

**CITY OF ST. HELENA
PLANNING DEPARTMENT 1480 MAIN STREET- ST. HELENA, CA 94574
PLANNING COMMISSION**

August 2, 2016

AGENDA ITEM: 8

SUBJECT: Review for accuracy the updated summary of Planning Commission direction on the April 2016 General Plan as presented by the Chair and Vice Chair of the Planning Commission at the July 19, 2016 Planning Commission meeting and as modified by the Planning Commission at that meeting.

PREPARED BY: Victor Carniglia, Planning Consultant

REVIEWED BY: Noah Housh, Planning Director

LOCATION OF PROPERTY: City-Wide

APPLICANT: City of St Helena

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BACKGROUND:

This is the sixth Planning Commission Study Session on the April 2016 General Plan, with the previous such meetings being held on April 19, 2016, May 17, 2016, June 7, 2016, June 21, 2016, and July 19, 2016. At the July 19, 2016 Planning Commission meeting, the Chairperson of the Planning Commission Grace Kistner, and the Commission Vice Chairperson Mary Koberstein presented a compilation of the comments and direction concerning the General Plan taken from the preceding four Commission Study Sessions. This summary augmented and clarified the summary contained in the staff report prepared for the July 19, 2016 meeting.

The Commission spent the majority of the July 19, 2016 Study Session reviewing and discussing the summary as prepared by the Commission Chair and Vice Chair. After a thorough discussion of the document, the Commission directed staff to incorporate into the summary the various changes/edits as agreed to by the Commission at the July 19, 2016 meeting. The Planning Commission further directed that staff present this revised summary to the Commission at the August 2, 2016 Commission meeting.

ANALYSIS:

Attached to this staff report (see Attachment A) is a copy of the summary of the Planning Commission direction concerning the General Plan as prepared by the Commission Chair and Vice Chair, with edits made by staff incorporating the Planning Commission's comments and direction as provided by the Commission at the July 19,

2016 meeting. The changes to the summary prepared the Chair and Vice Chair have been prepared in “track changes” format, with all changes appearing as “red text, or red underlined text” in order to make the changes to the July 19, 2016 document easier to see.

The majority of the edits were easy to incorporate based on the direction from Commissioners at the July 19, 2016 meeting. However, there were two specific sections of the summary where the Commission did not come to a consensus on wording, each of which is noted with a “Comment” in the attached summary document. One of these areas where there was a lack of clear consensus is located on pg 2 and concerns how to address “tourism”, with the other on pg 6 concerning Policies ES1.B and ES2.A.

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission:

- Review the attached “Draft Summary of Planning Commission Direction on the April 2016 General Plan, as dated August 2, 2016 (Attachment 1), and provide direction to staff concerning its accuracy and completeness.

ATTACHMENTS:

A. Draft Summary of Planning Commission Direction on General Plan, August 2, 2016

ATTACHMENT 1

DRAFT SUMMARY OF COMMISSION COMMENTS/DIRECTION ON THE APRIL 2016 DRAFT GENERAL PLAN, UPDATED FOR AUGUST 2, 2016 PLANNING COMMISSION MEETING.

The Planning Commission recommends as follows:

1. Chapter 1 INTRODUCTION

A. **Periodic Updating** (item 5 on staff list). The following new Section 1.9 should be added to the Introduction, to underscore the importance of regular updates to the General Plan:

“1.9 Periodic Review and Updates to the General Plan by the City:

For the General Plan to be truly effective over the full 20 year period to its Horizon Year of 2035, the St Helena General Plan needs to be reviewed and updated by the City on a regular basis. State Planning Law specifies that by April 1 of each year an annual report should be prepared on the General Plan by the City and presented to the legislative body (which for St Helena is the City Council). At a minimum, the following issues need to be addressed as part of this review:

- Address the current status of the General Plan, and evaluate the progress made in implementing the various provisions of the Plan.
- Focus on the City’s progress in meeting its regional housing needs, including actions taken by the City and others to facilitate the construction of housing.
- The degree to which the General Plan complies with the most current State General Plan Guidelines.

While the preceding three items comprise the minimum scope of an annual review of the General Plan, the City has the discretion to add any other items to the review process as the City sees fit. In order to determine the administrative requirements and scope of this annual General Plan review process, City staff, within six months of the adoption of the General Plan, subject to the prior review and recommendation of the Planning Commission, shall bring to the City Council an agenda item presenting a process to implement an annual review of the General Plan. This agenda item would include a recommended list of topics to address in the annual

review process. Each year as part of the annual General Plan review process. City Council will provide direction to staff on the topics to be addressed as part of the review for the upcoming year.”

Comment: The Planning Commission initiated this concept at its first study session on the General Plan. Regular updating is a mandated and important mechanism to maintaining the relevance of the General Plan. Review of specific General Plan issues may warrant more than an annual review of the General Plan.

