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PLANNING COMMISSION
MEETING OF: October 25, 2016
SEBASTOPOL YOUTH ANNEX
425 MORRIS STREET

UNAPPROVED DRAFT MINUTES

PLANNING COMMISSION
CITY OF SEBASTOPOL
MINUTES OF October 25, 2016

SEBASTOPOL YOUTH ANNEX
425 MORRIS STREET

PLANNING COMMISSION:

The notice of the meeting was posted on October 20, 2016.

ANNOUNCEMENT: Please turn off all cell phones and pagers during the meeting.

1. CALL TO ORDER: Chair Kelley called the meeting to order at 7:01 p.m.

2. ROLL CALL:

Present: Chair Kelley, Vice Chair Fritz, and Commissioners Skinner, Fernandez, Doyle, Douch and Jacob (arrived at 7:06 p.m.)

Absent: None

Staff: Kenyon Webster, Planning Director
Dana Morrison, Assistant Planner
Rebecca Mansour, Planning Technician

3. APPROVAL OF PLANNING COMMISSION MINUTES: October 11, 2016.

Commissioner Fernandez amended the minutes.

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

Vice Chair Fritz seconded the motion.

AYES: Chair Kelley, Vice Chair Fritz, and Commissioners Skinner, Fernandez, Jacob v and Douch
NOES: None
ABSTAIN: Commissioners Doyle and Pinto

4. COMMENTS FROM THE PUBLIC ON ITEMS NOT ON AGENDA - This is for items *not* on the agenda, but that are related to the responsibilities of the Planning Commission or City Council. The Commission and Council receive any such comments, but under law, may not act on them. If there are a large number of persons wishing to speak under this item, speaking time may be reduced to less than 3 minutes, or if there is more than 15 minutes of testimony, the item may be moved to the end of the meeting to allow agendized business to be conducted.

There were none.

5. STATEMENTS OF CONFLICTS OF INTEREST:

Commissioner Pinto recused himself from Item 9A.

6. PLANNING DIRECTOR'S REPORT (Update on Future Agendas, Action of Other Boards and City Council)

Director Webster provided the following update:

- Introduced new Assistant Planner, Dana Morrison.
- City Council updates as follows:
 - The decision of the Planning Commission regarding the KOWS radio antenna appeal has been further appealed and will be before the Council on November 1.
 - At their last meeting, the Council began a discussion of rent control and just-cause evictions. The Council directed staff to return with a draft urgency ordinance to implement some sort of moratorium on rent increases and also some aspects of evictions. While unclear if the Council will move forward with these, they have asked that it be on their November 1 agenda.
 - A special City Council meeting, beginning at 3 p.m., will take place on November 1 in order for the Council to have a major discussion relating to safety improvements on Bodega Avenue.
 - The regular City Council meeting on November 1 will start at its regular time of 6 p.m.
 - On November 15, the City Council will consider the Text Amendments related to the proposed Hotel Sebastopol project that the Commission approved a Use Permit for.
 - Adoption of the General Plan will also be on the November 15 agenda.
 - At their last meeting, the Council approved an amendment to De Novo's contract to have them work on our Zoning Ordinance Update that will follow adoption of the General Plan. The Commission will be the primary forum. The update will be focused, not wide-open, in terms of implementing what the new General Plan has called for. The estimated timeline for the Zoning Ordinance Update is about a year and a half and is expected to begin with the Commission in December or January.
 - Traditionally, the new City Council will be seated at the first regular Council meeting in December, however, due to the write-in candidate,

vote counting may take longer than expected. If this is the case, the Council will hold a special meeting in December to seat the new Council.

- Due to Election Day and the Thanksgiving Holiday, both Planning Commission meetings in November will be cancelled.

The Commission asked questions of Director Webster.

7. CONSENT CALENDAR (PUBLIC HEARING IF REQUESTED): There were none.

8. PUBLIC HEARING:

- A. USE PERMIT TO OPERATE CANNABIS DISPENSARY AT 785 GRAVENSTEIN HIGHWAY SOUTH; ZONING ORDINANCE AMENDMENTS TO PERMIT A SECOND DISPENSARY IN SEBASTOPOL (2016-68, 2016-69):** An application has been filed for a Municipal Code Text Amendment and approval of a Use Permit by Eli Melrod/Traditional Living, Inc. The applicant is requesting City revision of Municipal Code provisions that limit medical cannabis dispensaries to one dispensary in the City limits, increasing the allowance to two dispensaries, and making related code amendments. The applicant is also requesting approval of a Use Permit for the dispensary. Any Use Permit approval would not be effective unless the related Municipal Code amendments are approved by the City Council.

