



CITY COUNCIL AGENDA REPORT

September 7, 2010
Community Development Department

TITLE: APPROVAL OF CASES PUD-57, PUD-68, AND PUD-80 ESTABLISHING PLANNED UNIT DEVELOPMENT PLANS INCLUDING ALLOWED USES FOR HENDRICK AUTOMOTIVE GROUP, CONTINUING LIFE COMMUNITIES, AND A NEIGHBORHOOD PARK/STORMWATER DETENTION BASIN AT STAPLES RANCH, AND APPROVAL OF AGREEMENTS FOR THE STAPLES RANCH PROJECT

SUMMARY

The proposed development of the 124-acre Staples Ranch property, located at the southwest corner of the I-580 and El Charro Road, would include an approximately 37-acre auto mall to accommodate the relocation of the Pleasanton Auto Mall as well as the Mercedes-Benz of Pleasanton dealership, a 45-acre senior continuing care community with a health center, an 11-acre commercial/retail development, a 17-acre community park, and a 5-acre neighborhood park that includes a stormwater detention basin (detention basin). As part of this proposed development and consistent with the Specific Plan Amendment, staff is recommending the City Council introduce ordinances approving planned unit development (PUD) plans for: (1) PUD-57, Hendrick Automotive Group; (2) PUD-68, Continuing Life Communities Pleasanton (CLC); and (3) PUD-80, Neighborhood Park/detention basin.

Also in connection with the development of the Staples Ranch project there are a number of agreements that will need to be executed. These include an agreement for the City to purchase what will be the Neighborhood Park/detention basin, an agreement concerning the funding for the Neighborhood Park/detention basin's construction and maintenance and a related Declaration of CC&R's, two agreements concerning CLC's project relative to growth management and providing independent living units for households of limited income, a development agreement for the auto mall, continuing care and retail sites, and a tax sharing agreement with the County to assure that the City receives its fair share of the property taxes from the Staples Ranch development once the property annexes to the City.

PLANNING COMMISSION RECOMMENDATION

At its meetings on June 24, 2009 (for PUD-57, PUD-68, and the development agreement) and on November 5, 2009 (for PUD-80), the Planning Commission recommended the Council:

1. Make the PUD findings and introduce the ordinances approving PUD-57, PUD-68, and PUD-80 including the following recommendations:

- PUD-57: the southern and western elevations of the proposed 7-foot tall stucco wall by the Neighborhood Park be completely screened with landscaping to deter graffiti tagging.

Hendrick Automotive Group is proposing to contribute to the landscaping in the Neighborhood Park and has agreed to this condition.

- PUD-57: the Planning Commission review any future proposal for rooftop parking.
- PUD-68: additional wording modifications to proposed conditions as recommended by staff in a memo to the Planning Commission dated June 23, 2009 (Attachment 3): 1) clarifying the chief building official has the discretion to determine when, during construction, building heights should be measured; 2) requiring root control barriers and perforated pipes in tree planting areas by public streets and sidewalks; and 3) clarifying sidewalk locations along the public road to the east of the project site.
- PUD-80: a dog park be included in either the Neighborhood Park or the Community Park on the Staples Ranch site.
- PUD-80: the proposed 7-foot tall stucco wall on the northern and eastern portions of the property be changed to a vine trellis-type climbing wall and be completely screened with landscaping.

If the Council agrees to modify the conditions of approval related to the 7-foot tall stucco wall design, staff recommends this occur as an added condition of approval to PUD-57 (Hendrick Automotive Group) as the wall is proposed to be constructed by the Hendrick Automotive Group.

2. Consider adding a condition of approval requiring the buildings proposed as part of PUD-57 (Hendrick Automotive Group) to be photovoltaic (PV) ready.
3. Introduce an ordinance approving the development agreement subject to:
 - Clarifications in the development agreement proposed by Vulcan Materials Company (the requested clarifications are shown Attachment 3).

PARKS AND RECREATION COMMISSION (PUD-80)

At its meeting on August 27, 2009, the Parks and Recreation Commission recommended approval of PUD-80 subject to the following changes:

- Attempt to have a granite path follow the sidewalk.

This path is now included in the plans.

- Extend the parking area to include additional parking spaces.

The parking area has been extended to accommodate 10 spaces (previously, 8 spaces were proposed).

- Discuss the inclusion of a dog exercise area with the City Council.

This is discussed below on page 18.

The Parks and Recreation Commission will review the final plans and details for the Neighborhood Park before it is constructed. The plans before the City Council for PUD-80 are conceptual.

HOUSING COMMISSION (PUD-68)

At its meeting on March 20, 2008, the Housing Commission recommended approval of an affordable housing agreement (now more accurately described as an Agreement Concerning Independent Living Units) for PUD-68 (the CLC project).

This is the same agreement as recommended by staff (Attachment 2D).

STAFF RECOMMENDATION

1. Make the PUD Findings for PUD-57, PUD-68, and PUD-80 as provided in Attachments 1A, 1B and 1C.
2. Introduce the ordinances approving PUD-57, PUD-68, and PUD-80 subject to the conditions of approval listed in Attachments 1A, 1B and 1C.

The conditions of approval recommended in Attachments 1A, 1B and 1C are the same as recommended by the Planning Commission with the following exceptions:

- *PUD-57: staff recommends auto service be allowed on Sundays from 10:00 a.m. to 6:00 p.m. (service hours on Sunday were not previously proposed).*
- *PUD-57 and PUD-68: include additional conditions addressing required greenhouse gas best management practices (BMPs) in the General Plan.*

- *PUD-57 and PUD-68: include an additional condition requiring the property owner to inform each delivery company (delivering to the commercial portion of the sites) that its drivers are not to use Stoneridge Drive west of Trevor Parkway when accessing or leaving the Staples Ranch site.*
 - *PUD-57 and PUD-80: staff recommends a solid wall separate these two properties (whereas the Planning Commission recommended a vine trellis-type climbing wall be provided). While staff agrees trellis-type climbing walls are attractive, staff believes a solid wall completely screened by landscaping can also be attractive and will provide additional noise attenuation not afforded by a vine trellis-type climbing wall.*
 - *PUD-57, PUD-68, and PUD-80: include additional conditions addressing the State's/Regional Water Quality Control Board's changing regulatory framework related to water efficiency, green building, and stormwater.*
 - *PUD-57, PUD-68, and PUD-80: including additional minor clarifications.*
3. Adopt the attached resolution (Attachment 2) and introduce the attached ordinance (Attachment 1D [concerning the development agreement]) authorizing the City Manager to sign the attached agreements; note that as to the development agreement, the City Manager is not authorized to sign unless and until certain events occur.

