



**MINUTES
MEETING OF THE PLANNING COMMISSION**

TUESDAY, JANUARY 5, 2016

PUBLIC SESSION: 6:30 p.m.

CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE BLVD., CLOVERDALE, CA 95425

OPENING:

- Call To Order: Commissioner Shanahan called the meeting to order at 6:30.p.m
- Pledge Of Allegiance
- Roll Call: Present- Commissioner Halliday, Chair Shanahan, Vice Chair Domke, Commissioner Enge, Alternate Commissioner Bovee
- Agenda Review (changes/deletions): None
- Declaration of Conflicts of Interest: Commissioner Halliday recused himself due to his personal interest in the airport.

PUBLIC COMMENT PERIOD:

Chair Shanahan opened and closed public comment for this period; none were received.

PUBLIC HEARING ITEMS:

- 1. Proposed General Plan Amendment, Amendment to the Alexander Valley Resort Specific Plan, Rezoning, and Development Agreement (GPA/SPA/ZA.DA-018-2015) (continued from the December 2, 2015 Planning Commission meeting)**

Interim Community Development Director, Jerry Haag, presented this item. He began by informing those present that potential closure of the airport was not a topic to be discussed at this meeting. He stated the application filed by the Tyris Corporation was the topic of the meeting, adding that any other proposals (such as the Laulima Development project) would not be under consideration at this meeting. He went on to discuss the proposed changes the Tyris Corporation is requesting regarding the approved Alexander Valley Resort Project, which include changing the construction of the golf course to be an optional rather than mandatory item, adding the 12.3 acre parcel of land, previously removed, back into the project and approval of a Development Agreement. Mr. Haag discussed the history of the project and the current request for a General Plan Amendment to change the designation of the 12.3 acres from Business Park zoning to destination commercial zoning. He explained that Tyris is requesting amendments to the Alexander Specific Plan to include the 12.3 acres with the land use category of "resort, mixed use commercial", which would allow light industrial uses as well as selected commercial uses. Mr. Haag shared that Tyris has been looking for a developer since 2009 without success, remarking that to make the project more marketable, Tyris is requesting a development agreement to serve as a legal contract between the City and the future developer to vest or protect development rights. In return for these vested rights, the developer would provide community benefits, including backbone infrastructure such as a large water tank that could also serve other properties near the project, as well as the sharing of the Transient Occupancy Taxes (TOT) between the City and the future project developer. The details of the distribution of the TOT was discussed. Mr. Haag also discussed the proposed Addendum to the Alexander Valley Resort Environmental Impact Report (EIR) certified in 2009 and recommended that the Planning Commission make a recommendation to the City Council to adopt the Addendum. Mr. Haag talked about the commercial businesses proposed on the 12.3 acres site noting that business selected were targeted as to not compete with the current downtown businesses, but support the future resort. Mr. Haag reported that in response to the Native American Tribal consultation, staff contacted the

Native American Heritage Commission that responded by sending the names of eight local tribal representatives whom they recommended be contacted regarding any possible concerns they may have with this specific development project. Staff sent letters to each recommended representative and received two response letters stating they would like consultation. Mr. Haag reported that he sent emails to both regarding a consultation approximately a month ago but has not heard back from either party; therefore, staff is moving forward with the project. Mr. Haag discussed two public communications received from local businesses expressing concerns about the interface between existing industrial businesses and the proposed commercial businesses. He distributed two letters of response from Tyris to these two businesses (attached), which arrived after the agenda packet was sent out. In closing, Mr. Haag recommended that the Commission, by resolution to City Council, recommend that the Council approve the CEQA Addendum, the General Plan Amendment, the Alexander Valley Resort Specific Plan Amendment, the Zoning Ordinance Amendment and the Development Agreement. Mr. Haag explained that per the Commission's request two draft resolutions have been included in the packet for each requested item; one to approve and one to deny depending on Commission's prerogative. Mr. Haag closed his presentation, offering to answer any questions adding that the applicant is in attendance and may wish to discuss the project.

Dan Doporto, Land Use Attorney for Tyris, came to the podium to promote the project explaining the requests before the Commission. He discussed the challenges and lack of success marketing the project, noting the importance of approving the requested amendments for the project.

Public Comments:

Bruce Reuser, Cloverdale, listed the 27 businesses located on Santana Drive (attached). He stated that he and the City had a clear vision on what they wished to accomplish, which included a golf course to the south, river to the east, industrial to the north and out to the freeway. He discussed the Reuser Industrial Park, commenting that the Park has had continuous growth, even through the recent recession. Mr. Reuser expressed concerns about changing the General Plan and zoning, voicing that he believed the proposed changes would have a negative impact on neighboring businesses. He stated that although he would like to support the sale and development of the land, he requests that the zoning not be changed and alternative be found.