Director Webster presented the staff report.

The Commission asked questions of Director Webster.

Commissioner Fernandez disclosed that he'd contacted the applicant and asked questions prior to this meeting.

Commissioner Doyle commented that he'd like to ask questions as each matter is gone through, rather than asking them all at this time.

Chair Kelley explained the process for tonight's meeting.

Chair Kelley asked to hear from the applicant.

The applicant gave a presentation and was available for questions.

The Commission asked questions of the applicant.

Commissioner Douch noted some typos and items that were omitted in the staff report.

Director Webster made note.

The Commission asked additional questions of the applicant.

Hearing no further questions, Chair Kelley asked for a show of hands from those wishing to speak on this item.

With a handful of people wishing to speak, Chair Kelley noted that each person would be granted three minutes to make their comments and opened the Public Hearing.

Martin Hamilton commented:

- Manages the Sebastopol Farmers Market and Arlene Francis Center in Santa Rosa.
- Has been a long time friend of the applicants, Jonathan Melrod and Miguel Molina.
- Jonathan and Miguel are stellar leaders of the community with tremendous integrity.
- Expressed being grateful for his friendship with Jonathan and Miguel.
- Noted that he was not speaking on behalf of the Sebastopol Farmers Market.
- Thanked the Commission for their time.

Tawnie Logan, Executive Director of the Sonoma County Growers Alliance, commented:

- Provided a handout to the Commission.
- Founded the Sonoma County Growers Alliance last year with the intent to help cultivators throughout Sonoma County understand their rights and responsibilities as community participants.
- Has known Jonathan Melrod for years.
- When dreaming up the creation of this organization to help this industry be better represented, Jonathan was an early supporter of her work and in understanding her dream and vision.
- Cannot imagine a better team of community members than the one that is before you now.
- Access to a regulated market is essential to the health and well being of the new cannabis industry emerging.
- West County is a production County and is home to thousands of cultivators.
- These small, cottage craft cultivators need access to a regulated market.
- The devastating events that happened a couple weeks ago can be prevented by giving cultivators access to a safe and regulated marketplace.
- In reviewing this application, she was happy to see the applicant's intent and vision.
- We need more options.
- Sebastopol has been home to progressive policy.
- Sebastopol has a fantastic community that is really committed to organics and sustainable lifestyle.
- Bringing another dispensary into this community will only benefit us by bringing more tax revenue, by giving access, and spurring community togetherness through dynamic conversations about different products.
- Hats off to the applicant for their commitment to carry local products. We need more of that type of leadership in our entire County.
- Thanked the Commission for their time.

Yarrow Kubrin commented:

- Has lived in Sebastopol for about a decade and in Sonoma County for much longer.
- Has no affiliation with the applicant and no financial interest in what they're doing.
- Some of our rules are a little antiquated and this is a great opportunity for us to refresh those policies.
- One dispensary for an area used by nearly 40,000 people isn't enough.
- This area probably has a higher number of cannabis users than some areas and limiting Sebastopol to only one dispensary isn't prudent math.
- Expressed being in favor of having a second dispensary on the South side of town. His mom has inoperable cancer and there are a number of different treatments for users of medical cannabis.
- Hears passion coming from the applicant and has a hard time seeing what the issue could be with granting this application.

- Grateful to Peace In Medicine for demonstrating that these businesses can operate in town without having a negative impact.
- Can see no downside here.
- This is a comprehensive plan.
- Looks forward to this application being approved.
- Urged the Commission to not make their decision based on the article in the Press Democrat.
- Thanked the Commission for their time.

Hearing nothing further, Chair Kelley closed the Public Hearing and brought it back to the Commission for deliberation.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.080 to change the City-wide dispensary allowance, from one establishment, to two.

Commissioner Jacob asked a clarifying question of Director Webster and asked about the possibility of recommending to the Council that the allowance be increased to more than two.

Director Webster responded:

- Things are changing statewide.
- Given current workload, the Council hasn't prioritized yet an update to our medical cannabis regulations.
- Due to workload, the Planning Department has told a number of prospective applicants that an update to the medical cannabis ordinance is forthcoming, however, in the meantime, a text amendment would be the way to move forward which is what this applicant has chosen to do.
- This request fits in with our ordinance, generally.
- Staff is suggesting that the Commission recommend initiation of an update to our regulations to the Council. The number of dispensaries to allow could be on the list of issues to discuss.
- What staff is doing here is reacting to this particular application.