FINANCIAL STATEMENT

Several of the agreements have a financial impact. For example, in the Neighborhood Park/Detention Basin Purchase and Sale Agreement, the City's share of the purchase price for the Neighborhood Park/detention park site is anticipated to be \$3.09 million. However, if the Community Park is developed to include an Ice Center that amount may be reduced depending on negotiations with the developer of the Ice Center. Funds for this acquisition will come from the Capital Improvement Program-Park Acquisition Reserve (CIP037028) with long term financing available from the ACSPA. Also in the Neighborhood Park/Detention Basin Funding Agreement, the City is agreeing to a \$1.7 million fee credit against its public facilities and traffic development fees in consideration of Continuing Life Communities (CLC) constructing the Neighborhood Park (i.e., that part of the site that is not the detention basin area) consistent with the approved park master plan for the site. The tax sharing agreement, on the other hand, does guarantee that the City will receive property taxes, consistent with amounts received typically in other portions of the City, that are generated from the development of the Staples Ranch site once the property is annexed into Pleasanton.

PROJECT DESIGNATIONS

- Property Owner:** Alameda County Surplus Property Authority (SPA)
- General Plan:** *Alameda County General Plan—Mixed-Use/Business Park*
City of Pleasanton General Plan—Medium Density Residential (2 to 8 dwelling units per gross acre) and High Density Residential (greater than 8 dwelling units per gross acre); Parks and Recreation; and Retail/Highway/Service Commercial, Business and Professional Offices
- Specific Plan:** Stoneridge Drive Specific Plan
- Zoning:** 122.5 acres of the Staples Ranch project site are in unincorporated Alameda County and are currently zoned Agriculture by Alameda County.
- City of Pleasanton—Pre-zoning for the property is PUD-C (Planned Unit Development-Commercial), for the portion of the project site with the Health Center, and PUD-HDR/C (Planned Unit Development-High Density Residential/Commercial) for the remainder of the senior continuing care community site, PUD-P (Planned Unit Development-Park) for the park site, and PUD-C (Planned Unit Development-Commercial) for the auto mall site.*
- An approximately 1.5-acre site already within the City of Pleasanton is zoned PUD-MDR (Planned Unit Development-Medium Density Residential), PUD-C (Planned Unit Development-Commercial), and PUD-HDR/C (Planned Unit Development-High Density Residential/Commercial)

BACKGROUND

PUD-57, PUD-68, and PUD-80 are three of four PUDs proposed on the Staples Ranch property (The fourth is the Community Park site. There is not currently a proposed PUD development plan for the Staples Ranch retail site.). On November 8, 2007, the City Council and the Planning Commission held a joint workshop to review the conceptual development proposals for the Staples Ranch site, including Hendrick Automotive Group's (Hendrick's), and Continuing Life Communities' (CLC's) proposal. Since the workshop, Hendrick and CLC have agreed to several changes to address the Council's and Commission's comments: green screens have been added on Hendrick's buildings; groundcover and shrubs are proposed in Caltrans' right of way, rooftop parking is no longer proposed on Hendrick's buildings; trees have been added in Hendrick's main drive aisle median; CLC will construct a bus shelter in front of its project; CLC's villa unit driveways have been lengthened to accommodate parking, CLC is proposing additional

visitor parking, the design of CLC's Central Plant has been enhanced, etc. The proposed plan changes are described in greater detail in the Planning Commission staff reports in Attachment 3. On June 24, 2009 and November 5, 2009, the Planning Commission reviewed the PUD development plans, including the proposed allowable uses for the sites, and recommended the City Council approve the proposals (see the Planning Commission's recommendation on pages 2 and 3 of this report). On March 20, 2008, the Housing Commission recommended approval of the Agreement Concerning Independent Living Units on the CLC site which provides that 15% of the total number of Independent Living Units that are ultimately constructed will be available to persons of limited incomes.

In May 2009, the Parks and Recreation Commission approved a Staples Ranch Neighborhood Park Master Plan process with a goal of further refining the design concepts and amenities included conceptually in the Staples Ranch Community Park Master Plan. In August 2009, the Parks and Recreation Commission approved an illustrative site plan for the Neighborhood Park. The illustrative site plan, Parks and Recreation Commission agenda report of August 27, 2009, and meeting minutes of August 27, 2009 are in Attachment 4. On November 5, 2009, the Planning Commission recommended approval of PUD-80 for the Neighborhood Park (see the Planning Commission's recommendation on pages 2 and 3 of this report).

Since the Planning Commission meetings for PUD-57, PUD-68, and PUD-80 the State/regional regulatory framework for green building, stormwater treatment/drainage, and water efficient landscaping has evolved. Staff has added/modified a few recommended conditions of approval to address the new regulations and the General Plan's new best management practices (BMPs) regarding greenhouse gas emissions. These are shown in Attachment 1.

In regard to the formatting of the conditions of approval, the Planning Commission requested the deed disclosure conditions of approval be grouped together in one section. Staff has grouped the disclosures, as requested.

Supplemental Environmental Impact Report (SEIR)

An SEIR for the Stoneridge Drive Specific Plan Amendment/Staples Ranch project, related California Environmental Quality Act (CEQA) items, a revised Stoneridge Drive Specific Plan Amendment, and rezoning and rezoning for the Staples Ranch site are scheduled to be reviewed by the City Council on August 24, 2010. If these items are approved, PUD-57, PUD-68, PUD-80, and the related agreements are ready for review and action by Council.

Agreements

In connection with the development of the Staples Ranch Project, there are a number of agreements that have been negotiated between the staffs of Pleasanton and the Alameda County Surplus Property Authority (SPA) and representatives of the Hendrick Automotive Group (Hendrick), Continuing Life Communities Pleasanton (CLC) as follows: A Purchase and Sale Agreement for the Neighborhood Park/Detention Basin; a

Funding and Improvement Agreement for the Neighborhood Park/Detention Basin and a related Declaration of Covenants, Conditions and Restrictions; a Growth Management Agreement and an “Affordable Housing” Agreement for the CLC project; a development agreement for the Hendrick, CLC and retail sites; and a Tax Sharing Agreement. These are discussed in more detail below.

