



## **Project Narrative**

### **603 Sutter Street Mixed-Use Building Project Design Review Application (PN 17-145) 603 Sutter Street (APN: 070-0111-010)**

**SITE:** The proposed 603 Sutter Street project (“Project”) is a mixed-use building to be located on the corner of Sutter and Scott Streets within the commercial portion of the Folsom Historic District. The Project is located on a 0.19 acre, approximately 74 by 100 foot (7,400 sq. ft.) parcel (APN# 070-0111-010). The lot is zoned as HD/C-2 within the Sutter Street Subarea of the Historic Commercial Primary Area of the Historic District, with an underlying zoning of C-2, Central Business District. The proposed Project is located on the south side of Sutter Street, west of Scott Street. The parcel is a corner lot on the upper end of Sutter Street. To the north is Sutter Street with the Folsom Electric and Lighting Company Building (604 Sutter Street) directly across the street. To the east is a commercial zoned lot with two residential structures (Cohn Mansion). To the south of the parcel, on Scott Street, is a residence located on a commercial zoned lot, situated directly across Scott Street from the Cohn Mansion. To the west is the original historic library that is now Studio 605 Salon. The site drops approximately 24 feet from the back side to Sutter Street and approximately nine feet along Sutter Street from the lower to upper end traveling from west to east.

#### **ADJACENT LAND USES AND ZONING:**

North:	Sutter Street and Folsom Electric and Lighting Company Building HD-C2.
South:	Residential use with HD/C-2 Zoning.
East:	Scott Street Residential use (Cohn Mansion) with HD/C-2
Zoning.	West: 605 Sutter Street (Salon) HD/C-2 Zoning.

**APPLICANT/OWNER:** The applicants and the owners are Ziad and Deborah Alaywan, through their company, Cedrus Holdings (the Applicant). Ziad and Deborah own three properties on Sutter Street: 510 A & B Sutter, 512 Sutter and the proposed 603 Sutter Street.

The owners have strong ties and a deep respect for Folsom, particularly the Historic District and Sutter Street. Not only is their business located at 604 Sutter Street, but their two other Sutter Street properties are also located in the Historic District and one of their children owns his house on Wool Street.

Ziad and Deborah are the owners of ZGlobal Inc., an engineering firm located at 604 Sutter Street which employs over thirty professionals between two office locations, one on Sutter Street and the second office in Southern California. It is their hope to eventually occupy office space at the proposed 603 Sutter Street location.

ZGlobal currently manages the electricity needs for Marin, Contra Costa, Placer, El Dorado, Santa Clara, Solano, and Napa Counties in addition to twenty-eight city agencies throughout California<sup>1</sup>, and various generating facilities across California, Arizona, Utah, Nevada, and New Mexico.

**BACKGROUND:** After several initial feasibility studies dating back to 2012, the 603 Sutter Street building, as originally proposed, was formally submitted to the City in May of 2017. The Applicant's submission included an application for approval of Variances (a building height variance and parking variance) and Design Review for development of a three-story, 23,486 square foot mixed-use building with underground parking. The Project, as initially proposed, was informally evaluated by the Historic District Commission at the September 6, 2017 meeting as an informational item only. At this meeting, the Commission, representatives of the Heritage Preservation League, and members of the public provided comments and feedback regarding the proposed project.

In addition to the feedback received from the Historic District Commission in September of 2017, the Applicant received a letter from the Heritage Preservation League noting their concerns. The Applicant also solicited feedback from neighboring residents by hosting several meetings between August and September of 2017.

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<sup>1</sup> This includes the cities of Anaheim, Campbell, Cupertino, Corona, Concord, Danville, Benicia, El Cerrito, Lafayette, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Martinez, Moraga, Milpitas, Monte Sereno, Morgan Hills, Mountain View, Oakley, Richmond, San Ramon, San Pablo, Pinole, Pittsburg, Saratoga, Sunnyvale, and Walnut Creek.

Listed below are some of the most notable comments from the Historic District Commission, the Heritage Preservation League, and residents:

- Concern regarding building height (originally proposed at 57 feet, 6 inches tall)
- Concern regarding the size and scale of building.
- Concerning architecture and design of the building – recommended to redesign the plans to be more reflective of buildings constructed prior to 1900.
- Concern regarding limited on-site parking provided for the building (15 parking spaces were proposed).
- Concern regarding pedestrian safety in the underground parking garage.
- Concern regarding building encroachment into Scott Street right-of-way.

On March 14, 2019, the Applicant submitted a revised development application to the City in response to the above-stated concerns. The most significant changes to the proposed project included reducing the size of the building from 23,486 square feet to 14,811 square feet, reducing the height of the building from 57 feet, 6 inches to 50 feet, 6 inches, modifying the building footprint to avoid encroachment into the Scott Street right-of-way, eliminating the underground parking garage, and updating the architecture and design of the building.

