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PLANNING COMMISSION
MEETING OF: August 25, 2020

UNAPPROVED DRAFT MINUTES

PLANNING COMMISSION
CITY OF SEBASTOPOL
MINUTES OF August 25, 2020

PLANNING COMMISSION:

The notice of the meeting was posted on August 20, 2020.

1. CALL TO ORDER: Chair Fernandez called the meeting to order at 7:00 p.m. and read an opening statement.

2. ROLL CALL:

Present:	Chair Fernandez, Vice Chair Fritz, and Commissioners Kelley, Oetinger, Lindenbusch and Haug
Absent:	Commissioners Douch and Wilson (excused)
Staff:	Kari Svanstrom, Planning Director Alan Montes, Associate Planner

3. APPROVAL OF MINUTES: July 14, 2020

Commissioner Oetinger amended the minutes.

Commissioner Lindenbusch made a motion to approve the minutes as amended.

Commissioner Oetinger seconded the motion.

The Commission voted on the motion as follows:

AYES:	Chair Fernandez, Vice Chair Fritz, and Commissioners Oetinger, Kelley, Lindenbusch, and Haug
NOES:	None
ABSTAIN:	None

ABSENT: Commissioners Douch & Wilson

4. COMMENTS FROM THE PUBLIC ON ITEMS NOT ON AGENDA:

Director Svanstrom noted that public comment was received by Commissioner Haug as a member of the public and stated that her comments were included in their packet for reference.

Oliver Marks, a resident of Sebastopol, requested that the other speaker go first.

Jill, a resident of Sebastopol, commented:

- Has called and sent emails.
- Hopes for some of her questions to be answered.
- Interested in learning more about the County's proposal to purchase the Sebastopol Inn property.
- Is the Inn in the floodplain?
- Surprised to hear that the County could bypass the City's well-established processes and plans that have been put in place to maintain the character or tenor of this city.
- Is it true that the County can just come in and do whatever they decided to do, do they have that kind of power over the City of Sebastopol?
- Curious to know where she can find the answers to these questions.
- Has heard, should the Inn be purchased, that it could be a solution for the RV's that are on Morris Street.
- Quite versed in the challenges with the RV's on Morris Street.
- Some of these people will not abandon their RV's.
- Has heard some people mention that the RV's could be parked in the parking lot at the Inn.
- Co-owns a business in Gravenstein Station.
- There is an easement agreement between Sebastopol Inn and Gravenstein Station.
- Would they be allowed to park their RV's in that parking lot?
- If so, is that in line with City policy?
- Has great concern with those parking spots being taken by these large RV's.
- Reiterated her desire to have her questions answered.
- Thanked the Commission for their time.

Mr. Marks commented:

- Assuming Sebastopol Inn is purchased by the County, what would the timeline be for converting the Inn site into a site suitable for housing the homeless (including filling in the swimming pool, fencing off the Joe Rodota trail, etc.), and at what point would it be fit for housing the homeless?

Rei Blaser commented:

- Thanked the Commission for the chance to comment.
- Reached out to Chair Fernandez with questions about Sebastopol Inn and the County of Sonoma's jurisdiction but did not hear back.
- Hopes to have her question answered.
- Where in our codes does it say that the County is allowed to circumvent processes that we have put in place (such as design review).
- From what she understands the County cannot overstep the City's laws.
- Looking for understanding.
- Wants to support the Planning Commission and the City in it being sovereign from the County.

- The County has jurisdiction over areas in Sebastopol that are outside our city limits.
- Thanked the Commission for their time.

Hearing nothing further, Chair Fernandez closed the public comment period.

Chair Fernandez responded:
- Apologized for not getting back to Ms. Blaser and commented that he is available to speak on some of the items she inquired about.
- Director Svanstrom may be able to respond to some of the questions that were asked.
- The Planning Commission does not have the ability to debate or discuss the Sebastopol Inn issue based on California laws.
- If we cannot answer these questions, we may be able to find the answers and get back to the public on them at a later time.

Director Svanstrom commented:
- Jill and Ms. Blaser attended the City Council meeting that was held on August 11 which covered the County's interest in the Sebastopol Inn site.
- This segues into the Planning Director's report as this is an item of interest to the Commission.
- Happy to follow up on the items she cannot answer as part of her report.
- The County is looking at potentially purchasing the Sebastopol Inn.
- The property owner has approached the County about that for a State initiative called Project Homekey, which is to provide hotel rooms and potentially transition to longer range housing.
- At this point, it would be for those at risk of Covid-19 who are low-income.
- This is a County led project.
- As with our Veterans building, a County owned property is not subject to City regulations which is consistent with State law and is not spelled out in our code anywhere.
- Can follow up with the City Attorney for more specifics on that.
- Yes, the Sebastopol Inn property is in the floodplain.
- The Planning Department maintains a link on the City website to GIS mapping that gives the ability to look at a lot of different layers, the 100- and 500-year floodplain can be seen there.
- The 100-year floodplain is considered the regulatory floodplain that FEMA is concerned about which represents a 1% chance in any year that a flooding event would happen.
- Unable to answer the question on parking and easements at this time.
- Easements are generally governed by the language of the easement, and usually, if it is between two properties, it is between the two property owners to understand what it means.
- Would need to do some further research on City regulations regarding RV's.
  - Knows that that is not the intent of Project Homekey.
  - Unsure about whether that is the intent of the County.
- In terms of the timeframe, should the project move forward, that will be up to the County.
  - Timeframe was discussed briefly during the City Council meeting on August 11.
  - Does not know what the County's schedule would be for it.
  - That would be a question for the County's Community Development Commission.
  - Knows that the County did submit the application.

- Believes it is a pretty long process that could potentially go through October before they find if they are awarded funding for that project.
- Images there will be some follow up conversations between the County and the City on that project.

Hearing nothing further, Chair Fernandez closed the public comment period.

5. STATEMENTS OF CONFLICTS OF INTEREST: There were none.

6. PLANNING DIRECTOR'S REPORT

Director Svanstrom updated the Commission on the following:

- The City Council held a meeting on August 12 to hear from CoMission (the economic and community vitality group that was hired to work on various aspects for the City) on their efforts to assist local businesses during this time which includes PPP loan assistance, a microloan program through a local credit union, and changes to the City's Façade Improvement Program.
- Commissioner Haug asked staff for information on what the City is doing in regard to homeless services and affordable housing.
  - While she responded to Commissioner Haug directly, the information she provided to her would be good for the full Commission to hear as well.
- The City has two projects going on at Park Village, the mobile home park east of Sebastopol Avenue and the Davis Townhomes project.
  - West County Community Services (WCCS) operates Park Village.
  - WCCS has a caretaker/manager unit on site and they operate it for the City by offering case management services to the residents there.
  - The first exciting project that is starting is the rehabilitation of a building that is there, which is already above the floodplain, and will become two 2-bedroom apartments for families.
  - That project is being done with Community Development Block Grant funding that the City applied for.
  - The City also applied for Homeless Emergency Action Program Grant money and received an award to install two additional concrete pads and utility hookups.
  - Those are specifically meant for housing people are living in their RV's right now, to be able to get them off the street by providing them access to full utilities, hookups for their RV's, and the case management services that WCCS provides.
  - The City is working closely with WCCS and they will be specifically targeting people living on Morris Street in their RV's once that project is done.
  - The City is looking at putting both of those projects out to bid in the next month or so.
  - Construction on both of those projects should start soon.
- Budget Hearings are coming up for revisions to the budget.
  - They have had to take a tough look at the Parks Capital Improvement Plan.
  - Has shared the priorities of the Planning Commission with the Budget Subcommittee.
  - The only project that we will not be moving forward with is a grant application this year for additional trails in the Laguna area due to the practicalities of needing a certain amount of matching funds for that.
  - There are concerns that with the economy changing our revenue projections into the future when that project happens may not be as secure.