PUD-57 (Hendrick Automotive Group)

Hendrick Automotive Group proposes to construct an auto mall with six main buildings and three car washes. The PUD development plan, in conjunction with the conditions of approval, will establish the allowed uses, structures, and site improvements for the project site. It is anticipated that the site will be subdivided later and building C (Mercedes Benz) will be on its own parcel.

Project features include the following:

- Approximately 291,750 square feet of building area, thus allowing for a future expansion of 39,250 square feet according to the Stoneridge Drive Specific Plan Amendment
- Three car washes
- 2,630 parking spaces total, approximately 2,354 spaces of which will be for inventory parking
- The following building materials: glass, EFIS (Exterior Insulation Finish Systems), also known as a synthetic stucco, stucco, CMU (Concrete Masonry Unit) block, which is characterized by a rough, stone like texture exposing the split aggregate within the block, metal accents (canopies, columns), wood, and concrete, depending on the requirements of the manufacturer
- Windows in all but two of the roll up doors visible from public rights of way
- A floor area ratio of approximately 18%
- Numerous new trees (approximately 400) and the removal of the 3 heritage trees
- Green walls (landscaping) on 5 of the 6 proposed buildings
- Forty six new 24-inch box trees by the western property line
- A new black, decorative open fence along the shared property line with Caltrans if allowed by Caltrans (and the existing chain link fence would be removed)
- A 48-foot tall pylon sign by the freeway
- Dealership wall signs and 15-foot tall dealership pylon signs
- Two 8-foot tall monument signs
- If the service areas are air conditioned, high speed service doors in the car service areas to reduce the exchange of outdoor and indoor air during heating and cooling periods
- Skylights in the auto service and parts areas to reduce the requirement for artificial light
- Energy efficient HVAC systems
- Separated sidewalks along the private entrance road (to encourage walking)
- Customer shuttle services with low emissions

Roof top parking and exterior loud speakers are not proposed.

The recommended conditions of approval will allow the following as a permitted use:

- Automobile, motorcycle, boat, recreational and commercial sales, rental, leasing, repair (not including auto body repair), upholstery, touch up painting, washing, and fueling uses of the C-S (Service Commercial) District, accessory uses, and temporary events
- Dry land hay farming on site until first occupancy of any building

The recommended conditions of approval will allow the following subject to the approval of a use permit:

- Painting (more than touch up painting, as determined by the Planning Manager), and auto body repair

The recommended conditions of approval require the following:

- Cool roofs on the 6 main buildings
- Roll up doors to be recessed 2 inches or more into the building wall
- Lighting on the freeway pylon sign to be halo illumination, to the extent feasible
- Lighting on all monument and wall signs to be halo illumination or top down lighting, to the extent feasible
- A 14-foot maximum height for the light standards by the CLC project to the west
- Bike racks by each building entrance
- Roof top parking, if proposed later, to be reviewed by the Planning Commission
- A landscape buffer of trees with large canopies by the Staples Ranch Neighborhood Park
- Six additional evergreen accent/canopy screen trees in the perimeter landscaping east of building F (by El Charro Road)
- Additional large drought tolerant evergreen canopy trees by the western property line, such that there are no visible gaps between the trees (once the trees are mature)
- California native landscaping species and species known to tolerate some aridity in the Caltrans right of way, and the on site landscape buffer adjacent to the freeway
- A street landscaping theme which complements the existing landscaping theme along eastern portion of Stoneridge Drive
- A 7-foot tall smooth stucco wall by the Staples Ranch Neighborhood Park
- An 8-foot tall wall by the CLC project to the west
- The auto mall to join the City of Pleasanton's Transit System Management (TSM) program
- A full time manager at the auto mall to be the TSM manager
- The construction of a bus shelter adjacent to the Staples Ranch Neighborhood Park

Additional project details (e.g., heights, square footages, setbacks, site constraints, building designs, hours of operation, I-580 freeway sign comparison, landscaping, fencing/wall, stormwater treatment and utilities, circulation, noise, phasing, green building, lighting, and public notice area) are in the June 24, 2009 Planning Commission staff report (Attachment 3).

The project was reviewed at a joint City Council/Planning Commission Workshop on November 8, 2007. In an effort to address the Council's and the Commission's comments, Hendrick Automotive Group revised its proposal. The changes and recommended conditions of approval related to the comments are noted on pages 12-14 of the Planning Commission staff report dated June 24, 2009 (Attachment 3). Staff believes the project, with the recommended conditions of approval as recommended by staff, is supportable.

Planning Commission Recommendation (PUD-57)

On June 24, 2009, the Planning Commission reviewed the proposed PUD for Hendrick Automotive Group (PUD-57). By a 5 to 0 vote, the Planning Commission made PUD findings for the proposed development plan and recommended the proposed conditions be modified such that the southern and western elevations of the proposed wall by the Neighborhood Park be completely screened with landscaping to deter graffiti tagging and to require Planning Commission review of any future proposal for rooftop parking. Planning Commission meeting minutes are in Attachment 3 for the Council's information. The Planning Commission's recommended conditions of approval for PUD-57 have been added into staff's recommended conditions of approval.

Photovoltaic Ready

Staff has encouraged the applicant to consider photovoltaics as part of its project. Hendrick Automotive Group is not proposing PV panels and requests that it not be required to make the buildings PV ready. Staff believes this approach is supportable, since the project is required to incorporate green building measures. Nevertheless, the Planning Commission recommended staff conduct research to determine how much it would cost to make the buildings PV ready as a percentage of total building cost, and if the cost were .5% or less the Council consider requiring it.

Hendrick Automotive Group's proposed buildings range between 12,000 and 78,000 sq. ft. in size. Based on research conducted in the summer of 2009, making Hendrick's buildings PV ready is estimated to range between 1.04% (for a smaller building) to .16% (for a larger building) of total construction costs (for more information regarding this estimate see Attachment 5).

The Council may require Hendrick Automotive Group's buildings to be PV ready, if it so chooses.

