platform in the area.

ENVIRONMENTAL STEWARDSHIP:

The site includes the Wetzel Native Plant Garden and a portion of Foss Creek. The future use/development options being considered for the site would preserve and include the Wetzel Garden and include best management practices for stormwater collection so as to not adversely impact the water quality of Foss Creek. Any structural development would meet or exceed applicable energy efficiency requirements of the California Building Code.

ALTERNATIVES:

Several development options are being considered in this report for the future use of the 3 North Street site, including a Community Pavilion-Farmers’ Market; an Affordable Housing Project with 55 rental housing units; and, an Affordable Housing Project with 45 rental housing units

and space for a regional library. The potential for a SMART rail station platform at the site is also being considered.

FISCAL IMPACT:

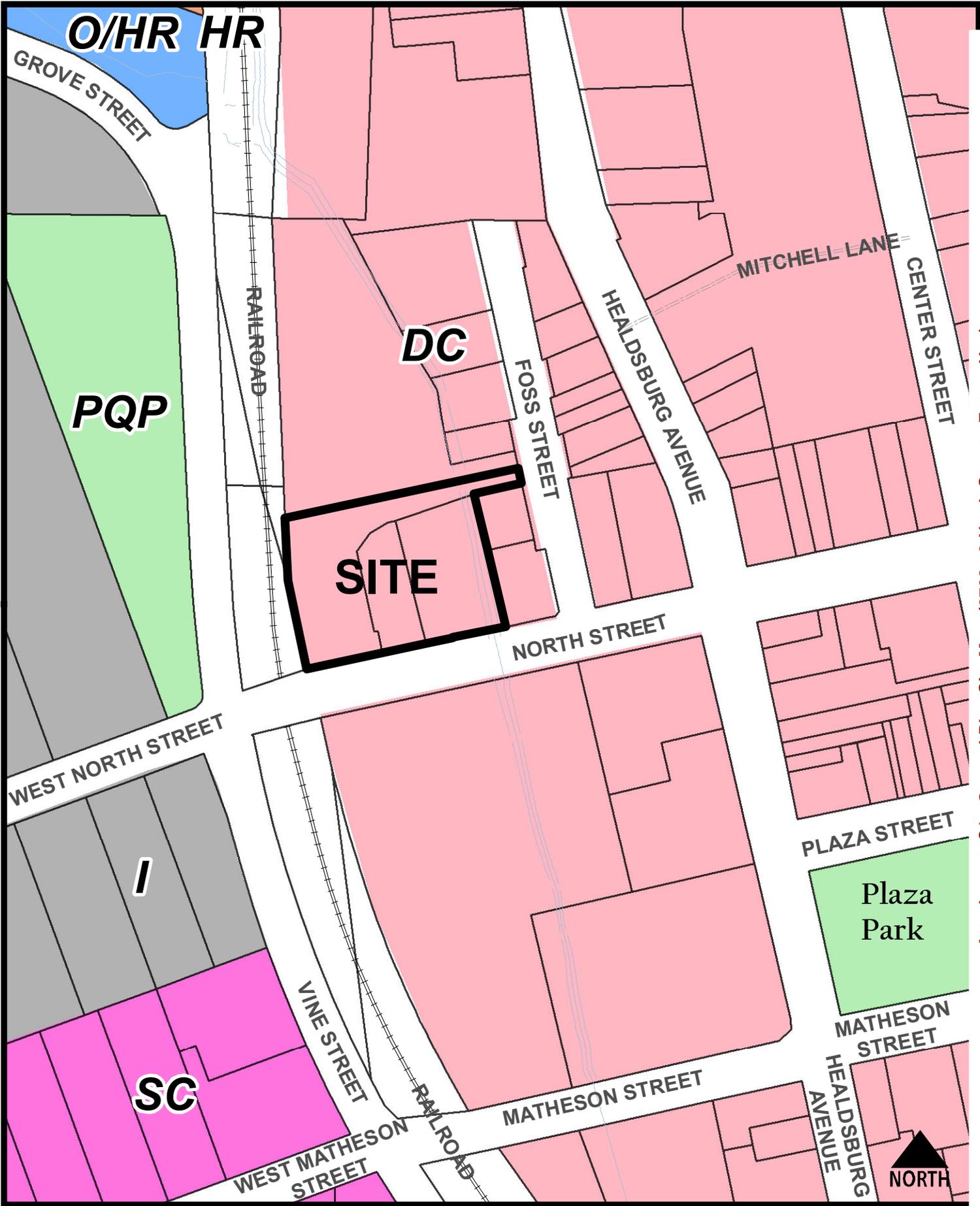
The community Pavilion-Farmers' Market option being considered for the site has cost approximately \$200,000 to date in design and environmental costs as described under E. of Section 4 of the staff report. The facility is estimated to cost between \$6.5 -\$7 million to construct. A pledge in the amount of \$7 million has been received by the City to pay for the estimated construction costs. Potential operating costs are described under the Section heading Operating Budget Scenarios in Section 4 of the staff report. Costs are estimated to exceed revenue and additional revenue sources would need to be identified. The possible fiscal impacts of the Affordable Housing options under consideration would depend on the terms of an agreement between the City and an affordable housing developer. The City would offer the land as part of the development proposal and possibly affordable housing fees, and the affordable housing developer would need to bring together various funding sources to construct and operate the project, with the future rents to help pay incurred debt to build the project.

ENVIRONMENTAL ANALYSIS:

Both Phase 1 and Phase 2 Environmental Site Assessments have been prepared for the project site. An underground storage tank leak was discovered and the structure on the site, the Cerri building, does have some typical older building material contaminants. Overall, the assessments completed have determined the required clean-up to more minor in nature. As the City Council determines an appropriate future use for the site, there will be a need to complete required project-level environmental review in compliance with the California Environmental Quality Act (CEQA). Upon determining the proposed future use, an environmental Initial Study would be prepared to determine the specific level of environmental review required under CEQA.

ATTACHMENT(S):

- C1 - General Plan Site Map
- H1 - Affordable Housing Site Analysis
- H2 - Burbank Proposal
- S1 - SMART Station-Platform Concept
- S2 - Existing Depot Site Housing Potential
- S3 - SMART Extension Update
- P1 - Concept Design Options
- P2 - Schematic Design
- P3 - May 15, 2017 City Council Minutes
- P4 - Environmental Site Assessment Executive Summary
- P5 - Special Event List
- P6 - Case Studies Summary
- P7 - Case Studies Imagery
- P8 - Capacities
- P9 - Operating Budget Scenarios
- P10 - Farmers' Market Statement of Support
- P11 - Foley Family Foundation Pledge
- Three North Street Correspondence



Attachment: C1 - General Plan Site Map (2728 : 3 North Street - Future Use)

3 NORTH STREET
General Plan Site Map

Date: 2/27/2020

Summary Table 1: Summary of Housing Opportunity Sites

Housing Opportunity Sites	Size (gross land area)	Locational Setting	Ownership & Tenure Restrictions	Currently Involved Parties	Physical Constraints	Site Improvement Costs	Entitlement Issues	Linked Sites
3 North Street	1.21 acres	Downtown Healdsburg, northeast corner of Grove and North Streets	City-owned site	Burbank	-- Railroad tracks -- Existing building (11,960 SF) is a designated historic resource (local register) and eligible for CRHR -- Limited Phase 1 remediation -- Foss Creek floodplain	Demolition	-- Rezoning and Density Bonus may be required -- Historic Resource Standards Review required -- Floodplain development permit required	Burbank is also considering a project on the ballfield portion of the Community Center site
155 Dry Creek	3.53 acres	North-central Healdsburg on north side of Dry Creek Rd, just west of the NCRA railroad tracks	City-owned site	None	-- Wetlands -- Foss Creek floodplain -- Railroad tracks	Wetland fill and mitigation. Frontage improvements on Dry Creek Rd	-- 404/401 permits required for wetland fill -- Floodplain development permit required	
Montage	14.16 acres	North Healdsburg hills, just north of Parkland Farms neighborhood	Developer-owned. Will be transferred to City per Development Agreement	Sonoma Luxury Resort LLC (Robert Green)	Topography (slopes)	Construction of a new road w/ bridge through site (Developer responsibility)	-- CEQA review required -- Development Agreement compliance	
1557 Healdsburg Ave. The Community Center	Approximately 3 acres of the 9.6-acre site would be used for housing.	Northern Healdsburg, on west side of Healdsburg Ave.	City-owned site	None	Very few constraints	Master Plan and Demolition	-- Rezoning and Density Bonus may be required	

Attachment: H1 - Affordable Housing Site Analysis (2728 : 3 North Street - Future Use)

Summary Table 2: Use and Disposition Summary

Housing Opportunity Sites	Use and Disposition Options			
	Existing Plans	Option 1	Option 2	Option 3
3 North Street	Existing plans for the site are the Council-approved schematic design for a Farmers' Market	An "all residential" project on the site that would provide as many as 55 units with new state density bonus. An affordable housing developer would seek 9 percent tax credit allocation from TCAC.	A mixed use project including a new City Library (ground floor) with as many as 45 units with new state density bonus). Project would be a partnership with an affordable housing developer who would seek 9 percent tax credit allocation from TCAC.	Explore the use of this property for potential use as a SMART platform, or a SMART platform and a Farmers' Market.
155 Dry Creek		A mixed use project including retail/service (ground floor) with 40-50 affordable rental housing units above or behind (unit count could potentially double if state density bonus is applied). Project would be a partnership with an affordable housing developer who would seek 4 percent tax credit allocation from TCAC.	An "all residential" project on the site that could increase the prototype diversity and number of affordable units offered. Affordable units could exceed 100 if land area is maximized and if state density bonus is applied.	Sell site "as-is" and use funding derived for other affordable housing project subsidies.
Montage		Convert the site to open space and conservation uses in exchange for Developer purchasing and deeding to the City an alternative site capable of accommodating 150 housing units in the City suitable for multifamily affordable housing.	A townhome or cottage-court density project offering approximately 70 for-sale price restricted units.	A multifamily building complex project of up to 150 units of rental affordable housing targeting low and moderate income households.
1557 Healdsburg Ave. The Community Center		Up to 120 units higher-density housing would target low and very low income families. New residential uses would be part of a master plan effort to accommodate ball fields, and the potential relocation of the hospital. Community Center would be relocated.	None identified at this preliminary stage.	None identified at this preliminary stage.

Attachment: H1 - Affordable Housing Site Analysis (2728 : 3 North Street - Future Use)

Summary Table 3: Summary of Economic Analysis Assumptions

Option	3 North Street	155 Dry Creek	Montage
Option 1	All Residential	Mixed-Use Residential with Retail/Service Frontage	Conserve as Open Space in Exchange for Alternative Site
	Number of Units (assume 100% density bonus)	55	Number of Units (assume 100% density bonus)
	Parking Req. (per unit) assumed 1/2 off-site	1.0	Parking Req. (per unit)
	Income Cohort Target	Very Low / Low @ 60%	Income Cohort Target
	Annual Rents (per unit per month)	\$1,237	Annual Rents (per unit per month)
	Tax Credits	9.0%	Tax Credits
	Cap Rate	4.5%	Cap Rate
			n/a
Option 2	Mixed-Use Residential w/ Library on Ground Floor	All Residential	Lower-Density Residential (e.g., Townhome)
	Number of Units (assume 100% density bonus)	45	Number of Units
	Parking Req. (per unit) assumed 1/2 off-site	1.0	Parking Req. (per unit)
	Income Cohort Target	Very Low / Low @ 60%	Income Cohort Target
	Annual Rents (per unit per month)	\$1,237	Annual Rents (per unit per month)
	Tax Credits	9.0%	Tax Credits
	Cap Rate	4.5%	Cap Rate
			70
			1.5
			Moderate
			\$700,000
			n/a
			n/a
Option 3	Explore Other Public Uses	Sell As-Is	Higher-Density Multifamily Residential
	Number of Units	Number of Units	Number of Units
	Parking Req. (per unit)	Parking Req. (per unit)	Parking Req. (per unit)
	Income Cohort Target	Income Cohort Target	Income Cohort Target
	Annual Rents (per unit per month)	Annual Rents (per unit per month)	Annual Rents (per unit per month)
	Tax Credits	Tax Credits	Tax Credits
	Cap Rate	Cap Rate	Cap Rate
	n/a	n/a	150
			1.0
			Low / Moderate
			\$2,469
			n/a
			4.5%

Sources: City of Healdsburg; North Coast Community Planning; Economic & Planning Systems, Inc.

Summary Table 4: Summary of Economic Analysis Results

Project Site	Option 1	Option 2	Option 3
3 North Street	<i>All Residential</i>	<i>Mixed-Use Residential w/ Library on Ground Floor</i>	<i>Explore Other Public Uses</i>
Total Development Costs	\$7,700,000	\$7,900,000	
Total Value	\$9,900,000	\$8,100,000	
Residual Project Value	\$2,300,000	\$300,000	n/a
Implications	Feasible w/ potential to deepen affordability, provide additional amenities, or pay for land.	Feasible.	
155 Dry Creek	<i>Mixed-Use Residential with Retail/Service Frontage</i>	<i>All Residential</i>	<i>Sell As-Is</i>
Total Development Costs	\$17,400,000	\$14,600,000	
Total Value	\$17,700,000	\$9,700,000	
Residual Project Value	\$300,000	(\$4,400,000)	n/a
<i>Gap per Door</i>		<i>(\$80,236)</i>	
Implications	Feasible due to inclusion of retail, but residential portion cannot support more.	Infeasible; at a gap of approx. \$80,000 per door.	
Montage	<i>Conserve as Open Space in Exchange for Alternative Site</i>	<i>Lower-Density Residential (e.g., Townhome)</i>	<i>Higher-Density Multifamily Residential</i>
Total Development Costs		\$41,300,000	\$51,600,000
Total Value		\$47,500,000	\$59,600,000
Residual Project Value	n/a	\$5,300,000	\$7,000,000
Implications		Feasible due to moderate-income cohort target.	Feasible due to inclusion of moderate-income cohort target.

Sources: City of Healdsburg; North Coast Community Planning; Economic & Planning Systems, Inc.

3 North Street

Table 1.1: Project Alternatives -- City Policy Context

Housing Project Alternative	Project Summary	Policy and Suitability Selection Criteria				
		Site Context Compatibility	Maximize HAP Policy Objectives	Mixed-Use Opportunities	Leverage with Other Opportunity Sites	Existing Commitments and Restrictions
Option 1	A mixed use project including a new City Library (ground floor) with as many as 45 units with new state density bonus). Project would be a partnership with an affordable housing developer who would seek 9 percent tax credit allocation from TCAC.	The urban context site is on North St. at corner of North St. and Grove St. Railroad tracks run parallel to Grove St. City Hall is across Grove St.,the Duchamp Hotel is to the north of the site, and Foss Creek is on the east side. Ground floor civic use is perhaps more compatible with surrounding civic and commercial uses.	Contributes to meeting Objective 1.0 and 4.0 -- Project results in the creation of new, centrally-located affordable housing units in the City, targeting Low and Very Low-income households.	Option 1 project includes a new City Library on the ground floor, or could, alternatively, include retail/service uses.	Moving City Library frees up its 0.7 acre site on corner of Center and Piper Streets, which could be sold at market price (site may be too small for affordable rental housing project).	Burbank Housing has reached out to the City with a proposal for this mixed-use project. Will also require density bonus approval and/or rezoning.
Option 2	An "all residential" project on the site that would provide as many as 55 units with new state density bonus. An affordable housing developer would seek 9 percent tax credit allocation from TCAC.	Same as above, although groundfloor residential perhaps less compatible with surrounding civic and commercial uses.	Same as above.	None	None	Burbank Housing has reached out to the City with a proposal. Achieving density needed for a financially feasible project will require a 100 percent density bonus approval .
Option 3	Explore the use of this property for potential use as a SMART platform, or a SMART platform and a Farmers' Market.					

3 North Street
Table 1.2: Site Yield

Item	Description	Option 1	Option 2	Option 3	Sources & References
Gross Land Area (Acres)	1.2				
Parcel Configuration	Rectangular with "flag" on north property boundary providing access to Foss Street. Three parcels (0.47 acre; 0.20 acre; 0.38 acre)				
Physical Constraints --Topography --Roads/RR --Creek/Wetlands	-- Relatively small site -- Railroad tracks along western boundary of parcel -- Foss Creek on easternmost parcel. -- Foss Creek floodplain (Zone AE) covers most of eastern parcel -- Existing 12000 SF structure (Cerri building) on western parcel (on local historic resource register; eligible for State historic register) -- Phase 2 report (1994) found contaminated soils/groundwater under slab of structure. Contaminants may have naturally attenuated since then.	Possibly less constrained than "Best Fit" with regard to groundfloor residential uses in floodplain.	In order to maximize development potential, demolition of existing structure required. Drainage/Floodway study needed. Parking/non-residential construction on ground floor may be required in floodplain.	Same as "Best Fit"	- City GIS/FEMA Flood insurance rate map - Historic Resources Evaluation & Standards Review for 1922 Cerri Warehouse Building (Evans & De Shazo; Sept 2017) - Phase II Subsurface Investigation; EBA Wastechnologies; Jan 1995) - Summary of Residual Contamination (EBA Engineering; Dec 2006)
Net Land Area (Developable Acres)	0.88 acres when creek/setback and "flag" are netted out				City GIS/FEMA Flood Insurance rate map
Site Improvement Costs: -- On-site improvements -- Off-site improvements	Access, wet and dry utilities, fire line/hydrants. Additional removal of contaminated soils may be required if Cerri building is removed. Traffic study may identify off-site improvements.				
Zoning/Entitlement Issues	Site is zoned Downtown Commercial ("CD") which permits multi-family residential use located on same site as a commercial use. Maximum density is 16/units per acre.	Residential above commercial permitted in CD district - CEQA review needed for removal of Cerri building - Subject to Floodplain Development Ordinance	An all residential project would require GPA/rezoning (from DC/CD to HR/RM). - CEQA review needed for removal of Cerri building	An all residential project would require GPA/rezoning (from DC/CD to HR/RM) - CEQA review needed for removal of Cerri building - Subject to Floodplain Development Ordinance	
Preferred Zoning Designation		Downtown Commercial ("CD") zoning is ok.	Multifamily Residential ("RM")	Multifamily Residential ("RM")	
Allowable Height		40'	40'	40'	
Allowable Density (Range)		10-16 units/acre + density bonus	10-20 units/acre + density bonus	10-20 units/acre + density bonus	
Unit Yield		45 units (assuming 100% density bonus)	55 units (assuming 100% density bonus)		

Attachment: H1 - Affordable Housing Site Analysis (2728 : 3 North Street - Future Use)

3 North Street

Table 1.3: Financial Feasibility Pro Forma

Project Parameters	Option 1		Option 2	
	Assumption	Amount	Assumption	Amount
DEVELOPMENT PROGRAM				
Gross Land Area (acres)		1.20		1.20
Gross Land Area (sq. ft.)		52,272		52,272
Residential				
Number of Residential Units (high)		45		55
Dwelling Units per Acre		38		46
Leasable Square Feet	750 sq.ft. / unit	33,750	750 sq.ft. / unit	41,250
Gross Square Feet	0.85 net to gross sq.ft.	39,706	0.85 net to gross sq.ft.	48,529
Residential	1.0 space per unit	45	1.0 space per unit	55
Library				
Leasable Square Feet		11,000		-
Gross Square Feet	0.85 net to gross sq.ft.	12,941	0.85 net to gross sq.ft.	-
Parking Spaces (Surface)	1.0 space per 500 sq.ft.	22	1.0 space per 500 sq.ft.	-
Parking				
Parking Spaces (sq.ft.)	350.0 sq.ft. / space	23,450	350.0 sq.ft. / space	19,250
RESIDENTIAL REVENUE ASSUMPTIONS				
Average Rent ¹	\$1,237 per unit per month	\$668,007	\$1,237 per unit per month	\$816,453
Parking Revenue	\$0 per space per month	\$0	\$0 per space per month	\$0
Vacancy Rate	3.0%	<u>(\$20,040)</u>	3.0%	<u>(\$24,494)</u>
Gross Revenue		\$647,967		\$791,959
(less) Operating Expenses	\$6,000 per unit per year	<u>(\$270,000)</u>	\$6,000 per unit per year	<u>(\$330,000)</u>
(less) Marketing	2.0%	<u>(\$12,959)</u>	2.0%	<u>(\$15,839)</u>
Subtotal		<u>(\$282,959)</u>		<u>(\$345,839)</u>
Annual Net Operating Income		\$365,007		\$446,120
Capitalized Value	4.5% cap rate	\$8,111,277	4.5% cap rate	\$9,913,783
LIBRARY REVENUE ASSUMPTIONS				
Average Rent ¹	\$0.00 per sq.ft. per month	\$0	\$0.00 per sq.ft. per month	\$0
Vacancy Rate	0.0%	<u>\$0</u>	0.0%	<u>\$0</u>
Gross Revenue		\$0		\$0
(less) Operating Expenses	30.0% of gross revenue	\$0	30.0% of gross revenue	\$0
(less) Commissions	0.0% of gross revenue	<u>\$0</u>	0.0% of gross revenue	<u>\$0</u>
Subtotal		<u>\$0</u>		<u>\$0</u>
Annual Net Operating Income		\$0		\$0
Capitalized Value	5.0% cap rate	\$0	5.0% cap rate	\$0
TOTAL VALUE		\$8,111,277		\$9,913,783
DEVELOPMENT COSTS				
Hard Costs				
Residential Building Construction Cost ²	\$225 / gross sq. ft.	\$8,933,824	\$225 / gross sq. ft.	\$10,919,118
Residential FF&E	\$25 / net sq. ft.	\$843,750	\$25 / net sq. ft.	\$1,031,250
Library Building Construction Cost ²	\$175 / gross sq. ft.	\$2,264,706	\$175 / gross sq. ft.	\$0
Library FF&E	\$50 / net sq. ft.	\$550,000	\$50 / net sq. ft.	\$0
Parking (Surface) ³	\$5,000 / space	\$167,500	\$5,000 / space	\$137,500
Site Work	\$25 / land sq. ft.	<u>\$1,306,800</u>	\$25 / land sq. ft.	<u>\$1,306,800</u>
Total Direct Costs		\$14,066,579		\$13,394,668
Soft Costs				
Architecture and Engineering	5.0% of direct costs	\$703,329	5.0% of direct costs	\$669,733
Permits and Fees	2.5% of direct costs	\$351,664	2.5% of direct costs	\$334,867
Legal, Insurance & Warranty	3.0% of direct costs	\$421,997	3.0% of direct costs	\$401,840
General & Administrative	2.5% of direct costs	\$351,664	2.5% of direct costs	\$334,867
Financing Costs	6.0% of direct costs	\$843,995	6.0% of direct costs	\$803,680
Builder Fee	5.0% of direct costs	\$703,329	5.0% of direct costs	\$669,733
Developer Fee ⁴	<u>9.0%</u> of direct costs	<u>\$1,265,992</u>	<u>12.0%</u> of direct costs	<u>\$1,607,360</u>
Total Indirect Costs	33.0% of direct costs	\$4,641,971	36.0% of direct costs	\$4,822,080
Subtotal, Direct and Indirect Costs		\$18,708,551		\$18,216,748
Contingency (% of subtotal)	5.0% of total costs (excl. land)	\$935,428	5.0% of total costs (excl. land)	\$910,837
Low Income Housing Tax Credit⁵	60% of eligible costs	-\$11,786,387	60% of eligible costs	-\$11,476,551
Total Costs		\$7,857,591		\$7,651,034
Total Costs per Unit		\$174,613		\$139,110
RESIDUAL PROJECT VALUE		\$253,686		\$2,262,749
Per Land Square Foot		\$5		\$43

(1) Based on HCD income limits for Sonoma County (2019) and City policy ratio re: housing expenditures as a percent of household income.

(2) EPS estimate based on data from various cost estimating reports and affordable housing developers active in the region.

(3) Assumes 1/2 of the required parking is accommodated in the lot across the street at no cost to the project.

(4) Percent of costs varies assuming approximately 1/2 of the allowed developer fee is required at project stabilization and 1/2 is deferred and payable from cash flow.

(5) Assumes 9% tax credit is approximately equivalent to a 65% reduction of eligible costs on a static basis.