- The second item on tonight's agenda is a discussion of our Development Impact Fees which is one revenue source for parks.
- Another item she and Chair Fernandez have been discussing, with interest having been expressed by at least one other member of the Commission, is the idea of starting a Parks Foundation which may be a topic of an upcoming meeting.

Chair Fernandez commented:

- Has spoke with one or two other members of the Commission on his thought of trying to be a little bit more proactive and what the Commission can do to move some things forward without tying up additional staff time.
- Open to hearing other ideas on ways the Commission could be effective.
- Referred to the General Plan and the Commission's work plan.
- Invited members of the Commission to comment on or email their thoughts and ideas on this to either him or Director Svanstrom.

Director Svanstrom concluded her Planning Director's report and asked for questions from Commission.

Commissioner Oetinger expressed having no questions for staff at this time.

Commissioner Lindenbusch commented:

- Thanked Director Svanstrom for the report.
- Thanked Chair Fernandez and Director Svanstrom for pursuing a handful of ideas that he brought forward, including the formation of a Parks Foundation, which is central to the vitality of our park system as we move forward into a period of less than stable revenue, as well as making sure that the Commission has a solid work plan, and looking at general areas of priority for the General Plan.
- It has been 42 days since the last Planning Commission meeting, which is not the fault of anyone here, and the Council has been using that time very productively.
- It is important for the Commission to have a general sense of where they are going, especially if they're going be meeting more infrequently than every two weeks.
- Referred to the Council meeting on August 12 and asked if additional funding to the consultant (CoMission) was granted at that time.

Director Svanstrom responded:

- Did not recall if that came up at the meeting on August 12.
- Does not believe that additional funding was granted.
- Recalled there being previous discussion of their budget.
- Can follow up with the answer to that question via email.

Commissioner Lindenbusch commented:

- Recalled CoMission having requested an additional $120,000 which seemed pretty high for them having sent out a survey with the first $40,000.
- If there is any additional funding put forward to the consultant, they should report to the Planning Commission as well as that will be important for the City to have accountability on the process.
- Asked Director Svanstrom to elaborate on the microloan program and the involvement of the Design Review Board.

Director Svanstrom responded:

- The microloan program would not be going through the Design Review Board.

- The City has a Façade Improvement Program, which in the past has been assessed primarily at a staff level and may be revised to involve review by the Design Review Board to determine which grants should be awarded as these improvements involve matters related to the Design Review Board.

Commissioner Lindenbusch commented:

- Thanked Director Svanstrom for the clarification.
- Suggested that staff and the Commission look at developing a process for bringing agenda items forward, such as a Planning Commissioner's Report, similar to the Planning Director's Report item on the agenda.
  - Doing so may help streamline some of the commentary from the Commission that is coming up during the Planning Director's report.
- Requested that staff provide guidance to the Commission on how they can present resolutions to the Commission itself, and on how they can have a more engaged process with the Chair, Director, and staff on driving process.

Director Svanstrom responded:

- Any Commissioner that has an item of interest that they would like to see the Planning Commission discuss should email their request to her and the Chair.
- The Chair and staff work together in looking at the forecast.
- In terms of workload, they look at the Commission's adopted work plan as a priority for staff, along with current planning applications that need this bodies decision making.
- A Parks Foundation, or something similar, is not typically a staff led item. It would be a private nonprofit organization.
  - In this case, staff would be looking to members of the Commission to take the lead and to provide staff with information to publish for an agenda topic if it were desired to be discussed with this group.

Commissioner Haug commented:

- Referred to the letter she submitted as part of public comment.
- Was not aware of the work that the Housing Committee has done, and still does on the City Council.
- Suggested that a liaison from the Committee be assigned to the Housing Committee so they can provide updates to the Commission on housing and homeless services at the Council level.
- Director Svanstrom reported valuable information during her report that she was not aware of previously.
- Since it is unlikely that the Commission will be able to meet out at Ives Park in the near future to take a walking tour involving the public, she suggested that each member take a tour of the park individually and take notes of repairs that they see as being needed in relation to the Ives Park Master Plan.
  - Members of the public could be invited to take their own tour and report back as an effort to gather public input on what they would like to see changed and/or repaired.
  - That input could then be brought to a public meeting via zoom where the Commission could discuss feasible improvements, given our budget restrictions for parks.
  - Trying to think of a creative way for the Commission to start generating a list of smaller improvements that could help meet part of the Master Plan without the 4-million-dollar price tag.
  - We should not delay these discussions until after Covid is resolved because that is a good number of months away.

    - Would like the Commission to start thinking about and creating a priorities list.
- Concurred with Commissioner Lindenbusch on wanting the Commission to have meetings more often to address ongoing issues like parks priorities, regulations around ADUs and vacation rentals, etc.
- Hopes to see the Commission move forward on and resolve some of these ongoing issues.

Director Svanstrom responded:
- There are some good ideas there regarding parks.
- Asked Commissioner Haug if she is volunteering to organize how people could go about doing that?
- Would love to work with Commissioner Haug on that as an alternative to the walking tour that the Commission was looking to do.

Commissioner Haug responded:
- She would be happy to help organize that.
- The process can be fairly simple.
- Believes everyone has a copy of the Master Plan which is well laid out with numbers.
- People could go to the park, write down their notes, and correspond them to the numbers on the Master Plan.
- Suggested that the Commission discuss this and how it could work further.

Chair Fernandez commented:
- The last time the Commission did a walking tour of Ives Park it was really helpful to a staff member from the Public Works Department because they can provide information that may be helpful in terms of items being in progress, existing issues or hold ups, etc.
- Believes the Commission could meet at the park and have a socially distance walking tour and ask questions and have them answered, which could be more efficient than everyone going individually.
- The park is a fairly big area so remaining socially distant should be doable.
- In terms of meeting more frequently, that is something that may need to be discussed with Council, which he would be willing to do.
    - Staff availability for more meetings will need to be considered as well.

Director Svanstrom responded:
- Commissioner Lindenbush's comment was that the Commission hasn't been meeting every two weeks.
- Staff tried to keep the last meeting date but wound up having to cancel it because the Council needed the meeting date for a special presentation by the County on their proposal to purchase the Sebastopol Inn property which is a critical issue for a lot of people in the community.
- Given that, staff tried to arrange for a special meeting of the Commission but could not get a quorum.
- Due to the cancellation, the Commission has a packed agenda tonight which may lead to the second item being continued if it goes on too long.

Chair Fernandez clarified that Commissioner Haug was suggesting that the Commission hold more of their scheduled meetings, rather than adding additional meetings to their schedule.

Commissioner Haug responded in the affirmative.

Commissioner Kelley expressed having no questions for staff at this time.

Vice Chair Fritz commented:

- It might be helpful for us to dig out the staff report from when the Commission previously conducted a walking tour of Ives Park.
  - This could provide a starting point for things that were already discussed as well as the comments and feedback that were provided by the Public Works department.
  - Distributing that information to the Commission could be a good starting point.
- Asked for an update on the Council's discussion around looking at City policing policies.

Director Svanstrom responded:

- Thanked Vice Chair Fritz for the question.
- The City Council hired consultant, Jerry Threet who will be working on that issue.
- The City has hired an interim Police Chief named Don Mort.
- Chief Mort started working for the City last week.
- Spoke on Chief Mort's experience.
- Lieutenant Devore served as Acting Police Chief in the absence of James Conner who retired in December 2019.
- The recruitment process has been impacted by the pandemic and shelter in place order.
- Chief Mort will certainly help the City look at some of the questions and issues that were raised as part of those meetings as well.

Vice Chair Fritz asked staff if a process has been established for how the City will go about this issue.

Director Svanstrom responded that Mr. Threet is currently working on that assessment.