2. Chapter 2 LAND USE AND GROWTH MANAGEMENT ELEMENT

A. Deletion of Low/Medium Density Land Use Designation. (Item 1 on staff list) The General Plan should be adopted without the proposed Low/Medium Density Land Use Designation. This new designation is a recently introduced, significant shift from the fully vetted 2010 draft General Plan. This new designation has not been fully analyzed or examined by the community. Deleting it from the General Plan will assist in achieving proposed adoption of the General Plan within the scheduled timeline.

Comment: Essentially, through this recommendation, the Planning Commission urges the City Council to adopt project Alternative 2 in the Draft REIR: No Low-Medium Land Use Designation Alternative.

The Commission received lengthy written comment from Our Town St. Helena and George David in opposition to inclusion of the Low/Medium Density Land Use District, both of which are attached to this recommendation. In the case of OTSH, stated opposition is based on inconsistency with the Housing Element, negative impact on the ability to provide local workforce housing in the coming years and inadequate community input and staff analysis. See June 21, 2016 OTSH letter to Noah Housh and Victor Carniglia.. See also written statement of George David, submitted for July 19, 2016 Planning Commission meeting stating that the proposed Low/Medium Density Land Use Designation does not anticipate long term impacts of this change on the City, and urging instead that the City initiate comprehensive reform of all land within the City.

B. Comprehensive Zoning Review. (item 2 on staff list) A new section should be added to this Element to require a comprehensive review and analysis of the City’s zoning district regulations. This new section might take the form of a Policy and Implementing Action:

“Within three months of the adoption of the General Plan, initiate a comprehensive review of all zoning districts in the General Plan and Zoning Ordinance. Particular emphasis should be placed on analysis of the compatibility of existing regulations with the built environment and the utility of new or modified regulations to better achieve General Plan

objectives. Recommendations regarding revised or newly proposed district language in the General Plan and implementing regulations in the Zoning Ordinance would be the result of this process.”

Comment: The Planning Commission recommends inclusion of this concept whether or not the Low/Medium Density Land Use Designation is included in the adopted General Plan. The Commission received comments during the review process directed toward regulations in residential districts other than the existing Medium Density District, and comments on the proposed Mixed Use District, suggesting that more comprehensive approach to zoning throughout the City and in particular along the Route 29 corridor is warranted. The General Plan includes a Mixed Use District that has great potential but needs further study and development. This concept is not duplicative of the annual updating recommended in Chapter 1 above. See in particular, George David comments, Planning Commission July 19, 2016.

C. Managing Tourism. (item 6 on staff list) The following underlined language is recommended to be added to the Goals in Section 2.4:

“Manage Growth and Maintain Community Character. St Helena is committed to preserving its existing community character, maintaining agricultural lands, managing growth and tourism and ensuring that adequate infrastructure and facilities are provided.”

Comment: This recommendation is based on recognition that the City must manage the growth and change brought by tourism. As such, while it is acknowledged tourism brings to the City many potential benefits, managing tourism rises to the level of importance of managing growth in the maintenance of community character. The Chamber of Commerce and others did not oppose inclusion of this language in the General Plan. The Planning Commission received numerous comments on tourism, and Commission recommendations on those specific concerns are set forth below in Chapter 3, Economic Sustainability Element.

Comment [VC1]: There was some disagreement about the exact wording supported by the Commission. What is shown is a proposal by staff to strike a balance based on the Commission discussion of this issue.

D. Wineries. (item 3 on staff list, revised). The following language should be added to Policy LU5.6:

“Permit wineries and other agricultural related industries to locate in the city if their location does not adversely impact surrounding uses or city services (water , traffic, etc) or the quality and character of the community. As part of the comprehensive Zoning Ordinance update following adoption of the General Plan, distinct functions and uses accessory to wineries (event centers, production facilities, tasting rooms for example) should be recognized and categorized as appropriate or not to each land district in which wineries are allowed as a permitted or conditional (use permit) use.

Comment: The Commission discussed Citizen’s Voice comments concerning winery operation locations at a study session on June 7, 2016. The consensus was that

concerns about the future location of winery operations within the City should be resolved by tailored permitted and conditional use winery definitions that are appropriate for each zoning district.

E. [Placeholder: OTSH Land use comments 6-24-2016]

Comment: Policy LU2.6 concerns allowing higher density housing in specific residential districts subject to specified criteria. If the Low-Medium Density Land Use Designation is adopted in the Plan, to avoid concentration of such housing in limited areas of the City, this Policy should be removed or modified to include the Low-Medium Density district.

3. Chapter 3 ECONOMIC SUSTAINABILITY ELEMENT

A. Citizen's Voice Comments on Tourism. (item 4 on staff list)

Citizen's Voice submitted comments to the Planning Commission recommending changes in the Economic Sustainability Element, directed primarily at assessing impacts related to tourism. See attached comments.

It is the consensus of the Planning Commission that the comments in the Citizen's Voice letter dated April 15, 2016 as redlined in materials presented May 17, 2016 warrant consideration, and that the City Council should evaluate them with respect to specific wording changes in the Plan.