155 Dry Creek

Table 2.1: Project Alternatives -- City Policy Context

Housing Project Suitability	Project Summary	Policy and Suitability Selection Criteria				
		Site Context Compatibility	Maximize HAP Policy Objectives	Mixed-Use Opportunities	Leverage with Other Opportunity Sites	Existing Commitments and Restrictions
Option 1	A mixed use project including retail/service (ground floor) with 40-50 affordable rental housing units above or behind (unit count could potentially double if state density bonus is applied). Project would be a partnership with an affordable housing developer who would seek 4 percent tax credit allocation from TCAC.	Site fronts on Dry Creek Road with commercial uses located on both sides and across street, commercial uses would add to commercial character of the site. Environmental constraints limit site utilization.	Contributes to meeting Objective 1.0 and 4.0 -- project results in the creation of new, centrally-located affordable housing units in the City, targeting Low and Very Low-income households.	Commercial uses would add to continuity and scale of existing commercial uses along Dry Creek Road and improve connectivity by virtue of the needed off site improvements	Housing development on site could help, as originally intended, to meet the policy target of 150 units for the Montage Project.	No current commitments; Will require complex wetland mitigation permitting (COE), though it appears that "on-site" mitigation is possible. Density bonus may be needed to achieve required density.
Option 2	An "all residential" project on the site that could increase the prototype diversity and number of affordable units offered. Affordable units could exceed 100 if land area is maximized and if state density bonus is applied.	Lack of commercial "street wall" would interrupt potential commercial continuity adding to the site's context.	Could contribute to meeting Objective 1.0 and 4.0, and also 5.0 depending on the project prototype(s) and affordability range.	Project could include innovative "live-work" space that would provide both housing and work space.	Same as above	Same as above
Option 3	Sell site "as-is" and use funding derived for other affordable housing project subsidies.	Commercial and/or service uses would be compatible with site's context. To be determined by future owner.	Uncertain.	Highest and best use may be mix of retail and service uses.	Funding from sale would be used for other affordable housing projects requiring subsidy.	Sale may not be possible depending on source of RDA funding used.

155 Dry Creek
Table 2.2: Site Yield

Item	Description	Option 1	Option 2	Option 3	Sources & References
Gross Land Area (Acres)	3.53 acres				
Parcel Configuration	Roughly rectangular parcel fronting on Dry Creek Road. Railroad right of way along east parcel boundary. Foss Creek forms west parcel boundary. 20' wide pipeline easement (City of Santa Rosa) along south and east parcel boundaries.				
Physical Constraints --Topography --Roads/RR --Creek/Wetlands	Two wetland areas - 0.3 acres and 0.03 acres. Flood plain (Zone AE) encompasses southerly wetland and land below 130' contour. Foss Creek setback - 35' from top of bank (.58 acres) Quiet zone will require a median on Dry Creek Road which will affect location of site access driveway.				COE wetland delineation map City GIS/FEMA flood map
Net Land Area (Developable Acres)	2.1 acres (.58 acres for creek setback; 0.5 acres for wetland mitigation)	2.1 acres	Same	Same	
Site Improvement Costs: -- On-site improvements		Driveway, access. Sewer and water laterals. Fire hydrants. Drainage catch	Same	Same	
-- Off-site improvements		Dry Creek Road frontage improvements: 2 travel lanes, sidewalk, curb and	Same	Same	
Zoning/Entitlement Issues	Mixed Use ("MU") zoning	Will require 404/401 permits for onsite relocation of south wetland (.3 acres) to north end of site. Must comply with Floodplain Development Ordinance. Areas within 100' of railroad r.o.w. subject to	Same	Same	
Preferred Zoning Designation		MU	MU	MU	
Allowable Height		50'	50'	50'	
Allowable Density (Range)		12-16 units/acre	12-16 units/acre	12-16 units/acre	
Unit Yield		45 units	55 units	TBD by future developer	

Attachment: H1 - Affordable Housing Site Analysis (2728 : 3 North Street - Future Use)

155 Dry Creek

Table 2.3: Financial Feasibility Pro Forma

Project Parameters	Option 1		Option 2	
	Assumption	Amount	Assumption	Amount
DEVELOPMENT PROGRAM				
Gross Land Area (acres)		3,530		3,530
Gross Land Area (sq. ft.)		153,767		153,767
Residential				
Number of Residential Units (high)		45		55
Dwelling Units per Acre		13		16
Leasable Square Feet	750 sq.ft. / unit	33,750	750 sq.ft. / unit	41,250
Gross Square Feet	0.85 net to gross sq.ft.	39,706	0.85 net to gross sq.ft.	48,529
Parking Spaces (Surface)	1.0 space per unit	45	1.0 space per unit	55
Retail/Service				
Leasable Square Feet		20,000		-
Gross Square Feet	0.85 net to gross sq.ft.	23,529	0.85 net to gross sq.ft.	-
Parking Spaces (Surface)	1.0 space per 500 sq.ft.	40	1.0 space per 500 sq.ft.	-
Parking				
Parking Spaces (sq.ft.)	350.0 sq.ft. / space	29,750	350.0 sq.ft. / space	19,250
RESIDENTIAL REVENUE ASSUMPTIONS				
Average Rent ¹	\$1,237 per unit per month	\$668,007	\$1,237 per month	\$816,453
Parking Revenue	\$0 per space per month	\$0	\$0 per month	\$0
Vacancy Rate	3.0%	(\$20,040)	3.0%	(\$24,494)
Gross Revenue		\$647,967		\$791,959
(less) Operating Expenses	\$6,000 per unit per year	(\$270,000)	\$6,000 per unit per year	(\$330,000)
(less) Marketing/Commissions	3.0% of gross revenue	(\$19,439)	3.0% of gross revenue	(\$23,759)
Subtotal		(\$289,439)		(\$353,759)
Annual Net Operating Income		\$358,528		\$438,201
Capitalized Value	4.5% cap rate	\$7,967,284	4.5% cap rate	\$9,737,792
RETAIL/SERVICE REVENUE ASSUMPTIONS				
Average Rent ¹	\$3.50 per sq.ft. per month	\$840,000	\$0.00 per sq.ft. per month	\$0
Vacancy Rate	5.0%	(\$42,000)	0.0%	\$0
Gross Revenue		\$798,000		\$0
(less) Operating Expenses	30.0% of gross revenue	(\$239,400)	30.0% of gross revenue	\$0
(less) Marketing/Commissions	3.0% of gross revenue	(\$23,940)	0.0% of gross revenue	\$0
Subtotal		(\$263,340)		\$0
Annual Net Operating Income		\$534,660		\$0
Capitalized Value	5.5% cap rate	\$9,721,091	5.5% cap rate	\$0
TOTAL VALUE		\$17,688,375		\$9,737,792
DEVELOPMENT COSTS				
Hard Costs				
Residential Building Construction Cost ²	\$225 / gross sq. ft.	\$8,933,824	\$225 / gross sq. ft.	\$10,919,118
Residential FF&E	\$25 / net sq. ft.	\$843,750	\$25 / net sq. ft.	\$1,031,250
Retail/Service Building Construction Cost ²	\$175 / gross sq. ft.	\$4,117,647	\$175 / gross sq. ft.	\$0
Retail/Service FF&E	\$50 / net sq. ft.	\$1,000,000	\$50 / net sq. ft.	\$0
Parking (Surface)	\$5,000 / space	\$425,000	\$5,000 / space	\$275,000
Site Work	\$25 / land sq. ft.	<u>\$3,844,170</u>	\$25 / land sq. ft.	<u>\$3,844,170</u>
Total Direct Costs		\$19,164,391		\$16,069,538
Soft Costs				
Architecture and Engineering	5.0% of direct costs	\$958,220	5.0% of direct costs	\$803,477
Permits and Fees	2.5% of direct costs	\$479,110	2.5% of direct costs	\$401,738
Legal, Insurance & Warranty	3.0% of direct costs	\$574,932	3.0% of direct costs	\$482,086
General & Administrative	2.5% of direct costs	\$479,110	2.5% of direct costs	\$401,738
Financing Costs	6.0% of direct costs	\$1,149,863	6.0% of direct costs	\$964,172
Builder Fee	5.0% of direct costs	\$958,220	5.0% of direct costs	\$803,477
Developer Fee ³	9.0% of direct costs	<u>\$1,724,795</u>	9.0% of direct costs	<u>\$1,446,258</u>
Total Indirect Costs	33.0% of direct costs	\$6,324,249	33.0% of direct costs	\$5,302,947
Subtotal, Direct and Indirect Costs		\$25,488,639		\$21,372,485
Contingency (% of subtotal)	5.0% of total costs (excl. land)	\$1,274,432	5.0% of total costs (excl. land)	\$1,068,624
Low Income Housing Tax Credit⁴	35% of eligible costs	-\$9,367,075	35% of eligible costs	-\$7,854,388
Total Costs		\$17,395,996		\$14,586,721
Total Costs per Unit		\$386,578		\$265,213
RESIDUAL PROJECT VALUE				
Per Land Square Foot		\$266,000		(\$4,413,000)
		\$2		(\$29)

(1) Based on HCD income limits for Sonoma County (2019) and City policy ratio re: housing expenditures as a percent of household income.

(2) EPS estimate based on data from various cost estimating reports and affordable housing developers active in the region.

(3) Unleveraged return on costs based on an industry standards.

(4) Assumes 4% tax credit is approximately equivalent to a 35% reduction of eligible costs on a static basis.

Montage

Table 3.1: Project Alternatives -- City Policy Context

Housing Project Suitability	Project Summary	Policy and Suitability Selection Criteria				
		Site Context Compatibility	Maximize HAP Policy Objectives	Mixed-Use Opportunities	Leverage with Other Opportunity Sites	Existing Commitments and Restrictions
Option 1	Convert the site to open space and conservation uses in exchange for Developer purchasing and deeding to the City an alternative site capable of accomodating 150 housing units in the City suitable for multifamily affordable housing.	Converting the site to conservation and open space uses would be compatible with development planned for Montage and also surrounding existing development and open space uses.	Depending on project developed, could contribute to meeting Objectives 1.0, 4.0, and 5.0 -- alternative site project results in the creation of new affordable housing units in the City, targeting low and moderate income households.	None.	The obligation to provide an alternative site and to meet the Development Agreement policy target of 150 units would create various opportunities to pursue affordable rental housing on existing or new opportunity sites.	Would require amendment to the Saggio Hills Development Agreement and determination regarding construction of emergency vehicle access between Parkland Farms Blvd and Passalacqua Road sites.
Option 2	A townhome or cottage-court density project offering approximately 70 for-sale price restricted units.	A lower (townhome) density price-restricted for sale project would be more compatible with rural/open space surrounded site than higher density multifamily project.	Contributes to meeting Objectives 1.0 and 5.0 -- project results in the creation of new housing units in the City, targeting moderate and middle income households.	None.	Meeting some of the affordable housing policy commitment associated with Montage would provide resources for achieving lower income affordable rental housing on other opportunity sites.	Saggio Hills Development Agreement offers flexibility regarding the type and number of affordable housing units on the site. DA requires developer to perform mass grading and to install backbone infrastructure (extension of Parkland Farms Blvd as public street with underground utilities).
Option 3	A multifamily building complex project of up to 150 units of rental affordable housing targeting low and moderate income households.	The setting and relatively remote nature of the site may make it incompatible for higher density affordable rental housing units.	Project would contribute to meeting Objectives 1.0 and 4.0 -- project results in the creation of new housing units in the City, targeting low and moderate income households.	None.	None.	Same as above.

Montage
Table 3.2: Site Yield

Item	Description	Option 1	Option 2	Option 3	Sources & References
Gross Land Area (Acres)	Approximately 14.16 acres, including Parcel 5 (7.02 acres), Parcel 6 (5.45 acres), and right-of-way parcel to be dedicated for Parkland Blvd extension (1.76 acres) as shown on Final Map (FM1)				Saggio Hills Development Agreement (April 11, 2011), as amended. Saggio Hills Final Map 1 (May 23, 2018)
Parcel Configuration	Irregularly shaped site, roughly 700' x 900'. North boundary adjoins Passalacqua Road. Site narrows to a point at south end where it meets northeast terminus of Parkland Farms Blvd.				Saggio Hills Final Map 1 (May 23, 2018)
Physical Constraints --Topography --Roads/RR --Creek/Wetlands	Parcel 5 has a central knoll with slopes of 20-25%. Seasonal tributary to Foss Creek and associated riparian corridor is located along Passalacqua Road on north part of site. An upland drainage/wetland (0.94 acre) is located on south end of site near Parkland Farms Boulevard. A 0.22 acre drainage/wetland is located near east parcel boundary above Foss Creek drainage. Offsite mitigation has been completed in order for these wetlands to be filled. Parcels are located at wildland-urban interface and subject to wildfire hazards.				
Net Land Area (Developable Acres)		No development - property put in conservation easement.	Concentrate development on areas with slopes of less than 20%. Realign site access road. 25' creek setback (from top of bank). No development on north side of Foss Creek along Passalacqua Road. Net land area ~4.0 acres. (175,000 SF/3500 SF = 50 units)	Recontour site to remove knoll on Parcel 5 and establish more gently sloping development pad(s). 25' creek setback from top of bank. Develop on north side of Foss Creek along Passalacqua Road. Net land area is approximately 11 acres. (479,000/3500 SF=135 units)	Option 2 yield derived from GIS slope analysis. Option 1: Saggio Hills Project Revised DEIR; Table 2-1 (August 2007)
Site Improvement Costs: -- On-site improvements		Determination would be needed regarding establishment of emergency vehicle access, pedestrian/bicycle trail, and utility connections. Amendment to Saggio Hills DA needed.	Mass grading; access road w/ bridge, sidewalks and bike lanes; wet and dry utilities are responsibility of Montage developer	Same	Saggio Hills Development Agreement
-- Off-site improvements		None	Traffic study would be needed to determine if traffic calming improvements are needed in neighborhood and signal improvements at Parkland Farms Blvd/Healdsburg Avenue intersection.	Same	
Zoning/Entitlement Issues	Zoning designation is R-1-3,500 (zero lot line, 2,000-6,000+ SF lots ok)	Record conservation easement. Rezone to Open Space if desired.	Development will require project-level environmental review, approval of a housing agreement, tentative and final map, and design review.	Same	
Preferred Zoning Designation	R-1-3,500	OS	R-1-3,500	R-1-3,500	
Allowable Height	35' height limit unless "small lot subdivision" (i.e., lot sizes smaller than 3,500 SF), in which case 25' height limit is established.	N/A	25' - 35'	25' - 35'	
Allowable Density (Range)	up to 12 units per acre	N/A	same	same	
Unit Yield		N/A	70 units	150 units	

Attachment: H1 - Affordable Housing Site Analysis (2728 : 3 North Street - Future Use)

Montage

Table 3.3: Financial Feasibility Pro Forma

Project Parameters	Option 2		Option 3	
	Assumption	Amount	Assumption	Amount
DEVELOPMENT PROGRAM				
Gross Land Area (acres)		14.160		14.160
Gross Land Area (sq. ft.)		616,810		616,810
Residential				
Number of Residential Units (high)		70		150
Dwelling Units per Acre		5		11
Saleable/Leasable Square Feet	1,100 sq.ft. / unit	77,000	750 sq.ft. / unit	112,500
Gross Square Feet	1.0 net to gross sq.ft.	77,000	0.85 net to gross sq.ft.	132,353
Parking Spaces (Surface)	1.5 space per unit	105	1.0 space per unit	150
Retail/Service				
Leasable Square Feet		-		-
Gross Square Feet	0.85 net to gross sq.ft.	-	0.85 net to gross sq.ft.	-
Parking Spaces (Surface)	1.0 space per 500 sq.ft.	-	1.0 space per 500 sq.ft.	-
Parking				
Parking Spaces (sq.ft.)	350.0 sq.ft. / space	36,750	350.0 sq.ft. / space	52,500
RESIDENTIAL REVENUE ASSUMPTIONS				
Average Sales Price/Rent ¹	\$700,000 per unit	\$49,000,000	\$2,469 per month	\$4,444,275
Parking Revenue	n/a		\$0 per month	\$0
Vacancy Rate	n/a		5.0%	(\$222,214)
Gross Revenue		\$49,000,000		\$4,222,061
(less) Operating Expenses	n/a		\$10,000 per unit per year	(\$1,500,000)
(less) Marketing/Commissions	3.0% of gross revenue	(\$1,470,000)	1.0% of gross revenue	(\$42,221)
Subtotal		(\$1,470,000)		(\$1,542,221)
Annual Net Operating Income		\$47,530,000		\$2,679,841
Market Value	n/a	\$47,530,000	4.5% cap rate	\$59,552,014
RETAIL/SERVICE REVENUE ASSUMPTIONS				
Average Rent ¹	\$0.00 per sq.ft. per month	\$0	\$0.00 per sq.ft. per month	\$0
Vacancy Rate	5.0%	\$0	5.0%	\$0
Gross Revenue		\$0		\$0
(less) Operating Expenses	30.0% of gross revenue	\$0	30.0% of gross revenue	\$0
(less) Marketing/Commissions	3.0% of gross revenue	\$0	0.0% of gross revenue	\$0
Subtotal		\$0		\$0
Annual Net Operating Income		\$0		\$0
Capitalized Value	5.0% cap rate	\$0	5.0% cap rate	\$0
TOTAL VALUE		\$47,530,000		\$59,552,014
DEVELOPMENT COSTS				
Hard Costs				
Residential Building Construction Cost ²	\$275 / gross sq. ft.	\$21,175,000	\$225 / gross sq. ft.	\$29,779,412
Residential FF&E	\$50 / net sq. ft.	\$3,850,000	\$25 / net sq. ft.	\$2,812,500
Retail/Service Building Construction Cost ²	\$175 / gross sq. ft.	\$0	\$175 / gross sq. ft.	\$0
Retail/Service FF&E	\$50 / net sq. ft.	\$0	\$50 / net sq. ft.	\$0
Parking (Surface)	\$5,000 / space	\$525,000	\$5,000 / space	\$750,000
Site Work ³	\$10 / land sq. ft.	<u>\$2,056,032</u>	\$10 / land sq. ft.	<u>\$2,056,032</u>
Total Direct Costs		\$27,606,032		\$35,397,944
Soft Costs				
Architecture and Engineering	5.0% of direct costs	\$1,380,302	5.0% of direct costs	\$1,769,897
Permits and Fees	2.5% of direct costs	\$690,151	2.5% of direct costs	\$884,949
Legal, Insurance & Warranty	3.0% of direct costs	\$828,181	3.0% of direct costs	\$1,061,938
General & Administrative	2.5% of direct costs	\$690,151	2.5% of direct costs	\$884,949
Financing Costs	6.0% of direct costs	\$1,656,362	6.0% of direct costs	\$2,123,877
Builder Fee	5.0% of direct costs	<u>\$1,380,302</u>	5.0% of direct costs	<u>\$1,769,897</u>
Total Indirect Costs	24.0% of direct costs	\$6,625,448	24.0% of direct costs	\$8,495,507
Subtotal, Direct and Indirect Costs		\$34,231,480		\$43,893,450
Contingency (% of subtotal)	5.0% of total costs (excl. land)	\$1,711,574	5.0% of total costs (excl. land)	\$2,194,673
Developer Profit⁴	15% of all costs (excl. land)	\$5,391,458	12% of all costs (excl. land)	\$5,530,575
Total Costs		\$41,334,512		\$51,618,698
Total Costs per Unit		\$590,493		\$344,125
RESIDUAL PROJECT VALUE				
Per Land Square Foot		\$9		\$11

(1) Based on HCD income limits for Sonoma County (2019) and City policy ratio re: housing expenditures as a percent of household income.

(2) EPS estimate based on data from various cost estimating reports and affordable housing developers active in the region.

(3) Assumes site work is required on 1/3 of the site.

(4) Unleveraged return on costs based on an industry standards.



OPENING DOORS. CHANGING LIVES.

September 16, 2019

Mr. David Mickaelian
City Manager, City of Healdsburg
401 Grove Street
Healdsburg, CA 95448

Dave,

Re: Request to Enter into an ENA

I am writing on behalf of both Burbank Housing and West Development Ventures to express interest in entering into exclusive negotiations with the City of Healdsburg for two parcels that the city owns. The parcels, defined below, are on North Street and Healdsburg Avenue. The development team has done a preliminary analysis and believe both are good sites for affordable housing. We also believe that each project could result in helping the city advance other goals that you have expressed an interest in pursuing. In order to refine our development proposals, and present a formal offer to the city for either or both parcels we would like to formally request of the City Council that they authorize execution of an ENA for a period of 6 months so we can formalize the proposal for either or both sites.

Below is a summary of our proposals:

North Street Mixed Use:

The first parcel is the North Street parcel across the street from City Hall. Our preliminary proposal for this site is:

1. Develop a 50 plus unit residential project with 100% of the unit's affordable housing for Seniors with incomes ranging between 30% AMI and 80% AMI.
2. As part of the development of the site, we would propose constructing an 11,000 sq. ft. shell intended for a Civic Use such as a new City Library.
3. The City will sell the land at fair market value and take a residual receipts note back for 100% of that value. The City would also support providing the bulk of needed parking for both uses through a shared parking agreement with the City owned lot to the south.
4. Developer shall entitle the site and submit an application for 9% tax credits.
5. We estimate that the total project cost would be around \$20-30 million depending on the number of units achieved. All of the costs, outside of the city's land contribution would be the responsibility of the Developers to raise.
6. Depending on the Entitlement timeline, it may be possible to submit to TCAC for tax credits in the July 2020 round. As you know, there are only two rounds a year to which we would need to wait until March of 2021 for the next opportunity to submit.

790 Sonoma Avenue, Santa Rosa, California 95404
burbankhousing.org | 707.526.9782





OPENING DOORS. CHANGING LIVES.

Healdsburg Ave – Housing / Community Center:

1. We believe we can develop between 90 to 120 units of 100% affordable housing with incomes ranging between 40% AMI and 80% AMI.
2. We will seek to make a contribution via a special impact fee in an amount of \$5,000,000.
3. The City will sell the land at Fair Market Value and take a residual receipts note back for 100% of that value.
4. Developer shall entitle and submit for 4% tax credits along with New State Credits. It is important to note, there is currently \$500M available and depending on timing for entitlements, etc. the credits may be oversubscribed. In anticipation of that outcome, the Developer shall concurrently seek other State funds to offset any loss of state tax credit equity.
5. The project will cost roughly \$65,000,000 to which it is the Developer's intent to garner all financing outside of the City's land contribution.

Additional Notes:

1. This is organized so that the projects will not compete against each other for financing resources.
2. Timing is of the essence as the sites are currently in a DDA (Difficult to Develop Area) and there is the possibility that it may be eliminated by HUD in 2020. (HUD reissues new designations annually.
 - a. Relevance - A site that is located in a DDA receives an additional 30% boost to its eligible basis.
 - i. This is particularly important on the "Healdsburg Ave – Community Center Site" as the value of that boost is over \$2,000,000.
 - b. To preserve this status, we would make what is essentially a pre-application to CDLAC by the end of 2019 and that will preserve the status for up to two years.

We propose entering into a three month ENA during which time we would present a formal proposal and plan to enter into an Option Agreement for either or both of these sites. Thank you for your consideration. Should you have any questions or require additional information, please do not hesitate to contact Larry Florin at (415) 609-8999 or Mike Kelley at (916) 834-5986.