Chair Fernandez commented:

- Glad to hear that the Façade Improvement Program is still going on.
- Spent a couple years being the Economic Development Coordinator for the City, which he was fortunate to start.
- During his time as the Economic Development Coordinator, one of the things they ran into was the buildings along the main thoroughfare require Caltrans involvement to update their facades.
  - This has to do with cordoning off the sidewalk and public access issues.
  - This might be something to look at ahead of time.
- It may be good to be a little proactive.
- If there are certain buildings in town that we might benefit from the program, the City may want to reach out to the property owner.
- If you are the owner of an older building this sounds like a pretty good opportunity to improve the side of your building and have some of the costs paid for you.
- Another issue they ran across was building owners being concerned about the potential of opening up a can of worms in terms of these improvements shedding light on other code compliance issues, needed modifications, etc.

7. REGULAR AGENDA:

A. TEMPORARY USE PERMIT: HEAD WEST MARKETPLACE (The Barlow) – Project #2020-014 – This is an application, submitted by Jimmy Brower for Head

West Marketplace, requesting approval of a Temporary Use Permit to allow an outdoor market, featuring makers, crafters, designers, artists, small brands, local shops, and specialty service providers. The market is proposed to occur on the first Saturday of each month until the end of 2020. The market will take place on the privately owned portion of McKinley Street, located within The Barlow.

Chair Fernandez provided an introduction.

Associate Planner Montes presented the staff report.

The Commission asked questions of Associate Planner Montes and Director Svanstrom.

Chair Fernandez asked if the applicant wished to make a presentation.

The applicant, Jimmy Brower, gave a brief presentation and was available for questions.

Chair Fernandez asked for questions of Mr. Brower.

The Commission asked questions of Mr. Brower.

Mr. Brower asked questions of Associate Planner Montes and Director Svanstrom.

Chair Fernandez asked for comments from the public on this item.

Ms. Blaser commented:

- Speaking on behalf of the Sebastopol Downtown Association (SDA).
- The SDA appreciates Mr. Brower's efforts to bring Head West to The Barlow and to encourage the element of diversity here.
- Because we have more Caucasian than non-Caucasian people here, it is great that vendors can bring some diversity to the community that we all support and encourage.
- Yolanda from The Barlow shared during the Council meeting with CoMission that a large percentage of their patrons are from within Sonoma County, and that a very low percentage come from outside the Bay Area.
- That information is encouraging.
- Appreciates their efforts around social distancing, sanitization, and the various requirements from County Health.
- Encouraged Mr. Brower to secure all the appropriate permits that they need.
- Thanked the Commission for their time.

Hearing nothing further, Chair Fernandez closed the public comment period and asked for Commission discussion and deliberation.

Vice Chair Fritz commented:

- Supports removal of the condition that would require that 75% of the vendors be from Sonoma.
- Understands wanting to limit travel, but a limited number of vendors from played beyond Sonoma County seems acceptable.
- Referred to Condition 22 and asked staff to expound on the need for that.
- Unless there is a compelling need to have Condition 22, he would be in favor of removing it as well.
- Supports this application.
- Appreciates the number of safeguards that this applicant is taking.

- Would be concerned if this event would garner 4,000 attendees.
- Seems like this will be a controlled event.
- It is good to give people an opportunity to be outside and to support local businesses and small-time vendors, especially now.
- Glad that Mr. Brower has chosen to bring this event this to Sebastopol.

Chair Fernandez asked staff to respond to Vice Chair Fritz's comments on Condition 22.

Associate Planner Montes responded that Condition 22 was a carryover condition from the prior approvals, and the thought process behind it was that it could be opened up if traffic issues are resulting from the market.

Commissioner Kelley commented:
- Concurred with Vice Chair Fritz about decreasing the limitation to where the vendors are coming from even though her preference would be to have all local vendors.
- Suggested that the applicant look for more vendors in Sebastopol and increase his marketing to our entrepreneurial spirit as well.
- Mr. Brower probably knows a lot about the availability of that here.
- Believes this will be a nice event.

Commissioner Haug commented:
- Supports this application.
- Concurs with Vice Chair Fritz on striking Condition 6 in terms of the percentage of vendors from Sonoma County.
- Wants to support our local entrepreneurs.
- Mr. Brower has likely done a considerable amount of research and has relationships with his vendors.
- Comfortable leaving that up to Mr. Brower's discretion as the person running the market to decide who the vendors should be and what the proper mix would be.

Commissioner Lindenbusch commented:
- Echoed comments made by Vice Chair Fritz and others who have expressed concern with Condition 6.
- Hears staff and the concern about the spread of Covid-19.
- Having a geographic understanding is important.
- Solano County was omitted from this list, and it is a bordering county of ours, and one that is arguable the most diverse in the North Bay.
- It is extremely important for diversity, equity, and inclusion to expand that and if we're going to require that vendors are from a certain area, I think that saying that they need to come from at least the eleven Bay Area counties would allow for the greatest geographic breadth with an understanding that people aren't coming from extremely long distances to this market.
- Would also support striking Condition 6 altogether, because the application has shown that the applicant has the due diligence to make sure that this event is a success, and that the vendors and customers are not in harm's way to the greatest extent possible.
- Thanked the applicant for bringing this application forward.

Commissioner Oetinger commented:
- Concurred with comments from members of the Commission.

- Asked if temperature checks of vendors, especially those coming from great distances, would be conducted and/or if a condition includes the requirement of that.
    - Does not know that temperature checks are practical in terms of stopping any infection for that day so may be useless.
- Supports elevator-type music for this event as it is hard to imagine having live music.
- Understands from the applicant that they will not allow large crowds to form in close proximity to one another.

Chair Fernandez asked Mr. Brower to comment on Condition 8 which states that targeted marketing shall be geographically limited to Sonoma and Marin County.

Mr. Brower commented:

- Since Head West has initiated at The Barlow that is where he targets 100% of the marketing, promotion, and advertisements to, which is strictly the North Bay.
- In addition, my marketing, promotion, and advertising channels go through, first and foremost supporting the North Bohemian whom he has a strategic partnership with.
- This has been an annual partnership that includes print, digital, magazine, and dedicated email blasts which are all targeted toward North Bay residents.
- He supplements that with Instagram and Facebook ads as well.
- Everything is targeted per the community in which Head West resides.

Chair Fernandez asked about signage at The Barlow and in the area to advertise the event.

Mr. Brower responded that every marketing and promotion lists where the event is held, both the venue and the town.

Chair Fernandez commented that he supports elimination of Condition 6 and Condition 22.

Mr. Brower asked Chair Fernandez if he could comment on Condition 22.

Chair Fernandez responded in the affirmative.

Mr. Brower commented:

- In his experience, it is always good practice to make sure that there is at least 10 feet of clearance between each side of the street for emergency vehicles.
- Not sure if that is listed in the conditions somewhere or if Condition 22 is intended to address that.
- Would recommend that that is a condition for any application going forward and that entities be held accountable for that for liability purposes.

Chair Fernandez responded that he does not have a problem leaving Condition 22 as is.

Chair Fernandez made a motion to approve the application with the following:

- Condition 6 shall be eliminated.

Commissioner Lindenbusch seconded the motion.

Chair Fernandez asked for discussion of the motion.

Hearing none, the Commission voted on the motion as follows:

AYES: Chair Fernandez, Vice Chair Fritz, and Commissioners Oetinger, Kelley, Lindenbusch, and Haug
NOES: None
ABSTAIN: None
ABSENT: Commissioners Douch & Wilson

Chair Fernandez thanked Mr. Brower, wished him well, and commented that members of the Commission hope to see him down there in a safe, fun time down the road.

Director Svanstrom noted the 7-day appeal period.

Mr. Brower asked Chair Fernandez on two items as he was unsure if they were included in the approval. Those items were the expansion into Pink Lady Court as well as making a "T" off McKinley Street to allow an expansion to 50-60 vendor booths as well as additional physical distancing space.

Chair Fernandez asked staff if that was included in the approval.

Associate Planner Montes responded that those items were not written into the approval because staff did not have the opportunity to route that around to other City departments in time.

Director Svanstrom responded that that would need to return to the Commission for an amendment in that case.

Mr. Brower clarified that for the upcoming event on September 5, the event is restricted to McKinley Street, and he can coordinate with staff on setting a date for the amendment as mentioned above to return to the Commission.