Commissioner Fernandez commented:

- Had a similar comment to Commissioner Jacob's and asked if eliminating the limit altogether, since a Use Permit would still be required, was a better way to go.
- Would not be in support of arbitrarily picking a number without knowing if that would adequately serve the needs of the community.

Commissioner Doyle commented:

- Expressed being supportive of having two dispensaries in town.
- When the ordinance was first written to allow two dispensaries he thought that that made sense for our being a small town.
- It makes sense to have two dispensaries in town to offer patients a choice.
- Choice and competition are values that we get out of having more than one dispensary in town.
- Expressed being surprised that this wasn't included in the initial language and suggested adding the following to the end of 17.140.080 (A), 'No company or parent company shall be permitted to simultaneously own or operate more than

one cannabis dispensary in Sebastopol.' This addition would protect both choice and competition.

Commissioner Douch commented:

- Supports increasing the allowance from one to two.
- Concurred with Commissioner Doyle on the single-owner issue.

Commissioner Doyle clarified that, based on the applicant's request and his own suggested revision; 17.140.080 (A) would be rewritten as follows:

- 'The Planning Commission may not grant or cause to be granted more than two permits for medical cannabis dispensaries, in compliance with the provisions of this chapter. No company or parent company shall be permitted to simultaneously own or operate more than one cannabis dispensary in Sebastopol.'

Commissioner Fernandez commented:

- Supports the suggestion made by Commission Doyle, however, further clarification of the definition of 'ownership' and applicability of that may need to be looked at by the Council at some point in the future.

Commissioner Doyle asked Director Webster if he had enough to create language to forward to the Council.

Director Webster responded that Commission Doyle's suggested language was pretty specific and expressed that it was enough to work with in terms of forwarding a recommendation on to the Council. He expressed having a similar question to Commissioner Fernandez in terms of legal issues like the definition of 'ownership' and also in using the Zoning Ordinance to regulate ownership, among other things. He added that he would consult with the City Attorney on this issue.

Commissioner Fernandez reiterated his support for recommending that the Council look into that issue as the intent is to protect both choice and competition.

Commissioner Doyle responded that he was hoping that the Commission would support his language as a specific revision rather than a simple recommendation to Council.

Commissioner Fernandez responded that he agreed with making the specific recommendation as suggested by Commissioner Doyle, however, along with that, he wanted to make recommendation that the Council further explore ways to ensure that the intent of that revision is fully met.

Commissioner Doyle responded that consulting with the City Attorney will help flush out those issues as well.

Commissioner Jacob commented:

- Supports whole application.
- Supports increasing the allowance from one dispensary to two.
- Likes Commissioner Doyle's suggestion, however, the Commission may want to keep a separate list of recommendations so as to not hold up this applicant's request if it becomes too complicated once before the Council.

Commissioner Doyle asked Director Webster if he viewed his suggestion as being complicated for the Council.

Director Webster responded:

- The suggested language is relatively straightforward.
- The Commission could structure it to deal with the application first, while calling out additional issues for the Council to consider.

Commissioner Doyle commented that ensuring choice and competition between dispensaries is important to him and asked to hear from the rest of the Commission. He added that without clarification of this issue, he might not be able to vote in support of this request.

Chair Kelley commented:

- Supports the proposed language revision as stated by Commissioner Doyle.
- Supports allowing a second dispensary in town.
- Expressed being uncomfortable with opening up the allowance to more than two dispensaries until she knows how adult use is going to go forward after the election.

Commissioner Fernandez commented:

- Expressed understanding Commissioner Jacob's point about keeping a separate list of recommendations for the Council to consider rather than lumping them into this specific request.
- Supports approval of this application.
- Supports making additional recommendations for Council consideration, outside of the approval of this request.

Commissioner Doyle responded:

- The Council would be more inclined to accept and approve a recommendation of the Commission as part of this approval.
- A suggestion for future consideration is likely to take longer and may not get done at all.
- This is a very important issue.
- The Planning Director understands the intent well enough to revise the section and confer with the City Attorney to ensure that it is legally sound.

The Commission agreed to move forward with the revision to the language as suggested by Commissioner Doyle.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (B) 2.

The Commission had no comments or questions on the requested amendment.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (C).

The Commission had no comments or questions on the requested amendment.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (D) 1.

Commissioner Doyle commented:

- This is a discretionary approval, so the Planning Commission will always have the opportunity to look at these applications.
- While 1,000 square feet may not be the right number, having a number there conveys that we don't want it to be some massive superstore.
- The Commission does not need to change the number of allowable square footage to approve this project.
- It may be good to include a size limitation to give perspective applicants an idea of the scale that we're looking for.
- A limit of 2,000 or 2,500 square feet may be more appropriate than dropping it altogether.