PUD-68 (Continuing Life Communities)

CLC proposes to construct a senior continuing care community with 635 senior independent living units (which includes the Garden Terrace units) on the northern portion of the site. On the southern portion of the site, CLC proposes to build a “Health Center” that would have 114 assisted living/Alzheimer units, and a skilled nursing facility with 38 beds. An approximately 70,016 square foot Club House with multiple dining areas, an auditorium, a movie theater, computer room, billiards room, card room, library, medical exam rooms, beauty salon, and other related features will be constructed on the northern portion of the site. An approximately 20,146 square foot Central Plant with an employee lounge, lockers, and offices, laundry facilities, heating and cooling equipment, storage, and related features will be constructed by the northern boundary. Numerous outdoor amenities—wood shop, indoor pool, outdoor pool, tennis court, 4-hole golf course, lake, koi pond, picnic area, bocce ball court, etc.—will be constructed on site. The buildings are proposed to range from 1 to 4 stories with a maximum height of 50 feet. The dwelling units will range in size from 670 to 2,419 square feet, with the exception of the Health Center units which will range in size from 298 to 1,182 square feet. The northern portion of the property is proposed to be gated for security reasons. The residents will be age 62 years and older.

Project features include the following:

- Approximately 1,079,150 square feet of gross floor area, thus allowing for a future expansion of approximately 120,850 square feet per the Stoneridge Drive Specific Plan Amendment
- A floor area ratio (FAR) of approximately 55% for the project site, not including the Health Center, and 54% for the entire project site, including the Health Center
- A density of approximately 16 units per acre for the entire project site
- Single story Villa units; 2 story Garden Terrace units; 3 and 4 story Independent Living units (ILUs); and 2 story Health Center units
- Garages; carports; uncovered parking; and golf cart parking
- Brown and off white building colors
- Brown concrete roof tiles
- Daily meals served in 1 of 3 dining rooms, weekly laundry service, maid and cleaning service for every residence every other week, and weekly gardening of the grounds
- Garbage collection by CLC staff (and taken to central on-site locations for pick up by Pleasanton Garbage Service)
- Two emergency back up generators
- A 20-foot tall landscaped berm, with an 8-foot tall wall on top, by the northern property line to reduce freeway noise on site
- An 8-foot tall wall by the existing residences adjacent to the Health Center and a 7-foot tall wood fence by other existing residences (not including those with an existing soundwall)
- An 8-foot tall wall on the eastern boundary by Hendrick’s project
- A 6-foot tall open fence with decorative stucco columns around the practice golf course

- A gated emergency vehicle access point at the terminus of Staples Ranch Drive and on the eastern property boundary by Hendrick's project
- Removal of 31 of the existing 68 trees on site
- Planting of more than 1,300 new trees on/adjacent to the project site
- Planting of 41 new trees generally where the existing trees will be removed
- A landscape buffer approximately 26 feet wide, by the eastern property line (during the 4th phase of construction)
- A high efficiency Central Plant containing boilers, cooling towers, variable speed pumps and natural gas water heaters to serve the dwelling units (not including the Villas)
- Free scheduled bus service by CLC to medical offices, religious services, grocery and pharmacy shopping, the Stoneridge Shopping Center, BART, etc.
- Bike racks for employees by all main employee lounge/entrance areas
- Numerous pedestrian pathways, thus encouraging/facilitating walking within the project site
- Electric vehicles will comprise 90% of the housekeeping, maintenance, security, and administration vehicle fleet
- Appliances provided within the residences will be Energy Star rated
- Dedication of a strip of land 19 feet wide to the adjacent residents along Vermont Place
- The funding and construction of the public entrance roadway adjacent to the Neighborhood Park, including public parking spaces and a sidewalk along the western side of the road

The recommended conditions of approval will allow the following at the Continuing Care Community:

- Assisted living, skilled nursing, related accessory uses including restaurants, cafes, beauty shops, massage services, physical therapy, gift shops, religious services, recreation activities for the residents of the site, and temporary events
- Home occupations conducted in accord with the Pleasanton Municipal Code (PMC)
- Not more than 2 weaned household pets, excepting fish and caged birds, per unit
- Accessory uses conducted in accord with the regulations prescribed for accessory uses in Chapter 18.36, RM Multi Family Residential Districts of the PMC
- Dry land hay farming is allowed on any parcel until first occupancy of any building

The recommended conditions of approval require the following:

- A smooth stucco finish on the front elevation of the Health Center
- Numerous windows to be recessed approximately 1 inch-2 inches into the building wall, including all windows facing Stoneridge Drive, Club House windows, Villa windows facing the public entrance road, and front elevation Villa windows

- Items taller than the wall around the outdoor storage area by the freeway to be stored elsewhere and the storage area to be designed with a trellis to help deter the storage of tall items
- A new black, decorative open fence along the shared property line with Caltrans if allowed by Caltrans (and the existing chain link fence will be removed)
- All porches, decks, and outdoor patios to be a minimum of 6 feet in width
- A maximum of 2 monument signs on Stoneridge Drive, both a maximum of 5-foot tall with text letters a maximum of 12 inches in height
- A single wall sign visible from the freeway with text letters a maximum of 24 inches tall
- All sign illumination to be halo or top down illumination
- All parking spaces by loading and unloading areas to be employee parking only
- The unloading area by the Health Center to be revised such that it is not in the fire lane
- Payment for 17 additional 24-inch box canopy trees in Hendrick's landscape buffer by Hendrick's western property line
- Additional trees to be installed by the western property line, such that there are no visible gaps between the trees once mature
- California native and/or adaptive native landscaping species and species known to tolerate some aridity in the Caltrans' right of way, and the on-site landscape buffer adjacent to the freeway
- Undeveloped portions of the site to be hydroseeded annually with native wildflowers
- A full time manager at the senior continuing care community to join the City of Pleasanton's Transit System Management (TSM) Program
- Paratransit services provided and designed so as to minimize any impact on the current level of service of the City's Dial A Ride program and paratransit service
- The on-site light standards by the Vermont Place properties (abutting the Health Center site) and by Staples Ranch Drive to be a maximum of 10 feet tall
- The construction of a bus shelter adjacent to the site
- Sonic rodent control by the existing residents (during construction)
- The management of the development to rehabilitate a current or prospective resident's unit to address the physical needs of the resident at no cost to the resident
- The management of the development to make space available in the Club House and Health Center for printed materials/information to be provided to residents by the City or other social service agencies
- Access through the site to the Arroyo Mocho for maintenance
- Pedestrian and bicycle access to the northern Arroyo Mocho maintenance road
If there is pedestrian access from the Zone 7 G-3 channel to the Staples Ranch site, payment for fencing along the rear of the existing residential properties bordering the pedestrian access (payment may be used for landscaping, at the City's discretion)
- Approval of an agreement for the design and construction of the non-stormwater detention basin portion of the Staples Ranch Neighborhood Park

Additional project details (e.g., proposed unit mix and parking, building designs, outdoor areas, lighting, fencing and walls, storm drainage and utilities, circulation, access to the Arroyo Mocho trail, noise, health risk assessment, Vermont Place land transfer, phasing, green building, proposed changes based on joint workshop comments, public notice area) are in the June 24, 2009 Planning Commission staff report (Attachment 3).