Leading up to the scheduled Historic District Commission hearing on August 19, 2020 on the revised Project design, the Applicant received several written comments from neighbors and members of the public. To better understand these concerns, the Applicant hosted two public outreach sessions on August 12<sup>th</sup> and 13<sup>th</sup> of 2020. After the public outreach meetings, the Applicant requested a continuance of the Commission hearing to provide the design team additional time to consider comments and feedback. Still with concerns to address, the Applicant prepared two alternative solutions to solicit feedback from the Historic District Commission via an informal workshop hearing on October 21<sup>st</sup> of 2020.

Notable feedback from the Historic District Commissioners and members of public included:

- Regarding architecture and design of building – references to pre-1900 architecture were improved.
- Concern regarding building height (42-feet, 0-inches tall) – suggested proposing a solution with no height variance required.
- Concern regarding limited or no parking provided for the Project (0-7 parking spaces) – suggested proposing a solution that did not require a parking variance.

## **REVISED PROJECT DESIGN**

The Applicant and their design team heavily considered the suggestions of the City, Historic District Commission, Heritage Preservation League, and neighbors. The proposed responses are summarized as follows:

**BUILDING HEIGHT:** The building height has been reduced from the previously proposed heights of 56 feet, 6 inches and 50 feet, 6 inches to 35 feet, 0 inches. The Project now conforms to the Historic District's height limitation for buildings fronting Sutter Street and no variance is required.

**PARKING:** Due to site constraints and subsurface conditions, on-site parking is not provided. The enactment of Government Code Section 65863.2 (Assembly Bill 2097 (2022 Friedman)) prohibits public agencies from imposing or enforcing minimum automobile parking requirements for residential, commercial, and other developments if the project is located within one-half mile of public transit. Under Government Code Section 65863.2, the definition of public transit is a major transit stop as defined in Section 21155 of the Public Resources Code.

- Public Resources Code Section 21155 defines a major transit stop to include (1) as major transit stop is defined in Public Resources Code Section 21064.3, and (2) major transit stops that are included in the applicable regional plan.
- Public Resources Code Section 21064.3 defines “major transit stops” as a site containing, an existing rail or bus rapid transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

The Project is served by an existing rail station within one-half mile of the site, and thus is exempt from providing on-site parking requirements. The Applicant will work with the City public work to have one street level parking stall as an ADA compliance. The Applicant will be responsible for all improvement needed to the satisfaction of the city requirements. .

**INFILL EXEMPTION:** Height and parking variances are not required for the Project, as currently proposed. Since no variances are requested, the Project, given its site and other characteristics, meets the criteria for an exemption from the California Environmental Quality Act (CEQA) as an infill project. CEQA Guidelines Section 15332 identifies the Class 32 categorical exemption for in-fill development projects:

Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section.

(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.

(c) The project site has no value, as habitat for endangered, rare or threatened species.

(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

(e) The site can be adequately served by all required utilities and public services.

(14 Cal. Code Regs. § 15332.) This exemption is intended to promote infill development within urbanized areas, such as the proposed Project.

**HISTORIC CONTEXT:** The Historic Preservation League challenged the Applicant to justify the building design relative to pre-1900's architecture. "California Gold Rush Commercial" was the chosen precedent. This style is found throughout the District and is characterized mostly by brick masonry buildings. The Project design team also drew references from regional architecture built during the same period. The resulting proposed solution incorporates characteristic brick detailing, cornice work, storefront, and window design.

In addition, the highly respected historic preservation firm, Page & Turnbull reviewed the building design. The building design was found to comply with, and meet, the design requirements for projects located within the Historic District. The resultant design is appropriate in both its use and size providing added character to the beautiful existing fabric of the Historic District. Both the scale and attention to detail evoke a timeless architectural character underscored by high quality materials.

**DESIGN SOLUTION:** The revised design proposes a building mass which has been broken into two sections along the length adhering to the scale and proportion of other buildings along Sutter Street. In consideration of height and massing, the building is also stepped back to the third level. Given the subsurface conditions and steep terrain of the site, the building is stepped into sections to avoid excessive need for excavation. No blasting is necessary with this Project design. There is a small retail footprint which allows for multiple tenant divisions along Sutter Street to promote a pedestrian-friendly walkable experience.

The applicant voluntarily agreed to fund a third-party review by an independent

historic architect specialist. We understand that the independent review of the proposed design was positive.

After much thought regarding building use, the Applicant came to the decision that the addition of residential loft space would fit nicely within the adjacent residential neighborhood. The entire third floor incorporates two, 2-bedroom loft spaces, approximately 3,630 square feet of the occupied conditioned 12,177 square feet, making the Project a true live-work space. In providing residential loft space, while decreasing office and retail space, it is the Applicant's intention to respect the relationship between the building location and the adjacent residential neighborhood.