Commissioner Fernandez commented:

- Expressed being in support of approving this application with the square footage requested.
- Preferred leaving the language as is and forwarding a recommendation to the Council to look into a more appropriate number, rather than coming up with an arbitrary number at this time.

Commissioner Douch commented:

- Happy for the language to stay as a notion of control.
- It is pretty clear that 1,000 square feet is not adequate for a dispensary.
- Given that this applicant is requesting 1,900 square feet, it would seem reasonable to change the number from 1,000 to 2,000 square feet for now to get the point across that that appears to be a reasonable size for a dispensary per the City.
- That number could then be looked at and modified by the Council, if needed.

The Commission agreed to recommend the following modification to Section 17.140.100 (D) 1; 'The dispensary size shall not exceed 2,000 square feet exclusive of restroom facilities, unless specifically authorized by the approving authority. Dispensary size shall be limited, as deemed appropriate and necessary, to best serve patient needs within the intent of this chapter and reduce potential adverse impacts that might otherwise occur on surrounding neighborhoods, businesses and demands on City services.'

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (H) b.

The Commission asked a clarifying question.

The applicant clarified the intent of their request.

The Commission had no comments on the requested amendment.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (H) 4.

The Commission had no comments on questions on the requested amendment.

Commissioner Doyle referred to Section 17.140.100 (D) 2 and asked Director Webster if the intent was to drop the part about number of patients.

Director Webster responded in the affirmative.

Commissioner Doyle deduced that Section 17.140.100 (D) 2 should be rewritten as follows; 'A dispensary shall not increase in size (i.e., floor area) without a prior approval amending the existing dispensary permit.

Director Webster concurred.

Commissioner Doyle commented:

- Peace In Medicine had to come before the Commission when they wanted to expand and noted that this application included a change in policy in that the applicant would have to get approval from the Planning Director and Police Chief and would not have to come back to the Commission.
- Asked if the Commission was okay with that, or if they wished to add some type of threshold that may require it to come before the Commission.
- Suggested language to allow staff to approve expansions of up to a certain percentage before requiring review by the Commission.

After some discussion, the Commission agreed to include language to allow staff to approve expansions of up to 25% before requiring review by the Commission.

Commissioner Doyle noted that staff always has the discretion to bring requests to the Commission if they so choose.

Director Webster responded in the affirmative.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (I) 4.

Chair Kelley commented:

- Expressed not being in support of the requested amendment.
- Might be a little more comfortable with this request if it was in a standalone location.
- Not as happy about this dispensary being in a shopping center.
- This dispensary should be in a standalone location, like Peace In Medicine.
- The odor is so noxious and annoying to some people.
- Wouldn't want the odor to result in businesses not wanting to be in that shopping center.

Commissioner Doyle commented:

- Expressed being in agreement with the comments and concerns made by Chair Kelley.
- Suggested that the following language be included in the Conditions of Approval; 'The dispensary shall have an air treatment system that ensures off-site odors are appropriately controlled, so as to avoid creating a nuisance for other nearby uses.
- In addition, 'excessive odor' shall be added to the list of nuisances under 17.140.100 (N) 1 b.

- The applicant has indicated that they can control the odors and we need to hold them to that.

Chair Kelley commented that it is important that the existing businesses in the shopping center are not negatively affected by this use.

The applicant responded.

Chair Kelley asked a clarifying question of the applicant.

Chair Kelley commented that she was still in support of changing the language as stated by Commissioner Doyle.

The applicant commented that he was not objecting to the language as suggested by Commissioner Doyle.

The Commission agreed to the revisions as stated by Commissioner Doyle.

The Commission was not in support of amending the text as requested by the applicant.

Commissioner Doyle asked Chair Kelley if he could bring up a few additional points.

Chair Kelley agreed.

Commissioner Doyle referred to 17.140.100 (H) 4 and asked a clarifying question of the applicant.

Commissioner Doyle referred to 17.140.100 (H) 5 and asked a clarifying question of the applicant.

Commissioner Doyle suggested that it be eliminated entirely, rather than amended, given that the not-for-profit aspect is going away in 2019.

The applicant responded that they would support that as well.

The Commission agreed to strike 17.140.100 (H) 5.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.100 (J) 4.

Chair Kelley asked clarifying questions of Director Webster.

Chair Kelley asked a question of the applicant.

The Commission had no comment on the requested amendment.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.110 (F) 8.

The Commission had no questions or comments on the requested amendment.

Chair Kelley asked to hear from the Commission on the requested text amendment to Section 17.140.110 (F) 13 c.