The project was reviewed at a joint City Council/Planning Commission Workshop on November 8, 2007. In an effort to address the Council's and Commission's comments, CLC revised its proposal. The changes and recommended conditions of approval related to the comments are on pages 19 and 20 of the June 24, 2009 Planning Commission staff report (Attachment 3). Staff believes the project, with the recommended conditions of approval as recommended by staff, is supportable.

Planning Commission Recommendation (PUD-68)

On June 24, 2009, the Planning Commission reviewed the proposed PUD for Continuing Life Communities (PUD-68). By a 5 to 0 vote, the Planning Commission made PUD findings for the proposed development plan as recommended by staff and recommended approval of the PUD development plan.

Emergency Back Up Generators

During the Planning Commission hearing, there was a question about the Pleasanton Municipal Code's noise regulations related to emergency back up generators, as two emergency generators are proposed as part of CLC's project. Staff stated the generators would be required to adhere to the applicable Pleasanton Municipal Code (PMC) requirements. After the meeting, staff reviewed the applicable PMC requirements and determined emergency back up generators would be exempt from the noise requirements due to the following provision of the PMC:

Emergencies and the testing of associated utility standby equipment are exempt from this chapter. (Section 9.04.090 of the PMC)

On June 30, 2009, staff sent the Planning Commission a memo (Attachment 3) letting the Commission know staff may make a recommendation about emergency back up generator noise on the CLC site in light of this information.

Staff has considered this item and has added the following condition of approval to the recommended conditions of approval for PUD-68:

If an emergency standby electricity generator is proposed, the noise level from the generator shall not exceed 60 dBA (Lmax) at any habitable structure. The project developer shall submit a noise study to the Director of Community Development verifying that the generator adheres to this requirement prior to the issuance of a building permit for the generator.

CLC has agreed to this condition of approval.

Growth Management Agreement (Attachment 2C)

The CLC development will be a Continuing Care Retirement Community (CCRC) that includes an assisted living and skilled nursing components. As such, the project – which includes the 635 independent living units – will be licensed as a Residential Care Facility for the Elderly (RCFE) by the California Department of Social Services and subject to the State's Health and Safety Code. (The skilled nursing operation is subject to a Skilled Nursing Facility License issued by the Department of Health Services.) As a result of this licensing and related State provisions, the entire development could be viewed as a commercial operation not subject to the City's growth management regulations. However, in January 2006, the City Council conceptually endorsed a plan providing that growth management regulations would apply to the independent living units based on their cumulative impact to the community's infrastructure. As a result, staff is recommending that 241 of the independent living units be subject to the City's Growth Management Ordinance. This will not prohibit, however, CLC from obtaining building permits for more than 241 of the independent living units in any one year but it could impact the opportunity for other developers to obtain building permits if the total number of requested permits were to exceed 350 and did not otherwise fall into one of the exceptions (such as for an affordable housing project) under the Ordinance.

Agreement Concerning Independent Living Units (Attachment 2D)

In accordance with the City's Inclusionary Zoning Ordinance, when a developer proposes a residential development, the City may require the developer to provide a certain number of units at rents or at a purchase price that are affordable to households of limited Median Area Incomes. As discussed above, the CLC project does not fit neatly into a for rent/for sale residential development in that a resident of the CLC project purchases not only a place to live but also a host of amenities and services, such as meals, transportation and unlimited use of the assisted living and skilled nursing facilities. Further, CLC's fee structure does not include a unit rental component which makes applying the customary rent regulations problematic. In addition, based on legal analysis provided by CLC, a case can be made that State regulations preempt a City from imposing any affordable housing obligations on a project such as being proposed by CLC. Nevertheless, the project developer recognizes the need to provide opportunities for persons of limited income to be a member of the Continuing Care Community and has worked cooperatively with the Housing Commission and staff to prepare an agreement that will make a certain number of the independent living units within the project affordable to persons of limited income.

The recommended agreement provides that CLC will market and offer 15% of the total number of Independent Living Units that are ultimately constructed to households with the following income ranges:

- 5% available for households at 100% of the Area Median Income (AMI)
- 5% available for households at 80% of the AMI
- 5% available for households at 50% of the AMI

In addition to the above income mix, CLC will fund an annuity for the purpose of providing an ongoing subsidy (for the monthly maintenance fee) to project residents at less than 80% of the AMI. The annuity will be funded by CLC through a \$3,055 payment for every Independent Living Unit that is constructed. CLC and staff will meet in the future to establish clear guidelines for the use and application of this annuity. The usual guidelines for affordable housing projects will apply (e.g., the units are to be dispersed throughout the project, preference given to Pleasanton residents, etc.) and the City may elect to use its Lower Income Housing Fund to increase the number of units available for limited income households or to increase the amount of the subsidy. In addition the agreement will be recorded and run in perpetuity. Because of this agreement, CLC will not be required to pay the City's Lower Income Housing Fee.

PUD-80 (Neighborhood Park)

As proposed, the Neighborhood Park (PUD-80) would be approximately 5 acres in size (4.83 acres) and would be owned by the City of Pleasanton. The discussion concerning the City's purchase of the site and regarding the funding, construction and maintenance of the Neighborhood Park is in the Agreement section later in this report.