Sincerely,

Larry Florin
CEO, Burbank Housing

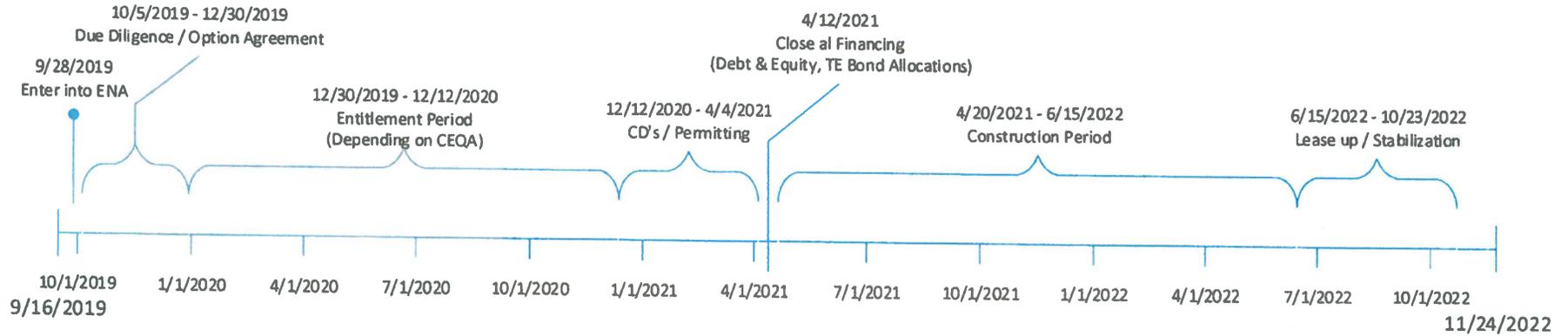
cc: Mike Kelley, West Development Ventures

790 Sonoma Avenue, Santa Rosa, California 95404
burbankhousing.org | 707.526.9782





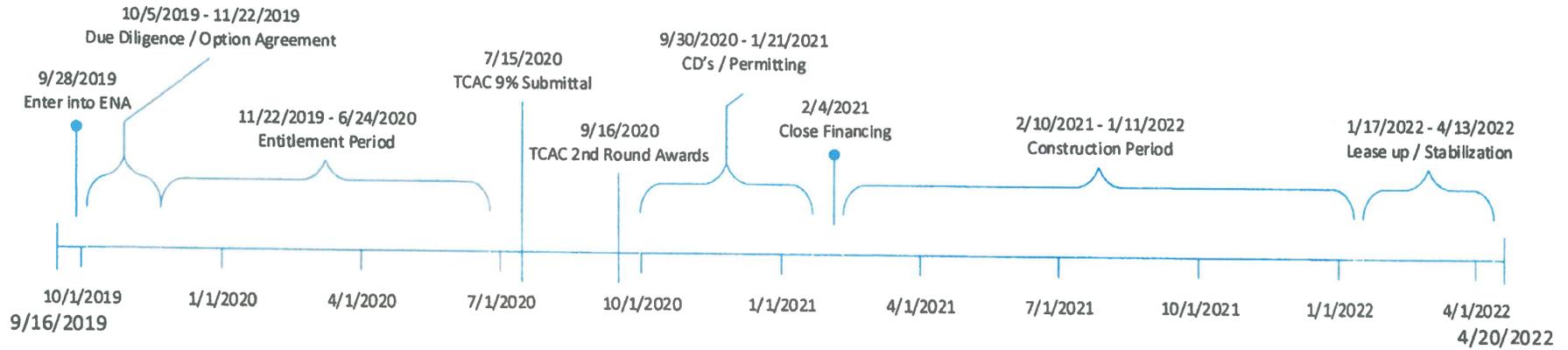
Healdsburg Community Center Site – 4%



Attachment: H2 - BurbankProposal (2728 : 3 North Street - Future Use)



Healdsburg North Street 9%

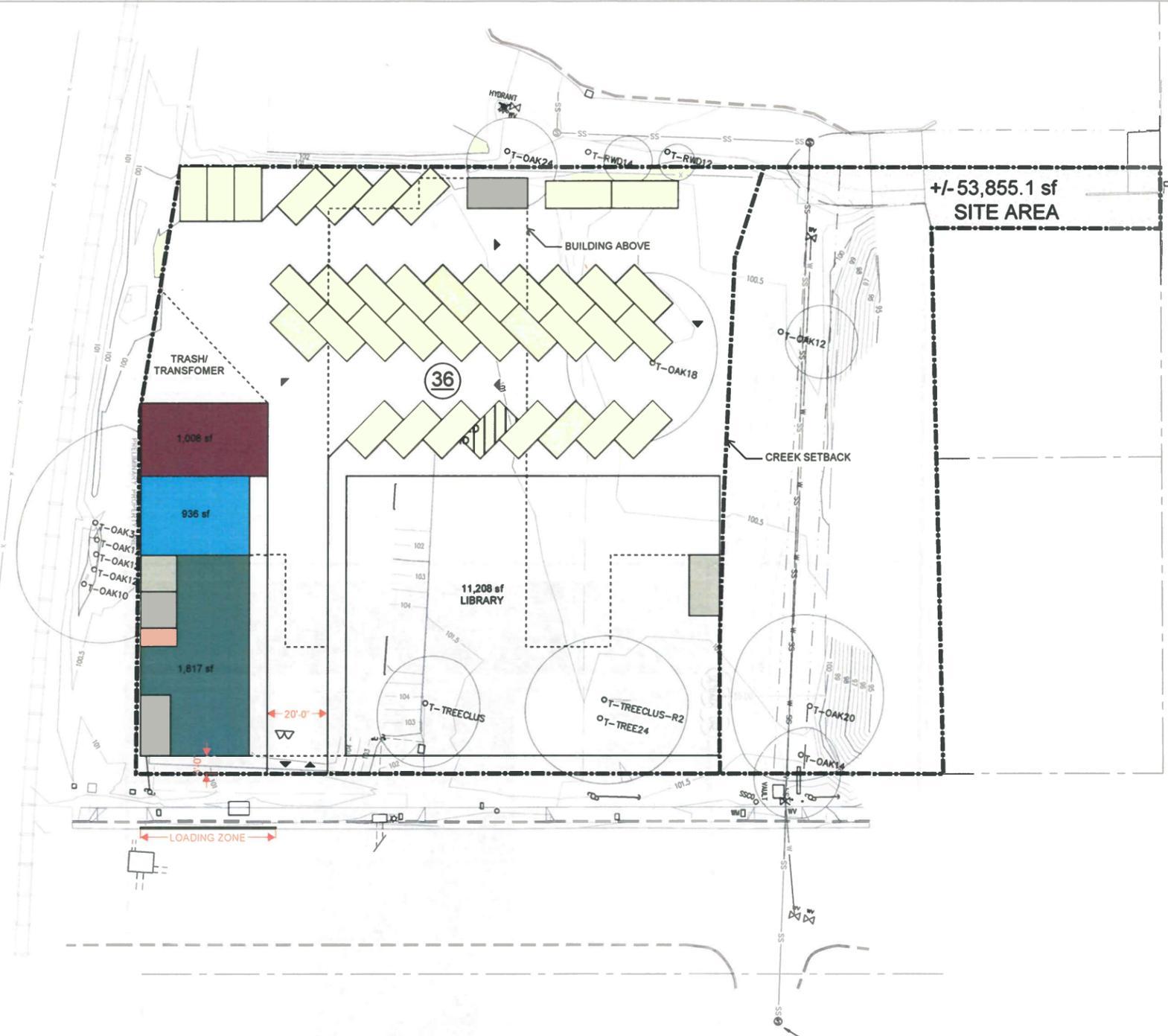


Attachment: H2 - BurbankProposal (2728 : 3 North Street - Future Use)

SITE AREA: 38,333*
 FAR: 2.0
 FLOOR AREA ALLOWABLE: 76,666
 PROVIDED: 73,817

*WITH CREEK SETBACK

+/- 53,855.1 sf
 SITE AREA



- 1 BEDROOM
- 1+ BEDROOM
- 2 BEDROOM
- LOBBY/ADMIN/MAIL
- OFFICE
- COMMUNITY ROOM
- CIRCULATION
- MECHANICAL

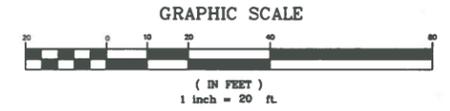
REVISION NOTE

THIS MAP CORRECTS AN ERROR TO THE ORIGINAL TOPOGRAPHIC MAP SHEET BY ELIMINATING CONFLICTING SURVEYING INFORMATION. THE ORIGINAL CORRECTED THE MISTAKE OF A 1/4" HOLE PENCIL AND CHECKED THE DATA WHICH ARE LABELED WITH A RED CIRCLE. NO OTHER DATA HAS BEEN LOCATED FROM THE ORIGINAL TOPOGRAPHIC MAP.

- NOTES:
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 2. FIELD SURVEYED JANUARY, 2009.
 3. ELEVATION DATUM IS NGVD 88, CITY OF HEALDSBURG GIS CONTROL.
 4. HORIZONTAL DATUM IS BASED ON NAD 83, CITY OF HEALDSBURG CONTROL.
 5. NO ATTEMPT WAS MADE TO LOCATE UNDERGROUND FEATURES.
 6. TREES UNDER 10" INCHES IN DIAMETER NOT SHOWN.
 7. IF AN ELECTRONIC DATA FILE IS PROVIDED AS A COURTESY, THIS SIGNED PAPER COPY MUST BE REFERRED TO FOR CORRECT INFORMATION.

SURVEYOR'S STATEMENT
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JAMES W. CRABTREE, P.L.S. #4793



GROUND FLOOR - SCHEME 7A

DRAWN BY: J.M. CHECKED BY: J.W.C.
 SCALE: 1"=20' DATE: 02/03/09
 JN 0902
CRABTREE Land Surveying
 P.O. BOX 2039
 HEALDSBURG, CALIFORNIA
 (707) 433-6041 95448

Attachment: H2 - BurbankProposal (2728 : 3 North Street - Future Use)



- 1 BEDROOM
- 1+ BEDROOM
- 2 BEDROOM
- LOBBY/ADMIN/MAIL
- OFFICE
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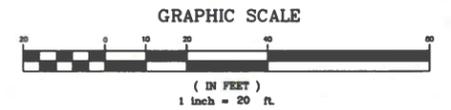
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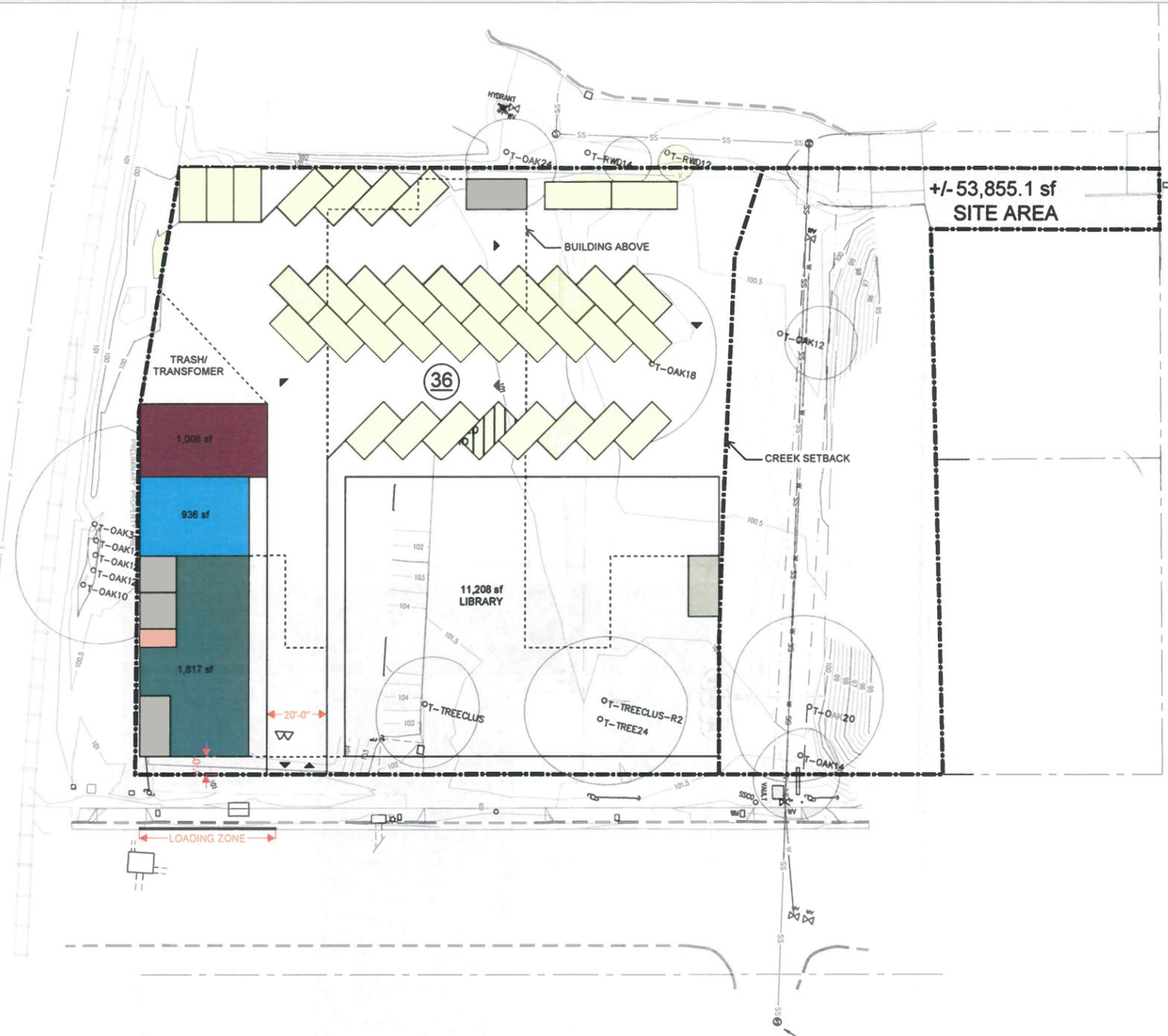
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REVISION NOTE

THIS MAP CONTAINS AN UPDATE TO THE ORIGINAL TOPOGRAPHIC MAP DATED BY 02/03/09 BY CRABTREE LAND SURVEYING. THE UPDATED CONDITIONS OF THE POSITION OF A PATH, WALK, FENCE, AND OTHER FEATURES ARE Labeled WITH A REVISION CLOUD. NO OTHER DATA HAS BEEN UPDATED FROM THE ORIGINAL TOPOGRAPHIC MAP.

REPLACED BY SURVEYOR'S ASSOCIATES 11/15/2014

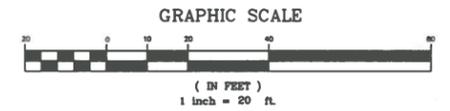
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JN 0902

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 (707) 433-6041 95448



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DESIGNED BY: JAMES W. CRABTREE, P.L.S. #4793

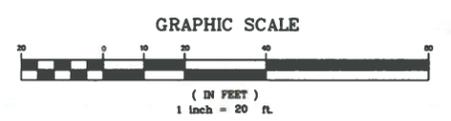
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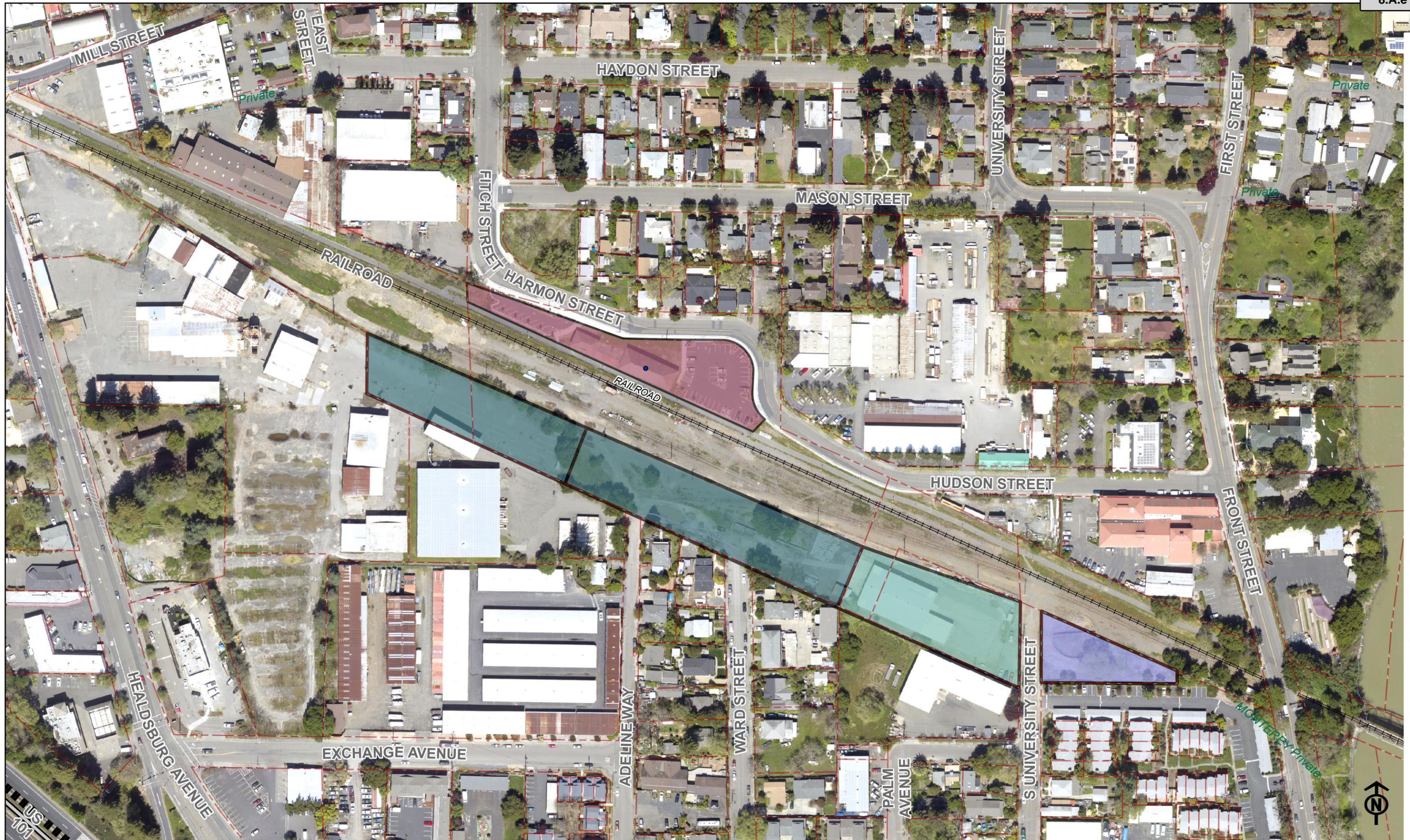
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CRABTREE P.O. BOX 2039
 Land Surveying HEALDSBURG, CALIFORNIA
 (707) 433-6041 95448

SMART Station/Platform Concept – 3 North Street



Attachment: S1 - SMART Station-Platform Concept (2728 : 3 North Street - Future Use)



Attachment: S2 - Existing Depot Site Housing Potential (2728 : 3 North Street - Future Use)





February 21, 2020

Eric Lucan, Chair
Transportation Authority of Marin

Barbara Pahre, Vice Chair
Golden Gate Bridge,
Highway/Transportation District

Judy Arnold
Marin County Board of Supervisors

Damon Connolly
Marin County Board of Supervisors

Debora Fudge
Sonoma County Mayors' and
Councilmembers Association

Patty Garbarino
Golden Gate Bridge,
Highway/Transportation District

Dan Hillmer
Marin County Council of Mayors and
Councilmembers

Joe Naujokas
Sonoma County Mayors' and
Councilmembers Association

Gary Phillips
Transportation Authority of Marin

David Rabbitt
Sonoma County Board of Supervisors

Chris Rogers
Sonoma County Mayors' and
Councilmembers Association

Shirlee Zane
Sonoma County Board of Supervisors

Farhad Mansourian
General Manager

5401 Old Redwood Highway
Suite 200
Petaluma, CA 94954
Phone: 707-794-3330
Fax: 707-794-3037
www.sonomamarintrain.org

David Mickaelian, City Manager
City of Healdsburg
401 Grove Street
Healdsburg, CA 95448

RE: Update on Grant Funds and SMART Healdsburg Extension

Dear Mr. Mickaelian,

You requested details regarding recent and upcoming grant requests submitted to fund the completion of a SMART rail extension to Healdsburg. There are two active grant opportunities with the State and a potential third with the Federal Department of Transportation.

The first grant is for State 2020 Transit and Intercity Rail Capital Program (TIRCP) funds. SMART submitted a request for \$20.9 million in TIRCP funds, to be matched with \$10.9 million in local, regional and State funds, to reconstruct the Healdsburg Russian River Rail Bridge, build the Healdsburg SMART Station, improve one minor bridge south of town, and make safety improvements to Front Street adjacent to the Russian River Bridge. 2020 TIRCP awards will be announced by April 1, 2020.

The second grant opportunity is for State 2020 Solutions for Congested Corridors (SCC) funds, a program where authorizing legislation names "Highway 101 and SMART" as a one of the eligible congested corridors in the State. The State adopted SCC guidelines for the 2020 programming and issued a Call for Projects on January 29, 2020. Applications are due in June 2020 with staff recommendations and final program adoption in November and December 2020. The California Transportation Commission will program \$493,911,000 over two years (Fiscal Year 2022 and Fiscal Year 2023) towards this SCC program. Caltrans and regional planning agencies, the Metropolitan Transportation Commission in our area, are the two eligible applicants for this fund source and Caltrans has requested SMART's partnership to submit a project application requesting funds to complete rail north as far as Cloverdale.

Mr. David Mickaelian, City Manager
City of Healdsburg
February 21, 2020
Page 2 of 2

Should either of these State requests result in funding to construct SMART Healdsburg Rail Extension elements, these elements would be designed and constructed following the completion of SMART's current work extending to Windsor. If funded the proposed schedule would design, construct, test and launch service during the 2022-2024 time period.

There is a third opportunity currently available for SMART and partners to pursue for rail extension funding, the Federal BUILD program, announced February 18 there are \$1 billion in funds available for transportation infrastructure. Of this, 50% must be programmed to rural projects, and the Healdsburg to Cloverdale rail extension project meets the federal definition of rural. Applications for these funds are due May 18, 2020.

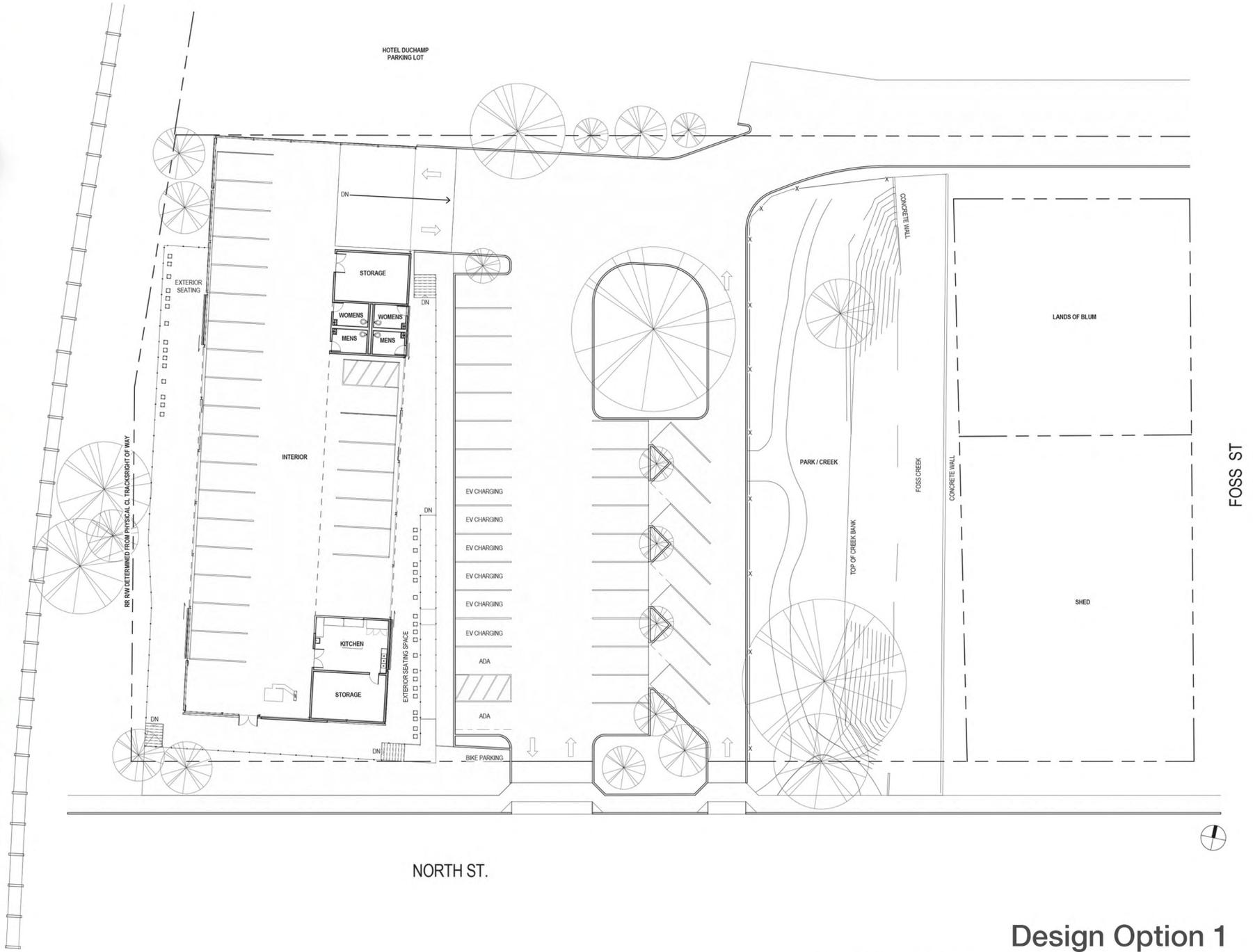
We thank you for your support of these efforts and our partnership to return passenger rail services to Healdsburg. Please let us know if there are additional questions.