The Commission had no questions or comments on the requested amendment.

Chair Kelley commented that she'd like to require organic, not prefer. She noted that Peace In Medicine would have to comply also, if amended. She also commented that if this were a federally regulated drug these things would already be happening.

Commissioner Jacob questioned the mechanism of enforcement for that. Commissioner Doyle commented that he agreed with the intent and asked to hear from Ms. Logan of the Sonoma County Growers Alliance on such a requirement.

Ms. Logan responded:

- Her organization has been working on this concept for the last year and a half.
- This industry currently cannot be certified organic because 'organic' is a federal certification.
- The Medical Cannabis Regulation and Safety Act (MCRSA) regulations that are coming are the most rigorous testing and tightest regulations available for any agricultural product in the nation. By default, this will be pretty much organic.
- To achieve the goal that you're looking for is to require that all product is tested and proven to be free of pesticides.
- All pesticides, also being regulated on a federal level, are not allowed for the use of cannabis.
- There is not a single pesticide that includes the application to cannabis.
- When a operator or cultivator is producing cannabis according to federal and state law they would not be using pesticides.
- What you're looking for is a certification from a lab that the product is clean from pesticides
- The more holistic, environmentally friendly approach would be to look at the fertilizers to ensure that they weren't having salts and synthetics.
- There are no third-party certifiers currently recognized by the state at this time.
- It would be cleaner to require that the MCRSA standards be upheld.

Commissioner Doyle asked a question of Ms. Logan.

Ms. Logan commented that the following would satisfy the intent of the Commission, 'Dispensaries shall lab test all product carried and the product carried must pass the standards set forth by the MCRSA.'

Commissioner Fernandez, Commissioner Douch and Chair Kelley asked questions of Ms. Logan.

Ms. Logan recommended that the Commission not weigh this down too much given the incremental changes that are coming from the state over the next year and a half, or so.

Chair Kelley commented that she was okay not adding any language since state regulations are in the works.

The Commission concurred.

With there being no further text amendments to address, Chair Kelley asked to hear from the Commission on the conditions of approval.

Commissioner Doyle suggested that condition P5 be amended as follows; 'This Use Permit may be renewed by the Director of Planning for additional two-year periods upon application by the permittee, unless the permit is suspended or revoked in accordance with the provisions of the dispensary ordinance.'

The Commission agreed.

Commissioner Doyle commended that condition P14 shall be rewritten per their discussion.

Director Webster responded in the affirmative.

Commissioner Doyle referred to condition P36 and commented that it shall be amended per their discussion, as follows; 'The dispensary shall have an air treatment system that ensures off-site odors are appropriately controlled, so as to avoid creating a nuisance for other nearby uses.'

Commissioner Doyle asked a clarifying question of Director Webster with regards to condition P49.

Vice Chair Fritz referred to condition P47 (b) and commented that 'excessive odor' shall be added to the list of nuisances.

Commissioner Jacob asked a clarifying question of Director Webster.

Commissioner Fernandez asked a question of Director Webster and the applicant.

The applicant clarified that the number of patients would be eliminated from condition P14.

Director Webster responded in the affirmative.

Commissioner Fernandez referred to condition P13 and asked if the 2,000 square foot allowance should be applied here as well, given their earlier discussion.

Commissioner Doyle responded that the applicant requested 1,900 square feet and that is what is being approved. The 2,000 square foot limitation is a separate issue.

Hearing nothing further, Chair Kelley asked for a motion.

Commissioner Fernandez made a motion to adopt the resolution recommending that the City Council adopt the requested Text Amendment with the amendments and additions agreed upon during this hearing.

Vice Chair Fritz seconded the motion.

AYES:	Chair Kelley, Vice Chair Fritz, and Commissioners Doyle, Pinto, Fernandez, Jacob and Douch
NOES:	None
ABSTAIN:	Commissioners Skinner

Commissioner Douch made a motion to approve the Use Permit, conditioned on approval of the Zoning Ordinance Text Amendment to allow the operation of a medical cannabis dispensary with the amendments agreed upon during this hearing.

Commissioner Fernandez seconded the motion.

AYES: Chair Kelley, Vice Chair Fritz, and Commissioners Doyle, Pinto, Fernandez, Jacob and Douch
NOES: None
ABSTAIN: Commissioners Skinner

Commissioner Fernandez made a motion recommending that the City Council consider initiation of an update of the City's cannabis regulations following the November election.

Commissioner Douch seconded the motion.