Chair Fernandez asked about the possibility of the Commission delegating approval of the amendment to the Planning Director after the request is routed and department comments are received.

Director Svanstrom responded that the amendment would need to return to the Commission and offered to place it on the Consent Calendar given that the Commission has not expressed concern over the request.

Chair Fernandez asked if that would occur before their first event on September 5.

Director Svanstrom responded that that could not be done before September 5.

Chair Fernandez asked Mr. Brower if he was amenable to that.

Mr. Brower responded in the affirmative and commented that the next scheduled event will be held on October 3, 2020.

Hearing nothing further, Mr. Brower thanked the Commission for their time.

Chair Fernandez adjourned the meeting at 9:00 p.m. for a brief break.

Chair Fernandez reconvened the meeting at 9:05 p.m.

B. DISCUSSION OF DEVELOPMENT IMPACT FEE STUDY

This item is a study session to receive an overview of the Development Impact Fee Update that is underway, and to discuss and provide policy direction to staff and the consultant.

Director Svanstrom introduced the consultants, Alison Bouley and Nick Kral from Harris & Associates, and provided an introduction.

Mr. Kral and Ms. Bouley from Harris & Associates presented.

Commissioner Lindenbusch asked Director Svanstrom to clarify the ADU factoring into the development cap.

Director Svanstrom responded:

- We have a limit of 50 new dwelling units per year.
- There are several permits that are not subject to the yearly cap, but they do all count towards the 750-total cap in our Growth Management Ordinance through 2035.
- ADUs, deed restricted affordable housing, and senior housing units don't count towards the 50-unit cap, but they do count towards the overall 750 cap.
- The reason for that is that our Growth Management Ordinance is based on the limitations of our infrastructure.
- We do not want to restrict or prevent affordable housing units, but they do take part of the capacity of the overall infrastructure.

Commissioner Haug commented:

- Is constantly harping on ADUs and vacation rentals because our goals are to preserve our housing stock.
- If the Sebastopol Inn is converted into a homeless shelter, then we will lose additional hotel rooms.
- Has there been any discussion about people who have their development fees waived because they're building an ADU, and then turn around and use either their home or ADU as a vacation rental? Is there a way for the City to go back and collect fees on the ADU that are equivalent to a hotel (depending on how many people the vacation rental would serve)?

Director Svanstrom responded:

- The answer is no.
- ADUs and whether development impact fees can be charged for them are restricted by state law.
- One of the reasons that the proposed 2040 assumptions are looking at 200 units is because we know a number of the 328 units will likely be ADUs that we cannot charge development impact fees on.
- Single family homes are subject to development impact fees.
- In terms of vacation rentals, that is controlled through the vacation rental policy not through a development impact fee study.

Commissioner Haug surmised that there is no way to recoup what we would ask from a traditional developer in terms of impact when somebody is basically running a hotel out of their private property.

Director Svanstrom responded in the affirmative and commented:

- It is considered a residential use in a residential zoning district.

- It is inherent in the vacation rental policy to control whether that use would be allowed.
- Perhaps the consultant could respond to the fee question.

Vice Chair Fritz commented:
- All these numbers seem a bit optimistic in terms of development for Sebastopol.
- Sebastopol is not known as a community that develops a whole lot.
- The thought of having another 200 single family homes in the next 20 years seems unlikely.
- The multifamily figure of 375 units may not be so unlikely given that there are a couple of potentially larger projects that have been discussed.
- The numbers for Office, Commercial/Retail, and Industrial seem high too because we do not do a whole lot of those types of developments here either.
- Has lived in Sebastopol for 18 years.
- There has not been 100,000 square feet of commercial/retail development during that time.
- Hard to understand how they came up with these numbers.
- Does not see a big rush to do a whole lot more retail development here in the coming years either.
- Suggested that the consultant give the Commission some feedback on how they came up with these numbers.
- Reiterated that the numbers seem a little high.

Mr. Kral responded:
- The source of the numbers came from an EIR.
- There was a land use projection done by another consulting group that looked at the maximum intensity of the city's ability to hold new development.
- It is the question of what is considered likely versus possible.

Vice Chair Fritz commented:
- The multifamily figure might be the most realistic.
- The hotel figure might be realistic as well because we have a 70-unit hotel that will hopefully be beginning construction soon.
- The rest of the numbers seem a bit high.

Director Svanstrom noted that the consultant would be going through the presentation and would later return to each of the discussion issues after public comment and any questions from the Commission.

Mr. Kral continued his presentation.

Chair Fernandez asked Director Svanstrom to reiterate the Commission's goals and focus for this meeting and the next.

Director Svanstrom responded that the intent is for the Commission to provide input on some of the development assumptions and policy considerations. Harris & Associates will update those assumptions, do the adjustments, and fee calculations, and return to the Commission for discussion of the updated development impact fees.

Chair Fernandez thanked Director Svanstrom for reiterating that and asked for questions of the consultant from the Commission.

Vice Chair Fritz commented:
Asked if there is a point in the process, particularly around residential development, where the consultant looks at what the fee impact will be on an actual development to ensure that the fee is not too high to the point that it might discourage development.

Mr. Kral responded:

- Usually the best way to determine if a feel will be detrimental to a development is when you compare to your neighboring jurisdictions.
- If a developer has a choice between Sebastopol and Cotati for a new development, and there are two essentially equivalent tracks for everything else, but the fees in Sebastopol were double Cotati's, the developer will probably choose to build in Cotati.
- A preliminary comparison has already been done and it is looking like Sebastopol's fees will come in at, or below market for everybody else.
- That should not be a huge concern and will be zeroed in before the next Commission meeting on this topic.
- There is not a way to tell what the exact impact on development would be if you charge an extra $3,000 in traffic fees.

Director Svanstrom commented:

- The assumptions about how fees are structured for residential with the discount for smaller units is one of the things that the City Council had looked at previously and is part of tonight's discussion.

Chair Fernandez asked about fees being passed on, how that is measured, and the impact they can have on making areas more expensive to live in.

Director Svanstrom asked Chair Fernandez if he was asking about the raised development fee getting passed on when a new house is sold.

Chair Fernandez responded in the affirmative.

Director Svanstrom commented that the City invited about a dozen or so developers that have either done work in the city, are currently doing work in the city, or have expressed some other interest to try to engage them in this process as well. While she saw quite a few in attendance earlier, some of them may have left due to the length of the meeting.

Vice Chair Fritz asked how funds that are assessed to a project can be spent and gave traffic impact fees as an example.

Mr. Kral responded:

- Traffic impact fee funds cannot be used to fund any maintenance items such as repairing potholes.
- Those funds would go into a separate Traffic Impact Fee fund which can only be spent on a list of projects that we would have available with Public Works.
- The funds in the Traffic Impact Fee fund can be spent on any one of the projects on that list, but it cannot be spent on anything outside of those projects.
- Spoke on cost allocation for new development and old development for projects that may be considered a bit overdue.

Commissioner Oetinger commented:

- Given how small Sebastopol is, she asked how it compares to other cities as in the consultant's mind when looking at this because we do not have that much building so we do not raise that much money which can make our fees look higher.
- Does the consultant recommend that the City do what most cities do, or should we look at something special for being a smaller town?

Mr. Kral responded:

- The idea of most cities is that there is kind of a general practice around these types of items.
- Some of the smallest cities they work with are half the size of Sebastopol.
- Some of the larger cities they work with are 20 times the size of Sebastopol.
- They all kind of follow the same methodology for most of these items so it all kind of balances out when it is all said and done.

Commissioner Lindenbusch commented:

- Asked how ADUs over 750 square feet are factored into the calculation.
- Asked if the impact fee calculation for single-family residences or multifamily residences would be used?
- Asked if they would be concurrent with the projection of units as well?

Mr. Kral responded:

- If the ADU is 751 square feet and the main house is 1,000 square feet, the fee for the ADU would be 75.1% of the fee for the main house because that is the proportionate size of the main unit.
- On a multifamily basis, it would be based on the size of that as well.