Sincerely,



Joanne Parker
Programming and Grants Manager

C: Farhad Mansourian, General Manager



NORTH ST.

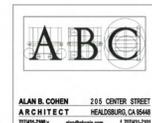
FOSS ST

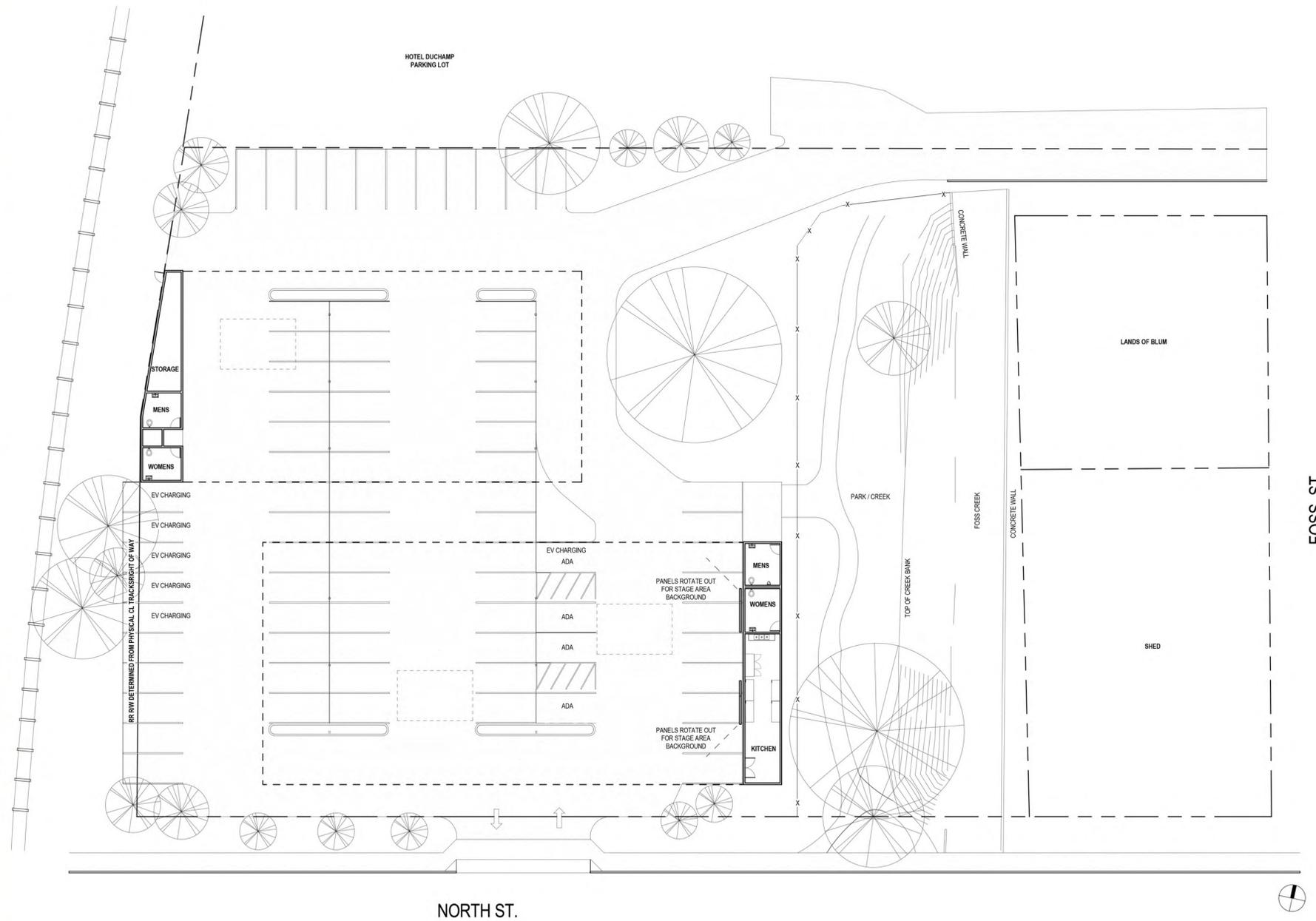
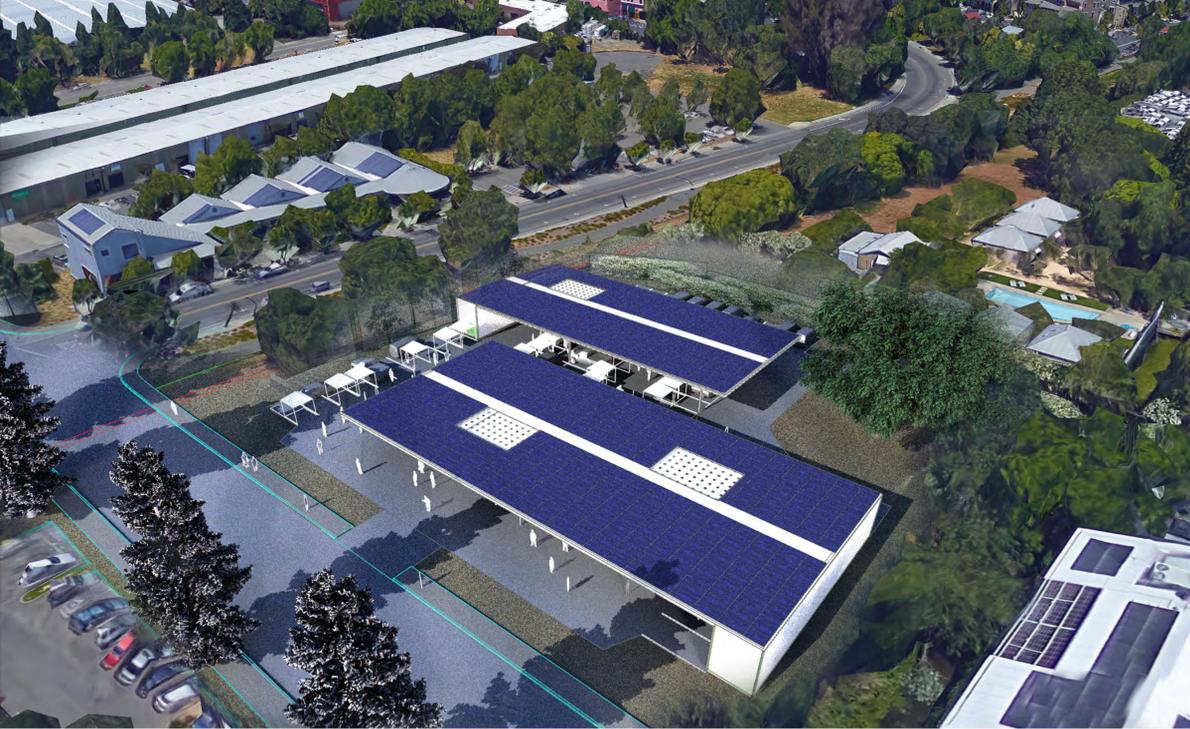
Attachment: P1 - Concept Design Options (2728 : 3 North Street - Future Use)

Design Option 1

Adaptive Reuse Construction of 1920's Era Building

- Building Area 11,600sf Interior 2,400sf Exterior
- Parking Totals 33 Outside 24 inside
- E.V. Charging Stations (6)
- Potential PV Area N/A
- Cold Kitchen Area 400sf
- Restrooms (4)

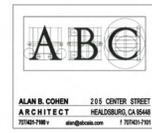




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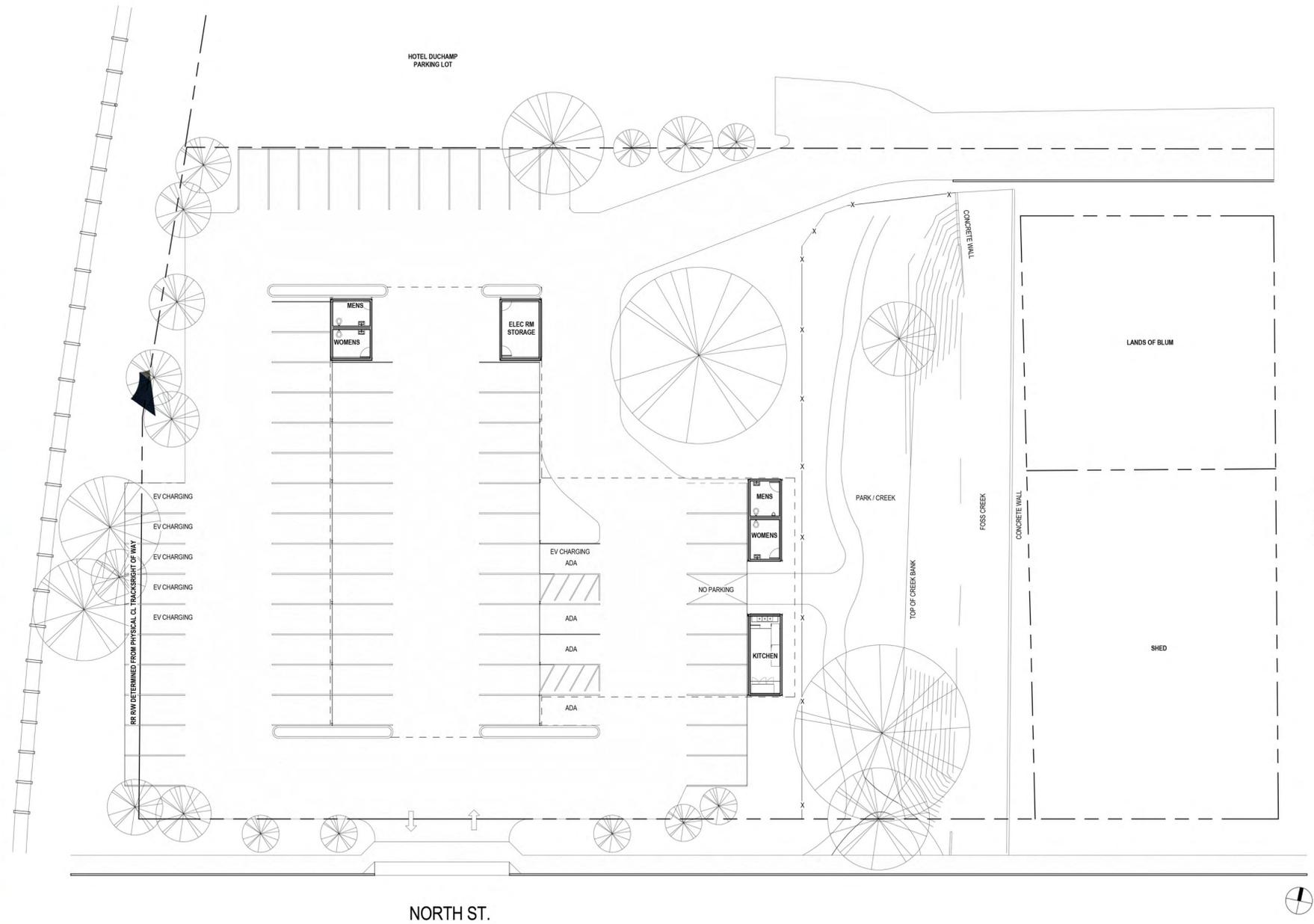
Design Option 2 New Construction

- Shaded Area 16,500sf (7,200sf and 9,300 sf)
- Parking Totals 77 Stalls 10 in Railroad Right of Way
- E.V. Charging Stations (6)
- Potential PV Area 16,600sf
- Cold Kitchen Area 250sf
- Restrooms (4)



ALAN B. COHEN 305 CENTER STREET
ARCHITECT HEALINGBURG, CA 95646
916.282.7887 abc@abc.com 1.707.621.7101

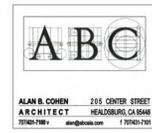


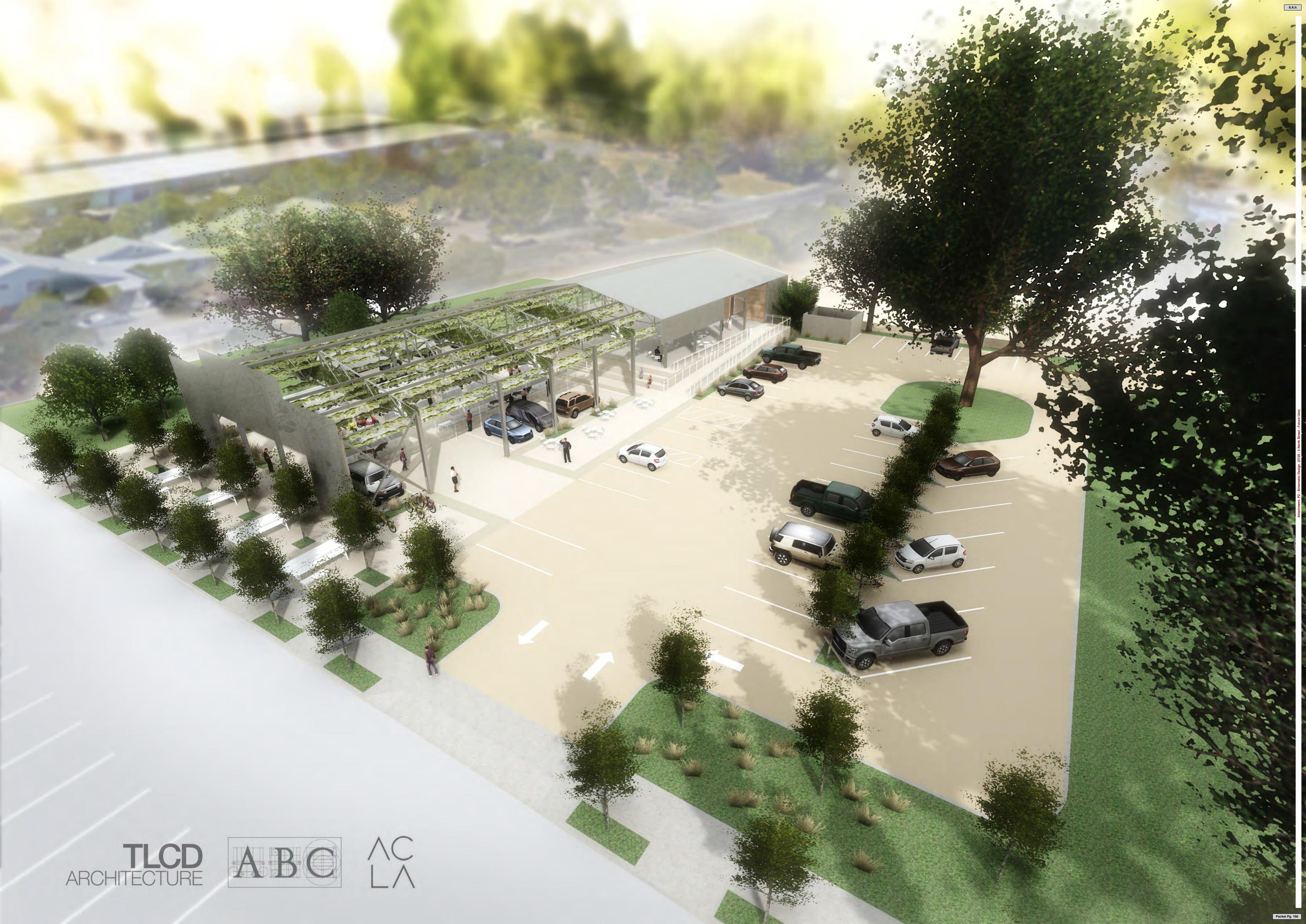


Attachment: P1 - Concept Design Options (2728 : 3 North Street - Future Use)

Design option 3 New Construction

- Shaded Area 13,000sf
- Parking Totals 70 Stalls 10 in Railroad Right of Way
- E.V. Charging Stations (6)
- Potential PV Area 4,050sf
- Cold Kitchen Area 200sf
- Restrooms (4)









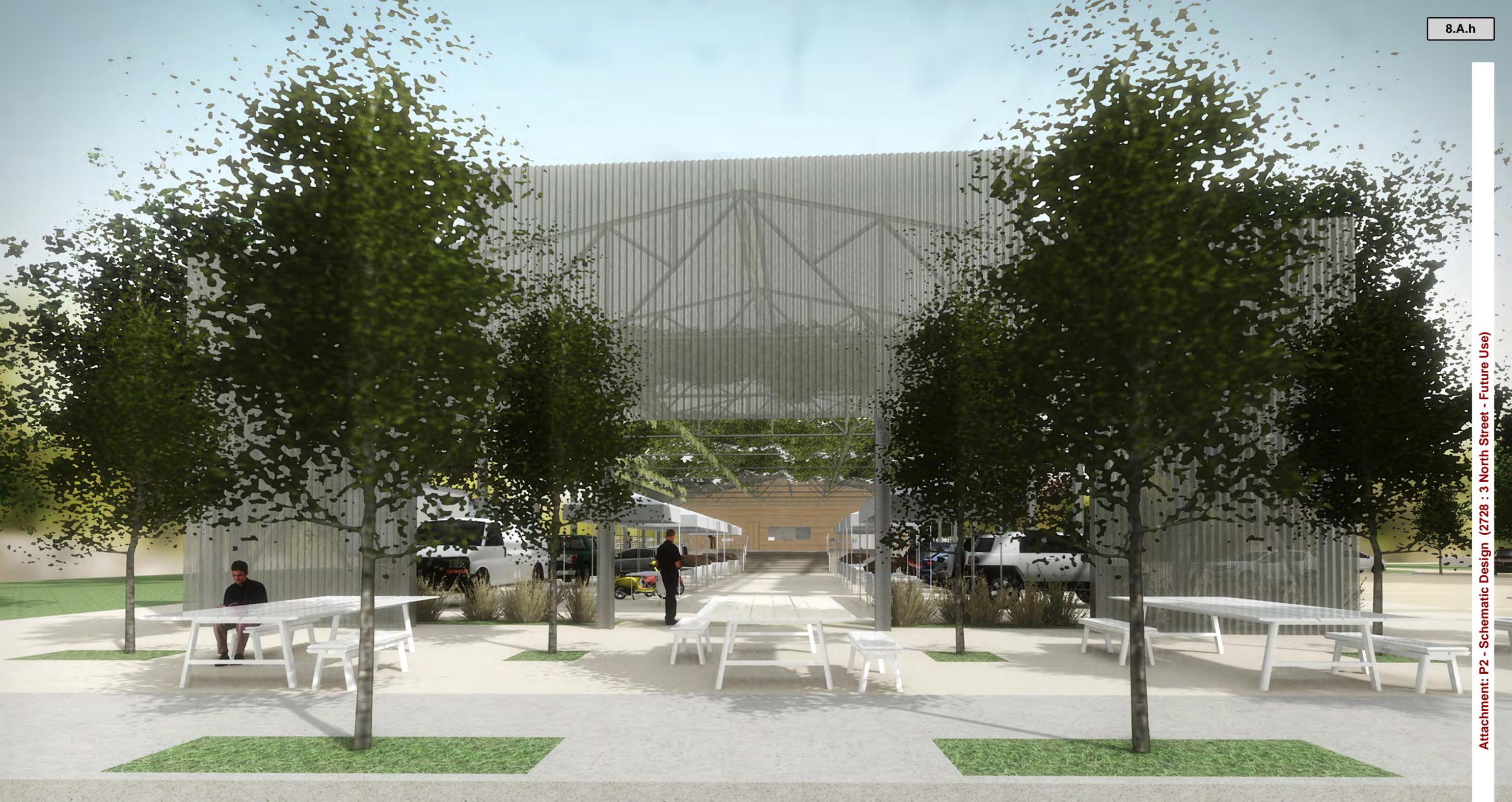
Attachment: P2 - Schematic Design (2728 : 3 North Street - Future Use)



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SITE LAYOUT PLAN

CERRI SITE MEETING
02/02/2017



Purity Products Co

Attachment: P2 - Schematic Design (2728 : 3 North Street - Future Use)

**CITY OF HEALDSBURG
CITY COUNCIL/REDEVELOPMENT SUCCESSOR AGENCY
REGULAR MEETING MINUTES
May 15, 2017
City Hall Council Chamber
401 Grove Street, Healdsburg**

CALL TO ORDER/ROLL CALL

Mayor/Chairperson McCaffery called to order the concurrent meeting of the City Council and Redevelopment Successor Agency of the City of Healdsburg at approximately 6:00 P.M. with the following Councilmembers present/absent:

Present: Councilmembers/: Hagele, Mansell, Naujokas, Plass and Mayor McCaffery
Board Members

Absent: Councilmembers/: None
Board Members

Mayor McCaffery reported out on the closed session held prior to tonight's meeting noting that no action was taken only direction was given to staff on Items 3A and 3B.

APPROVAL OF AGENDA

On a motion by Councilmember Plass, seconded by Vice Mayor Mansell, approved the May 15, 2017 City Council and Redevelopment Successor Agency meeting agenda as submitted. The motion carried on a unanimous voice vote. (Ayes 5, Noes 0, Absent -None)

APPROVAL OF MINUTES

On a motion by Vice Mayor Mansell, seconded by Councilmember Hagele, approved the May 1, 2017 special and regular meetings as submitted. The motion carried on a unanimous voice vote. (Ayes 5, Noes 0, Absent -None)

ANNOUNCEMENTS/PRESENTATIONS – AFFORDABLE HOUSING WEEK

Mayor McCaffery, with Council concurrence, issued a proclamation declaring May 14-20, 2017 as Affordable Housing Week in the City of Healdsburg and presented the proclamation to Bill Bowman, Burbank Housing.

Bill Bowman, Burbank Housing Board Member, thanked the City for its long term commitment to affordable housing and spoke about the many affordable housing projects completed in the City of Healdsburg.

City Council/RSA Regular Meeting Minutes
 May 15, 2017
 Page 2

Bruce Shimizo discussed statistics regarding the rental housing crisis in Sonoma County and the need for thousands of additional rental units and of housing funds.

COUNCIL REPORTS ON MATTERS OF INTEREST OCCURRING SINCE PREVIOUS REGULAR MEETING/EXPENSE REIMBURSEMENT REPORTS

Councilmember Plass reported that on May 2, 2017, he, Councilmember Hagele and Director Crowley met with the new Director of the Community Municipal Utility Association Director, on May 10, 2017 he volunteered at the annual Mother's Day Tea celebration at the Senior Center and on May 12, 2017 he represented the Mayor at the ground breaking ceremony for the Highway 101 Repaving Project.

Councilmember Hagele reported that on May 8th he toured the Healdsburg Center for Animals, on May 9th he attended the HTID meeting and the Mill District open house at Long Board, on May 10th he attended the Mother's Tea celebration and on May 12th he attended the Construction Industry Conference in Santa Rosa.

Vice Mayor Mansell reported she attended: the Sunrise Rotary Club meeting; the Northern Sonoma County Air Pollution Control District Board meeting; the first day of the Farmer's Market; the earth justice event; the Sonoma County Transportation Authority Board meeting; Representative Huffman's town hall meeting at Dominican University; the Mother's Day Teach celebration at the Senior Center; the Raven Players event, and the Reach for Hope event at the Paul Mahder Gallery. Vice Mayor Mansell further reported that she was interviewed on KRCCB on the Day of the Teacher.

Councilmember Naujokas reported that he attended the Senior Citizens Advisory Committee meeting, the first Farmers Market, the HTID Board meeting and the Reach for Home event. Councilmember Naujokas further reported he toured the animal shelter and met with Paul Mahder to discuss the appeal of the Conditional Use Permit.

Mayor McCaffery reported he attended the Mother's Day tea event and that he also visited the animal shelter to pick up his free-spirited cat that ran away for the third time.

CITY MANAGER REPORTS

None.

PUBLIC COMMENTS ON NON AGENDA ITEMS

Mark Decker, representing Access Healdsburg, announced that the Candidate's forum is now available on Channel 26 and YouTube and that they would be having a sale of excess equipment on May 14th.

City Council/RSA Regular Meeting Minutes
 May 15, 2017
 Page 3

CONSENT CALENDAR

Councilmember Hagele abstained from voting on Consent Item 6I because he resides within one of the zones of the Landscaping and Lighting District.