AYES: Chair Kelley, Vice Chair Fritz, and Commissioners Doyle, Pinto, Fernandez, Jacob and Douch
NOES: None
ABSTAIN: Commissioners Skinner

Commissioner Pinto excused himself from the meeting due to his conflict with Item 9A.

Chair Kelley adjourned the meeting at 9:47 p.m. for a brief break.

Chair Kelley reconvened the meeting at 9:58 p.m.

9. DISCUSSION:

A. PRELIMINARY REVIEW OF APPLICATION FOR A PROPOSED 10-LOT, SMALL UNIT SUBDIVISION AT 7950 BODEGA AVENUE (2016-83): An application has been filed by Dante Love of Pendant Homes for Preliminary Review of a small lot, small unit subdivision at the subject site. Units would be between 512 and 599 sq. ft. Four of the homes would be one story, six would be two stories. The project would include development of a sidewalk on the Bodega Avenue frontage. The purpose of the Preliminary Review is to identify any issue, comments or questions about the proposed project. The review is advisory and there will be no decision made by the Commission on the application.

Assistant Planner Morrison presented the staff report.

The Commission had no questions for staff.

The applicant gave a presentation and was available for questions.

The Commission asked questions of staff as well as the applicant.

Commissioner Doyle noted that the applicant would not need a lot coverage exception as the proposal calculated out to about 35%, not 65% as indicated by the applicant.

Commissioner Doyle noted that he came up with 16,900 when adding up their schedule of lot areas, not 15,245 as indicated by the applicant. He commented that that is significant in that there would be potential for 8 units under RM-H, not 7.

Chair Kelley urged the applicant to look into the Universal Design Option Checklist.

Hearing no further questions, Chair Kelley opened the Public Hearing.

Heather Sides, a resident of Sebastopol, commented:

- Lives near the project site.
- Expressed having a concern with the number of units proposed.
- Shares an easement with the project site.
- Proposing that 10 units be placed on this site feels excessive.
- Expressed a concern with parking.
- There is already limited parking in the area, this project will exacerbate that.
- Loves the idea of this property being developed, as it has been vacant for a long time.
- Reiterated her comment about too many units being proposed.
- Separate from this application, the City Arborist Becky Duckles has expressed a concern with the ability to protect a heritage live oak tree on the property line between her property and the project site, if developed.

Ana and Richard Ressler, residents of Sebastopol, commented:

- Speaking on behalf of the HOA for the 6 neighboring units.
- Expressed a concern with the easement and increased traffic.
- As a volunteer firefighter, Mr. Ressler expressed a concern over emergency access.
- This is a great idea, however, 10 units is a bit much.
- Suggested 6 or 8 units instead.
- The people who own these units will have to pay their HOA for use of the easement.
- This is a small lot and there are a lot of issues that need to be looked at.

Mary Hanson, residents of Sebastopol, commented:

- Lives nearby.
- This is a good project.
- Agreed that 10 units is a lot for this site.
- Restricting this to one car per unit is not realistic. People don't use just one car.
- People will wind up using their parking spaces.
- Expressed a concern with the easement, parking and increased traffic.
- Golden Ridge Avenue has limited parking already.
- Reiterated her comment about 10 units being a lot for this site.
- 6 units seems more doable.
- Thanked the Commission for their time.

Michael Carnacchi, a resident of Sebastopol, commented:

- With regards to offsite assembly, he asked if the housing components were manufactured in the U.S. and if so, where.
- During his campaign for a seat on the Council, the talk has been about affordable housing, not "homes that are affordable." There is a difference.
- Thanked the Commission for their time.

Hearing nothing further, Chair Kelley closed the Public Hearing.

With the Chair's okay, the applicant responded to points raised during the public hearing.

Chair Kelley noted that it was past 11 p.m. and asked if the Commission was okay with continuing their discussion of this item given the time.

The Commission agreed to finish their discussion of this item.

Chair Kelley brought it back to the Commission for deliberation.

Commissioner Doyle commented:

- This project needs to comply with our inclusionary requirements.
- The applicant could resubmit this as an affordable housing development.
- We need to be consistent with our inclusionary housing policy.
- This may be a great point to reopen the discussion on our inclusionary housing policy.
- Sebastopol has a very poor inclusionary policy.
- The County of Sonoma and City of Santa Rosa both use a progressive in-lieu fee schedule, which really encourages small units like condominiums and apartment homes. Considered that to be a good direction to go.
- Perhaps exempting units under a certain size from in-lieu fees is the way to go.
- Supports discussing and updating our inclusionary housing policy.
- Regardless, the applicant should comply with our inclusionary policy.
- Expressed not agreeing with the direction of the applicant's various suggestions to offset our inclusionary policy, which will place additional burdens on City staff.