Chair Fernandez asked if members of the public wished to comment on this item.

Hearing none, Chair Fernandez closed the public comment period.

Director Svanstrom noted that staff had not received written comment on this item either.

Chair Fernandez confirmed that members of the public would have an opportunity to comment when this item returns to the Commission.

Director Svanstrom responded in the affirmative.

Chair Fernandez asked for questions and/or comments from the Commission.

Mr. Kral asked to hear from the Commission on development assumptions.

Director Svanstrom noted that they looked at office and retail space that had been built in the last 10 years when coming up with these assumptions.

Commissioner Oetinger asked if a vacant retail space, such as the old CVS space in Redwood Marketplace, would be included in the calculation if it was rebuilt.

Mr. Kral responded:

- If the old space were 20,000 sq. ft. and the developer demolished it and rebuilt a 50,000 sq. ft. space, it would count as 30,000 sq. ft. on our end because that amount reflects the increase.

Commissioner Oetinger commented:

- It seems like we could get that kind of development over the next 10 to 20 years on existing property, especially some of our shopping centers.

Commissioner Haug commented:

- Concurred with Commissioner Oetinger that Redwood Marketplace would be prime development for mixed use with multifamily units above and shopping below.
- On a personal level, she would like to see more infill that mixes commercial and residential, especially along our traffic corridors.
- Unsure how we as a City can support that.
- We should be looking at more infill in areas along traffic corridors that are accessible to Joe Rodota and other amenities within the city core.
- Both for environmental purposes and for smarter more dense community, and to make resources more available to people from a variety of income levels.
- Does not know if that Commercial/Retail figure might need to be adjusted.
- If we can pursue that type of development, then we could potentially have more retail space by building more densely because the denser your population is the more retail you can support.

Chair Fernandez asked about our fee structure for remodels or buildings over 25,000 sq. ft.

Director Svanstrom responded:

- Remodels would generally just go through a building permit if the improvements are internal.
- The City has received a proposal from The Beale Group to remodel the old Round Table Pizza building.
    - In this case their square footage is going down a little because they are adding an elevator to the building, so they are reducing the square footage of the building.
- As Mr. Kral stated, if there was an increase to their square footage the additional square footage would be subject to this fee, but any renovations where they are repurposing existing square footage would not be subject to development impact fees unless it was to something that was of a lower category that is changing to a higher intensity use.

Chair Fernandez commented:

- Recalled that there was some type of fee for development over a certain amount of square footage at one point.
- Offered to research that and come back to it later.
- The Hotel assumption of 90 rooms may be an underestimate.
- The Hotel assumption of 90 rooms could possibly be a higher number than that.

Director Svanstrom responded:

- Hotel Sebastopol is 66 rooms.
- Not sure why we set on 90 rooms versus 100 rooms.

Mr. Kral responded:

- Believes they took 173 and netted off a project and then rounded up to the next number to give a little bit of leeway.
- The number can be increased if there is a possibility for more.
- These numbers are not set in store for the next 20 years.

- These numbers can be looked at and adjusted as needed over the coming years.
- This is not a set it and forget it type of situation.

Chair Fernandez commented:

- We will be able to see how it translates in terms of how much the fee will be for a single-family residence with a certain number of square feet compared to that of a hotel room, a commercial space, etc.

Mr. Kral responded in the affirmative and noted that the calculation would be per sq. ft.

Chair Fernandez commented that it is difficult to understand the breakdown in terms of cost at this time, which he understood was not what the Commission was being asked to do during this meeting.

Director Svanstrom commented:

- This meeting is aimed at what the Commission thinks is going to happen in the next 5 to 10 years while looking to 2040.
- These fees are updated every five years.
- This gives us a chance to go back and assess our projections and compare them to what really happens.

Commissioner Lindenbusch commented:

- Tends to agree with Vice Chair Fritz in that the single-family assumptions might be a little high.
- Concurred with Chair Fernandez in that 90 hotel rooms may be a little bit low.
- In general, this looks good.
- The ADU portion of it brings up another way of thinking about it.
- An ADU over 750 sq. ft. would count as a single-family unit, in terms of the fee structure.
- 200 single-family units in Sebastopol seems unrealistic with our urban growth boundaries and the amount of space we have for that type of development.
- If the ADU rules change to be competitive with other jurisdictions in the county, by mainly having the portion that we can charge fees for increasing.
- The current cap is at 850 sq. ft.
- Associate Planner Montes provided him with some statistics on ADUs over the past couple years.
- Since the laws have become more lenient on ADU development, we have actually seen the numbers go down gradually.
- There could be more work on the City's behalf to increase the amount of ADUs as non-deed restricted and informal, or naturally occurring affordable housing.
- Santa Rosa has a cap of 1,200 sq. ft. where it is much more plausible to be able to build a two-bedroom ADU, for example, than you might be able to with 850 sq. ft.
- With the amount that State laws have been changing, this is a promising area for the City to look at for increasing revenue over the next 5 years, 10 years, 20 years, when we will likely continue to see a decrease in retail and these other revenue streams for impact fees from development.
- ADUs could be a really promising way to make that up.
- Does not think that 200 single-family units have been developed here since the 1940's.
- 200 ADUs might be plausible, which is about 10 per year, even if no single-family units were developed.
- 200 ADUs might be conservative for the amount of ADUs on single-family homes.

Director Svanstrom commented:

- One of the things to consider is what are most people building.
- We have some over 750 sq. ft. in the pipeline.
- The majority of ADUs that she has seen are in the 500 to 750 sq. ft. range though so they would not really be associated with this.
- We allow up to 1,000 sq. ft. for a two-bedroom ADU which is consistent with State law.
- Based on what she is hearing, it may make sense to adjust the Single Family number down because most likely more them are going to be ADUs.

Commissioner Lindenbusch thanked Director Svanstrom for her comments.

Associate Planner Montes asked if any consideration had been given to basing impact fees for a single-family house on its square footage.

Director Svanstrom responded that that was their next discussion point and asked if members of the Commission had any specific numbers they would like to see changed.

Commissioner Haug commented:

- She would downgrade the Commercial/Retail and the Office because we are in a very unpredictable moment in terms of development in California due to climate change and other considerations.
- We are entering fire season right now and it is August.
- The pandemic and recent evidence of climate change leads her to not feel confident in the proposed numbers.
- Suggested that those numbers be reduced by at least 20% to 80,000 sq. ft. for each.
- Asked if the Industrial category is referring to a spirit maker in The Barlow or a canning factory?

Director Svanstrom responded that the Industrial category refers to both of those types of uses and spoke on opportunities for industrial development in town.

Commissioner Haug commented:

- Would potentially downgrade Industrial to 45,000 sq. ft.
- If you are trying to look at projections in terms of funding, it is better to come in a little under then to think you might be getting funding that never materializes.

Director Svanstrom asked Mr. Kral and Ms. Bouley if they have thoughts about lowing the development assumptions too much because doing so could result in raised fees to the point that development would become more difficult and less likely to occur.

Mr. Kral responded:

- They would need to update the numbers on an Excel spreadsheet to know what a 20% reduction in assumptions would do to the fees.
- Specifically, for Retail, because of the higher trip usage for retail commercial square footage, the more you lower the fee the higher the traffic fee becomes on everybody else because that normally eats a big portion of the fee.
- Recalled that traffic fee recalculations are not horribly high and does not actually change much from what the current fee is.
- We could take a little bit more out of those square footages without making a material difference.

- The more you lower development assumptions the more you raise the fees.
- We cannot make up numbers that we know are way, way too low in hopes of collecting more money.

Director Svanstrom commented:
- Sounds like we are talking about increasing the Hotel numbers.
- Not sure if 100 or 110 would make sense.
- 110 would basically double what Hotel Sebastopol will bring in in the next 20 years.
- Given what hotels are experiencing financially right now, 110 is the upper limit of what she would personally foresee for it.

Vice Chair Fritz commented:
- Hotel Sebastopol is 66 units.
- Could see another similarly sized hotel in the next 20 years which would mean the addition of 120 hotel rooms in the next 20 years.