Project features include the following:

- A floor area ratio of less than 1%
- A landscaped stormwater detention basin (basin) which will be approximately 15 feet deep and 3 acres in size
- Drainage swales in the basin to provide more visual interest in dryer months
- A weir (which is an overflow structure tied directly into a drainage pipe to the Arroyo Mocho) in the event of a clog in the basin's primary drain
- A 4-foot tall black vinyl coated chain link fence near the basin's top of bank
- A future boardwalk (for observation/picnic) in the basin
- A pedestrian loop around the park, including a separated sidewalk by Stoneridge Drive, a sidewalk by the proposed on-street parking, and a 2-foot wide decomposed granite walking/jogging path by the proposed sidewalks
- Observation benches adjacent to the basin
- Over 100 new trees—there are currently no trees on the site
- Lighted tennis courts
- Shade structure with picnic tables
- A bike rack
- Low stone walls for visual interest
- A public restroom, with restroom doors facing east
- Green screens with vines to soften the appearance of the public restroom
- A bus stop and bus shelter with seating, lighting, and wheelchair access, which is proposed to be funded by the auto mall developer (Hendrick Automotive Group), as part of its PUD (PUD-57)
- Ten parking spaces, including one ADA space
- A standard City of Pleasanton park sign

The recommended conditions of approval will allow the following as a permitted use:

- Parks, playgrounds, open space, and related uses
- Stormwater detention basin and related uses
- All permitted uses of the Public and Institutional district of the Pleasanton Municipal Code
- Dry land hay farming until commencement of grading for the stormwater detention basin.

The recommended conditions of approval require the following:

- Bay-Friendly and water efficient landscaping which is less water and maintenance needy
- Wildflower hydroseeding in a portion of the basin to provide visual interest
- Some large boulders in the basin and by the tennis courts to provide visual interest
- One more stretch of waterway (running north) to be added in the basin to provide more visual interest
- The additional stretch of waterway to be landscaped in a manner similar to the other waterways in the basin
- The weir to be faced with a natural color of rip rap (which is stone)
- Plant species from the Forage and Shelter Plant List (for the Community Park, PUD-70) to be planted at the Neighborhood Park
- The trees in the northern buffer by Hendrick Automotive Group to be evergreen trees, but may be other than fruit trees (additional discussion with Hendrick Automotive Group will be required to find a tree species which works for both the City and the auto mall developer in this area)
- The landscape buffer and pedestrian paths on the northern and eastern sides of the basin to be a minimum of 8 feet in width unless otherwise determined by the City Engineer
- 7-foot tall stucco wall north and east of the basin to be completely screened with landscaping to deter graffiti tagging
- One tree (by the on-street parking) to be relocated such that it will not create a line of sight obstruction
- The women's and men's restrooms to each have more than one stall
- Photovoltaic panels may be flat mounted on the roof of the restroom without additional Planning Division review
- The restroom and any pathway lighting to adhere to Energy Star standards
- The decomposed granite trail to be a light sand color, to help reduce the sun's heating of the site
- Low flow toilets and automatic shut off valves on the restroom faucets to be installed as part of the project
- The parallel parking spaces to be 23 feet in length, unless otherwise determined by the City Traffic Engineer (it is anticipated that a shorter length will be allowed, since extra space is proposed for maneuverability)

- The City of Pleasanton may consider adding a stop sign at the end of the parking aisle
- The tennis court lighting levels to be reduced to approximately 40 foot candle, similar to the lighting level of the courts at the Pleasanton Tennis and Community Park

Planning Commission Recommendation (PUD-80)

On November 5, 2009, the Planning Commission reviewed the proposed PUD for the Neighborhood Park (PUD-80). By a 5 to 0 vote, the Planning Commission made PUD findings for the proposed development plan as recommended by staff with a modification regarding the proposed 7-foot tall stucco wall along the shared property line with Hendrick Automotive Group (PUD-57). The wall is discussed below. The Commission also strongly encouraged the Council to consider a dog park in either the Staples Ranch Community Park or Neighborhood Park.

Property Line Wall

Staff believes the Commission desires a “vine trellis-type climbing wall” (completely screened with landscaping) instead of a 7-foot tall stucco wall (completely screened with landscaping) along the shared property line with Hendrick Automotive Group’s PUD. The motion in the applicable meeting minutes do not clearly convey this; however, it is clear from the Commission’s discussion prior to its motion that it believed it had conditioned Hendrick Automotive Group to construct a “vine trellis-type climbing wall” along the shared property line with the Neighborhood Park.

Staff finds vine trellis-type climbing walls attractive. However, in this instance staff believes a well-designed stucco wall (completely screened with landscaping) will be adequately attractive and will provide extra noise attenuation making the park more attractive to wildlife and to persons wishing to use the tennis courts and/or the trail.

Since the shared property line wall is proposed to be constructed by Hendrick Automotive Group (PUD-57), if the Council would like to modify the design of the shared property line wall to be a “vine trellis-type climbing wall”, staff recommends the Council add a condition of approval to PUD-57 to reflect this.

Dog Exercise Area

As part of the Staples Ranch Community Park Master Plan (Master Plan) process, the project consultants included a listing of elements that could potentially be incorporated in the Neighborhood Park, including a .5-acre dog exercise area. At the time that the Master Plan was presented to the City Council, staff cautioned that the elements and design related to the Neighborhood Park should be viewed as conceptual because the Neighborhood Park was not the focus of the Community Park Master Plan process and because a more detailed planning process was anticipated as part of the Neighborhood Park/PUD process. While most elements included in the Master Plan have been retained in PUD-80, the dog exercise area has not.

During the review and approval process, the Parks and Recreation and Planning Commissions expressed concern about the lack of a dog exercise area and recommended that the City Council consider a dog exercise area on one of the two proposed Staples Ranch parks. At the time of the Master Plan process, the dog exercise area was included in the Neighborhood Park with the potential of gaining value by making the detention basin available for dog use, thereby creating a much larger area for dogs. However, the detention basin will be designed with regional California landscape and natural aesthetics that will lend the detention basin to passive casual use rather than a more intense use involving dogs. In addition, national standards for off-leash dog areas recommend 1.5 to 2 acres for a dog exercise area. The entire area outside the detention basin is approximately 2.8 acres, which staff and the park consultant believe is too confined to accommodate tennis courts, a restroom, a trail, parking, plaza with shade structure, and a dog exercise area. As a result, the Parks and Recreation Commission recommended Council discuss relocating the dog exercise area to the Community Park. While staff intends to review such a use for the Community Park, the fact that the Community Park was Master Planned with considerable community input is cause for concern. As a result, staff will be exploring the potential for additional opportunities of locating a dog exercise area in this section of the City.