Vice Chair Fritz commented:

- Appreciates the creative thinking around this.
- There are some issues with our inclusionary housing ordinance of which he expressed being open to discuss.
- Appreciates the idea of housing that is affordable rather than affordable housing.
- Sebastopol has done pretty well with affordable housing, but we still don't have housing that is affordable.
- He probably couldn't afford to buy a house in Sebastopol today, and he probably couldn't qualify for an affordable housing house either. A lot of Sebastopol's population is in the same situation.
- Appreciates this attempt to solve that issue.
- These units won't be for everyone but there is definitely a segment of the population that would be attracted to something like this.
- Similar to Commissioner Doyle, he expressed being open to discussion of exempting units under a certain size from in-lieu fees, and other things along those lines.
- In order to create more housing that is affordable in Sebastopol, we need to think outside of the box that we're currently in.
- Appreciates this project for stimulating a conversation that is long overdue.

Commissioner Douch asked Vice Chair Fritz if he was in favor of the exemption.

Vice Chair Fritz responded:

- Expressed being in favor of the exemption generally, however, he was unsure about how that could be implemented.
- Per Commission Doyle's comments, a discussion of our inclusionary housing ordinance seems warranted.
- Understands why requiring that two of the units be inclusionary would make the rest of the project less affordable. Expressed that he is not in favor of making the rest of the project less affordable.
- Would rather that all of these units be as affordable as possible.
- Doesn't need two of these units to be affordable at 80% of the AMI.
- Encouraged investigation of how to accomplish this.

Commissioner Douch commented:

- Expressed having similar concerns with the exemption.
- We need the type of thinking that the applicant is bringing.
- Expressed being nervous about tackling this issue one project at a time.
- Supports this project in concept and in what it is trying to achieve.
- This is a very admirable project.
- Sebastopol urgently needs to deal with the inclusionary housing ordinance issue.
- Wants discussion of the inclusionary ordinance regardless.
- Discussion of our inclusionary housing ordinance should be a priority.

Commissioner Fernandez commented:

- Appreciates the innovation and idea behind this project.
- Appreciates the sustainable elements that the applicant is proposing.
- We need to look at our inclusionary housing ordinance and bring it up to date.
- Expressed a concern with the proposed number of units.
- Appreciates that one parking space is being provided per unit, as required.
- Expressed a concern with the quality of life of the people who live around this site as well.
- Visitor parking should be available.
- Appreciates the neighbors and hears their concerns.
- Questioned the feasibility and impact of reducing the number of units from 10 to 8.
- The Commission wants to embrace this project and make it work, but we have to figure out how to do that.

Commissioner Jacob commented:

- Agrees on the need to update the language in the inclusionary housing ordinance, however that could take some time.
- This is a good opportunity to bring a project like this into town.
- Wants to see the Commission find something that will make this work for everyone.
- A development agreement could be the mechanism to do that because it wouldn't necessarily set a precedent.
- This is a good opportunity for the Commission to support this price structure of housing.

Commissioner Skinner commented:

- Agreed with his fellow Commissioner's.
- Likes this project and would like to see it developed.
- We need to address and update our inclusionary housing policy.

- Would be in favor of making an exception without precedent for this project and getting the discussion going.

Chair Kelley asked a question of Director Webster.

Chair Kelley commented:

- Would hate to lose our entire inclusionary ordinance in order to make this one project fit.
- Loves the creative financing that the applicant came up with.
- \$400,000.00 is not affordable. Almost everyone she knows would not be able to afford a home in that price point based on their current salaries.
- Our inclusionary ordinance would require onsite so that we could have that economic diversity within projects which is important.
- Developers will often elect to pay in-lieu fees.
- We know that in most places the in-lieu fees don't adequately address how much it would cost to build that unit elsewhere.
- Expressed being unsure with how to move this forward.

Commissioner Doyle asked a question of Director Webster.

Commissioner Doyle commented:

- They key thing is to figure out how to monitor it so that the first person that sells their unit doesn't make the windfall.
- Perhaps two of the units can be deed restricted with the City doing some kind of cut-rate on the in-lieu fee.
- The Council would ultimately have to make that decision.

Chair Kelley comments continued:

- With regards to the undergrounding utilities in-lieu she commented that it is important to be consistent.

Commissioner Doyle commented:

- The applicant needs to put the sidewalk in because every project requires that a new sidewalk go in across their frontage.
- The retaining wall is the big-ticket item and is the reason that that lot has been sitting empty for all these years.
- It's in the City's interest to get a sidewalk there.
- The City may want to reduce the amount of the undergrounding in-lieu fee as a tradeoff for the sidewalk and retaining wall that it will be gaining.
- Would be in support of the City paying half the cost of the retaining wall, up to a certain amount, which could be treated as a reduction to their undergrounding in-lieu fee.

