1. Call to Order & Roll Call.
Chairperson Herbert called the meeting to order at 7:00 p.m.

2. Approval of Agenda.
Action: Commissioner Miltenberger moved, seconded by Commissioner Clementi to approve the agenda. The motion passed unanimously.

3. Brief Announcements from Staff, Commissioners, and Liaisons.

A. Centennial Update.
City Public Relations Manager Bob Bowen informed the Commission of the activities and projects planned for the City’s centennial celebration beginning in January 2017.

4. Public Comment.
None.

5. Consent Calendar.
Action: Commissioner Miltenberger moved, seconded by Commissioner Hickman to approve the Consent Calendar. The motion passed unanimously.

6. Written Communications.
Written communications were circulated to Commissioners.
None.

8. Regular Items.
A. 901-919 3rd Street: Trackside Center Mixed-Use Project.

Planner Eric Lee presented the project to the Commission. Lee stated that the project was located on 3rd Street along the railroad tracks and within 300 feet of three historic resources; the Montgomery house, the Schmeiser house, and the Williams-Drummond house. The HRMC reviewed a previous proposal about a year ago, and the applicant has revised the design in response to earlier concerns raised. The structure has been scaled back from six stories to four, and the number of apartment units has been reduced from 48 to 27. The Historical Resources Effects (HRE) Analysis report done in September 2016 concluded that the impacts of the revised Trackside Center project would be less than significant relative to CEQA including less than significant adverse impacts to the setting of the nearby historical resources.

Commissioners Miltenberger and Rifkin disclosed that they had each met individually with the project applicant and members of the Old East Davis Neighborhood Association (OEDNA). Commissioner Lowry disclosed that he had met individually with the project applicant.

Applicant Kemble Pope presented an overview of the project, providing images of past structures that have occupied the site and highlighting the ways in which the project has been revised in response to Commission and community feedback.

Project consultant Dana Supernowicz, who prepared the Historical Resources Analyses (HRAs) and addendum for the original and revised projects, presented his findings, summarized as follows:

- The three resources were designated primarily because of their architecture, not their setting.
- The resources would not be un-designated as a result of the project.
- The site of the project was industrial, not residential.
- The neighborhood is a Conservation District, not an officially-designated Historic District.
- The visual effects of a four-story building on the site would not constitute a substantial adverse change to the resources.

Chair Herbert opened the public comments.

Community members supporting the project included the following:
Jason Taormino, Eric Roe, Phil Bachand, Carson Wilcox, Betty Woo and Steve Greenfield.

The following is a summary of their comments:
- The project is aesthetically pleasing and will not have an effect on the resources.
- The project will bring people and economic activity to the downtown.
- It’s cost-prohibitive locating in downtown. The current site seems to be on the edge of the core, but it’s not.
- The project would provide housing and allow more people to enjoy the downtown.
• The project provides a great opportunity to reduce carbon footprint.
• The building is a great design and is good-looking.
• This is an opportunity for infill and densification, not sprawl.
• The design guidelines are outdated.
• Buildings should be owned by local investors instead of by outside investors/developers.
• There is a difference between the design drawings and an individual’s actual perception of the building; an individual’s view is limited compared to the overall view presented in the renderings. A building that looks massive in a two-dimensional rendering will not appear as massive when viewed in the real world.
• Building isn’t so large and looming.
• The proposed building height is allowed in the guidelines.
• The zero lot line dwelling unit on the alley that used to be a garage was constructed after the Trackside group purchased the property. The dwelling impacted the Trackside project.
• There is no mixed-use project that will be profitable and fit in scale with single-family homes.
• The use is reasonable for the site and compares well with other buildings, etc. in the area.
• The building will not cast a shadow over the entire neighborhood or the resources, or even the structures across the alley, until the late afternoon.
• The G Street parking garage can be seen from the neighborhood, and it doesn’t affect the character of the neighborhood.
• The building was designed to fit into both the Mixed-Use Character Area and the 3rd Street Special Character Area in the design guidelines.
• The floor area ratio is the only requirement that controls building height in this zone; a four-story building is therefore allowed as long as the other proportions are reduced to compensate for the greater height. The floor area ratio of the building is consistent the guidelines.
• The Council needs the input of the HRMC to certify the CEQA document.

Community members expressing general comments about the project included the following:
Marilyn Underwood (president, Old North Davis Neighborhood Association) and Matt Williams.

The following is a summary of their comments:
• The Old North Davis Neighborhood Association is concerned about the large aspect of the project, but did not review it specifically.
• Design Guidelines for the Core Transition East area specify that new mixed-use buildings should be built to the street. There will be conflicting and competing policies and information.