Jim Demartini, Cloverdale, shared that he has been a resident of Cloverdale for 40 years and was a member of the Planning Commission for 6 years and also served as the Chair of the Citizen's General Plan Review Committee when the current General Plan was developed. He remarked that the plan was studied in its entirety from the north end of town to the south end to create an outline for the growth of the City for the next 20 years. Mr. Demartini discussed the economic history of Cloverdale and the fact the industrial parks provides living wage jobs for many Cloverdale workers. He cautioned that if the decision is to amend the General Plan that it be done with great care with consideration for the needs of the entire City.

Bill Schmidt, Cloverdale, stated he is the Vice President of West Coast Professional Door, which has been in business for 4 years and employees 18 staff who work split shifts ranging from 5:00 am to 7:30 pm. He stated that because they pay a living wage several of their employees have been able to purchase homes. He expressed concerns about changes to the zoning that would allow a destination, commercial application which would be using the same streets as the trucks involved in his business. He voiced that it would be unfriendly to operate his trucks in competition with retail traffic. He also requested any changes to the General Plan and zoning be considered carefully with consideration to those already in business in the area.

Steve Nurse, Cloverdale, shared that he was also on the citizen committee mentioned by Jim Demartini and one of the priorities at the time was protecting the downtown businesses. He commented that downtown still has a long way to go and urged the Commission to do nothing that would jeopardize the growth of the downtown business community.

Tom Clark, Cloverdale, shared that he and his wife moved here about 15 years ago from southern CA. He remarked that during his 15 years in Cloverdale, he has watched Bruce Reuser develop his business and praised him for his environmentally sensitive business and his contributions to the City. He agreed with Mr. Reuser's concerns about the compatibility between industrial and retail commercial use, particularly the volume of truck traffic required for the industrial park and stated he is in favor of retaining the existing zoning and General Plan designation.

Bob Jordan, Cloverdale, stated he has been a Cloverdale resident for 21 years and also served on the Planning Commission for 12 years including the time of the previous Tyris proposal, adding that they were able to come to a positive, mutual approval stage by dealing with the details. He went on to say that the devil is the details and stressed the importance careful crafting. Mr. Jordan commented that the current request amendment is a bit overreaching and needs some finessing to make it work. He expressed concerns about job availability in the community, adding that he would not like to see anything that would be a threat to the vitality of the pedestrian oriented downtown area. Mr. Jordan also agreed that the proposed commercial businesses would be in conflict with industrial use and suggested other entrances to the project property be considered. He recommended the industrial zone be protected and isolated by sound landscaping and distancing. He suggested finding more compatible use neighbors.

Alex Berg, Cloverdale, owner of Cloverdale Tow, which he shared is an interesting business because they are welcomed when there is a need for their services to tow a car away but when it comes to storing the towed car, no one wants them around. Storage of towed cars has been a challenge due to zoning but thanks to Reuser's Industrial Park, he is able to store cars for the mandated time prior to disposing and provide services 24 hours a day. He voiced concerns about zoning changes and the impact it could have on his business.

Carol Rankin, Cloverdale, shared that she and her brother have a family business in the Reuser Business Park. She discussed the impact of the recession on their business and the need to move their business from Santa Rosa and how accommodating Reuser's were in relocating her business to Cloverdale. She stated while she is for development in Cloverdale, such as the Tyris project, she feels the industrial space needs to be protected and even expanded.

Al King, Cloverdale, Wine Country Homes, expressed appreciation to Reusers for the wonderful job they did on the industrial park, acknowledging the risk they took to develop the park and the jobs they provide. He also expressed concerns about the truck traffic and possible complaints it may bring if this projects moves forward as proposed. He stated that he wishes the best for Tyris and hopes he can get a project going that will be good for everyone.

LaReva Myles, Cloverdale, thanked Bruce Reuser for everything he has done for the City of Cloverdale. She also thanked Tyris Corporations for their efforts and stated she hopes a way can be found to make the project work and meet everyone's needs. She questioned the sharing of the TOT tax. She also asked if the proposed agreement would apply to a future development and obligate them to abide by this agreement and whether the City Attorney has reviewed the agreement. She requested clarification regarding revisions to the addendum. Ms. Myles stated she would like to support a development agreement that would make these parcels attractive to a prospective development company who would help make Cloverdale a destination and provide the economic development the City needs. Mr. Haag responded giving clarification on the revisions, stating that the addendum now supplies more environmental analysis thus making it a more defensible document. He stated that the City Attorney was deeply involved in preparing the development agreement. City Attorney Truxaw responded that a future developer would be bound by this agreement and the agreement would become a vested right for the developer as well.