Vice Chair Fritz commented:

- Commissioner Doyle's idea is interesting.
- Agreed that the City will have to make some kind of contribution somehow and at some point if we ever want to see a sidewalk through there.
- Expressed being unsure about the appropriate mechanism for that, as the Commission does not make decisions on monetary issues.
- It would be in the City's interest to provide some financial backing for those improvements.

Commissioner Jacob commented:

- Agrees that the City needs to put some resources to bear and share the cost.
- We don't have enough information right now.
- The applicant is hearing support for working something out from the Commission.

Commissioner Douch commented:

- The applicant's requests regarding undergrounding utilities, inclusionary housing and construction costs for the retaining wall are interesting and make sense in order for the applicant to have brought this application forward, however, their request for the City to forgive huge amounts of revenue is a huge issue.
- These are three huge issues that need to be resolved.
- The Commission has expressed a willingness to get creative to try to encourage this type of development.
- We need to start looking at specifics for this project and perhaps at issues that the City may want to look at outside of this project.

Commissioner Doyle commented:

- Expressed being supportive of some kind of creative development on this lot.
- This does not comply with the small lot subdivision ordinance in a multitude of way and therefor is not a small lot subdivision.
- Perhaps this could be characterized as a Planned Community instead.
- The Planning Director indicated that properties that are eligible for Planned Community are a minimum of 2 acres.
- The applicant is looking for a Development Agreement, which in that case, it can be called whatever they want.
- Would prefer the applicant not call this a small lot subdivision.
- Encouraged the applicant to come up with a development proposal for the Commission to review uniquely.
- This is a high-density land use designation in a multi-family high-density residential zone.
- It is important to be respectful to the properties around you by holding to the required setbacks. In the case of this project, he'd like to see a 15' setback in the front, not 10' 2" as proposed by the applicant. For the sides, he'd like to see a 9' setback, not 8' as proposed by the applicant.
- In terms of density, he believed the project to be well below the 40% maximum for the RM-H zone

Hearing nothing further from the Commission, Chair Kelley asked if the applicant wished to add anything further.

The applicant commented:

- Believes that the financial side to this can be worked out.
- They have received enough feedback from the Commission to see that there is interest in coming up with a workable solution for all.
- They arrived at the setbacks they're proposing by mirroring those of the neighboring lot.
- Asked for additional feedback on the number of units and parking spaces they've proposed as they considered those to be two key issues that would be difficult for them to negotiate on.

Commissioner Fernandez asked a question of the applicant.

Commissioner Fritz commented:

- Expressed being fine and having no concern with the density and parking as proposed as they'd met City requirements in doing so.

Commissioner Douch commented:

- Expressed being fine with the density.
- While the City's requirements for parking have been met, it would be helpful for the applicant to help answer the questions of the neighbors as it would be good to allay those concerns.

Vice Chair Fritz suggested redesigning their frontage improvements to possibly accommodate parking along Bodega Avenue.

Commissioner Doyle commented:

- Does not consider adding parking along Bodega Avenue as a viable solution.
- The applicant has met the requirement for parking which is therefore acceptable to him.
- The reality of the site and neighborhood may call for more parking than what the City requires.
- In this case the applicant may want to explore the idea of tuck under parking for the first two units.

The applicant expressed liking the suggestion to add tuck under parking.

Commissioner Jacob commented:

- The density is appropriate for this area.
- Expressed not being concerned as the applicant has met the City's requirements.
- Spoke with the applicant on the phone yesterday.
- As the developer of Two Acre Wood he faced similar issues to what this applicant is now facing.
- Maybe a percentage of these units can be rentals with the majority being owner occupied.
- The quality of the community will stay stronger if most of the units are owner occupied.

Commissioner Doyle commented:

- May need the little piece of land on the left for coverage, otherwise should look into selling it to the neighbor.

Commissioner Skinner commented:

- Expressed having no problem with the proposed parking or density.

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

10. WRITTEN COMMUNICATIONS: There were none.

11. ADJOURNMENT: Chair Kelley adjourned the meeting at 11:41 p.m. to the next regular meeting of the Commission. The meeting will be held on Tuesday, November 08, 2016 at 7:00 p.m. at the Sebastopol Youth Annex, 425 Morris Street, Sebastopol, CA 95472.

Respectfully Submitted By:

Kenyon Webster
Planning Director