Staff recommends the City Council approve PUD-80 (without a dog exercise area).

Agreements

Purchase and Sale Agreement for the Neighborhood Park/Detention Basin (Attachment 2A)

The purpose of this agreement is to set forth the sales price of the 4.8 acres that the City will purchase from the ACSPA for the Neighborhood Park/Detention Basin. The purchase price will be \$4,832,329, \$22.95/square foot which is consistent with price per square foot presented to the Council previously. Of this amount, the City will be responsible for approximately \$3,091,900 with the remainder being paid by the Staples Ranch developers. A summary of the estimated contribution to the Neighborhood Park/Detention Basin is set forth in Attachment 6. The City's share could be reduced if the Community Park PUD is approved with the Ice Center, depending on negotiations with the Ice Center developer (San Jose Arena Management). Staff anticipates that it will use Capital Improvement Program reserves from the Park Acquisition Reserve (CIP 037028) to pay for the land. However, the ACSPA has agreed to finance a portion of the acquisition over ten years at an interest rate equal to the Local Area Investment Fund (LAIF). A final decision regarding the amount financed, if any, will be made at the time when the property is purchased. The Agreement identifies each party's proportionate share based on that party's anticipated need for detention basin storm water capacity. Such shares have been calculated by the acreage of impervious surface on each site (which determines the estimated amount of water runoff) compared to the overall acreage of impervious surface. Hendrick's contribution to the purchase price, however, is capped at \$350,000.

Funding and Improvement Agreement for the Neighborhood Park/Detention Basin (Attachment 2B)

This agreement sets forth the various parties' obligation to fund, improve and maintain the Neighborhood Park/detention basin.

Similar to each developer's funding obligations for the purchase of the site discussed above, this agreement establishes what each party's proportionate share will be to fund, improve and maintain the detention basin, based on the need for detention basin capacity. That capacity, in turn, is based on the acreage of impervious surface of each site, including the public roadways. The acreage of impervious surface was based on the proposed PUD plans for Hendrick, CLC and the Community Park sites but the impervious surface for the retail site was based on the parties' best estimate of such acreage. The impervious surfaces for the Neighborhood Park itself and the adjoining street has been allocated to CLC and the impervious surface for the Stoneridge Drive right of way and the detention basin itself has been allocated to the SPA. Because of the timing of the Ice Center Project on the Community Park, unless and until that project is approved and a ground lease/development agreement negotiated, the City will be responsible for funding the Community Park's share of the detention basin (\$238,758). SPA will be responsible for the design of the detention basin improvements, CLC will oversee its construction. The City will be responsible for the ongoing maintenance of the detention basin with the developers contributing to a maintenance fund to cover ongoing costs.

CLC will be responsible for designing and constructing the street (called, for now, Street A) adjoining the Neighborhood Park; the SPA will be responsible for designing and constructing the Stoneridge Drive improvements and installing utilities to serve the proposed development within Staples Ranch.

Concerning the Neighborhood Park portion of the site, CLC at its sole expense will design and construct the Neighborhood Park in compliance with the approved PUD plan for that site. To the extent possible, the Neighborhood Park will be constructed at the same time as the detention basin.

In consideration of CLC's (a) designing and constructing the Neighborhood Park portion of the site, (b) acquiring and improving the public street adjacent to the Neighborhood Park site (c) agreeing to construct a "good neighbor" fence along its common property line (as adjusted) with the California Somerset residents, and (d) agreeing to assume Hendrick's share of the detention basin improvement costs, the City will provide to CLC a credit of \$1,754,839 against the public facilities and traffic development fees for that project.

Development Agreement (Attachment 1D)

Under State law, a city may enter into a development agreement by which, in exchange for the city's agreement not to change its development related ordinances, rules and regulations for a period of time, the city is able to obtain from the property owner benefits that otherwise could not be imposed on the property owner as a condition of

development. As to the Staples Ranch, the most significant benefit that the City will receive for entering into the development agreement will be a 17-acre parcel to be developed as a Community Park/Ice Center

The most significant monetary benefit that the property owner/developers are obtaining for entering into the development agreement is a cap on the development related fees that the Hendrick Automotive Group will pay—\$3.5 million which amount was negotiated in 2006 to assist with the relocation. The most significant non-monetary benefit that the property owner/developers are obtaining from this development agreement is that, as set forth above, the existing General Plan, Specific Plan and zoning regulations that apply to the site cannot be changed unilaterally by the City, either by the City Council itself or through a voter sponsored initiative.

Staff views the Stoneridge Drive Specific Plan Amendment and the PUD plans for the auto mall and CLC sites as a “package”. Because staff would not recommend Council approve this development agreement without all elements of the “package” being in place, language in the development agreement, at Section 2.01, provides that the development agreement will have no force or effect and none of the entitlements under the agreement will vest unless and until the Stoneridge Drive Specific Plan Amendment and the ordinances approving the PUD plans for the auto mall and CLC sites all become effective.

The development agreement also includes language (in Section 3.06) setting forth the conditions upon which Stoneridge Drive will be opened to through traffic to/from El Charro Road.

Tax Sharing Agreement (Attachment 2E)

Before the Local Agency Formation Commission (LAFCo) will approve annexing unincorporated property into city limits, it requires that there be a tax sharing agreement in place between the county and the annexing city. Because a city will be providing city services to the residents and businesses within the area being annexed, a city wants to have written assurances that it receives a certain percentage of the property taxes that is collected from the annexed properties in order to help pay for those city services. On the other hand, there continue to be county services that are likewise provided to the residents and businesses within the area being annexed and the county has an interest in retaining property taxes from the annexed property in order to help pay for county related services.

In lieu of negotiating this item in connection with each annexation, Pleasanton and the County of Alameda have agreed to use the formula that was first developed in connection with the City’s annexation of the Bernal Property in 2000. Under that formula, the City will receive property tax revenue from the properties annexed equivalent to the property taxes it receives on a weighted average citywide. This percentage fluctuates annually but has been about 30% (before the Educational Revenue Augmentation Fund [ERAF] deduction, which has varied from 2% to 5%).