Community members opposing the project included the following:
Rhonda Reed (president, Old East Davis Neighborhood Association), Daniel Kaltenbach, David Krueger, Rodney Krueger, Allen Miller, Larry Guenther, Mark Grote (Secretary, Old East Davis Neighborhood Association), Marijean Burdick, Ed Whistler, Mary Kaltenbach,
Craig Zimmerman, Elsa Ruiz-Duran, Steven Blum, Doreen Pichotti, Ken Gebhart, Tia Will, Stephen Kaltenbach, and Raymond Burdick.

The following is a summary of their comments:

- Design guidelines were like a “promise made” to protect the historic nature of the neighborhood.
- The most restrictive design guidelines should apply to this project.
- Del Rio project would be a better fit for this neighborhood than the Trackside project.
- Due to its height and east-facing windows and balconies, the building would affect the privacy of the homes across the alley to the east of the project.
- The building would generate a great deal of noise.
- The density of the project would create parking issues.
- The project would have a large impact on the neighborhood.
- Trees will not be able to screen the project until 20 or 30 years from now.
- The Old East Davis Neighborhood is the oldest residential neighborhood in Davis.
- The Old East Davis Neighborhood is already fairly dense.
- The Old East Davis neighborhood comprises a small area and it doesn’t take much to alter its character.
- We support redevelopment of the site, but we would like it to be consistent with the design guidelines.
- The project does not conform to the design guidelines in terms of mass and scale.
- The project does not conform to the design guidelines in terms of the building façade; the project does not appear to be in scale with traditional single-family homes along the street front.
- The project does not present a transition that is compatible with the single-family homes.
- The mass and scale of the project are inconsistent with the following three key planning documents: the General Plan, the Core Area Specific Plan and the Design Guidelines.
- No wording in the 3rd Street Special Character Area that permits a four-story building.
- Photo simulations show that the project would dominate Old East view-sheds in all directions and would impose on smaller buildings nearby, which would obviously harm the setting of the Old East Davis neighborhood.
- The design guidelines call for two- and three-story buildings; this project is four stories.
- The Old East Davis neighbors would accept a three-story project.
- Due to its mass and scale, the project would cast a shadow on a large part of the neighborhood.
- The historical analysis is flawed and incorrect in that it discounts the purpose and existence of the conservation district and focuses on the specific resources rather than focusing on the effects on the entire district.
- The analyst incorrectly stated that there had never been a request to create a historic district.
- The neighbors presumed that the design guidelines would protect the district.
There are very few historic resources left in Davis; the existing ones need to be preserved.

The purpose of the design guidelines is to provide guidance moving forward with new development while maintaining historical structures and character of the neighborhood.

Discussion of past structures on the site is not relevant to the current discussion.

The proposed project dominates the skyline, affects the entire conservation district.

Approval of the project would set a precedent that it’s not important to follow design guidelines in terms of mass and scale and in terms of transition between the two districts.

The building fails to make an appropriate scale transition between the downtown core and single-family homes in the neighborhood.

Approval of the project would set a precedent of a wall of buildings that would block the setting sun from the neighborhood.

Old East Davis neighbors want a complete vetting of all of the consequences of building this project; we want decision-makers and stakeholders to be able to consider the feasible alternative designs that would be part of a full CEQA review.

Old East Davis homeowners are investors in their neighborhood.

The project would change the neighborhood from the Old East Davis neighborhood to the “Trackside Towers” neighborhood.

There is no parking proposed for the 10,000-square-foot restaurant.

There is potential for this project to have many huge adverse environmental impacts on the neighborhood and to Davis.

The project will have significant growth-inducing impacts on the densification of the downtown.

No CEQA document has been completed on the overall project; any decision by the HRMC at this point would be premature. The lead agency needs to complete the CEQA documentation for all of the other agencies that follow.

If there is the possibility that there may be a significant adverse impact to the environment in general, then a CEQA review must be completed before any agency/commission/department/bureau/board makes its decision; CEQA is not adamant about whether your narrow focus has a significant adverse impact.

A decision now by the HRMC would be premature. The impacts of the project must be analyzed and disclosed in a public document before any governmental decisions are made. To narrow the focus on the historical impacts before all impacts are disclosed, analyzed, mitigated or found to be either insignificant or acceptable due to overriding considerations would constitute a piecemeal approach, which violates CEQA.

Postpone this decision until after the appropriate lead agency fulfills its responsibility by certifying the final CEQA document, whether it turns out to be a Negative Declaration, a full EIR, or a Notice of Determination that there is no evidence that the project overall has any possibility of having an adverse effect on the environment.