On a motion by Councilmember Hagele, seconded by Councilmember Plass, approved the Consent Calendar, as follows:

A. CHECK DISBURSEMENT REPORT - JANUARY 2017

By motion, approved the check disbursement report for checks issued by the City of Healdsburg during the month of January 2017. (Ayes 5, Noes 0, Absent - None)

B. CHECK DISBURSEMENT REPORT - FEBRUARY 2017

By motion, approved the disbursement report for checks issued by the City of Healdsburg during the month of February 2017. (Ayes 5, Noes 0, Absent - None)

C. CHECK DISBURSEMENT REPORT - MARCH 2017

By motion, approved the disbursement report for checks issued by the City of Healdsburg during the month of March 2017. (Ayes 5, Noes 0, Absent - None)

D. CHECK DISBURSEMENT REPORT - APRIL 2017

By motion, approved the disbursement report for checks issued by the City of Healdsburg during the month of April 2017. (Ayes 5, Noes 0, Absent - None)

E. MONTHLY INVESTMENT REPORT FOR JANUARY 2017

By motion, approved the monthly Treasurer's Investment Report for January 2017. (Ayes 5, Noes 0, Absent - None)

F. EVENTS WITH SOLE REQUEST FOR CONSUMPTION OF ALCOHOL AND STREET CLOSURE ON GROVE STREET

By motion, approved Events with Sole's request to allow consumption of alcohol and street closure of Grove Street, Vine Street, and Westside Road as requested at the 10th annual Healdsburg Half Marathon on October 8, 2017. (Ayes 5, Noes 0, Absent - None)

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G. CLAIM OF JOHN F. BAUMGARDNER ON BEHALF OF TOAD HOLLOW VINEYARDS, INC.

By motion, rejected the claim of John F. Baumgardner on behalf of Toad Hollow Vineyards, Inc. and directed staff to refer the claim to REMIF. (Ayes 5, Noes 0, Absent - None)

H. CLAIM OF BAY CITIES PAVING & GRADING

By motion, rejected the claim submitted by Marlo Manqueros on behalf Bay Cities Paving & Grading for breach of contract in connection with the 5-Way Roundabout Construction Project. (Ayes 5, Noes 0, Absent - None)

I. LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

Adopted Resolution No. 40-2017 entitled, “RESOLUTION OF INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS, PRELIMINARILY APPROVE THE ANNUAL ENGINEER’S REPORT FOR FISCAL YEAR 2017-18 FOR THE CITY OF HEALDSBURG LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT AND SET THE TIME AND DATE OF THE PUBLIC HEARING.” (Ayes 4, Noes 0, Absent – None, Abstaining - Hagele)

J. CALIFORNIA OFFICE OF EMERGENCY SERVICES DESIGNATION OF APPLICANT’S AGENT

Adopted Resolution No. 41-2017 entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG UPDATING THE STATE OF CALIFORNIA, CALIFORNIA OFFICE OF EMERGENCY SERVICES DESIGNATION OF APPLICANT’S AGENT AND AUTHORIZING CERTAIN OFFICIALS OF THE CITY TO FILE APPLICATION WITH THE CALIFORNIA OFFICE OF EMERGENCY SERVICES.” (Ayes 5, Noes 0, Absent - None)

K. GROWTH MANAGEMENT PROGRAM ANNUAL REVIEW 2016

By motion, noted receipt of the 2016 report on the Growth Management Program annual review. (Ayes 5, Noes 0, Absent - None)

L. ADOPTION OF ORDINANCE NO. 1165 – MARIJUANA CULTIVATION

Adopted, upon second reading, Ordinance No. 1165 entitled, “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG AMENDING HEALDSBURG MUNICIPAL CODE SECTION 20.20.100: MARIJUANA

CULTIVATION FOR MEDICAL USE, TO ADOPT ADDITIONAL STANDARDS REGULATING MARIJUANA CULTIVATION AND USE FOR NONMEDICAL PURPOSES AND TO PROHIBIT ESTABLISHMENT OF MARIJUANA BUSINESSES, AND APPROVING A RELATED CEQA EXEMPTION FOR THE MUNICIPAL CODE (ZONING) AMENDMENT PROJECT,” by title only and waiving further reading of the text. (Ayes 5, Noes 0, Absent – None)

M. GEOGRAPHIC TECHNOLOGIES GROUP - PSA

Adopted Resolution No. 42-2017 entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH GEOGRAPHIC TECHNOLOGIES GROUP TO PROVIDE GEOGRAPHIC INFORMATION SYSTEM SUPPORT SERVICES RELATED TO ONGOING MAINTENANCE AND DEVELOPMENT FOR AN AMOUNT NOT TO EXCEED \$95,000.” (Ayes 5, Noes 0, Absent - None)

N. MEMORANDUM OF UNDERSTANDING - HPOA

Adopted Resolution No. 43-2017 entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG RESCINDING RESOLUTION NO. 117-2016 AND APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HEALDSBURG AND HEALDSBURG POLICE OFFICERS ASSOCIATION FOR THE PERIOD ENDING JUNE 30, 2020.” (Ayes 5, Noes 0, Absent - None)

O. COMMUNITY HOUSING COMMITTEE TERMS

Adopted Resolution No. 44-2017 entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG REVISING RESOLUTION NO. 28-2017 TO REVISE THE COMMUNITY HOUSING COMMITTEE MEMBERS’ TERMS TO END IN JULY OF THE RESPECTIVE YEAR.” (Ayes 5, Noes 0, Absent - None)

P. HEALDSBURG CHAMBER OF COMMERCE PSA

Adopted Resolution No. 45-2017 entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH THE HEALDSBURG CHAMBER OF COMMERCE FOR ECONOMIC DEVELOPMENT SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT.” (Ayes 5, Noes 0, Absent – None)

The motion to approve the Consent Calendar, as submitted, carried on a roll call vote with Councilmember Hagele abstaining on Item I above. (Ayes 5, Noes 0, Absent – None, Abstaining – as noted)

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PUBLIC HEARINGS

None.

OLD BUSINESS - APPOINTMENT OF COMMUNITY HOUSING COMMITTEE

Community Housing and Development Director Massey recalled that on April 3rd the Council established the new Community Housing Committee for the purpose of addressing the affordable and workforce housing needs of the community. On April 3rd the Council also appointed a Council subcommittee to review the applications and interview the applicants.

Discussion ensued regarding how the terms would be assigned.

There were no public comments.

Councilmember Naujokas thanked the applicants for going through the process and reported the subcommittee interviewed 27 qualified applicants. Councilmembers Naujokas stated that after much deliberation, the Council Subcommittee recommended the appointment of: Lyell Doll, Dean Kladder, Bruce Abramson, Bob Gain, Deborah Kravitz, Delia Nieto and Debbie Mason.

Discussion ensued regarding the pool of applicants, the interview and selection process followed by the Subcommittee, and the background, education, and expertise of the recommended committee members.

Vice Mayor Mansell expressed concern regarding some of the recommended appointees, discussed her desire to see a broader representation of renters on the Committee and expressed overall support of the Subcommittee's recommendation.

Councilmember Plass opined the recommended appointees reflect a broad sector of the community and was supportive of the Committee's recommendation.

Councilmember Hagele commended the Subcommittee members for the thoughtful process and spoke in support of the Subcommittee's recommendation.

Discussion ensued regarding how the terms would be assigned.

Following the discussion, City Clerk Curiel was asked to do a random drawing of names to assign the terms.

City Clerk Curiel, with assistance from Assistant City Manager Ippoliti and Community Housing and Development Director Massey drew names to allocate the various terms. For the term ending July 2020, the names of Devorah Kravitz, Dean Kladder, and Bruce Abramson were drawn. For

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the term ending July 2019, the names of Bob Gain and Debbie Mason were drawn and for the term ending July 2018, the names of Delia Nieto and Lyell Doll were drawn.

On a motion by Vice Mayor Mansell, seconded by Councilmember Plass, approved the appointment of the seven members to the Community Housing Committee as recommended by the Council Subcommittee and the associated terms. The motion carried on a unanimous voice vote. (Ayes 5, Noes 0, Absent – None)

City Manager Mickaelian noted for the record that the appointments to the Community Housing Committee and associated terms were as follows:

<u>Committee Member</u>	<u>Term Ends</u>
Deborah Kravitz	July 1, 2020
Dean Kladder	July 1, 2020
Bruce Abramson	July 1, 2020
Bob Gain	July 1, 2019
Debbie Mason	July 1, 2019
Delia Nieto	July 1, 2018
Lyell Doll	July 1, 2018

OLD BUSINESS - CERRI SITE ADAPTIVE REUSE REDEVELOPMENT PROJECT SCHEMATIC DESIGN

Community Services Director Themig provided background information on the history of the Cerri Site and prior work done by the City regarding: (1) the initial intent to demolish the building and construction of a parking lot; (2) public concerns about demolishing the building; (3) lack of progress on the project due to the recession and dissolution of the Redevelopment Agency; (4) the 2015 Council direction to develop the site with parking, provide a home for the Farmers Market and provide space for community events and activities; and (5) 2016 Council direction to staff to proceed with schematic design that maximizes parking, preserves the façade and a portion of the building, includes bathrooms and a kitchen, can be implemented in phases, and uses an ecologically friendly surface for the parking lot surface.

Alan Cohen, Alan Cohen Architects, discussed the elements taken into (i.e. street, circulation, and historic preservation/restoration) in developing the proposed schematic design which includes:

- 55 parking spaces
- Repurposing the existing structure to include approximately 5,200 square feet of “pavilion” covered space for events and activities, with an additional 6,100 square feet of multi-purpose parking and "open air" event space

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- A catering kitchen and restrooms
- Secondary unloading and loading area on the west side of the site for staging events and activities
- Single vehicle entry point to minimize potential pedestrian/vehicle conflicts
- Emergency vehicle access to Foss Street

Andrea Cochran, Andrea Cochran Landscape Architects, stated the schematic design creates a destination and a bridge between City Hall and the downtown. Ms. Cochran presented the landscape design which focuses on creating outdoor spaces for community use and exposing and celebrating the agricultural building.

A 3D video was shown of the various spaces and how the space would be incorporated into the existing Wetzel Native Plant Garden.

Discussion ensued regarding the hours the bathrooms would be available, the versatility of the space assigned for the Farmers Market, access and egress of the site, and whether there were any foreseen CEQA issues with the proposed conceptual design.

Director Themig informed Council that the City held additional focus groups with representatives of the Farmer's Market, event planners and a fourth public open house to get additional feedback and input. The feedback was nearly unanimous in support of the schematic design with questions focusing on: winter use considerations, signage, size of program space, long-term maintenance and upkeep, event coordination and logistics on capacity for the Farmer's Market.

Director Themig reviewed the cost estimates, as follows:

Phase 1 - Parking	\$1,150,085
Phase 2 - Open Air Event Space/Parking	\$1,984,246
Phase 3 - Pavilion Demolition and Renovation	\$2,186,478

The total estimated cost of the project is \$5,320,809, which includes soft costs and a 12% contingency.

Director Themig discussed the option of a two phase project alternative approach:

Phase I – Construction of Phase 1 which would include demotion of the portion of the building that is proposed to be removed; capping remaining structure; and construction of the temporary asphalt parking in the Phase 2 area to maximize parking.

Phase II - Completing Phase 2 and 3 as outline above in the future when funding is obtained.

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Mr. Themig noted that if Council wants to move forward, staff would return with a more detailed design analysis, costs and funding options.

Discussion ensued regarding the funding available and timeline to complete the CEQA process and design review in order to proceed with construction of the parking.

In response to Council's inquiries staff noted that the CEQA environmental review and design review would have to be done for the entire project.

Further discussion ensued regarding how firm the cost estimates were and possible funding sources.

Vice Mayor Mansell stressed her preference for a permeable surface for the parking lot.

Public Comments

Tim Unger inquired if the \$5.3 million cost estimate includes what has been spent to date and if that amount does not include the expenditures to date where can those numbers be found. He further inquired about the annual operating budget including maintenance, administration, overhead costs, security etc. and whether consideration was given to making the site a revenue generating venue.

Renne Kiff spoke in support of the conceptual design.

Janet Ciel, Farmers Market Manager, inquired regarding the type of storage space that would be included in the building and whether the Farmers Market would be able to use it.

Peter Holowinski stated he liked the design and inquired why not more of the architectural elements of the building were being utilized.

Horace Criswell spoke in support of the conceptual design that works for the city, the farmers and everyone concerned, and encouraged the Council to find a way to fund the project and make the dream come true.

Phil Bangle spoke in support of using alternative materials for the parking lot instead of the black tar and added that originally he was supportive of keeping the building to be used for other events and now he was supportive of the conceptual design because of the space that is being allocated for special events and suggested the space could be turned into an ice skating rink in the winter.

Merrilyn Joyce stated she was supportive of maintaining the building because of the space it provided and inquired if consideration was given to enclose the part of the building that is being saved because the evenings are cold here as well as the winter.

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Director Themig answered the public speakers comments noting that \$131,000 has been spent to date in the design, soils tests, etc. and that the operating budget won't be known until the Council approves the final project. Regarding storage for the farmers, discussion on the subject continues regarding the needs; however, storage on the site will be limited. Director Themig added that: (1) staff is looking at reusing some of the architectural elements (i.e. metal tiles); (2) pop up ice skating rinks could be installed; and (3) enclosing the back area for winter use has also been discussed and are looking at various ideas, i.e. drop downs, that could be added later on without significantly increasing the cost of the project.

In response to Mayor McCaffery's inquiry, City Manager Mickaelian stated staff was seeking direction from Council regarding whether they were supportive of the conceptual design as proposed and whether staff should proceed with the environmental review and look into funding options.

Councilmember Plass stated he liked what was presented and that he was supportive of moving forward and that actual determination on the phasing could be determined at a later date.

Councilmember Naujokas was supportive of the schematic design and suggested that parking should be paid parking.

Councilmember Hagele stated he was generally supportive of the conceptual design because it expands on the downtown experience, provides room for the farmer's market and it is a community space. Councilmember Hagele added that he would prefer to do the project at once, and for staff to look at funding options.

Vice Mayor Mansell expressed concern that the space is going to turn into another place to drink and added that she was only supportive of the project if it is focused on food. Vice Mayor Mansell stated that she: wanted the project to be as environmentally sound as possible; preferred that a permeable surface be used for the parking lot; wanted to be fiscally responsible and that she was only supportive of the project if it was a place about food, community and family and not tourist oriented.

Vice Mayor Mansell further stated that she was supportive of the project with some changes regarding the paving being of a permeable surface, light colored and attractive, more trees and food and community centered.

Councilmember Plass stated the space would be community oriented and non-profit focused and will take a lot of pressure off the Plaza.

Mayor McCaffery spoke in support of the project and summarized Council's consensus to move forward and for staff to come back with funding options and the phasing program.

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City Manager Mickaelian informed the Council that requests for additional funding allocations would be brought forth for Council consideration for the design review process and CEQA review. At that time staff will also strive to bring updated costs estimates and funding options.

Following a brief discussion on the desire and viability of constructing a permeable surfaced parking lot, on a motion by Councilmember Plass, seconded by Councilmember Hagele, directed staff to proceed with the design review phase of the Cerri Building site. The motion carried on a unanimous roll call vote. (Ayes 5, Noes 0, Absent – None)

NEW BUSINESS

None.

WRITTEN COMMUNICATIONS

The City Council received the report on the actions taken by the Transportation Advisory Commission at its April 18, 2017 meeting.

CLOSED SESSIONS

None.

ADJOURNMENT

There being no other City Council/RSA business to discuss, the meeting was adjourned at approximately 8:30 P.M.

APPROVED:

ATTEST:

 Shaun F. McCaffery, Mayor

 Maria Curiel, City Clerk

Executive Summary
Cerri Property
3, 9 & 15 North Street
Healdsburg, California

The following report presents the findings of a Phase I & II Environmental Site Assessment (ESA) performed by EBA Engineering for properties located at 3, 9 and 15 North Street located in Healdsburg, California. The property includes three parcels of land that are further identified as Sonoma County Assessor Parcel Numbers (APN's) 002-173-021, 002-173-002, and 002-173-003, respectively, hereinafter referred to as the project site. This ESA was completed for the City of Healdsburg (Client) in conformance with American Society of Testing and Materials (ASTM) Standard Practice E1527-13.

The project site property consists of three developed property parcels located within the developed commercial business district of the City of Healdsburg, California. The properties are identified as Sonoma County APNs 002-173-021, 002-173-002, and 002-173-003 and are 0.47, 0.20 and 0.38 acres in size, respectively. The project site contains a single commercial structure that is 12,032 square feet in size that is present on the western side of the site and occupies the property parcel identified as APN 002-173-021. The remaining two parcels consist of paved parking and landscaping.

Initial development of the project site property appears to have occurred prior to 1920, when at least one residence existed on the western side of the project site in the current location of the existing warehouse. In the early 1920's, the Cerri family reportedly purchased the project site property and moved the residence to a different location. The existing warehouse was then reportedly constructed for use as a grocery warehouse. Between the 1930 and the mid 1970's the project site appears to have been used exclusively for fruit and nut packing and distribution by companies including the Rosenberg Brothers & Company and Del Monte. In the mid 1970's, the Purity Chemical Products Company purchased the warehouse structure for use in distribution and storage of agricultural products such as fertilizer, herbicides and pesticides. In addition, pool and spa chemicals were reportedly stored and sold from the business.

The project site property is identified in several regulatory agency databases and files due to the use and subsequent investigation and remediation of a former underground fuel storage tank (UST). The UST was located on the northeast side of the existing warehouse and was removed in 1990. Several phases of investigation and remediation were performed that included the installation of groundwater monitoring wells and completion of a small excavation to remove contaminated soil that was accessible. Results of the soil and groundwater investigation indicated moderate concentrations of soil and groundwater impacts consisting of petroleum hydrocarbons and fuel related volatile organic compounds at locations immediately adjacent to the former UST. Inaccessible soil and groundwater impacts were located under the existing building.

Based on the information gathered during the investigation and remediation of the UST site it was concluded that the soil and groundwater impacts were adequately defined

and confined to inaccessible locations beneath the existing warehouse building. The NCRWQCB agreed with these conclusions and the regulatory case was conditionally closed in a letter dated February 1997.

The recent assessment of the project site indicated the historic presence of a second UST that was located at the southeast corner of the existing warehouse. While there is very little historic information regarding the use and subsequent removal of the tank, soil sampling in the area of the former UST indicated the presence of petroleum hydrocarbons in soil in this location. The impacts to soil consist of gasoline and fuel related volatile organic compounds and appear to be generally confined to the area of the former tank location. There is no indication of impacts to groundwater from the release from the former tank.

Soil vapor and sub-slab soil vapor conditions at the project site were also assessed by installing soil vapor and sub-slab soil vapor probes at several locations within the project site. The soil vapor samples collected from the project site contained detectable concentrations of several volatile organic compounds including perchloroethene and several fuel related volatile organic compounds typically associated with gasoline. The concentrations of these compounds are generally low and appear to be located in the vicinity of the southern warehouse near the historical UST location and the northeast corner of warehouse in the location of the UST that was removed in 1990. The source of the perchloroethene is unknown. The source of fuel related volatile organic compounds appears to be associated with the former USTs at the project site.

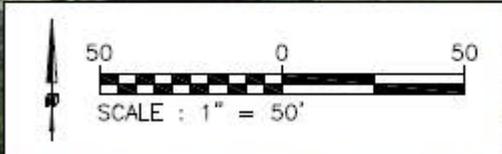
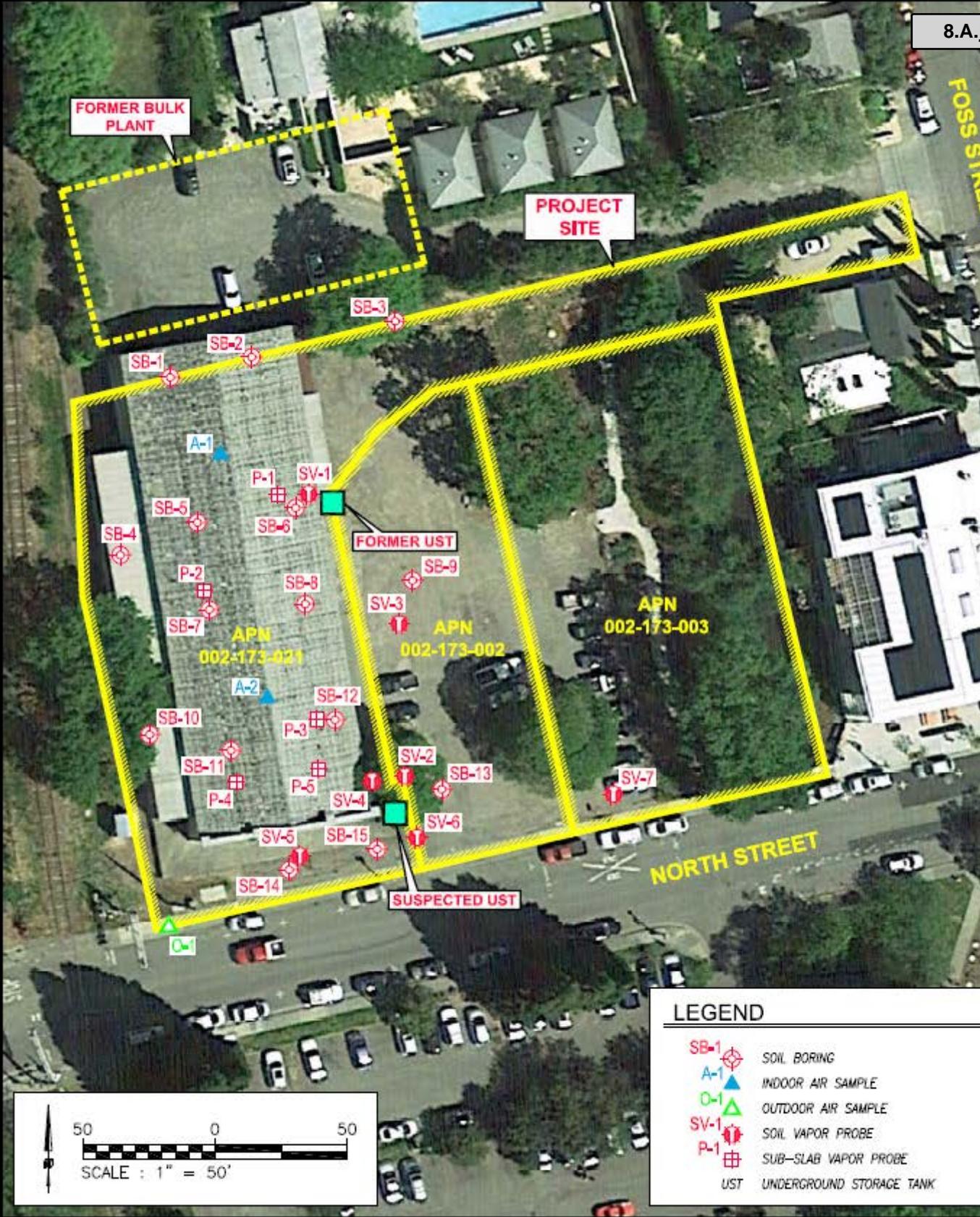
There is little to no indication of residual herbicides or pesticides present at the project site. Wipe samples of the concrete slab indicates that residual concentrations of metals including copper and arsenic are present on the surface of the slab. Remedial options for these compounds includes either cleaning the slab surface or replacement of the slab entirely.

The environmental impacts at the project site are generally defined by the Phase I & II assessment presented herein. These impacts are fairly typical of historic properties that had use of underground fuel storage tanks and various chemical storage and use. In the case of the project site the two UST sites have localized impacts that are generally confined to the area of release. The UST location at the northeast corner of the warehouse was previously investigated and remediated to the satisfaction of applicable regulatory agencies and was granted regulatory closure in 1997. The case will remain closed by regulatory agencies; however if the building is removed or remodeled to the point of exposing areas under the existing floor then additional removal of impacted soil may be prudent.

The second historic UST located at the southeast of the existing warehouse was unknown until discovered during this assessment. Impacts from this historic structure appear to be confined to soil that is readily accessible by excavation. Removal of the impacted soil would be prudent to be conducted as a voluntary cleanup that is completed as part of the redevelopment of the project site.

