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# Revised Palm Terrace plans still stir up controversy

by Marsha Trent

The Sebastopol Planning Commission will continue a public hearing on the revised, but still controversial, Palm Terrace Subdivision on Tuesday, Feb. 8. The first hearing on the proposed residential development was held Jan. 25.

At the first hearing, between 15 and 20 residents questioned the effect of the development on the neighboring Laguna de Santa Rosa and the affordability of the housing proposed in the 7.18-acre project.

Kathy Oetinger, a member of Sebastopol Tomorrow, summarized the objections to the development when she said, it is obvious the Palm Terrace site is one "the community holds dear to its heart," for its "special" relationship to the lagoon.

Yolanda Ghilotti and family, who have a 50 percent stake

parcel, seek approval for a residential planned community development, consisting of 19 single family homes and six second dwelling or "granny units."

Sebastopol City Planner Richard Spitler has recommended conditional approval of the project, subject to 88 conditions.

One of the conditions is that five of the units would be duplexes or small houses and have exteriors similar to the \$300,000 to \$350,000 single family units proposed for the development. The units could be purchased by low to moderate income buyers.

Spitler has also set forth 11 findings the commission could make to recommend to the City Council for denial of a use permit. Included in those findings are adverse impacts to the lagoon ecosystem and the poten-

tial elimination of an important vista of the lagoon.

Charles Evans, spokesman for the Ghilottis, said the owners object to the proposed requirement that the project's low to moderate income housing must be for sale to qualified buyers rather than for rent as proposed in the project plan.

## Plans . . .

(Continued from front page)

neighbors of lagoon and environmental activists and property rights advocates.

In June of 1991, the commission rejected another development in that area, George Young's Saddleburr subdivision, which called for 71 homes and a medical office building on 41.5 acres bordering the lagoon, east of Palm Drive Hospital, between Walker and Palm avenues.

In 1992, Palm Terrace, which at one time was part of a Saddleburr proposal, was brought back to the planning commission for a preliminary review

The plan calls for five second-dwelling or "granny units" to be designated as the 25 percent of total project affordable housing contribution required in the city's revised general plan.

Spitler maintains there is no guarantee the designated "granny" units would be rented to low or moderate income

households, since they could become offices or additional space for the owners of the single family homes.

The new Palm Terrace proposal is a modified version of the original plan, which called for 21 homes on 21.4 acres with four "granny units." That plan was reviewed by the commission in

September 1992.

Since 1988, when the City Council approved a tentative map for the subdivision (which was later overturned when a citizen's group sued and won a demand for an EIR), the project has been at the center of community controversy between

(Please see *Plans* page A3)

minus Saddleburr and Young.

At that time a plan created by Futrell Sonoma Corporation of Santa Rosa received some favorable reviews from the commission, but developer Hugh Futrell did not file an application for a use permit in order to further revamp the project.

According to Evans, the Palm Terrace site was purchased by Dino Ghilotti in 1988 after the City Council approved the tentative map, but before the lawsuit that mandated the EIR. Yolanda Ghilotti is Dino Ghilotti's widow.

Young retains ownership of a "small percentage of the project," Evans said.

The current project proposal, Evans said, is aimed at re-

sponding to findings set forth in the EIR and to issues planning commission raised in the 1992 review.

Saddleburr subdivision and an attendant annexation request have been dropped.

Additionally, the proposed medical office is designated for another parcel and is not part of the Palm Terrace subdivision. The proposed subdivision is located within the city limits at the end of Palm Avenue and is bounded on the north by Walker Avenue.

Spitler has found that although the project includes landscaping and setbacks from the lagoon, the architectural style of the dwellings should be examined by the Design Review Board and the development of a parcel at the end of Palm Ave., next to the open space buffer, would eliminate an important vista of the lagoon.

Oetinger said it appeared that any proposal to develop adjacent to the Laguna is "very painful for the community," and that many "would rather

the project go away."

Evans said the property owners are committed to residential development on the site.

"They have a significant financial investment, including carrying the property for six years (through the EIR)—they are not likely to just forget about that," he said.