Mike Nixon, Cloverdale, voiced that there is only so much available land and stressed the importance of planning for the future land uses. He stated that the Reuser's 17 acre Park contributes to creating 200 jobs, pointing out

that the 12.3 acres under discussion could also provide more jobs with better salaries if used as industrial. He advised to exercise caution regarding changing the zoning, emphasizing the importance of maintaining control. He discussed the Development Agreement and the TOT taxes, noting that the revenue will not be instant.

Michele Winterbottom, Cloverdale, discussed the TOT tax sharing stating that the agreement would be in place for 21 years. She urged the Commission to really look at the agreement adding that the City is not getting anything out of it. She remarked that it took many years to create the General Plan and Bruce Reuser spent an exorbitant amount of money developing the infrastructure. She stated that the zoning should not be changed. Mr. Haag clarified that the agreement is for 21 calendar quarters rather than 21 years, which would mean approximately 5 years. Dan Doporto, Land Use Attorney for Tyris, confirmed that the agreement is for 5 years, adding the agreement is very complicated and explained the details of the TOT sharing.

Elissa Morrash, Cloverdale, stated that Cloverdale can't afford to do many of things it needs to do and the developer will be assisting with payment for some of these as part of the development project, which will benefit Cloverdale. She commented that zoning is only beneficial if there is a need for that type of zoning, adding that there is not a lot of need right now for industrial use. She said we have a General Plan and an Urban Growth Boundary, which must be looked at but noted these two documents support future mixed use in the community. Ms. Morrash went on to say that Cloverdale made the decision a long time ago that the City does not want sprawl and that means mixed uses and possible conflicts surrounding those mixed uses. She stated this is not always clear or easy and we should not categorically make a decision but rather come up with a compromise that will work, such as buffer zones or alternative entrances to make mixed uses work.

Marilyn Heinen, Cloverdale, shared that she moved here in her retirement because she believed Cloverdale was going to have a golf course, which she understands may not happen now. She stated if she were to buy home in the Tyris project, she would not like to share the road with trucks to access her home or to even shop, noting the commercial and industrial are two very different types of businesses.

George Naill, Cloverdale, stated that trucks are an absolute necessity to life in this country, adding that there is no part of our society that doesn't depend on a truck. He noted that the industrial park creates good jobs, commenting that there seems to be an undercurrent against industry in general. Mr. Naill stated that to have infrastructure, such as sewer, water, highways, there is an industry that supports it and we must support that industry, which includes trucks.

Dan Doporto, Land Use Attorney for Tyris, came to the podium again to discuss the proposed project and address some of the issues presented. He commented how well everyone worked with each other even with opposing views and agreed reasonable minds can differ. He stated there has been and will continue to be cooperation with the Reuser Business Park, adding that Tyris is not anti-industry and will not try to limit truck traffic. He reported that Tyris is willing to modify the project to prevent resort traffic from operating on Santana Drive as to not impair industrial traffic. Mr. Doporto went on to say that he respects and admires Mr. Reuser and what he has accomplished with the business park. He stated that developing the commercial shops in the project will make it a destination area, which will bring people to Cloverdale and will also benefit downtown. He shared the golf course could still be an option, although the current market makes it unlikely. Mr. Doporto closed by offering to answer any questions.

Chair Shanahan and Commissioner Enge enquired about the best way to move forward on the agenda to attend to the item requests. Mr. Haag suggested addressing the bigger issues first that may impact the rest of the items. Commissioner Enge recommended to start with the General Plan Amendments. She thanked the applicant and the community for all the input. She stated that the General Plan was put together over a long period of time to create a vision for the future. She further stated that the plan was put together by past Planning Commissioners and City Council with Community input for the specific focus of creating a walkable downtown area with economical viable businesses. Commissioner Enge commented that changing the General Plan and allowing

commercial businesses outside the downtown core would have a detrimental effect on downtown. She voiced that she is not in favor of changing the General Plan and suggested that using a conditional use permit could be another option to look at case by case businesses at a later date and be within the existing General Plan.

Commissioner Domke voiced that he would like to see the project go forward but he has concerns about the proposed zoning change and modification of the General Plan. He compared this to similar project that he was involved with in Healdsburg, saying that it is now going forward without commercial development on the site. He stated Mr. Nixon made a good point regarding the approximately 200 living wage, jobs created by the 17 acres of industrial park, adding that this would not be the case with commercial property. He stated the project does not need the commercial development and he does not feel the General Plan should be changed in any way, adding that it was thoroughly studied in the past.