The source of perchloroethene in soil and soil vapor is unknown at this time. The highest concentrations of the compound was found in the location of the UST at the southeast corner of the building. Soil vapor sampling indicates that PCE is also present along the southern end of the project site property suggesting that it may be migrating in utility conduits. Indoor air sampling confirms that PCE is also present in indoor air of the existing building. There is a potential for ongoing impacts to indoor air from the perchloroethene; however design elements of the structure could include several options for engineering control or remediation including replacement of the concrete floor with the inclusion of a vapor seal to prevent migration of vapors, design features including an open element design of the structure to ensure air exchange and/or mitigation of the vapor source. Consideration could also include a vapor mitigation barrier and trench plugs for all utility conduits entering the existing building.

A number of properties were identified in the general area of the project site as having environmental issues. A review of these properties indicates that environmental issues at these identified sites have been resolved for regulatory closure requirements and are seen as posing a minimal risk to the project site property.



LEGEND	
SB-1	SOIL BORING
A-1	INDOOR AIR SAMPLE
O-1	OUTDOOR AIR SAMPLE
SV-1	SOIL VAPOR PROBE
P-1	SUB-SLAB VAPOR PROBE
UST	UNDERGROUND STORAGE TANK



SITE MAP
 CERRI SITE
 3, 9 & 15 NORTH STREET
 HEALDSBURG, CALIFORNIA

FIGU
4

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2020			
DATE(S)	SPECIAL EVENT	ORGANIZER	IN-HOUSE / PARTNERSHIP / EXTERNAL
February 3	National Pizza Day	Friends of the Senior Center	Partnership
February 29	Sweetwater Grasshopper	Hooper Adventures	External
March 17	St. Patrick's Day Parade	Community Services	In-House
March 17	St. Patrick's Day Celtic Concert	Healdsburg Kiwanis	Partnership
April 9	Passover Celebration	Jewish Center of Sonoma County - Senior Center	Partnership
April 11	Easter Egg Scramble	Healdsburg Rotary Club - Noon	External
April 18	Four Elements Festival	Healdsburg Center for the Arts	Partnership
April 24	Vol. Appreciation Dinner	Community Services - Senior Center	In-House
April	Rotary Bike Tour	Rotary Club of Healdsburg - Sunrise	External
May 2	Carnaval de Salude	Corazón Healdsburg	Partnership
Saturdays; May 2 - November 28	Saturday Farmers Market	Healdsburg Certified Farmer's Market	Partnership
May 6	Mothers Day Tea	Friends of the Senior Center	Partnership
May 21	HFFCF Twilight Parade	H.F.F.C.F.	Partnership
May 21-23	HFFCF Fair	H.F.F.C.F.	Partnership
May 15-16	The Grind	Community Services	In-House
Tuesdays; May 26 - Aug 25	Tuesdays in the Plaza	Community Services	In-House
Tuesdays; May 5 - September 29	Tuesday Farmers Market	Healdsburg Certified Farmer's Market	Partnership
May 29, June 1-2	Jazz Campus	Healdsburg Jazz Festival, Inc.	Partnership
May 29-June 7	Jazz Village	Healdsburg Jazz Festival, Inc.	Partnership
May 31	Indigenous Cultural Gathering	Corazón Healdsburg	Partnership
June 6 – July 30 (33 games)	Prune Packers Youth Baseball Games	Healdsburg Prune Packers Baseball Club	External
Sundays; June 7 to August 16	Sundays in the Plaza	Community Services	In-House
June 7	Healdsburg Community Band Concert	Healdsburg Community Band	Partnership
June 18	Fathers Day Lunch	Community Services - Senior Center	In-House
June 21	Fitch Mountain Footrace	Healdsburg Kiwanis Club	External
June 26-28	Healdsburg Arts Festival	Healdsburg Center for the Arts	Partnership
4th Friday; June-Aug	Art After Dark	Healdsburg Center for the Arts	Partnership
June	Velo & Vines	United Healthcare's Children's Foundation	External
June	Tour de Cure	American Diabetes Association	External
July 4	Fourth of July Celebration / Duck Dash	Healdsburg Rotary Club - Noon	Partnership
July 4	Fourth of July Fireworks	American Legion Post 111	Partnership
July 11	Drive-In Movies	Corazón Healdsburg	Partnership
July	Sonoma Women's Tri	Scena Performance	External
Thursdays-Saturdays; July 16 - August 1	Shakespeare in the Park	The Raven Theater	Partnership
July 31	Ice Cream Social	Friends of the Senior Center	Partnership
August 8	Drive-In Movies	Corazón Healdsburg	Partnership
August	Tour de Fox	The Michael J. Fox Foundation	External
August 28	Root Beer Float Party	Community Services - Senior Center	In-House
Fridays in September	Movies in the Park	Community Services	In-House
September	Foss Creek Clean-Up	Public Works & Community Services	In-House
September	Safety Fair	Healdsburg Kiwanis	Partnership
September	SJS Jog-A-Thon	St. John Catholic School	External
October 4-10	International Active Aging Week	Community Services - Senior Center	In-House
October 4	Age Friendly Picnic in the Plaza	Community Services - Senior Center	In-House
October	HHS Homecoming Parade	Healdsburg High School	External
October	Business Showcase & Community Resource Fair	Healdsburg Chamber of Commerce	Partnership
October	Tour de Vine	Rotary Club of Cloverdale	External
October	Howl-O-Ween Parade	Humane Society of Sonoma County-Healdsburg	External
October 18	Healdsburg Crush	Boys & Girls Club Central Sonoma County	External
October 25	Día de los Muertos	Corazón Healdsburg	Partnership
November 11	Veterans Day Ceremony	American Legion Post 111	Partnership
November 23	Rotary Thanksgiving Lunch	Healdsburg Rotary Club - Noon	Partnership
November 26	Healdsburg Turkey Trot	Scena Performance	External
November 27	Chamber Holiday Event	Healdsburg Chamber of Commerce	Partnership
December 5	Light Up a Life Tree Lighting	Home Care Network - Hospice North County	External
December 6	Senior Appreciation Dinner	Community Services - Senior Center	In-House
December 12	Healdsburg Holiday Shuffle	Titanium Racing, Inc.	External

Pending / TBD / Unknown

Attachment: P5 - Special Event List (2728 : 3 North Street - Future Use)

Name	Location	Specific Location	Open Air	HVAC	Restrooms	Event Space	Hosts Farmers Market	Operation	Amenities / Notes	Number & Types of Events	Staffing Required	Operating Budget	Videos
Overland Park Farmers' Market	Overland Park, KS	Downtown	Yes	No	Yes - Need to be inclusive	No	Yes	PUBLIC: City of Overland Park	54 stalls (most with vehicle access), food, fresh produce, and live music; Parking lot with a roof. No pets; space under pavilion used for free parking when Market not in operation. Market operate on Wednesdays and Saturdays. Market is going into it's 38th season, but has been only operated by the City for 11 seasons. The City is in the early stages of building a new location for their farmers market and seeking community feedback on upgrading some amenities. There is a need for a more contemporary market and city staff is trying to identify what will suit the needs of the community for the next 15+ years. Ideas such as adding a commercial kitchen, hosting community events, renting the space out for private events, and a possible relocation of the market are all being considered in the new development that the city has set-aside 5-million to renovate/built.	Only one event a year (Fall Festival); don't host events currently due to parking limitations in city. Has hosted Happy Hour Evening Market.	1 FTE; 1 PTE; and 8-11 Temp Staff (4 staff work per market). FTE in charge of all administrative needs for the market: collecting/processing fees, marketing, hiring entertainment, scheduling, etc.	Operating Budget: 49k (increases slightly each year); for marketing, entertainment, etc. Amount does not include staffing. Revenue: 82-84k; Stall fees (full season, half season, and daily rates). Rates broken down to support vendors who operate on shorter seasons. City collects Temp Food Vendor Fess, but these fees go to Health Dept. Market does not operate on a profit (seen as community benefit, such as the arts).	Short 1-min video https://www.youtube.com/watch?v=ROqAcrd2SgM 2017 news story on redesign https://www.youtube.com/watch?v=hkdaHXAUgiw
Rockford City Market	Rockford, IL	Downtown	Yes/No	Yes/No	Yes - Indoors	Yes	Yes	PUBLIC / NON-PROFIT: The City of Rockford owns the City Market Pavilion but the Rock River Development Partnership runs and operates it for private rentals.	Has both open-air and indoor elements. offers live music, food trucks, alcohol, Trivia Nights, Yoga, Seasonal events, outdoor movies, Private Events/Weddings. The Rockford City Market has a 24-hour commercial kitchen available for rent in their indoor market building adjacent to the outdoor market. Seasonal-Fri only; 70 vendors and around 100,000 visitors per season.	The city hosts 25 of their own events in the space (20 of these being our Friday night farmers market/festival which draws about 5,000 people per week) and then they see about 20-25 events per year permitted by other groups. The outdoor Pavilion hosts farmers markets, vintage markets, food truck festivals, Rallies, Basketball game viewings, the visitors bureau uses it for a Christkindl market type setup during a holiday event, The Women's March and other marches rent it as a starting and ending point for their events, and starting and ending points for local 5k races. When it's not being used as an event space, it's a covered permitted parking lot Monday through Friday 8am-5pm with about 60 parking spots.	Rock River Development Partnership: 3 FT office staff, 1 FT event rental coordinator who does all the scheduling for groups that are renting the pavilion. When they run an event they have their 3 FT staff plus 10-15 hourly workers who help with set up, tear down, and working booths.	Said it was tricky for them to come up with on the pavilion because their situation is unique. The City of Rockford owns the City Market Pavilion but the Rock River Development Partnership runs and operates it for private rentals. The City gets all revenue from the permits pulled for events (including the ones Rock River Development Partnership run) and all the parking permits and they also incur all operating expenses on keeping it clean, lit, etc. The Rock River Development Partnership only sees revenue when they book it for a private rental so their expenditures are basically just their coordinator's time and the cost of barricades and signage and our revenue is the event rental fee for each event.	https://www.youtube.com/watch?v=l6K-4VSfcAA
Davis Farmers Market	Davis, CA	Downtown	Yes	No	Yes	Yes	Yes	PUBLIC / NON-PROFIT: City of Davis (in partnership with Sutter Health & Davis food Co-op)	Open Air facility built 25-years ago an just now starting to show wear and tear. Built as part of the Central Park Expansion Project (took 9-years start to finish through a ballot initiative). Venue has electricity, building used for merchandizing and event storage. Park amenities include gardens, assessible playgrounds (highly used during market hours), splash pad. Live music (no amplification during markets), No Dogs. City has a policy that approves the rules and regulations of the market so the market can enforce issues. Market is opened year-round.	City permits roughly 30-35 events in the Central Park Pavilion a year (not incldugin Farmers Market days). Events include Picnic in the Park, Winter Market, Educational programs farm to school for kids; Music in the Park, Pumpkin Patch, Holiday events, Winter Market, Weekly Craft & Vintage Fairs, Volvo Club event, UCD Marching Band events, and Scouting events.	Non-profit has 1 FTE, 3 PTE, and 3 Onsite Temps that run just the market.	Cost 2 million to built the park entirety and include the open air portion. City does not charge market or put any money into market. Market has permit to use entire park space and pays for their own garbage, cleaning, water and electric.	https://www.davisfarmersmarket.org/market-featured-visit-davis-series/

Attachment: P6 - Case Studies Summary (2728 : 3 North Street - Future Use)

Overland Park Farmers' Market





Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 - 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



OPEN WEDNESDAYS!
7:30 A.M. - 1 P.M.
OVERLAND PARK

OVERLAND PARK
FARMERS' MARKET

Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)

OVERLAND PARK FARMERS' MARKET
OPEN SATURDAYS
THROUGH LATE NOVEMBER
8 A.M. - 1 P.M. OVERLAND PARK



Today's Events
 8:30 a.m. - 10:00 a.m. **Free Fitness with Santa**
 10:00 a.m. - 12:00 p.m. **5th Grade Civil**

OVERLAND PARK FARMERS' MARKET
Holiday Market
 8 a.m. - 1 p.m. • Saturday, Dec. 9
 Milliken Community Center

Thank you for supporting the Overland Park Farmers' Market!
 Holiday Market returns on April 9, 2016.

Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)





Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 - 3 North Street - Future Use)



OVERLAND PARK FARMERS MARKET
 OPEN WEDNESDAYS
 THROUGH SEPTEMBER
 7:00 AM - 1:00 PM

Hemme
 Fresh. Simple. Delicious.

Microgreens

N.A.S.S.

Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)

Davis Farmers' Market





THE WATERS MARKET
 WEDNESDAYS
 10:00 AM - 2:00 PM
 3 NORTH STREET
 WASHINGTON, DC

THE WATERS MARKET
 WEDNESDAYS
 10:00 AM - 2:00 PM
 3 NORTH STREET
 WASHINGTON, DC

Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



DAVIS FARMERS MARKET



SATURDAYS
8 am-1 pm

WEDNESDAYS
Nov thru mid-March
2-6pm



WEDNESDAYS
mid-Mar
thru Oct
4:30-8:30 pm

Celebrating 40 years!



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studios Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Good Health Begins with Farm-Fresh Food

Farm Fresh

Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



DAVIS FARMERS MARKET



SATURDAYS
8 a.m. to 2 p.m.

WEDNESDAYS
November to mid-March
1 to 6 p.m.

WEDNESDAYS
Mid-March to October
8:30 p.m. to sunset

Sutter Health
Sutter Davis Hospital



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Davis
Farmers
Market
voted
AMERICA'S FAVORITE
FARMERS MARKET
American Farmland Trust

NO PETS
MARKET & FOOD AREA



Rockford Farmers' Market





Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



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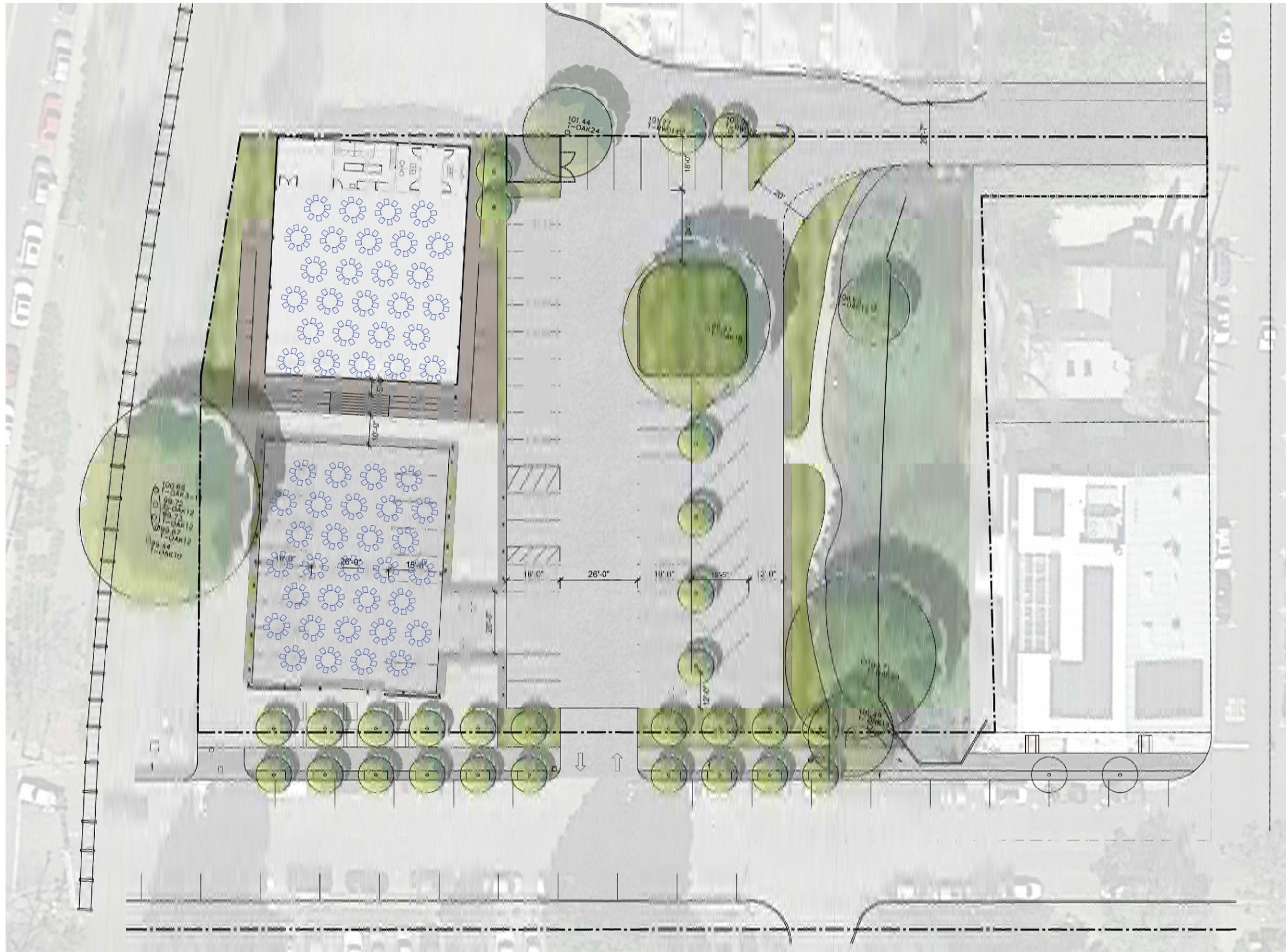
Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)



Attachment: P7 - Case Studies Imagery (2728 : 3 North Street - Future Use)

Banquet Event

58 60"Ø Tables
8 people per table
464 Guests



Attachment: P8 - Capacities (2728 : 3 North Street - Future Use)



CERRI BUILDING SITE PLA
1/32"=1'-0" @ 11x11



Scenario Models

#1: Park Pavilion + Farmers' Market

City-run Events
 Movies in the Park
 Sundays in the Plaza
 Foss Creek Clean-up
 Contracted Vendors: (Coffee Carts / Music)
 1-2 New events
 City-sponsored Events
 Art After Dark
 Jazz Village & Campus
 Four Elements
 Shakespeare in the Park
 External / Permitted Events
 Healdsburg Crush
 Turkey Trot
 Healdsburg Half Marathon
 Arts & Antique Fair
 Contracted Vendors (Coffee Carts/Music/Food)
 Facility Rental: Meeting & Programs
 Contract Classes (Zumba, Music, Fitness)

Projected Operational Costs

1 Part-Time Recreation Coordinator
 2 Park-Time Parks and Facilities Aid
 Contracted Services
 Landscaping and Site Maintenance
 Becoming Independent
 Utilities
 Preventative Maintenance & Repairs
 City/Dept Overhead and Service Fees

Amount

30,000
 40,000
 30,000
 10,000
 6,000
 5,000
 10,000
 30,000
 161,000

Potential Facility Revenue Sources

Kitchen Rental
 Existing External / Permitted Events
 Healdsburg Crush
 Turkey Trot
 Healdsburg Half Marathon
 Arts & Antique Fair
 Banshee Fest
 Current Farmers Market Fee (per agreement)
 Contracted Vendors (Coffee Carts/Music/Food)
 Facility Rental: Meeting & Programs
 Contract Classes (Zumba, Music, Fitness)

Frequency

Once/Bi-Monthly (6) for 4 hours

 Twice/Month May--Sept (10)
 Once/Month May--Sept (5)
 Once/Week May--Sept (20)

Facility Rate /Permit Fee

216

 1,034
 989
 3,004
 877
 1,367
 3,300
 75
 300

Amount

1,296

 1,034
 989
 3,004
 877
 1,367
 3,300
 750
 1,500
 2,000
 16,117

Notes

\$54/hour

 On 70/30 split

#2: Event Venue + Farmers' Market

All Activities from Park Pavilion Above
 Weddings
 Corporate Events
 Banquets
 Retreats
 Large Meeting
 Externally Sponsored - Ticketed
 Concerts
 Races and Rides
 Expos
 External Non-Ticketed Event
 Arts, Crafts, Antique Fairs
 Fundraisers
 Food & Drink Festivals
 Kitchen Rental
 Contracted Vendors (Coffee Carts/Music/Food)
 Facility Rental: Meeting & Programs
 Contract Classes (Zumba, Music, Fitness)

Projected Operational Costs

1 Full-Time Recreation Coordinator II
 1 Part-Time Recreation Coordinator
 4 Park-Time Parks and Facilities Aid
 Contracted Services (city costs)
 Landscaping and Site Maintenance
 Becoming Independent
 Utilities
 Preventative Maintenance & Repairs
 City/Dept Overhead and Service Fees

Amount

70,000
 30,000
 80,000
 50,000
 10,000
 6,000
 10,000
 20,000
 40,000
 316,000

Potential Facility Revenue Sources

Existing External / Permitted Events
 Healdsburg Crush
 Turkey Trot
 Healdsburg Half Marathon
 Arts & Antique Fair
 Banshee Fest
 Current Farmers Market Fee (per agreement)
 Weddings
 Coporate Events - Weekend
 Coporate Events - Weekday
 External Ticketed Events
 Concerts (900 Capacity)
 Races & Rides
 Expos
 External Non-Ticketed Event
 Arts, Crafts, Antique Fairs
 Fundraisers
 Food & Drink Festivals
 Kitchen Rental
 Contracted Vendors (Coffee Carts/Music/Food)
 Facility Rental: Meeting & Programs
 Contract Classes (Zumba, Music, Fitness)

Frequency

Once/Month May--Sept (5)
 Once/Month May--Sept (5)
 Once/Month May--Sept (5)

 Once/Qty May--Sept (4)
 Once/Qty May--Sept (4)
 Twice/Annually May--Sept (2)

 Twice/Annually May--Sept (2)
 Once/Qty May--Sept (4)
 Once/Qty May--Sept (4)
 Once/Qty May--Sept (4)
 Once/Bi-Monthly (6) for 4 hours
 Once/Week May--Sept (20)
 Twice/Month May--Sept (10)
 Twice/Week May--Sept (40)

Facility Rate /Permit Fee

1,034
 989
 3,004
 877
 1,367
 3,300
 8,500
 5,000
 2,500

 8,000
 5,000
 5,000
 5,000
 216
 75
 300

Amount

1,034
 989
 3,004
 877
 1,367
 3,300
 42,500
 25,000
 12,500

 32,000
 20,000
 20,000
 1,296
 1,500
 3,000
 4,000
 \$202,367

Notes

Need to add market rate facility info

 \$10 per person / est. 800 people per event
 \$10 per person / est. 500 people per event

 On 70/30 split

Attachment: P9 - Operating Budget Scenarios (2728 : 3 North Street - Future Use)



Healdsburg Certified Farmers' Market
P.O. Box 2198
Healdsburg, CA 95448
manager@healdsburgfarmersmarket.org

January 15, 2020

The Honorable Leah Gold, Mayor
 City of Healdsburg
 401 Grove Street
 Healdsburg, California 95448

Dear Mayor Gold:

The Board of Directors (Board) of the Healdsburg Farmers' Market (Market) is pleased to offer the Board's full support for the transition of the Cerri Building (3 North Street) into a permanent home for the Healdsburg Farmers' Market. The Board took a formal vote on Monday, January 13, 2020, and we were unanimous in making this recommendation.

The Board was and is excited about the Cerri Building's re-use as a home for the Market and for other community events, especially given how many years the City of Healdsburg, the Market, and others have worked on this important project. We are heartened by the news that some or all of the construction costs of this important project may be covered by an area donor, and we join you in thanking the donor for stepping forward.

We still have work to do to ensure that the end product is fully functional for Market vendors, and we will be very pleased to partner with the City, the architects, and the donor to see that the 3 North Street property is all it can and should be for the City, the Market, and the Healdsburg community. Should the City move forward with environmental review and further design work on the project, we offer our assistance in participating in the upcoming design phases. We do stress that it is essential to the Board that the site function well as a certified farmers' market at the end of the day, and that our vendors' and customers' needs are satisfied.

Thank you again for considering our views. We stand ready to assist the you – and we look forward as you do in seeing this important project come to fruition in the months to come. Please do not hesitate to contact us about this letter should you have any questions.

Sincerely,

Dave Kiff
 President, Board of Directors
 Healdsburg Farmers' Market

cc: Members of the Board of Directors of the Healdsburg Farmers' Market
 Members of the Healdsburg City Council
 David Mickaelian, City Manager
 Mark Themig, Director of Community Services

Mark Themig

From: Dave Kiff <dave.kiff@gmail.com>
Sent: Tuesday, February 11, 2020 8:48 PM
To: Mark Themig
Cc: Janet Ciel
Subject: Cerri Building and Healdsburg Farmers' Market

Hi Mark —

Thank you (and Community Services staff) again for convening the “fit” meeting yesterday between representatives of the Farmers’ Market, the City, and the architectural firms associated with the Cerri Building (3 North Street). We spent about two hours on the site and at City Hall going over the layout to determine if and how the Market would fit in and around the Cerri Building. We really appreciated how Community Services staff set up trucks, tables, canopies, and more around the site.