## **PRE-CONSTRUCTION AND CONSTRUCTION ACTIVITIES**

The Project's building permit application will be submitted under the 2019 Code cycle. The Applicant will update the Project's existing Geotechnical Engineering Report and conduct grading in accordance with design and construction measures contained in the Report and City standards and requirements.

**PROTECTION OF RESOURCES DURING CONSTRUCTION:** Prior to initiation of construction on the Project site, all construction personnel that are involved in ground-disturbing activity on the Project site will be provided with a training program on cultural and tribal cultural resources provided by a qualified professional archaeologist either in person or via DVD. The United Auburn Indian Community may attend the initial in-person training or provide a video segment for inclusion in the DVD training. The program will include information regarding cultural resources, and their recognition, avoidance, and treatment in the event of discovery; federal and state regulations pertaining to cultural resources and tribal cultural resources, including enforcement and penalties for non-compliance; the subsurface indicators of tribal cultural resources that require a work stoppage; and procedures for notifying the City of any occurrences of cultural resources or tribal cultural resources.

The Project plans will also contain a notation requiring that if any archaeological, cultural, historical resources, artifacts, or other features are discovered on the Project site during construction, or if there is a discovery of human skeletal remains on the Project site, work will immediately be suspended in that location. In the event that undiscovered cultural resources are found on the Project site during construction, all construction activities will stop and the construction manager at the site, or the Applicant, will notify the Folsom Historical Society, Heritage Preservation League, and City staff regarding the find. The Applicant will work with a qualified archaeologist, in consultation with all interested parties, including Native Americans, to develop a recovery or mitigation plan that will be

implemented by the City. In the event that human skeletal remains are found on the Project site during construction, the Applicant and all contractors will act in accordance with Health and Safety Code section 7050.5 and Public Resources Code section 5097.98.

Prior to initiation of construction, the Applicant will obtain an encroachment permit from the City of Folsom for construction within the Sutter and Scott Street rights of way and prepare a Traffic Control Plan according to the City's requirements. The Applicant will publicly disseminate construction-related information through notices to adjacent neighbors, press releases, and/or the use of changeable message signs. The Applicant, or its construction manager, will notify all affected residences and businesses and post the construction impact schedule.

The Applicant will avoid construction or tree removal during nesting season or if construction activities will occur during the nesting season and trees on the site have not been removed, the Applicant will conduct pre-construction surveys for the presence of special-status bird species or any nesting bird species 30 days or less prior to the start of construction. These surveys will be conducted by a qualified biologist within a 500-foot radius of the construction area. If active nests are identified in these areas, construction will be delayed until the young have fledged or the California Department of Fish and Wildlife has been consulted to develop measures to avoid the take of active nests prior to the initiation of any construction activities.

The Project will comply with the City's Tree Preservation Ordinance, obtaining a Tree Removal Permit and implementing a City-approved Tree Protection and Mitigation Plan, as required.

**ENSURING MINIMAL IMPACT ON NEIGHBORS:** The 603 Sutter Street property is surrounded by commercially zoned properties on all sides. The Applicant has made every effort to significantly modify their design to accommodate requests from their neighbors. These modifications are summarized below:

- a) Reduced building height to avoid the need for a height variance.
- b) Reduced the building mass from approximately 23,486 square feet to 12,177 conditioned square feet.
- c) Reduced noise impact to the neighborhood by making the upper two floors office and residential loft space.
- d) Eliminated the roof top deck area.
- e) Relocated the trash area away from a residence to the south.
- f) Raise the retaining wall facing at the back (south side) of the parcel,

parallel to Sutter Street, so that complete privacy can be enjoyed by the neighbors to the south.

To minimize any disturbance to the neighbors, the Applicant will limit construction activities, delivery of materials or equipment, and servicing of construction equipment to between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday and between 8:00 a.m. to 5:00 p.m. on Saturdays. Construction activities are not proposed on Sundays and on all holidays. The Applicant will also abide by best construction practices, including:

- Ensuring that motorized equipment is outfitted with proper mufflers in good working order and selecting quiet equipment, such as air compressors, whenever possible.
- Prohibiting unnecessary idling of internal combustion engines and turning off all equipment and vehicles when not in use.
- Locating all stationary noise-generating construction equipment, such as air compressors, as far as practical from adjacent homes and acoustically shielding such equipment when it must be located near adjacent residences.
- Siting equipment storage as far as possible from nearby sensitive receptors.

**PROJECT TIMELINE:** Once approved, the hope is to immediately work on finalizing plans and submit building permit applications with an estimated timeline for submission by early 2023. Building plan approval is anticipated by Spring/Summer of 2023, with construction starting early 2024.

**Prepared by: Ziad and Deborah Alaywan**

**Allison Smith, Stoel Rives LLP**

**August 23, 2023**