Alternate Commissioner Bovee thanked the public for all the great comments, which serve to make it easier for him to come to a decision. He acknowledged Tyris Corp and Mr. Reuser for doing a great job trying to compromise but he is opposed to changing the General Plan.

Chair Shanahan stated that he would like to see the project move forward and understands that marketing the property is very important. He shared that he has been on the Commission for a long time and has been a part of developing the General Plan, commenting on the importance of maintaining industrial zoned property. He believes the request is overreaching and will hurt the downtown area and agreed with Commissioner Enge that issuing conditional use permits would be better than changing the General Plan.

Mr. Haag informed the Commission that if they did not approve the changes to the General Plan, technically they could not recommend approval of the other applications because zoning must be consistent with the General Plan. Staff would need to go back and reconfigure the requested amendments to the General Plan. Mr. Haag stated that even if the Commission elected not to approve the General Plan Amendments, the Specific Plan Amendment, the Zoning Ordinance Amendment and the Development Agreement, he would still strongly urge them to approve the Resolution to the Council to approve the CEQA Addendum since it is independent from the General Plan Amendment and governed by different laws.

Commissioner Domke enquired about the possibility of approving a Development Agreement without approving the General Plan Amendments. Mr. Haag responded that could be an option. Commissioner Domke stated that the Commission should consider approving the CEQA Addendum as it is separate from the other Amendments. Mr. Haag advised the Commission that the draft Resolution for the CEQA Addendum is attachment number 10 in the agenda packet.

Chair Shanahan entertained a motion on the Resolution to approve the CEQA Addendum.

Motion was made by Commissioner Domke to approve the Resolution recommending to the City Council the adoption of a CEQA Addendum on approximately 254 acres of land lying east of Asti Road, west of the Russian River, south of Santana Drive and north of Cloverdale Municipal Airport (APNs 116-260-012, 116-310-013 & -014, 117-050-010, -011, 012, -017, 024, -026, -027, -028 & -029), and seconded by Commissioner Enge. The motion passed by roll call vote: (4 ayes - Shanahan, Domke, Enge, Bovee; 0-noes, 1 recused - Halliday).

Mr. Haag suggested voting on the remainder of the Resolution in the order listed in the agenda packet recommending either approval or denial of each item.

Motion was made by Commissioner Enge to approve the resolution recommending to the City Council that a General Plan Amendment on approximately 254 acres of land lying east of the Asti Road, west of the Russian River, south of Santana Drive and north of Cloverdale Municipal Airport not be approved, and seconded by

Commissioner Domke. The motion passed by roll call vote: (4 ayes - Shanahan, Domke, Enge, Bovee; 0-noes, 1 recused - Halliday).

Motion was made by Commissioner Enge to approve the resolution recommending that the City Council not adopt an amendment to the Alexander Valley Resort Specific Plan on approximately 254 acres of land lying east of the Asti Road, west of the Russian River, south of Santana Drive and north of Cloverdale Municipal Airport not be approved), and seconded by Commissioner Bovee. The motion passed by roll call vote: (4 ayes - Shanahan, Domke, Enge, Bovee; 0-noes, 1 recused - Halliday).

Motion was made by Commissioner Enge to approve the resolution recommending that the City Council not adopt an ordinance rezoning the 12.3 acre parcel on the southeast corner of Asti Road and Santana Drive from "MP-Industrial Park to SP-1- Specific Plan 1" and make other amendments to Section 18.08.040 of the Zoning Ordinance and recommending the City Council not adopt an ordinance approving a development agreement, and seconded by Commissioner Domke. The motion passed by roll call vote: (4 ayes - Shanahan, Domke, Enge, Bovee; 0-noes, 1 recused - Halliday).

Although the Commission voted against the current development agreement, they wished to go on record as stating in general they definitely support the idea of a future development agreement with revisions.

Mr. Haag thanked the Commission for their good work.

OTHER BUSINESS: None

PLANNING COMMISSION DIRECTION TO STAFF: None

ADJOURNMENT: Chair Shanahan adjourn the meeting at 8:50 p.m. to the next meeting Tuesday, February 2, 2016, at 6:30 p.m., or alternate date as requested, at the Cloverdale Performing Arts Center, 209 N. Cloverdale Blvd., Cloverdale, CA 95425.

These minutes were adopted by the Planning Commission at a regular meeting on February 2, 2015 by voice vote action: ayes (4), noes (0), recuse (1).

Approved:


Mike Shanahan, Chair

Attested:


Linda Moore, Deputy City Clerk