At the conclusion of the meeting (including a table top exercise), the farmers who attended as well as Janet, our market manager, believed that **we indeed would fit**, even with about 60 vendors (our summertime high number of vendors). We’ll certainly need more dialogue with the City and the architects should this move forward to further ensure more specific needs are met (electricity, storage, water, seating areas, ramps, etc). But again, we were happy with the meeting and thankful for the work the City is doing to ensure that our needs are met.

Please feel free to pass this along to anyone who may need to see it. Hopefully I will be back in town in time to attend the Commission meeting in case Commissioners have any questions.

Sincerely,

Dave Kiff
 HFM Board Chairman
 949-290-7037

Mark Themig

From: Janet Ciel <manager@healdsburgfarmersmarket.org>
Sent: Tuesday, February 11, 2020 9:12 PM
To: Dave Kiff
Cc: Mark Themig
Subject: Re: Cerri Building and Healdsburg Farmers' Market

Mark and Dave,

Our peak season has 45+ vendors and uses 62+ spaces; just to clarify.

On 2020-02-11 20:47, Dave Kiff wrote:

> Hi Mark —

>

> Thank you (and Community Services staff) again for convening the “fit”

> meeting yesterday between representatives of the Farmers’

> Market, the City, and the architectural firms associated with the

> Cerri Building (3 North Street). We spent about two hours on the site

> and at City Hall going over the layout to determine if and how the

> Market would fit in and around the Cerri Building. We really

> appreciated how Community Services staff set up trucks, tables,

> canopies, and more around the site.

>

> At the conclusion of the meeting (including a table top exercise), the

> farmers who attended as well as Janet, our market manager, believed

> that WE INDEED WOULD FIT, even with about 60 vendors (our summertime

> high number of vendors). We’ll certainly need more dialogue with the

> City and the architects should this move forward to further ensure

> more specific needs are met (electricity, storage, water, seating

> areas, ramps, etc). But again, we were happy with the meeting and

> thankful for the work the City is doing to ensure that our needs are

> met.

>

> Please feel free to pass this along to anyone who may need to see it.

> Hopefully I will be back in town in time to attend the Commission

> meeting in case Commissioners have any questions.

>

> Sincerely,

>

> Dave Kiff

> HFM Board Chairman

> 949-290-7037

Janet Ciel, Market Manager

P.O. Box 2198

Healdsburg, CA 95448

707 824-8717 / 707 529-4884

manager@healdsburgfarmersmarket.org

Mark Themig, Community Services Director
City of Healdsburg, 401 Grove Street
Healdsburg, California 95448

January 13, 2020

Re: Letter of Interest

Dear Mr. Themig,

The Foley Family Foundation (“FFF”) is pleased to submit this letter of interest to partner with the City of Healdsburg (the “City”) to fund the creation of the proposed 3 North Street project and future home of the Healdsburg Farmers’ Market, in Healdsburg, California (the “Project”).

As business owners and residents of Healdsburg, the Foley Family is deeply invested in the community, and are committed to supporting our city’s continued progress as a preeminent destination for families and visitors, while honoring its rich agricultural ties. Owning wineries, restaurants, and tasting rooms within Healdsburg gives the Foley Family many opportunities to showcase the wonderful bounty that our community has to offer. We believe investing in a permanent home for the local farmers, artisans, and creators who allow Healdsburg to shine so brightly would be an ideal use for the centrally located 3 North Street building.

FFF hereby confirms that it has sufficient resources and is interested in participating in the Project and making available up to \$7,000,000.00 to fund the Project (the “Funds”), on the following two conditions: that FFF will have naming rights for the Project and that the City and FFF are able to mutually agree on an acceptable funding plan.

The City acknowledges that in exchange for its commitment of the Funds through an acceptable funding plan, FFF will have the right to name the 3 North Street project.

ACCEPTED AND ACKNOWLEDGED:

<p>Foley Family Foundation:</p> <p>By: <u>Courtney Riley</u></p> <p>Its: <u>FFF Board Member</u></p> <p>Date: <u>January 13, 2020</u></p>	<p>City of Healdsburg:</p> <p>By: <u>Mark Themig</u></p> <p>Its: <u>Comm Serv Director</u></p> <p>Date: <u>1/13/20</u></p>
--	---

Attachment: P11 - Foley Family Foundation Pledge (2728 : 3 North Street - Future Use)

DID YOU KNOW?

You can help decide the future of 3 North St. and downtown Healdsburg!

WHAT IS PROPOSED:

WHAT IS POSSIBLE:



Meeting
Mar. 2 6pm
City Hall



<p>Event pavilion, parking lot and Farmer’s Market</p>	<p>Mixed-use Affordable housing and community space</p>
<ul style="list-style-type: none"> • 55 public parking spaces total • Permanent <u>uncovered</u> home of the Farmer’s Market • 4369 sqft open-air raised pavilion with stage for events. • ~6000 sqft audience area under vine-covered “trellis” • 14 parking spaces under same vine-covered “trellis” • Cold kitchen for catering events • 4 public restrooms 	<ul style="list-style-type: none"> • 45 1-3 bedroom units renting for \$1,237. Avg unit size 750 sqft • Can be configured for families and senior citizens • 11,000+ sqft. ground-floor indoor space with 16’ ceilings. Potential for multiple community uses including: day care, classrooms, community kitchen, dining hall, panaderia, maker space, rec room, gym, teen center, live-work lofts or indoor arts venue • \$550,000 included in project for improvements. • 22 parking spaces—balance of requirement at City Hall lot
<p>COST: \$6.5 million FUNDING SOURCE AVAILABLE?: YES</p> <p>FUNDING SOURCE: \$7M letter of interest from Foley Family Foundation</p> <p>ONGOING MAINTENANCE \$: Healdsburg Parks and Rec</p> <p>TO COMPLETE BEFORE CONSTRUCTION: funding contract, design review, environmental impact study (EIR)</p>	<p>COST: \$18.7 MILLION FUNDING SOURCE AVAILABLE?: YES</p> <p>FUNDING SOURCE: \$11.8M in Low Income Housing Tax Credits with the balance paid for by unit rents. \$0 rent for community space</p> <p>ONGOING MAINTENANCE \$: Shared between Healdsburg Parks & Rec and housing operator i.e. Burbank Housing</p> <p>TO COMPLETE BEFORE CONSTRUCTION: design, funding contract, sign review, environmental impact study (EIR)</p>
<p>IMPACTS:</p> <ul style="list-style-type: none"> • Seasonal outdoor event use; parking year-round • Event space attracts residents and tourists • Increased parking availability in off-season • Existing events can be down-sized and moved to pavilion; lessening impacts on plaza and plaza grass • Farmers set up individual shade structures and sell from cars and trucks 28 days per year April-November • Increased traffic downtown for events in high season • Availability of four public restrooms • Decreased parking availability downtown during events in high season 	<p>IMPACTS:</p> <ul style="list-style-type: none"> • Year-round community use, off-season events help downtown businesses. On-site employment opportunities. • House 100+ people who can walk to work, shopping and vices without need for cars. • Access to day care facilities for downtown workers • As-needed fully configurable community space for maker art and cultural events. • Non-profit office space • Community kitchen and dining hall for events and banquets in city center. • Meets downtown zoning • Decreased parking availability year-round from residents • GHG goals met with rooftop solar and/or garden
<p>Go see for yourself! : Source - Attachment A “Schematic Design” from City Council packet May 15, 2017</p>	<p>Go see for yourself! : Source - Table 1.3 “Financial Feasibility Form” in Jan 21, 2020 City Council work session packet</p>

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Which future do you prefer? The City Council wants to hear from the entire community! Simply send an email to: citycouncil@ci.healdsburg.ca.us

SABIAS QUE?

!Tu puedes ayudar a decidir el futuro de 3 North St. y el centro de la Ciudad de Healdsburg!

LO QUE PROPONEN :

LO QUE ES POSIBLE :



Reunión a las 6 p.m. del 2 de Marzo en el City Hall



*Altura máxima de 40 pies

<p>Pabellon de eventos, estacionamiento, y Mercado de Agricultores</p>	<p>Usos Mixtos, Viviendas Accesibles, y espacio comunitari</p>
<ul style="list-style-type: none"> • Un total de 55 estacionamientos publicos • Lugar permanente, sin cobertura, para el Mercado de Agricultores • Un pabellon de 4369 sq. ft. al aire libre con un escenario para eventos • Una area de aproximadamente 6000 sq. ft. para audiencias bajo una enrejado cubierto de plantas enredaderas • 14 estacionamientos bajo el enrejado cubierto de plantas enredaderas • Cocina fria para preparar comida para eventos • 4 baños publicos 	<ul style="list-style-type: none"> • 45 viviendas de 1-3 recamaras rentadas por \$1,237. Tamaño promedio de las unidades es 750 sq. ft. • Pueden ser configradas para familias y personas mayores de 65 años • 11,000 sq.ft. de espacio interior en el primer piso con techos de 40 pies de altura. Potencial para multiples de usos comunitarios incluidos: cuidado de niños, cuartos para clases, cocina comunitaria, comedor, panaderia, mercado, cuarto de recreacion, gimnasio, centro para jovenes, espacios designados para vivir y traja para arte. \$550,000 incluido en el proyecto para mejoras • 22 estacionamientos – el resto en el parqueadero de City Hall
<p>COSTO: \$6.5 millones AY FONDOS DISPONIBLES? SI</p> <p>FUENTE DE FONDOS: Carta de interes de la Foley Family Foundation por \$7 millones</p> <p>COSTO CONTINUO DE MANTENIMIENTO \$: Healdsburg Parks and Rec</p> <p>COMPLETAR ANTES DE CONSTRUCCION: Contrato para los fondos, evaluacion del diseño, estudio de impactos al medio ambiente (EIR)</p>	<p>COSTO: \$18.7 millones AY FONDOS DISPONIBLES? SI</p> <p>FUENTE DE FONDOS: \$11.8 millones en Creditos de Taxes para Viviendas de Bajos Ingresos con el balance pagado por la renta de las unidades. \$0 renta por el espacio comunitario.</p> <p>COSTO CONTINUO DE MANTENIMIENTO \$: Dividida entre Healdsburg Parks and Rec y el operador de la viviendas, por ejemplo Burbank</p> <p>COMPLETAR ANTES DE CONSTRUCCION: diseño, contrato para los fondos, evaluacion del diseño, estudio de impactos al medio ambiente (EIR)</p>
<p>IMPACTOS:</p> <ul style="list-style-type: none"> • Uso exterior para eventos solo en temporadas; estacionamiento todo el año • El espacio para eventos atrae a residentes y turistas • Estacionamientos disponibles aumentan en off-season • Eventos existentes pueden ser reducidos y movidos al pabellon; reduciendo el impacto en la Plaza y al pasto en la Plaza • Agricultores ponen estructuras para sombra y venden su producto de carros y trocas 28 dias al año; de Abril a Noviembre • Aumento de trafico en temporadas de turismo • Cuatro baños disponibles para el publico • Reduce los estacionamientos disponibles para eventos durante temporadas de turismo 	<p>IMPACTOS:</p> <ul style="list-style-type: none"> • Uso del espacio por la comunidad todo el año; eventos en temporadas de invierno ayudan a los negocios en el centro de la ciudad. Oportunidades de empleo en sitio. • Provee viviendas para 100+ personas quien pueden caminar al bajo, a compras y servicios sin necesidad de un carro • Cuidado de niños disponible en el centro para trabajadores • Espacio comunitario configurable para makers, arte y eventos culturales. •Espacio para organizaciones Non-Profit • Cocina comunitaria y salon de banquetes para eventos y banquetes en el centro de la ciudad. •Permitido por ordenanza municipal en el centro • Reduce los estacionamientos disponibles para residentes • Las metas GHG se cumplen con paneles solares o jardin en el terreno
<p>!Ve y mira por ti mismo!: Fuente: Adjunto A “Schematic Design” del City Council agenda, Mayo 17, 2017 (solo en ingles)</p>	<p>!Ve y mira por ti mismo!: Fuente – Tabla 1.3 “Financial Feasibility Pro Forma” en el paquete del taller del City Council en Enero 21, 2020 (solo en ingles)</p>

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

**!El Concilio de la Ciudad quiere oír de la comunidad entera!
 Simplemente manda un correo electronico a: citycouncil@ci.healdsburg.ca.gov**

Raina Allan

From: David Mickaelian
Sent: Monday, February 24, 2020 5:03 PM
To: Raina Allan
Subject: FW: 3 North St. (Cerri/Purity Building) | I'd prefer to help the Seniors and Low-Income Families | That's my vote - Thanks

DAVID MICKAELIAN | City Manager

City of Healdsburg
 401 Grove Street Healdsburg, CA 95448
 707.431.3318 | cityofhealdsburg.org.

From: David Hagele <dhagele@ci.healdsburg.ca.us>
Sent: Monday, February 24, 2020 3:52 PM
To: David Mickaelian <dmickaelian@ci.healdsburg.ca.us>
Subject: FW: 3 North St. (Cerri/Purity Building) | I'd prefer to help the Seniors and Low-Income Families | That's my vote - Thanks

David L. Hagele
 Councilmember,



City of Healdsburg

401 Grove Street, Healdsburg, CA 95448
 (707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Rklbecka <rklbecka@yahoo.com>
Date: Monday, February 24, 2020 at 6:50 PM
To: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: 3 North St. (Cerri/Purity Building) | I'd prefer to help the Seniors and Low-Income Families | That's my vote - Thanks

To: The City Council of Healdsburg

Dear City Council,

I just wanted to voice my opinion on the proposed project at 3 North Street (Cerri/Purity) .

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

I feel like a newbie moving into Healdsburg as recently as 2008. That said, I'm the last person to ever say "Shut the door - no room at the Inn". I've always be a capitalist and believe in business and progress.

This said, I really feel the mixed use affordable housing and community space is a much better option for this parcel of land. Seniors and low income families really need a break in these trying times. To have this affordable housing complex built within walking distance to town is a win-win for the elders and low income families that work in Healdsburg's restaurants, bars, and hotels. Every restaurant, bar, and hotel in town should be in support of helping it's workers. As we *all* know, housing has been a real issue in the US since 2008.

To build a facility that's used 28 days a year (farmers market) verses helping seniors and low-income families live with dignity is pretty much a no brainer. Not sure why folks would be against helping seniors and low-income families.

Thank you for your time and consideration.

RJK

Raina Allan

From: David Hagele
Sent: Tuesday, February 25, 2020 3:30 PM
To: Raina Allan
Cc: David Mickaelian
Subject: FW: Affordable Housing, Please

David L. Hagele
 Councilmember,



City of Healdsburg

401 Grove Street, Healdsburg, CA 95448
 (707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Nance Burton <burtgirl28@yahoo.com>
Date: Tuesday, February 25, 2020 at 6:26 PM
To: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: Affordable Housing, Please

City Council,

Will you please approve and build affordable housing downtown!!!!
 We do not need another event worthy venue at the Cerri/Purity building location. Nor do we need someplace additional for the farmers market when what we have works just fine. But what we do need is reasonably priced housing near downtown. I realize that the Cerri/Purity building location is city owned, zoned for mixed use and has state funding available if construction includes affordable housing. What in the world is the city council doing by considering anything but affordable housing for our low income seniors, our restaurant, shop and hotel workers, and our multi-generational families that call Healdsburg home? Please show some respect for our town and it's people. It is exhausting to see the local needs of our town continually ignored and to watch so many people have to pack up and leave. Please do the right thing: reasonably priced housing, NOW!

Thank you,

Nance Burton - a Healdsburg resident for 25 years

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: David Mickaelian
Sent: Monday, February 24, 2020 5:06 PM
To: Raina Allan
Subject: FW: City Council Flyer

DAVID MICKAELIAN | City Manager
City of Healdsburg
401 Grove Street Healdsburg, CA 95448
707.431.3318 | cityofhealdsburg.org.

From: David Hagele <dhagele@ci.healdsburg.ca.us>
Sent: Sunday, February 23, 2020 2:44 PM
To: David Mickaelian <dmickaelian@ci.healdsburg.ca.us>
Subject: FW: City Council Flyer

David L. Hagele
Councilmember,



City of Healdsburg
401 Grove Street, Healdsburg, CA 95448
(707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Walter Niederberger <wniederberger@me.com>
Date: Sunday, February 23, 2020 at 5:30 PM
To: David Hagele <dhagele@ci.healdsburg.ca.us>
Subject: Re: City Council Flyer

Thank you David for responding. As far as we know the flyer might even be published as an ad in the Tribune next Thursday and could be easily perceived by the public as an official document of the Council. Would that be OK?

- Walter

=====
Walter Niederberger
US Correspondent Tages-Anzeiger
(www.tagesanzeiger.ch)

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

mobile: [REDACTED]
 email to: wniederberger@me.com

On 23 Feb 2020, at 14:20, David Hagele <dhagele@ci.healdsburg.ca.us> wrote:

Hi Walter,

Thank you for the email. I wasn't involved in the preparation of the flyer and actually hadn't seen it until Anne forwarded the flyer to us earlier today.

I do appreciate all the community feedback & I'm looking forward to the discussion on the 2nd. Thanks Walter! Talk to you soon.

David L. Hagele
 Councilmember,
 <image001.png>
City of Healdsburg
 401 Grove Street, Healdsburg, CA 95448
 (707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Walter Niederberger <wniederberger@me.com>
Date: Sunday, February 23, 2020 at 1:36 PM
To: David Hagele <dhagele@ci.healdsburg.ca.us>, Joe Naujokas <jnaujokas@ci.healdsburg.ca.us>, Leah Gold <lgold@ci.healdsburg.ca.us>, Evelyn Mitchell <emitchell@ci.healdsburg.ca.us>, Shaun McCaffery <sfmccaffery@yahoo.com>
Cc: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: City Council Flyer

Dear Mayor, dear City Council members

I am surprised that the City Council produced a flyer about two options for the development of 3 North. Since the flyer is signed in the name of the Council and asks the citizens for feedback I want to know:

- Did the City Council approve a flyer seeking citizens feedback?
- What's the purpose of the flyer? Does the Council intend to vote on these two options on March 2?
- What will you do with the responses, and will you compile and make them public?
- Was the content of the flyer approved by the City Council?
- Was the housing project, as depicted in the flyer, approved by the City Council?
- Are you aware that the flyer is misleading? It shows an affordable housing project in Boyle Heights, Los Angeles, with an estimated cost for 45 units of \$33.7 million, and it's 68 feet high.

I strongly support the construction of a community center/farmers market. The process should not be based on an dubious popularity contest at this late stage; the City Council already took a decision to move forward with the pavilion and farmers market at 3 North, following an extensive stakeholder consultation process, and directed staff to find funding to get it built.

And, finally: If the flyer is *not* a product of the City Council, then I expect a strong rebuke to those who are responsible for it.

I'm looking forward to an open and fair discussion on March 2.

- Walter Niederberger

=====

Walter Niederberger

[Redacted]

mobile: [Redacted]

email to: wniederberger@me.com

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: David Hagele
Sent: Tuesday, February 25, 2020 3:08 PM
To: Raina Allan
Cc: David Mickaelian
Subject: FW: Time sensitive plea
Attachments: 3NorthStEn.pdf; 3NorthStSp.pdf

David L. Hagele
 Councilmember,



City of Healdsburg

401 Grove Street, Healdsburg, CA 95448
 (707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Lynn Styles <stylesrescue@gmail.com>
Date: Tuesday, February 25, 2020 at 12:20 PM
To: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: Fwd: Time sensitive plea

Healdsburg City Council,

My daughter lives in Healdsburg and shared her concerns about the town she calls home. Her letter mirrors my concerns so I included it.

I was born and raised in Sebastopol and used to ride the train to visit family, aunts, uncles and cousins in Healdsburg.

The days of care, concern and protection for family and safe living environments seem to be long gone and forgotten.

We have the same problem in Sebastopol now where a hotel plan is taking space that could be so well served for local affordable and senior housing. Within walking distance to downtown and local businesses.

When will attention be given to those not rich in our society? Decisions are being made for profit only throughout our country to the detriment of the majority.

I grew up, post WWII, when people mattered, when we all worked hard and respected each other.

I STILL expect more in our small towns, our communities, to put the basic needs of people before profit.

Thank you for taking the time to read and consider our concerns.

Lynn Styles

Did you know... the pavilion proposed to replace the Cerri/Purity building at 3 North St in Healdsburg is basically an open-air, seasonal-use structure with a paved lot for the 28 days-a-year farmers market and, is primarily sponsored by adjacent hoteliers?

There is no lack of event-worthy venues near the plaza - and the farmers market already has a similarly functional lot nearby - yet, there is a desperate lack of reasonably priced housing anywhere near downtown.

What few realize is that this uniquely available lot is city-owned, zoned for mixed-use and, has state funding available if construction includes affordable housing.

By continuing to push out our lower-income seniors and multi-generational families - that contribute to and work for the plaza's businesses - we relinquish any hope for a diverse and inclusive community.

The city has received strong support from a small group in favor of the pavilion but will consider options until their meeting on March 2nd. It is therefore imperative they hear from everyone before that date.

This is not just a Healdsburg issue. The shortage of affordable housing is a nationwide issue that deserves our attention and our voice.

Please read the attached flyers for more information, share with your community, and most importantly, send your thoughts to: citycouncil@ci.healdsburg.ca.us

Thank you for your time,

-- Christee Styles

Sonoma County native and Healdsburg resident since 1998

PS - Please know, this is the only email you will receive from me on this matter.

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: David Hagele
Sent: Wednesday, February 26, 2020 10:09 AM
To: Raina Allan; David Mickaelian
Subject: Fwd: 3North

David Hagele
 Councilmember,
 City of Healdsburg

From: Christina Stafford <christina@staffordgallery.com>
Sent: Wednesday, February 26, 2020 1:02:23 PM
To: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: 3North

Dear Council Members,

Please allow the previously proposed use of 3 North St as a community event and gathering space, as well as the permanent home of the farmers market, the jazz fest events and Shakespeare in the Park, as well as Dia de Los Muertos and a host of as yet undiscovered opportunities.

Sincerely,

Christina Stafford

Please excuse any misspellings as this was
Sent from my iPhone

Thank you, Christina

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: David Hagele
Sent: Thursday, February 27, 2020 10:42 AM
To: Raina Allan
Cc: David Mickaelian
Subject: Fwd: Time Sensitive plea

David Hagele
 Councilmember,
 City of Healdsburg

From: Christee Styles <cstyles707@gmail.com>
Sent: Thursday, February 27, 2020 7:57:46 AM
To: Richard Burg <richard.burg@gmail.com>
Cc: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: Re: Time Sensitive plea

Hello Richard -

Thanks so much for your email.

Let me start by saying how fantastic it is you have the time and resources to attend so many meetings. And yes I hear often how many support affordable housing... just not here, and no not there, and oh, no, not over there either. It's unconscionable to continually push out of town our lower income residents. I don't care if the Taj Mahal was slated for 3 North St. If there's ANY potential for housing, then housing it should be. There's 7000 on a waiting list? And you think there's many many alternative sites? Dare I say that borders on delusional? The people that need housing are those people that serve YOU on a daily basis, that drive across town or county in crappy cars they can't afford to serve you. And yet they aren't given the same priorities or opportunities because you are at the meetings and they are at work.

Richard, the town is already bloated with under utilized event venues for all those that can afford to frequent them. The wealthy of this town have access to more luxuries than they even know what to do with. And it's not enough. They want more - and with no compunction whatsoever. No awareness of their own white privilege, the resources they had and have access to, the guidance, the mentors, that original - and elusive to many - leg-up. And still, they want more. And even worse is how they are all groveling over this money from Foley. Foley, the owner of Les Mars, and his buddy, owner of Duchamp - both highly exclusive boutique hotels and both coincidentally adjacent the available lot - STARTED the petition and are effectively using you, 2040, etc, to BUY the city-owned lot for their own benefit under the guise of it being a "generous gift" to the "entire" community, even though much of the community can't afford to stroll through the plaza let alone frequent any of the plaza's businesses.

And those 1200 signers everyone is so proud of? have a collective net worth greater than the 8000 other Healdsburg residents combined. If they are allowed to shape public policy, we will be allowing a Plutocracy to thrive right here in good ole Healdsburg.

This isn't a policy issue Richard. It's a human issue. It's a humanitarian crisis when humans can't be housed and the wealthy are worried about building their next drinking establishment with someone else's money.