Chair Fernandez concurred with Vice Chair Fritz.

Director Svanstrom asked if the Commission would support changing the number of Single Family units from 200 to 175.

Vice Chair Fritz expressed support for reducing the figure of Single Family units to 175 and commented that he would leave the number of Multifamily units at 375 as proposed.

Chair Fernandez asked about the effect, if any, of allowing four story development and whether that was taken into consideration.

Director Svanstrom responded:
- The EIR assumptions are going to be based on density, which is the number of units per acre, and how they format that number of stories is not necessarily going to change because they still have a density limit.

Mr. Kral commented:
- These are the numbers he will use to make his calculations coming into the next meeting with the Planning Commission as there appears to be a consensus on them.
  - Reduce the Single Family number from 200 units to 175 units
  - Leave the Multifamily number at 375
  - Reduce Commercial/Retail from 100,000 sq. ft. to 80,000 sq. ft.
  - Reduce Office from 100,000 sq. ft. to 80, 000 sq. ft.
  - Reduce Industrial from 50,000 sq. ft. to 45,000 sq. ft.
  - Increase Hotels from 90 rooms to 120 rooms.

Commissioner Lindenbusch expressed concern over downgrading the single-family number too much.

Director Svanstrom clarified that that number represents non-ADU units because the City cannot charge fees for a vast majority of ADU units. For those that the City can charge fees on, it would only be a portion of the fee.

Mr. Kral added:
- We might have a better image when we go back to update this after five years.
- If we are off by even a little in our assumptions, we can adjust that going forward.

- Time will tell how many of these larger ADUs will be built.
- Right now, it would be a guess at best.

Hearing consensus on the development assumptions, Mr. Kral provided an introduction and asked to hear from the Commission on the fee structure slide.

Commissioner Haug asked if the first 750 square feet are free in terms of calculating fees.

Mr. Kral responded that that is not the case for single-family units, only for ADUs.

Commissioner Haug asked if this applies to developers, or to individuals who want to build a house, or both.

Mr. Kral responded that they would apply to both.

Commissioner Haug asked about encouraging developers to make smaller units given the fact that we have a shortage of affordable family housing in the city.

Mr. Kral responded that in theory, smaller units are cheaper to build because they have less square footage.

Director Svanstrom commented:
- There are a lot of 1,200 sq. ft. three-bedroom, two bath homes.
- 1,500 sq. ft. for a family home is reasonable.
- Vice Chair Fritz is an architect and may be able to speak on this further.

Vice Chair Fritz commented:
- Three bedrooms can fit comfortably within a 1,500 sq. ft. home.
- It is good for the city to encourage smaller units because they are naturally more affordable, and we need more of that.
- The cost of construction today means that the average house size of 2,000 sq. ft. will cost at least $350 a sq. ft. for a minimum of $700,000 just for construction.
- The more we can do to encourage smaller house sizes the better.
- Does not know the best methodology (discounted, per sq. foot, or other) for doing that.
- The more we can do to encourage smaller house sizes the better.
- Would support a development impact fee structure that aids the city in accomplishing that goal.

Commissioner Haug commented:
- It seems like this is trying to be applied to developers, ones we are trying to encourage to come in and develop a bunch of smaller units that are more affordable, versus the individual who bought a piece of land and is going to build their own custom house on it.

Mr. Kral responded:
- In theory we are incentivizing both.
- But yes, more than likely it will be a developer building a small townhouse project, or something along those lines.
- More valuable will be found in this for developers.

Commissioner Haug thanked Mr. Kral for the clarification.

Commissioner Oetinger asked about the difference between basing it off square footage on a set scale versus a graduated scale based on the number of bedrooms, in terms of revenue.

Mr. Kral responded:

- As far as the revenue neutrality of the two options, based on the way it is set up now, if someone is building a 700 sq. ft. house or a 3,000 sq. ft. house, the amount of impact fee revenue is going to be the exact same.
- Plan Check fees, and other associate costs may be different.
- If a developer comes in and wants to build a whole bunch of two bedroom, 700 or 800 sq. ft. small apartments, it will be a judgement call as far as which one will generate more revenue.
- If we set it up to be a per square foot basis, which is kind of the new trend in impact fees to encourage rather than discounting off a number.
- Has never seen a study that shows that it encourages smaller units.
- Construction costs are $350 per sq. ft. and impact fees are $25-$30 per sq. ft.
- Impact fees are not going to make a material difference.
- If someone is going to build a large house, they are going to build a large house.

Director Svanstrom commented:

- School fees are generally structured so that for each square foot you pay a certain amount.
- Discounting fees means you must supplement from somewhere else.
- From 2017 to current, the City has not been tracking additions that result in a larger home.
- Anyone that got a discount for building a smaller home, could come back in and do an addition without being subject to any development impact fees.
- Would recommend forgiving this discount.
- We are implementing an online permitting and tracking system.
- In doing so, we will be able to track things like who got what discount over time.
- If a person comes back with an addition, there may be a chance for the City to recoup that at that time.
- In some ways that will make things more affordable because if somebody is building something more modest because that is what they can afford, and later they are able to do an addition, they are able to defer those fees until that time.
- If it is based on square footage, each square foot is a certain amount.
- Asked Mr. Kral to confirm whether that would be possible, legal to do.

Vice Chair Fritz commented:

- Expressed support for that idea.
- Likes the idea of encouraging smaller units.
- It seems reasonable and fair to structure fees for people who are homesteading, who build what they can when they can afford to do so

Mr. Kral commented:

- For the discounting option, once a certain amount of square footage has been built, there would not be any additional costs under that model.
- Once the full impact fee has been charged, the only additional fees would be school fees which are based per square footage.
- With regards to school fees, if it is under a certain amount of square footage additional fees are not triggered (unsure what that exact amount is).
- For really small projects, school fees are not assessed.

- School fees are different all over the state, but they are something small like $4 per sq. ft.
- Once you get past the discounted level, which is currently 1,500 sq. ft. there would be no additional impact fees.

Commissioner Haug commented:
- Mr. Kral is saying that a person can build a small house for a discounted fee and then add an addition with no additional fee.

Mr. Kral responded:
- If a 750 sq. ft. single-family home, which is half of the 1,500 sq. ft. floor that we have is built the person building the home would pay half of whatever the impact fees we calculate to be.
- If they come back later with a request to build an additional 750 sq. ft. they would have to pay the difference which would bring them to the full fee amount.
- If they came back later with a request to build another 750 sq. ft. they would not be subject to additional impact fees as that would be over the 1,500 sq. ft. mark.

Commissioner Haug understood that the full fee is currently based on 1,500 sq. ft.

Mr. Kral responded in the affirmative and noted that anything over 1,500 sq. ft. would be covered under the full fee and would not be charged additional impact fees based on any amount of additional square footage.

Commissioner Haug asked why the City is not charging based on square footage in that case.

Mr. Kral responded that that was not how it was sent up back in 2018.

Commissioner Haug commented:
- We should be charging per square foot because most people that are building here are not building little tiny houses because it is expensive to build here and buy land.
- If you are going to buy land here, you are not building a shack.
- Saw a 600 sq. ft. house in Graton that recently sold for $600,000.
- If we are only talking about 200 units, we might as well get the full amount of fee structure.
- Because we are talking about developers, versus individual homeowners, we need to parse out who we are talking about.
- If we are talking about a developer, impact fees are a very negligible amount of their project costs so we should just base the fee on square footage.

Mr. Kral commented that the way the fee is applied to an individual homeowner or developer is the same.

Commissioner Haug commented:
- Understands that.
- To a developer who is getting bank financing, the development fees are very small.
- They are not going to be discouraged.
- If they feel like they can make money on a project, they are not going to be discouraged by impact fees because the amount of money that they are borrowing to fulfill their project far outweighs the cost of development fees.

Vice Chair Fritz commented:

- The developer passes those fees on to the homeowner.
- The developer is not subsidizing the development.
- Whatever the development fee is, it will get passed on to whomever rents or buys the unit.