The attached Tax Sharing Agreement provides that the weighted average formula will apply to the Staples Ranch property once it is annexed. Sales tax revenue will come to the City consistent with other locations throughout the City.

ENVIRONMENTAL ASSESSMENT

The Environmental Impact Report (EIR) for the Staples Ranch project has been certified by the City Council. As stated above, a SEIR for the Staples Ranch Project is tentatively scheduled for review by the City Council on August 24, 2010.

PUBLIC COMMENT

There has been a significant amount of public comment related to the Staples Ranch project. The vast majority of comments have been forwarded to the Council as part of the Stoneridge Drive Specific Plan Amendment/Staples Ranch EIR/SEIR review process. When the proposed PUDs were reviewed by the Planning Commission, staff received a few public comments. These are in Attachments 3 and 4.

NEXT STEPS

Future steps related to Staples Ranch include: consideration of items related to the Staples Ranch Community Park (e.g., ground lease, PUD development plan, conditional use permit, and development agreement with the San Jose Arena Management for development of the Community Park), consideration of the Staples Ranch Tentative Map by the Planning Commission, and an application to the Alameda County Local Formation Commission (LAFCo) for the annexation of the property to Pleasanton.

CONCLUSION

The Staples Ranch project has been planned to include a mix of land uses that are economically and/or socially beneficial to the City of Pleasanton. Staff believes the PUDs, as conditioned by staff, and related agreements are supportable. Accordingly, staff recommends the Council take the actions listed on pages 3 and 4 of this Agenda Report.

Submitted by:

Brian Dolan
Director of
Community Development

Steven Bocian
Assistant City Manager

Jonathan Lowell
City Attorney

Approved by:

Nelson Fiahlo
City Manager

Attachments:

1. Draft Ordinances:
 - A. PUD-57 (Hendrick Automotive Group)
 - B. PUD-68 (Continuing Life Communities)
 - C. PUD-80 (Neighborhood Park)
 - D. Development Agreement
2. Draft Resolution Authorizing the City Manager to Sign:
 - A. Agreement for Purchase and Sale of Real Property and Escrow Instructions
 - B. Funding and Improvement Agreement (Staples Ranch Neighborhood Park/Detention Basin)
 - C. Growth Management Agreement
 - D. Agreement Concerning Independent Living Units
 - E. Tax Sharing Agreement
3. Planning Commission Staff Reports and Meeting Minutes Dated June 24, 2009 for PUD-57, PUD-68, and Development Agreement with Exhibits and Related Items (Listed below) Available at the Planning Division for Review

PUD-57

- Exhibit B, Proposed Plans, Preliminary Lighting Analysis, Green Point Checklist, Project Narrative, Tree Report (available at the Planning Division), and Tree Replacement Plan Dated February 2, 2009 and Transportation System Management (TSM) Plan, Plan to Reduce Air Pollution from Stationary Sources Dated May 14, 2009
- Exhibit C, Meeting Notes from Joint Planning Commission and City Council Workshop Dated November 8, 2007
- Exhibit D, Neighborhood Meeting Notes Dated March 21, 2007
- Exhibit G, Correspondence
- Exhibits Related to the Stoneridge Drive Specific Plan Amendment and Stoneridge Drive Specific Plan Amendment/Staples Ranch EIR and SEIR Are Available on the Following Web Page: www.staplesranch.org
- Waste Diversion Plan for PUD-57 (Addition to Exhibit B for PUD-57)
- Public Comments Received between the Release of the PUD Planning Commission Staff Report for PUD-57 and before the Planning Commission Hearing for PUD-57

PUD-68

- Exhibit B, Proposed Plans, Slope Planting Plan, Conceptual Color Palette, Green Point Checklist, Project Narrative, Additional Parking Analysis, Transportation System Management (TSM) Plan, Plan to Reduce Air Pollution from Stationary Sources, Tree Report (Available at the Planning Division), Fencing Proposal by Existing Residents, Health Risk Assessment (Available at the Planning Division) Dated Received January 21, 2009, and Addendum to the Project Narrative Concerning Delivery Trucks Dated April 24, 2009, and Noise Study Dated May 4, 2009

- Exhibit C, Meeting Notes from the Joint Planning Commission and City Council Workshop Dated November 8, 2007
- Exhibit D, Neighborhood Meeting Notes Dated March 21, 2007
- Exhibit E, Stoneridge Drive Specific Plan Amendment/ Staples Ranch
- Exhibit F, Housing Commission Report and Meeting Minutes Dated January 17, 2008 and March 20, 2008
- Exhibit I, Affordable Housing Needs Staff Report Dated April 4, 2006
- Exhibit J, Correspondence
- Exhibits Related to the Stoneridge Drive Specific Plan Amendment and Stoneridge Drive Specific Plan Amendment/Staples Ranch EIR and SEIR Are Also Available on the Following Web Page: www.staplesranch.org
- Memo to the Planning Commission, Continuing Life Communities (PUD-68) Conditions of Approval, Dated June 23, 2009
- Memo to the Planning Commission Regarding Emergency Back Up Generators Dated June 30, 2009
- Waste Diversion Plan for PUD-68 (Addition to Exhibit B for PUD-68)
- Public Comments Received between the Release of the PUD Planning Commission Staff Report for PUD-68 and before the Planning Commission Hearing for PUD-68

Development Agreement

- Letter from Vulcan Materials Dated June 24, 2009 Requesting Clarifications in the Development Agreement
4. Planning Commission Staff Report and Meeting Minutes Dated November 5, 2009 with Exhibits and Related Items (Listed below) Available at the Planning Division for Review:

PUD-80

- Exhibit B, Development Plans, Project Narrative, Bay-Friendly Scorecard, LEED Project Checklist, Preliminary Hydrology Information, Restroom Plan and Elevations, and Tennis Court Lighting Specifications Dated Received October 6, 2009
 - Exhibit D, Parks and Recreation Commission Staff Report and Meeting Minutes Dated August 27, 2009
 - Exhibits Related to the Stoneridge Drive Specific Plan Amendment and Stoneridge Drive Specific Plan Amendment/Staples Ranch EIR and SEIR Are Available on the Following Web Page: www.staplesranch.org
5. Photovoltaic Ready Information for PUD-57
6. Summary of Estimated Contributions for the Neighborhood Park (July 2010)