The project would not support form-based planning.

Conservation districts encourage better-quality design and greater sense of cohesiveness and more innovative use of materials.
• Conservation districts help environment by encouraging the rehabilitation and reuse of existing buildings.
• The project would encourage more of a rental district.
• It is inappropriate that the 10-year railroad lease was included in the lot coverage floor area ratio calculations for the project. That piece of land might be sold off and developed some time in the future. By including this land in the calculations, they are understating the project’s deviations from the City zoning regulations and design guidelines.
• Traffic and parking will be issues. Also pollution, noise and lack of light will be issues.
• This project does not add to the neighborhood that we are building.

Chair Herbert closed the public comment period at 10:02 p.m. and called for a break. The meeting reconvened at 10:09 p.m.

Assistant Director of Community Development and Sustainability Ash Feeney reviewed staff recommendations for the Commission and clarified that this meeting represented a step in the CEQA process, and that staff would determine what type of environmental document is required based on HRMC and public comments from the current meeting. Feeney stated that staff had found the project to be consistent with the DDTRN Design Guidelines, indicating that the project is located in special character area and a mixed-use area; higher levels of intensity of development are expected for a project in such an area.

The commissioners asked staff and the project proponents questions, summarized as follows:

The project is located in a transition area—the transition is from what to what?
   Staff response: the transition is between commercial core to the west and residential to the east.

What would be a permissible building to the west of the tracks?
   Staff response: Mixed use; a higher level of intensity than what is currently on the site.

How did staff find this project consistent in mass and scale to other structures on the block with respect to the guideline matrix presented by an opponent of the project earlier in the meeting?
   Staff response: Our analysis focused on the 3rd Street Special Character Area guidelines and the Core Transition East Mixed-Use Area, which specifically address this property and similar properties in the area and differ slightly from the Mixed-Use Design Guidelines. The matrix presented earlier represents the general Mixed-Use Design Guidelines. Our focus has been on this building as being in a transition area, not mid-block.

Do you feel that the current project is consistent with the design guidelines?
   Applicant response: No project could ever meet every single one of the design guidelines.
Is the property within the conservation district?
Staff response: Yes, it is, and it is also in the Core Transition Area.

Would you consider the guidelines you are using to be more liberal than the general guidelines? Your focus seems to be more on the mixed-use portion and not on issues of mass and scale.
Staff response: What we are using is within the guidelines; it is not a separate document. Within the guidelines there is a specific call-out for this Core Transition East.

How has staff analyzed the discussion around the precedent that will be set by this project for future development in the area east of the railroad tracks?
Staff response: We will consider future proposals on a case-by-case basis.

This project as it was presented in 2015 as a taller building was found by staff to be consistent with the design guidelines.
Staff response: Staff had concerns and the 2015 project was brought before the HRMC for comments.

At what number of building floors would staff not recommend that the HRMC approve the project? It seems that this project does not meet a significant portion of the guidelines. However, I do appreciate the efforts that have been made to scale back the building.
The GEI report letter provided by Rhonda Reed is very helpful with regard to the discussion of setting. An analysis focused on setting with regard to the National Register is more appropriate than an analysis with regard to the Secretary of the Interior’s Standards.

With regard to “transition” — are we talking about a physical transition or a mixed-use transition?
Staff response: The design guidelines address the physical aspect, not the use aspect. The zoning of the site addresses that use transition. It is difficult to separate the two. More intensity is anticipated.

What are deviation fees and do they apply to this project?
Staff response: Deviation fees are fees associated with pursuing land use entitlements that are discretionary and publicly vetted. There are no deviations’ fees required for the current type of process.

Do the guidelines specify a configuration with the third story stepped back?
The guidelines do not specify exactly how the floors are to be configured. The guidelines speak predominantly to two to three story structures. It does not preclude four-story or six-story structures.

What is the Commission’s role in the CEQA process? Who is the lead agency?
Staff response: We will be consulting staff and the City Attorney regarding this process. The City of Davis is the lead agency.

To Dana Supernawicz (DS): Did you review the Ambacher letter, and, if yes, please summarize what points you disagreed with?
DS: I did not attempt to neglect setting in my analysis. The project does not directly impact the neighborhood. I did not believe that the visual impact reached a threshold making it adverse in terms of CEQA. This neighborhood is not a National Register district; it is a conservation district. This project would not de-list any properties in the neighborhood and it would not prevent the district from being designated a historic district.

Assuming that this was a historic district, how would your analysis change? What about “feeling”? What would be enough to be significantly adverse?

DS: My analysis would be the same; the project is not inside the district. The neighborhood still retains its identity, streetscape, etc. The project would not change setting or feeling enough to be adverse. If the project were solely commercial, that would be adverse.