Commissioner Haug commented:

- This fee is to cover the cost of using City services, infrastructure, etc.
- Somebody has to pay for it.

Vice Chair Fritz responded in the affirmative and commented:

- It is still fine to provide discounts and encourage smaller units because those units will be more affordable.
- We need more affordable units in this city.
- Encouraging developers to build smaller units by giving them a break on their development fees means that that break can eventually be passed on to the eventual occupants of those units.
- While he was not sure on Sebastopol's number specifically, he stated that development fees can be substantial, and in some cases can be $50,000 per unit.

Commissioner Haug commented:

- It does not look like that here.
- If we are encouraging smaller units, it would make sense to base the fee on square footage as well.
- Feels like we are trying to over-control the developers in the marketplace.
- Developers are just using a spreadsheet.
- Affordable housing will come.
- If we really want affordable housing, we need housing grants and different methods of funding, different banking options such as 40-year mortgages, no interest down payments, etc.
- Trying to control it on the developer side through impact fees does not seem like the way she would like to go about it.
- If we are just talking about this item, we should just charge per square foot because the person who is building a big home is going to pay more in impact fees and the developer might be encouraged to build smaller units if that is even factored in to their considerations.

Mr. Kral commented:

- They can come back next month with a couple of examples on how this could be set up.
- Can work with Director Svanstrom to come up with some different options here.
- Smaller units are encouraged based on how it is currently set up.
- Charging per square foot is doable and would be based on the average house that has been built in Sebastopol over the last five years.
- That would represent our average house going forward.
- The fees would be built around whatever that average looks like.
- With these programs there is typically a ceiling.
- It still must pass the rational nexus test.
- It can be structured that way.

Mr. Kral asked if the general consensus was to try to structure it on a per square foot basis.

Vice Chair Fritz expressed support for looking at it on a per square foot basis.

Mr. Kral continued his presentation on the fee structure slide and asked if the Commission was in agreement with current water and sewer fees being charged based on water meter size.

Members of the Commission responded in the affirmative.

Mr. Kral presented on park fees.

Director Svanstrom commented:
- This cannot support maintenance or renovation.
- This is really focused on the acquisition of new parkland and development of new park.
- This can be used for development of new components for existing parkland.

Mr. Kral continued his presentation on park fees.

Vice Chair Fritz asked if we are currently meeting the 5 acres per 1,000 residents standard.

Mr. Kral responded that we exceed that standard.

Vice Chair Fritz commented:
- Not sure where we would be acquiring new parkland from.
- We are fairly built up within city limits.
- We have already bought and expanded some city parks beyond city limits, including the annexation of land to include Meadowlark Field, Village Park and the Skategarden Park.
- Does not see us acquiring much more parkland.

Director Svanstrom responded:
- The City has done some recent acquisition.
- Tomodachi Park on the east side of Park Village is one of our newest parks.
- The Skategarden Park was an acquisition and would be considered active parkland.
- The southside of town could use an active park.
- The central and northside of town with Ragle, Ives, and the Skategarden Park are pretty well situated in terms of active parks.
- For open space, the City is in the process of annexing the Railroad Forest into the city.
- Believes there is additional potential on the Laguna side of town.
- People are interested in potentially expanding the trail further down.
- This fee can be used to help us develop.
- The Railroad Forest has Himalayan blackberries overgrowing native species and there are no trails in it.
- The Tomodachi Park does not have a trail from the Joe Rodota connecting in.
- Those type of amenities can be paid for by this fee because it would be new construction that would add to the network.

Commissioner Haug asked if land could be annexed through this to build more multi-use trails in Sebastopol?

Mr. Kral responded that it can be used for land acquisition.

Commissioner Haug asked if the City could acquire the land for a multi-use trail or connector trail through use of this fee?

Director Svanstrom responded:
- Believes so.
- Will have our City Attorney weigh in on that.
- Sonoma County has had their legal team weigh in on it because they have a separation of cannabis uses for parks and they have ruled that trails are parks.
- All trails are part of the Regional Park trail system and are a public amenity in that way.
- A bicycle lane, or a pedestrian trail along a street would probably not be eligible.
- A rails to trails kind of park project, and certainly if it is something through the Laguna connections that is connecting open space to open space, or trails through open space would be eligible.

Commissioner Oetinger commented:
- As we intensify our development and become more urban, the concept of even the dedication of a small parcel of land for a pocket park can be really useful.
- That will allow us a lot of potential to look at pocket parks as we intensify our development.

Commissioner Lindenbusch commented:
- Echoed Commissioner Oetinger's comment on the inclusion of pocket parks as a possibility moving forward, not just on the south, but on the west and north side as well.
- Asked Director Svanstrom if she thinks that the 75% - 25% split is realistic.
- His inclination is to think that we are probably more than 25% open space given the size of the Laguna wetlands, Tomodachi Park, Railroad Forest, etc.

Director Svanstrom responded:
- That is a really good question.
- That is where we are currently at in our Level of Service reports.
- Acquisition of open space is more likely percentage wise.
- Some adjustment between active and open space would be more appropriate.
- The implication of that is that active parkland is much more expensive to develop so an adjustment that is more weighted towards open space would result in a lower fee.

Commissioner Haug commented:
- Echoed Commissioner Oetinger and Commissioner Lindenbusch on pocket parks if we move forward with more infill.
- Lived in cities for most of her adult life and pocket parks are very effective outdoor spaces for people who are living in smaller dwelling units just as a place to get outside and get some fresh air.
- Asked if a pocket park would be considered active parkland.
- Pocket parks would be a great idea for looking at denser development in downtown and along the 116 corridors.

Mr. Kral commented:
- One thing to keep in mind with this is that we are not actually making any policy regarding how much parkland you can buy in specific ways in the future.
- This would not be locking you in to anything about that.

- We are just trying to get zeroed in adjust the fee based on this assumption.
- It sounds like 25% open space is probably a little low.
- Adjusting it to 60% - 40% which would be three acres of active park per 1,000 residents may be more appropriate and is more of a standard that can be seen in other places.
- We would still be setting aside two acres per 1,000 residents of additional open space
- If what becomes available and matches the city's needs is all open space for the next three years, there are funds available for that.
- Open space would still be adding to parkland.
- We are not tying this to only being able to buy certain types of parkland or only renovating or working on certain types of parkland.

Chair Fernandez asked about whether parklets could tie into this.

Director Svanstrom responded that, while a great idea, it would need to be a permanent capital improvement project to be eligible for use of this fund.

Mr. Kral commented:
- Has seen it done in some other places.
- May be a gray area in terms of whether he would do it, but if it is a permanent installation, in theory it would qualify.

Members of the Commission were in support of changing to 60% acres active parkland and 25% open space.

Commissioner Haug commented that that change seems more appropriate, however, the downside is that it will lower the amount of fees being collected.

Director Svanstrom noted that the fee would still be much higher than it is currently.

Mr. Kral presented on the library facilities, general government, and fire facilities slide.

Vice Chair Fritz asked if we know how big our library is compared to our population.

Mr. Kral and Director Svanstrom responded that it is a 10,000 sq. ft. library for Sebastopol's 7,000 residents, however, it is a County facility, so the service area extends far outside Sebastopol city limits.

Director Svanstrom added:
- When you account for that it is about 0.3 sq. ft. per resident so it is about half the size a library should be.
- The County had been planning on doing a facility master plan update but that was put on hold.
- Checked with a firm she used to work with, and they indicated that the 0.6 sq. ft. is defendable and there are a lot more community spaces, access to technology, meeting rooms, etc. these days.
    - They do not see that 0.6 sq. ft. figure going down in any reasonable fashion.

Commissioner Haug asked if the library fee would go towards the maintenance of the library, or if would be used towards services?

Mr. Kral responded that the fee is not for services or maintenance, it is for expanded facilities.