Comment: The Planning Commission formulated this recommendation after it considered the Citizen's Voice April 15, 2016 Letter (copy attached) at a study session on April 19, 2016. Subsequently, the staff brought the issue back to the Planning Commission for further discussion on May 17, 2016. At that time, the Planning Commission reviewed specific redlined recommendations attached hereto and reached consensus on some of the items. When further item by item discussion of the tourism issue was initiated in June, Citizen's Voice requested the Planning Commission to forward the April 15, 2016 letter and redlined changes in their entirety directly to the City Council for consideration and action.

B. Consensus Items Regarding Citizen's Voice Comments. (item 7 and additional items not included in initial staff recommendation). During discussion of the Citizen's Voice comments, the Planning Commission did reach consensus on the following three concepts and recommends consideration and/or inclusion of them as the Council considers the Citizen's Voice recommendations:

1. ES3.E The Planning Commission supports the concept of requiring a cost benefit analysis for development projects in order to assist the City in measuring their impacts on the community, with the cost of the analysis funded by the developer with the City determining the scope of the analysis and retaining the consultant performing the analysis.

Comment: This concept is an important planning tool. In any specific case, the City would establish the scope of review and retain the consultant to prepare the study. The project developer should fund the cost of this work.

- ES1.B, ES2.A These Implementing Actions are concerned, in part, with the concepts of “local serving uses” and “chain” retail stores.

2. The Planning Commission recommends that the concepts of “local serving uses” and “chain” stores be further developed through definitions that recognize and support businesses that have a “vested interest in the community”.

2.The Planning Commission recommends to City Council that the land use definitions for retail and service uses contained in Policies ES1.B and ES2.A, be further defined and developed concerning what the City considers to be “chain stores”, and for the City to develop incentives and programs to recognize and support businesses that provide a distinct community benefit and have demonstrated a vested interest in the community.

3. The Planning Commission supports inclusion of policy language in the General Plan that recognizes the importance of business retention and the need to support on-going providers in the community.

Comment [VC2]: There was no consensus among Planning Commissioners at the July 19, 2016 Planning Commission meeting as to whether Implementing Actions ES.1.B and ES2.A should remain as worded in the April 2016 GP, or whether the language should be modified to better define the concepts of “local serving” and “chain stores”, although it was agreed the phrase “local serving” would not be utilized. Staff expressed possible legal concerns over a policy that favored those that had “a vested interest in the community”. The following wording underlined in red is an attempt by staff to capture what the Commission intended. The Commission should feel free to modify as appropriate.

Comment [VC3]: This is new wording proposed by staff as described in the previous comment.

Comment: We all value our local businesses. Defining them as owned or staffed by community residents, or consisting of “non-chain” stores may not provide a broad enough, workable solution. The concept of businesses with a vested interest in the community can encompass local ownership, local management, established history, and still allow for businesses that are not “chains” but may have multiple outlets in the Valley. To the extent feasible, City regulations should support, not thwart, local business retention.

C. Various Sustainable Tourism Goals (in part, staff item 8)

Add language to the General Plan that sets forth criteria for review and evaluation of proposed lodging uses, specifically hotels and other such uses, but excluding short term rentals.

Comment: Citizen’s Voice and George David submitted comments on Policies ES 2.3 and ES2.2. The Commission supports Policy ES2.2 and Implementing Action ES2.B that address the removal of caps on hotel rooms and, in the case of ES2.2, restaurant seats. Hotel use is a hot topic with respect to revenue generation and community character. Policy ES2.2 already requires visitor serving uses to be oriented toward an upscale market and discourages development directed at mass tourism. Some have urged, and the City may wish to include more specific language in the General Plan to

elaborate on the desired nature of lodging uses. The Commission recommends that ES2.2 and ES2.3 be left in its present form.

D. Various Sustainable Tourism Implementing Actions.

Modify the language in Implementing Action ES1.F as follows:

“Provide development incentives for new visitor-serving businesses to develop affordable and workforce housing either through construction of housing or payment of an appropriate in lieu fee to develop housing elsewhere in the City. ~~Such incentives shall include visitor-serving uses in Medium Density Residential or Higher Density Residential districts, where a project provides affordable housing or an appropriate payment of an in lieu fee.~~”

Comment: As drafted this Implementing Action appears to support development of visitor serving uses in the referenced Districts.

Add wording to Implementing Action ES2.B to prohibit visitor serving uses, including lodging uses (with the exception of short term rentals) from locating in residential land use designations.

Add language to LU5.1 that would exclude Housing Opportunity Sites, as identified in the current Housing Element, from Policy LU5.1 that currently states: *“LU5.1 Discourage conversion of existing farmland to non agricultural uses”*

Clarify Policy LU5.3 so that it does not prohibit property from being developed simply because the property in question is being used for agricultural purposes, by deleting the words “or used”, so the policy reads as follows; *“LU5.3 Strictly limit development on properties existing at the time of the adoption of this General Plan that are designated as agricultural land.”*

Attachments:

- A. OTSH Comments June 21, 2016
- B. Comments Submitted by George David, June 21 as revised July 19, 2016
- C. Citizen’s Voice Comments Letter April 15, 2016, Highlighted revisions reviewed by Planning Commission May 17, 2016.
- D. Citizen’s Voice Winery Comments.