Setting and feeling are aspects of integrity, not aspects of significance.

DS: Those houses were determined to be historically significant primarily for their architecture. Setting does not have to be a critical element to determine that a building is significant.

What was the intent of the Design Guidelines as published and adopted by the City?
Staff response: To conserve the traditional character of conservation district.

Wasn’t the intent was to guide the design of projects in the overlay districts so that they formed a sort of planned whole? We require even contributors to districts to follow the design guidelines. What was the intent of City in establishing conservation overlay districts?
Staff response: They were designed to address community concerns over making changes to the core enhance rather than erode district character and to provide guidance for future development.

This is the first tall structure being considered that directly abuts residential buildings. (The B Street Mission Residences went through a separate environmental process that altered the design guidelines for that specific area.) We need to consider cumulative effects more thoroughly in an environmental document. If future properties are developed in the same way, the result will be a wall of buildings between downtown and Old East Davis. Densification is likely to happen, and this project is a precedent-setting development.

Has the City issued a draft EIR?
Staff response: No.

Buildings that are considered contributors to a conservation district are considered resources for the purposes of CEQA. Therefore, contributors need to be taken into account in the environmental document as well.

What is the height limitation that is acceptable for the City of Davis anywhere?
It depends on the location; there are actually some zones with no height limitation.

The HRMC helped the City get a grant to do a survey of the entire city, which was completed last year. Only a few areas were called out that had the potential for having
historic structures. More densification projects will come before the Commission in the future. This commission has always referred to the design guidelines in considering densification projects; if the guidelines stipulate two to three stories, which is pretty solid guidance. Does the City have plans to allow for much taller buildings in the core?

Staff response: We would evaluate projects as they come in based upon the documents that we have.

Chair Herbert accepted a comment from a member of the public regarding a statement made earlier by the applicant. The member of the public wanted to note for the record that item mentioned applied specifically to the 3rd and B Street Visioning Process in 2007; it does not apply to the Trackside Center site.

The precedent-setting nature and the cumulative effects of the project in terms of mass and scale and in terms of preservation were noted by commissioners.

The commissioners indicated their appreciation for the modifications that had been made to the project based on previous input.

Action: Commissioner Clementi moved, seconded by Commissioner Miltenberger to affirm the Commission’s previous determination that:

a. The existing structures do not meet the criteria for listing in the National Register of Historic Places, California Register of Historical Resources, or City landmark or merit resource requirements based on the Historical Resources Analysis and that they do not warrant full review under CEQA as historical resources; and

b. That the Demolition Certificate is not required given the findings of the HRMC that the buildings at 901 – 919 Third Street do not have significant historical significance to be eligible for designation at local, state and federal levels.

The motion passed unanimously (7-0).

Action: Commissioner Beason moved, seconded by Commissioner Miltenberger to find that the revised project is consistent with the applicable guidelines from the Davis Downtown Traditional and Residential Neighborhood (DDTRN) Design Guidelines.

The motion failed unanimously (0-7).

Action: Commissioner Miltenberger moved, seconded by Commissioner Hickman to find that the Historical Resources Effects (HRE) Analysis report and the Addendum to the HRE, which conclude that the potential historical impacts of the revised Trackside Center project would be less than significant relative to CEQA including less than significant adverse impacts to the setting of the nearby historical resources, is acceptable.
The motion failed unanimously (0-7).

9. **Business Item.**
   A. **Revision of 236 B Street, Pizza 101 Restaurant.**
      Ike Njoku presented the project, which is a revision of a proposal that was originally evaluated by the HRMC in 2015. Due to financial constraints, the applicant is asking to completely demolish and reconstruct the structure rather than partially demolish and partially reconstruct the structure. If the Commission approves the revisions, staff can administratively approve the proposed revisions.

      Architect Betty Woo indicated that revisions were being made to the original proposal due to concerns expressed by their structural engineer.

      The commissioners discussed the project.

      **Action:** Commissioner Miltenberger moved, seconded by Commissioner Beason to confirm that the proposed revisions are in substantial conformance with the 2015 approval and to direct staff to administratively approve the proposed revisions. The motion passed unanimously.

10. **Commission and Staff Communications.**

      **Action:** Commissioner Miltenberger moved, seconded by Commissioner Clementi to move Item 10 to the next meeting. The motion passed unanimously.

11. **Adjournment.**

      Staff Njoku reported that the next meeting will be held on January 23, 2017, at the Hattie Weber Museum (445 C Street) at 7:00 pm.

      **The meeting was adjourned at 11:40 p.m.**