In the end, I'll accept and adjust to whatever goes there. But if there's not room for everyone at the deciding table, then it won't have been decided democratically, and no one should be proud of that.

Sincerely
Christee Styles

On Mon, Feb 24, 2020 at 4:41 PM Richard Burg <richard.burg@gmail.com> wrote:

Cristee,

I don't know you Christee, let me just say, by way of introduction, I have been to over 250 City Council and Planning Commission meetings over the last 20 years, voicing my opinions, interested in driving the City to more inclusive well grounded solutions. There are probably a dozen or more commentaries in the Tribune over the same period on a variety of subjects, mostly about development or housing. I have no economic interests here other than a house and a workspace in the City. Other than championing the SDAT and helping Healdsburg 2040 carry forward with the suggestions of the AIA team, I do not belong to any groups in the City. I was on the first Community Housing Committee (2015-16) and am 110% in favor of Affordable Housing. It is a common and misleading trope to talk about tax subsidized Affordable Housing and *housing that is affordable* without making the distinction.

The City's [Measure P](#) (2018) and the [Measure H](#) on the March 3 ballot are modifications to the GMO to allow multifamily rental housing for families of 4 earning 121%-160% of the [Area Median Income](#) (\$139,000). We need as much of that, if not more (for teachers, first responders, young families, etc) as we do of subsidized Affordable Housing. Since Measure P was passed in 2018, there have been no projects taking any of the additional 50 building permit allocations allowed each year!

While the footer of the flyer suggests the City Council created it, it was put out (and handed out in the Plaza on Saturday), by Shaun McAfrey with support from others that "do not want to be identified." That is also true for the two part article in the Tribune which had been distributed previously as an email to unknown recipients. While the footer suggests the "*City Council wants to hear from the entire community*", no other Council member knew about the flyer. Which isn't to say they wouldn't like to hear from us.

About the proposed project for 3 North and the issues raised in the email from Ms. Stiles.

The northern part of the structure illustrated in the conceptual schematic is covered and retains the deck of the Cerri building. I have not talked to the architects, but the schematic proposal definitely has a rear wall, a roof, and side walls for the 'pavilion'. When the final design goes to Design Review at the Planning Commission answers to the actual physical execution will be determined.

The following are false statements in the flyer:

The image on the brochure is a project in [Boyle Heights, LA](#). 60' high. No railroad track and on an open corner which we don't have!

The data in the flyer have no relationship to the image. The presentation by the consultant on January 21 was a pro forma econometric analysis based on the size of the lot, and financials around building housing there. Cost, number of units, size are all models. There is no project!

Tax credits are competitive. There is no guarantee we would get them until an Affordable Housing developer has contact with the City for the land, a design is developed by architects, approved by the Planning Commission, and subsequently submitted to the state for tax credit financing. It must meet General Plan requirements, land use requirements, and CEQA. All of which could take years. Quite likely, it would eventually qualify ... and get built.

Affordable Housing can be built on many, many other properties and still compete for Tax Credits. The closest location is the City parking lot, recently completed just north of City Hall, which is under utilized. There is nothing unique about 3 North to qualify over the West Plaza parking lot, for example.

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

The possible uses for the 11,000 square foot space with 16' ceilings mentioned in the flyer are speculative. Without architecture, who knows what would be possible. The uses listed, while appealing, are not all compatible. For example, childcare has very specific and rigorous architectural requirements which were not evaluated. And that wouldn't mix well with a 'maker space.' At one time what was proposed was moving the Healdsburg Library to the ground floor in a preliminary discussion with Burbank. The list in the flyer is click bait!

The offer of \$7,000,000 from a donor to build a project that was approved by the City Council, the Farmers Market Board and the Park and Rec Commission is money in hand for something the community overwhelmingly supported in 2016. Advocating for an \$18M project that is entirely speculative and could qualify for tax credits on many other parcels borders on the irrational.

To welcome a gift from a wealthy family interested only in "naming rights" might actually encourage other benefactors with ample resources to offer development of other community amenities. That is how Sonoma got the Sebastiani Theater, UC Davis got the Mondavi Wine Center, etc.

"What is possible:" The flyer suggests just one of dozens of potential solutions for the site. But of all the possibilities there is only one that has \$7M in hard currency TODAY, has preliminary approval from Park & Rec, City Council, Farmers Market, notwithstanding 15 years of community input and approval. Furthermore it would be a gathering place that would provide enormous benefit to the well being of the Plaza while creating an additional venue for community events.

A nuanced and subtle distinction about tax subsidized Affordable Housing. There is a limited and time constrained opportunity to insure the tenants who qualify for Affordable Housing work or live in Healdsburg. There was a PD article last year describing how Burbank eliminated 7000 names on the waiting list for Affordable Housing and switched to a lottery!! David Sotomayor, the City's Housing expert, said the only controls are during a narrow window of locally focused marketing to avoid running afoul of Federal Fair Housing laws. Probably also depends on the managing company.

"What few realize is that this uniquely available lot is city-owned, zoned for mixed-use and, has state funding available if construction includes affordable housing."

There is funding available in a competition for tax credits. No one paying attention for 15 years could not know that the City owns the lot.

"The city has received strong support from a small group in favor of the pavilion but will consider options until their meeting on March 2nd. It is therefore imperative they hear from everyone before that date."

There is an online petition which has over 1200 signatures. That is hardly a small group in favor.

Christie, I would be glad to sit down with you and talk about each of the points you make. The proposed pavillion is not "primarily supported by adjacent hoteliers"! That Foley owns the Le Mars Hotel is true. The consensus for repurposing 3 North to benefit the entire community preceded Foley's interests in Healdsburg by nearly a decade!

Richard Burg

=====
If you want to truly understand something, try to change it.

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

-- Kurt Lewin

Richard Burg [REDACTED]

From: Christee Styles
Sent: Monday, February 24, 2020 2:54 PM
To: Christee Styles <cstyles707@gmail.com>
Subject: Time sensitive plea

Did you know... the pavilion proposed to replace the Cerri/Purity building at 3 North St in Healdsburg is basically an open-air, seasonal-use structure with a paved lot for the 28 days-a-year farmers market and, is primarily sponsored by adjacent hoteliers?

There is no lack of event-worthy venues near the plaza - and the farmers market already has a similarly functional lot nearby - yet, there is a desperate lack of reasonably priced housing anywhere near downtown.

What few realize is that this uniquely available lot is city-owned, zoned for mixed-use and, has state funding available if construction includes affordable housing.

By continuing to push out our lower-income seniors and multi-generational families - that contribute to and work for the plaza's businesses - we relinquish any hope for a diverse and inclusive community.

The city has received strong support from a small group in favor of the pavilion but will consider options until their meeting on March 2nd. It is therefore imperative they hear from everyone before that date.

This is not just a Healdsburg issue. The shortage of affordable housing is a nationwide issue that deserves our attention and our voice.

Please read the attached flyers for more information, share with your community, and most importantly, send your thoughts to: citycouncil@ci.healdsburg.ca.us

Thank you for your time,

-- Christee Styles
Sonoma County native and Healdsburg resident since 1998

PS - Please know, this is the only email you will receive from me on this matter.

<3NorthStEn.pdf><3NorthStSp.pdf>

-- christee
[REDACTED]

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: Richard Burg <richard.burg@gmail.com>
Sent: Tuesday, February 25, 2020 4:24 PM
To: City Council
Cc: David Mickaelian; Raina Allan; Stephen Sotomayor
Subject: What happened to truth?
Attachments: 3NorthStEn.pdf; 3NorthStSp.pdf

Dear Council members,

An email from Christee Styles. which you can find below my email to her, was forwarded to me by a friend. Others in the community have confirmed that Ms. Styles distributed it widely. I had heard that Council member McCaffery distributed a version in the Plaza over the weekend. I went downtown to find one. I saw copies in the windows of El Farolito and Taco Grande. They did not have any attribution of authorship.

I was very upset the by the misleading opposition of "Proposed" and "Possible." The flyers reference data presented on January 21 and, using an image of a housing project in Los Angeles, made it seem like there was a real choice between the renderings of our community pavillion and an equally developed housing project designed for 3 North.

Not knowing how widely this misleading information was distributed in the community I responded to her. It is deeply troubling that a Council member was distributing such a biased point of view! And without attribution at first! Could such an act violate the Brown Act?

On March 2 the Council needs to respond to the over 1200 people who signed the petition to accept the Foley's pledge and build the pavilion. I am confident that Monday's agenda will include staff recommendations and a call for a decision.

Richard Burg

P.S. Pitting Affordable Housing against this *particular* project couldn't be more divisive. It is clear that an unexpected gift to accomplish something clearly desired by the community and invested in by the City is what motivated people to sign. That does not make their support any kind of statement about Affordable Housing.

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*In any moment of decision, the best thing you can do is
the right thing, the next best thing is the wrong thing,
and the worst thing you can do is nothing.*

- Theodore Roosevelt

=====

Richard Burg 

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Begin forwarded message:

From: Richard Burg <richard.burg@gmail.com>
Subject: Re: Time Sensitive plea

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Date: February 24, 2020 at 4:41:48 PM PST
To: Christee Styles <cstyles707@gmail.com>

Cristee,

I don't know you Christee, let me just say, by way of introduction, I have been to over 250 City Council and Planning Commission meetings over the last 20 years, voicing my opinions, interested in driving the City to more inclusive well grounded solutions. There are probably a dozen or more commentaries in the Tribune over the same period on a variety of subjects, mostly about development or housing. I have no economic interests here other than a house and a workspace in the City. Other than championing the SDAT and helping Healdsburg 2040 carry forward with the suggestions of the AIA team, I do not belong to any groups in the City. I was on the first Community Housing Committee (2015-16) and am 110% in favor of Affordable Housing. It is a common and misleading trope to talk about tax subsidized Affordable Housing and *housing that is affordable* without making the distinction.

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The following are false statements in the flyer:

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The data in the flyer have no relationship to the image. The presentation by the consultant on January 21 was a pro forma econometric analysis based on the size of the lot, and financials around building housing there. Cost, number of units, size are all models. There is no project!

Tax credits are competitive. There is no guarantee we would get them until an Affordable Housing developer has contact with the City for the land, a design is developed by architects, approved by the Planning Commission, and subsequently submitted to the state for tax credit financing. It must meet General Plan requirements, land use requirements, and CEQA. All of which could take years. Quite likely, it would eventually qualify ... and get built.

Affordable Housing can be built on many, many other properties and still compete for Tax Credits. The closest location is the City parking lot, recently completed just north of City Hall, which is under utilized. There is nothing unique about 3 North to qualify over the West Plaza parking lot, for example.

The possible uses for the 11,000 square foot space with 16' ceilings mentioned in the flyer are speculative. Without architecture, who knows what would be possible. The uses listed, while appealing, are not all compatible. For example, childcare has very specific and rigorous architectural requirements which were not evaluated. And that wouldn't mix well with a 'maker space.' At one time what was proposed was moving the Healdsburg Library to the ground floor in a preliminary discussion with Burbank. The list in the flyer is click bait!

The offer of \$7,000,000 from a donor to build a project that was approved by the City Council, the Farmers Market Board and the Park and Rec Commission is money in hand for something the community overwhelmingly supported in 2016. Advocating for an \$18M project that is entirely speculative and could qualify for tax credits on many other parcels borders on the irrational.

To welcome a gift from a wealthy family interested only in "naming rights" might actually encourage other benefactors with ample resources to offer development of other community amenities. That is how Sonoma got the Sebastiani Theater, UC Davis got the Mondavi Wine Center, etc.

"What is possible:" The flyer suggests just one of dozens of potential solutions for the site. But of all the possibilities there is only one that has \$7M in hard currency TODAY, has preliminary approval from Park & Rec, City Council, Farmers Market, notwithstanding 15 years of community input and approval. Furthermore it would be a gathering place that would provide enormous benefit to the well being of the Plaza while creating an additional venue for community events.

A nuanced and subtle distinction about tax subsidized Affordable Housing. There is a limited and time constrained opportunity to insure the tenants who qualify for Affordable Housing work or live in Healdsburg. There was a PD article last year describing how Burbank eliminated 7000 names on the waiting list for Affordable Housing and switched to a lottery!! David Sotomayor, the City's Housing expert, said the only controls are during a narrow window of locally focused marketing to avoid running afoul of Federal Fair Housing laws. Probably also depends on the managing company.

"What few realize is that this uniquely available lot is city-owned, zoned for mixed-use and, has state funding available if construction includes affordable housing."

There is funding available in a competition for tax credits. No one paying attention for 15 years could not know that the City owns the lot.

"The city has received strong support from a small group in favor of the pavilion but will consider options until their meeting on March 2nd. It is therefore imperative they hear from everyone before that date."

There is an online petition which has over 1200 signatures. That is hardly a small group in favor.

Christie, I would be glad to sit down with you and talk about each of the points you make. The proposed pavillion is not "primarily supported by adjacent hoteliers"! That Foley owns the Le Mars Hotel is true. The consensus for repurposing 3 North to benefit the entire community preceded Foley's interests in Healdsburg by nearly a decade!

Richard Burg

=====
If you want to truly understand
something, try to change it.
-- Kurt Lewin

=====
Richard Burg [REDACTED]
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From: Christee Styles
Sent: Monday, February 24, 2020 2:54 PM
To: Christee Styles <cstyles707@gmail.com>
Subject: Time sensitive plea

Did you know... the pavilion proposed to replace the Cerri/Purity building at 3 North St in Healdsburg is basically an open-air, seasonal-use structure with a paved lot for the 28 days-a-year farmers market and, is primarily sponsored by adjacent hoteliers?

There is no lack of event-worthy venues near the plaza - and the farmers market already has a similarly functional lot nearby - yet, there is a desperate lack of reasonably priced housing anywhere near downtown.

What few realize is that this uniquely available lot is city-owned, zoned for mixed-use and, has state funding available if construction includes affordable housing.

By continuing to push out our lower-income seniors and multi-generational families - that contribute to and work for the plaza's businesses - we relinquish any hope for a diverse and inclusive community.

The city has received strong support from a small group in favor of the pavilion but will consider options until their meeting on March 2nd. It is therefore imperative they hear from everyone before that date.

This is not just a Healdsburg issue. The shortage of affordable housing is a nationwide issue that deserves our attention and our voice.

Please read the attached flyers for more information, share with your community, and most importantly, send your thoughts to: citycouncil@ci.healdsburg.ca.us

Thank you for your time,

-- Christee Styles
Sonoma County native and Healdsburg resident since 1998

PS - Please know, this is the only email you will receive from me on this matter.

Begin forwarded message:

From: Richard Burg <richard.burg@gmail.com>

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Subject: Re: Time Sensitive plea**Date:** February 24, 2020 at 4:41:48 PM PST**To:** Christee Styles <cstyles707@gmail.com>

Cristee,

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Richard Burg

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 -- Kurt Lewin

=====
 Richard Burg [REDACTED]
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Raina Allan

From: Raina Allan
Sent: Thursday, February 27, 2020 2:35 PM
To: Shaun McCaffery
Subject: RE: 3 North

Thank you Shaun.

RAINA ALLAN | Acting City Clerk
 City of Healdsburg City Manager's Office
 401 Grove Street. Healdsburg, CA 95448
 707.431.3316 | cityofhealdsburg.org

From: Shaun McCaffery <sfmccaffery@yahoo.com>
Sent: Thursday, February 27, 2020 1:51 PM
To: Raina Allan <rallan@ci.healdsburg.ca.us>
Cc: David Mickaelian <dmickaelian@ci.healdsburg.ca.us>
Subject: Fw: 3 North

On Thursday, February 27, 2020, 8:49:05 AM PST, Bo Simons <bosimons1234@gmail.com> wrote:

Thank you for email. I am in San Diego. I will be back Saturday.

I was part of the Cerri discussion in 2017 and earlier. I have also been involved with NCCS which morphed to NSCS and is now Reach for Home. I care about housing and the future of Healdsburg and affordable housing is part of that mix. I worked for 33 years for the Sonoma County Library. The library in America has become the adult day care center for chronic homeless. I think we are almost all a few medical or financial disasters away from living on the streets.

I know that affordable housing is far from homeless shelters, but the two are part of the bigger picture. To keep a smidge of affordability, Healdsburg needs to ante up and the coast may not be comfortable.

I love Farmer's Markets and the one in Healdsburg is a part of my life. We have had a farmers market for years and we will continue to have one. One of the founders of the market is Doug Stout, also a founder of the Healdsburg Literary Guild, of which I am an officer. I care deeply about the Farmer's Market's viability. With or without the Cerri Building, the Farmer's Market is going to last. Although in the past few years I am concerned about the lack of farmers and more and more crafts and food trucks. Parking is something Mickelian can fix any time he wants. Event space is a non-starter for me. There are a number of venues. I have put on author talks, plays, musical acts at a lot of places all around town and in the surrounding countryside. Whenever I have tried to put them in city-owned facilities I have been quoted exorbitant fees and gone elsewhere. If the event space in the proposed Cerri building is managed by the city, I fear it will suffer the same fate as the Senior Center, the Foss Creek Community Center, and the Villa.

You raise some valid points in your reply to Ms Styles, but nothing to change my opinion.

On Wed, Feb 26, 2020 at 9:50 PM Richard Burg <rbpublic@sonic.net> wrote:

Bo,

Saw your name in the paper!

I don't understand the logic behind the letter you signed that's in the paper. It is seriously misleading. Are you available for a conversation?

I could go down the list of misleading statements in the letter. But since they echo a flyer Shaun was handing out in the Plaza over the weekend and was subsequently distributed by Christee Styles in an email which got forwarded to me I'll share my rebuttal, which I sent to her. And then to the Council.

Perhaps I am missing something, but given the history of the City's purchase of 3 North, the money invested, the community support for repurposing the site, changing direction now seems irrational. Especially when the City has multiple other locations to place Affordable Housing! With over 1200 people signing a petition to support accepting the Foley gift, it feels like the letter is driving a wedge in the community.

I have to wonder what about the proposal for 3 North has you believing the Foley donation should be turned down. We could build 2 or 3 times as many housing units across the street in the West Plaza parking lot, activating North Street with commercial facing rentals, and have housing and a place for non profits and the farmers market to use.

I would really appreciate understanding your support of the letter in the Tribune.

Richard

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It is not necessary to change;
survival is not mandatory.
      -- W. Edwards Deming
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Richard Burg
[REDACTED]
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Here is what I sent to the Council:

Begin forwarded message:

From: Richard Burg <richard.burg@gmail.com>
Subject: What happened to truth?
Date: February 25, 2020 at 4:23:53 PM PST
To: City Council <citycouncil@ci.healdsburg.ca.us>
Cc: David Mickaelian <dmickaelian@ci.healdsburg.ca.us>, Raina Allan <rallan@ci.healdsburg.ca.us>, Steven Sotomayor <ssotomayor@ci.healdsburg.ca.us>

Dear Council members,

An email from Christee Styles. which you can find below my email to her, was forwarded to me by a friend. Others in the community have confirmed that Ms. Styles distributed it widely. I had heard that Council member McCaffery distributed a version in the Plaza over the weekend. I went downtown to find one. I saw copies in the windows of El Farolito and Taco Grande. They did not have any attribution of authorship.

I was very upset the by the misleading opposition of "Proposed" and "Possible." The flyers reference data presented on January 21 and, using an image of a housing project in Los Angeles, made it seem like there was a real choice between the renderings of our community pavillion and an equally developed housing project designed for 3 North.

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Not knowing how widely this misleading information was distributed in the community I responded to her. It is deeply troubling that a Council member was distributing such a biased point of view! And without attribution at first! Could such an act violate the Brown Act?

On March 2 the Council needs to respond to the over 1200 people who signed the petition to accept the Foley's pledge and build the pavilion. I am confident that Monday's agenda will include staff recommendations and a call for a decision.

Richard Burg

P.S. Pitting Affordable Housing against this *particular* project couldn't be more divisive. It is clear that an unexpected gift to accomplish something clearly desired by the community and invested in by the City is what motivated people to sign. That does not make their support any kind of statement about Affordable Housing.

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In any moment of decision, the best thing you can do is the right thing, the next best thing is the wrong thing, and the worst thing you can do is nothing.

- Theodore Roosevelt

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Richard Burg



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Begin forwarded message:

From: Richard Burg <richard.burg@gmail.com>
Subject: Re: Time Sensitive plea
Date: February 24, 2020 at 4:41:48 PM PST
To: Christee Styles <cstyles707@gmail.com>

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Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

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Thank you for your time,

-- Christee Styles

Sonoma County native and Healdsburg resident since 1998

PS - Please know, this is the only email you will receive from me on this matter.

--
Bo Simons
[Redacted]
Healdsburg, CA

--
Bo Simons
[Redacted]
Healdsburg, CA

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Raina Allan

From: David Mickaelian
Sent: Monday, February 24, 2020 5:06 PM
To: Raina Allan
Subject: FW: 3 North St.

DAVID MICKAELIAN | City Manager

City of Healdsburg
 401 Grove Street Healdsburg, CA 95448
 707.431.3318 | cityofhealdsburg.org.

From: David Hagele <dhagele@ci.healdsburg.ca.us>
Sent: Sunday, February 23, 2020 2:44 PM
To: David Mickaelian <dmickaelian@ci.healdsburg.ca.us>
Subject: FW: 3 North St.

David L. Hagele
 Councilmember,



City of Healdsburg

401 Grove Street, Healdsburg, CA 95448
 (707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Charles Duffy <drduffy@comcast.net>
Reply-To: Charles Duffy <drduffy@comcast.net>
Date: Sunday, February 23, 2020 at 5:32 PM
To: David Hagele <dhagele@ci.healdsburg.ca.us>
Subject: Re: 3 North St.

David,

Thanks for the prompt reply. I seriously doubted that Council was the culprit here, given that it would border on the edge of legality.

Charlie Duffy

On February 23, 2020 at 2:22 PM David Hagele <dhagele@ci.healdsburg.ca.us> wrote:

Hi Charlie,

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

Thank you for the e-mail. The flyer was not produced by the Council and I hadn't seen it until Anne forwarded a copy to me this afternoon.

I appreciate all the public comment & look forward to the discussion on March 2nd.

Thanks Charlie, talk to you soon,

David L. Hagele

Councilmember,



City of Healdsburg

401 Grove Street, Healdsburg, CA 95448

(707) 578-7800 • DHagele@ci.healdsburg.ca.us

Note: All e-mail communications through this e-mail account are public documents.

From: Charles Duffy <drduffy@comcast.net>
Reply-To: Charles Duffy <drduffy@comcast.net>
Date: Sunday, February 23, 2020 at 5:20 PM
To: City Council <CityCouncil@ci.healdsburg.ca.us>
Subject: 3 North St.

Dear Mayor Gold and members of the City Council,

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)

The attached flyer has been circulating in our fair city, purportedly from the City Council (implied in the closing). It presents misleading propositions regarding construction of affordable housing vs. the community pavilion at the 3 North St. property.

First and foremost, this is not a binary choice. We can build the community pavilion at 3 North St. AND build affordable housing 1 block north, at the former "Christmas Tree Lot", which is currently home to a virtually unused parking lot. A win-win solution for all members of the community.

The community pavilion proposed for 3 North St. has undergone extensive community scrutiny and represents the desires of a large segment of our population. While it will provide a permanent home for our Farmer's Market, it is, in truth, much more than that. As Director Themig indicated in his recent presentation to the Parks and Recreation Commission, the uses of the pavilion, as a civic meeting space, are limited only by our imagination. Very likely, it will be busy every week, throughout the year. Funding for the project is assured through the gracious donation from the Foley Family Foundation. This project has transformative potential for our city. It is, so to speak, a "slam dunk" for our community.

On the other hand, the "proposed mixed use housing" shows a project currently proposed and being constructed in Los Angeles, CA and not a rendering of the 3 North St. site. Funding for such a project in Healdsburg is speculative and may take years to nail down. Among the "impacts" of the project are a laundry list of items, including child care. which have never been discussed publicly and intended only as lures for the gullible. You will recall, the only use for the first floor of such a project, that has been publicly discussed, is the possible relocation of the Healdsburg branch of Sonoma County Library.

I urge the members of City Council to disown this scurrilous piece of propaganda.

Further, I stand with the numerous organizations that have endorsed the community pavilion and the more than 1200 citizens who have petitioned City Council to accept the generous offer from the Foley Family Foundation and go forward with the community pavilion project, to the benefit of all members of our community.

Regards,

Charles A. Duffy



Healdsburg, CA

Attachment: Three North Street Correspondence (2728 : 3 North Street - Future Use)