Director Svanstrom commented:

- Because the County would be responsible for renovations, the City would be looking at maintaining this fee as a way of helping to support a larger facility that is either envisioned, or by adding on to the existing facility.

Commissioner Haug understood that the fee would be used to either develop a new library, or to expand the existing library.

Director Svanstrom responded in the affirmative and commented:

- All development impact fees for new development are really looking at the additional development in your community, and the fees that are collected through development impact fees are intended to support expansion of services to accommodate those new people in the community.

Commissioner Haug asked how much is expected to be gained from this fee?

Director Svanstrom responded that they would be going over that next time.

Mr. Kral responded in the affirmative and commented:

- The fee is not a massive amount of money.
- It is more of a small set aside to help when a renovation is needed.

Mr. Kral and Director Svanstrom presented on the traffic fee slide.

Vice Chair Fritz asked for the difference between General Retail and Hardware Store from the ITE (Institute of Traffic Engineers) standpoint.

Mr. Kral responded:

- Hardware Store was a category in the old study, and he did not have a reason to remove it.
- General Retail is considered a 3.8 D which is the equivalent traffic of 3.8 single-family homes.
- Hardware Store is considered a 2.6 which is lower.
- This category could be removed if you felt it was unnecessary and did not meet the needs of the city.
- We can also add more category options.

Vice Chair Fritz asked if any cities assess the traffic impact fee by VMT (vehicle miles traveled)?

Mr. Kral responded:

- That that is supposed to be down statewide, however, nobody has a VMT study.
- A VMT study was done on one region of a city near San Diego and it took them three years to do it.

Vice Chair Fritz commented:

- It seems like a multifamily project downtown versus a multifamily project on the edge of town would have two totally different kind of impacts.

Mr. Kral responded:

- Multifamily has a couple of different category options available.
- There is low-rise, mid-rise, and high-rise.
- With general land use in Sebastopol he does not see a lot of high-rise development.

Director Svanstrom commented that Sebastopol does not have the zoning for high-rise development.

Mr. Kral commented:

- If we had a VMT study, we would be able to take that into consideration.
- We are working with the best information that we have available.
- On the State level, all cities are supposed to start going to that pretty quickly.

Director Svanstrom commented:

- The City is working on getting funding for a VMT study.
- This is the first time the City has had an in-depth development impact fee study in much longer that we are supposed to.
- This study will get the City up to speed.
- Quality Restaurant refers to more of a sit-down restaurant, as opposed to High Turnover Restuarants which are more fast food.
- These categories are all about turnover and traffic.

Vice Chair Fritz commented:

- Not sure we need the Hardware Store category.
- The categories look fine otherwise.

Mr. Kral noted that the Hardware Store category is about 30% less than General Retail.

Commissioner Oetinger commented that Sebastopol Hardware is quite different from your typical hardware store.

Director Svanstrom commented that their main store is hardware.

Chair Fernandez asked about service business that are not what what we would typically consider general retail, such as service outlets, automotive, mailing services, etc.

Mr. Kral responded that those would fall under General Retail as well as it is kind of a catchall for every other use, especially if we get rid of the Hardware Store category.

Director Svanstrom commented that salons, nail spas, spas, and fitness centers would be considered General Retail.

Mr. Kral responded in the affirmative.

Chair Fernandez asked if those should be broken up into separate categories?

Mr. Kral responded:

- That is an opinion question that the Commission can go forward with.
- The categories can be made broad and simple or granular.
- Can prepare something to show the Commission how many different ITE rates there are.
- The list is exhaustive.

Chair Fernandez suggested seeing the top 10-20 categories to see what else is there and if having more categories would make sense.

Mr. Kral responded:
- The list includes a couple hundred uses.
- Can bring some categories for comparison next time.
- He can run the numbers assuming all our retail build out is going to be General Retail.
- Can give a trip comparison so the Commission can see how different they may be.

Vice Chair Fritz asked if this would be for new development only.

Mr. Kral responded in the affirmative.

Vice Chair Fritz commented:
- A new commercial development will likely have a variety of uses that could all be considered retail space.
- The general number is better because during development we are not likely to get that specific data.
- Retail space changes all the time as well.

Chair Fernandez concurred.

Director Svanstrom responded:
- When the Barlow changed several spaces from Industrial to Retail that was an intensification.
- Was not on staff when the fees were assessed.
- Believes there were development impact fees for that change of use as it was an intensification.

Commissioner Haug commented:
- Concurred with Vice Chair Fritz in that when a developer is building out a space, they are generally building it out with a general understanding of the kind of space it will be (retail, office space, or light industrial), not specific.
- The way the Barlow shifted its entire use from industrial to retail confirms what Vice Chair Fritz is saying.
- A general number makes sense because this is about new development, or radical change of use, where the predictability of the occupant is minimal at the time that the development is assessed for fees.
- Most developers do not know those specifics unless they have an anchor tenant like Home Depot, Ikea, or Starbucks.

Director Svanstrom concurred with keeping it simple from a staff perspective and commented:
- We want to encourage small businesses.
- We do not want to make this complicated.
- Because we currently have downtown retail, specialty retail, and sit down quality restaurant, her peak calculation for Hotel Sebastopol which has all of those uses, plus the hotel, plus artists spaces, is a whole spreadsheet until itself.

Mr. Kral commented:
- The administration side of things would be much simple using broad categories.

- A change in use would not require a change in calculations as long as the use would fall under the General Retail category.

Chair Fernandez commented that Mr. Kral could move on to the next slide.

Mr. Kral asked if the Commission was in consensus on removing the Hardware Store category.

The Commission was in consensus on removing the Hardware Store category.

Mr. Kral presented on the water and sewer fees slide.

Chair Fenrnadez asked if consideration is given to reclaiming water or anything like that?

Director Svanstrom responded:
- No, we do not control our own wastewater.
- The City of Santa Rosa, who the City of Sebastopol contracts with, uses reclaimed water, however, that does not factor into these calculations.
- This fee is to support the infrastructure that carries the water to where it needs to go or pump the water on the ground.

Mr. Kral presented on the storm drainage fee slide.

Chair Fernandez commented that that is what he was getting at from the previous slide, so this helps answer that.

Director Svanstrom commented:
- The environmentalist in her likes the per sq. foot because then you can discount for good, more sustainable design.
- There are some practicalities to it.
- The fee would only be assessed on things that require a building permit.
- Even for existing development, we would be able to capture those impacts to the stormwater system.
- It is less about the vacant lots than just doing the per lot fee.
- Unsure of the exact percentage, but it is probably at least 95% of our land is already developed.
- The ability to capture from existing development goes away and we have very few vacant lots.

Vice Chair Fritz expressed support for the per sq. ft. method.

Director Svanstrom commented that Healdsburg charges the fee per sq. ft. as well so we are not the only one in the county that would be doing it.

Mr. Kral commented that Sacramento County does it that way as well and noted that it is absolutely doable at any scale.

The Commission expressed support for the per sq. ft. method.

Mr. Kral and Director Svanstrom presented on the affordable housing in-lieu slide.

Commissioner Haug asked what funds are available for affordable housing in the city.

Mr. Kral responded that just like other impact fees, it goes to a separate fund.

Director Svanstrom responded:

- The city has two funds, the affordable housing in-lieu fee and the commercial housing linkage fee.
- The funds are somewhat interchangeable because their sole purpose is to support affordable housing.
- The City works together on projects.
- The main project that we are focused on right now is Park Village.
- We are also part of the Community Development Commission Cities and Towns which has to do with the Community Development Block Grant Funding.

Mr. Kral discussed next steps.

Chair Fernandez asked if members of the public wished to comment on this item.

There were none.

Hearing nothing further, the Commission concluded their discussion of this item.

Director Svanstrom asked that members of the Commission that are interested in the Parks Foundation email her.

8. ADJOURNMENT: Chair Fernandez adjourned the meeting at 11:04 p.m. The next regularly scheduled Planning Commission meeting will take place on Tuesday, September 08, 2020 at 7:00 p.m.

Respectfully Submitted By:

Kari Svanstrom
Planning Director