
ATTACHMENT 23

Additional Correspondence

From: Ingrid Wetmore
Sent: 2011-08-22 1:43 PM
To: Janice Stern
Subject: Housing Element

Dear Janice,

We know it has already been decided to build affordable housing on # 13 CM Capital Properties located in our backyard in Parkside. We would only hope that you would limit the heights to 2 stories rather than 3 stories and keep the architecture similar to the existing Verona Townhouses built by Signature, to somewhat ensure the least amount of loss to our property values.

Thank you for your consideration,

Stu and Ingrid Wetmore

August 22, 2011

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From: Dale Morris
Sent: 2011-11-21 11:43 AM
To: Janice Stern
Subject: 4202 Stanley Blvd

Hi Janice,

I represent the Sellers on the property at 4202 Stanley Blvd, in Pleasanton.

As per our conversation last week and the previous email that you received from Roem Corporation advising us that they no longer wish to pursue the property at 4202 Stanley Blvd for affordable housing, please remove this property from any consideration with regards to the housing element list to allow for other sites that wish to continue on in such capacity.

If you have any questions regarding this you can contact me at 925-426-4777 or by email. Thank you in advance for your help with this matter.

Sincerely

Dale Morris

Dale Morris

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From: Doug Giffin
Sent: 2011-12-05 3:57 PM
To: Janice Stern
Subject: Housing Element Update: Commercial and Residential Adjacencies

Hello Janice,

I am writing to you to re-iterate concerns that we have regarding the current Housing Element update and adjacencies of newly zoned high density residential properties to existing commercial properties. Specifically, Chamberlin Associates is concerned about the re-zoning of Site 21, CM Capital, which is adjacent to a single story flex office project we own.

In previous emails, we requested that the property not be re-zoned to high density residential and made several other comments regarding site design issues should the project be re-zoned to high density residential.

Specifically, if the site is re-zoned, we request that provisions be made in the zoning to assure that proper transitions between existing single story commercial buildings and high density residential are achieved. To create a proper transition, it is important that the existing 2-story maximum for the new development be maintained along West Las Positas Blvd. so that the relative massing of the buildings is not out of character with the existing single story structures. I do not see how this 2-story limit can be achieved at 30 units per acre and would think that a lower density would be appropriate.

Also, we requested that if the property is re-zoned that adjacency issues be minimized through landscaped setbacks combined with parking adjacent to existing commercial buildings as opposed to housing. In addition, stepping the buildings from one to two story to allow for a transition in mass between our single story buildings and the adjacent residential would be important. We would request that this stepping be included in the zoning through a formula or table specifying the minimum distance from an existing single story building before you transition to a 2 story building. Perhaps the following:

- a 250 foot buffer with landscaping or parking only allowable between existing single story commercial structures and new residential. This buffer would provide a separation between two relatively incompatible uses – industrial and residential.
- An area of single story structure only from 251 to 400 feet from an existing single building
- 2-story residential allowable once you are greater than 400 feet from an existing single story building

Please feel free to call with any questions and thank you for all of your hard work through this process.

Regards,

Doug Giffin
Chamberlin Associates

From: Doug Giffin
Sent: Tuesday, March 15, 2011 11:43 AM
To: Janice Stern (jstern@ci.pleasanton.ca.us)
Subject: Comments for Housing Element Update - Site # 13 - CM Capital

Hello Janice,

I am writing on behalf of Chamberlin Associates, the property owner of Arbor, the two building flex office park located at 5860 and 5880 West Las Positas Blvd. I would like to share some concerns that I have with regards to

From: Joanne Hall
Sent: 2011-12-06 9:21 AM
To: Pleasanton City Clerks Office
Cc: Janice Stern; Maria Hoey
Subject: FW: CM Capital properties - Site #13

From: Garrett Chan
Sent: Monday, December 05, 2011 3:31 PM
To: Mayor and City Council
Subject: CM Capital properties - Site #13

Honorable Major and Council Members,

My name is Garret Chan; I am with CM Capital Corp, the owner of Site #13 of the Potential Housing Sites for the Housing Element Update. We are excited about the possibility of having the Site #13 rezoned to include residential. We have been part of the Pleasanton communities since 1988 with our investment in the Hacienda West office complex. And since then we have been active with various other properties.

Please feel free to call or email me with any questions. I look forward to tomorrow City Council meeting.

Regards,

Garrett Chan

PLEASE NOTE: Our suite number is changing effective July 18, 2011. Our new mailing address is; 525 University Avenue, Suite 200, Palo Alto, CA 94301

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Janice Stern

From: Yogesh Joglekar [yogesh.joglekar@gmail.com]
Sent: 2011-12-10 8:01 PM
To: Janice Stern
Subject: Concern for some new proposed residential sites

Hi,

I wanted to convey my concerns on some of the new proposed residential sites, to be discussed in the planning commission meeting on Wed Dec 14th. My concerns are for site 10 (Carr America) and site 9 (Nearon Site). These sites are in an area which already has several high density housing complexes --3 apartments, residential complexes and 3 other sites that are already being planning for new construction. Bringing more houses in this area is going to add more population and impact quality of life.

Please convey my concerns to the planning commission, since I will not be able to be present in person for the public hearing.

thanks and regards
Yogesh Joglekar
Pleasanton resident

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Citizens for a Caring Community
P.O. Box 1781, Pleasanton CA 94566 (925) 462-2152

December 12, 2011

Ms. Kathy Narum, Chair, and Planning Commissioners
City of Pleasanton
P.O. Box 520
Pleasanton, CA 94566

Dear Ms. Narum and Planning Commissioners,

Citizens for a Caring Community would like to commend staff for its efforts to respond to all of HCD's comments on the Housing Element Draft. We would further like to thank staff for addressing so many of our concerns and suggestions.

Following your workshop with the City Council on December 6, we considered the comments of Commissioners regarding the preference to rezone only sufficient land to satisfy Pleasanton's RHNA for the current Planning Period and the desire to complete an East Side Specific Plan before rezoning land on the Kiewit and Legacy properties. You also expressed the hope that the Revised Draft will meet HCD's requirements for certification without another round of revisions. With regard to the goal adopting revisions that will lead to certification, we believe that staff has gone about as far as they can without Planning Commission direction for additional recommendations to the City Council.

Our suggestions pertain to the relatively few areas of concern we believe jeopardize certification by HCD. We have attached our annotated versions of the Staff Report, staff responses to HCD comments, and the Revised Housing Element Draft dated December 1011. These are our suggestions to "bulletproof" the Revised Draft before re-submittal. They represent a changes in policy regarding the processing of developments zoned in excess of 29 units/acre, which is why we seek your recommendations of them to City Council.

In addition to improving the prospects for certification, we believe these changes will have other positive impacts. They also will :

- a) Prevent excessive residential development of land at 30 units/acre and above;
- b) Secure excellent social and property management services for most residents of lower income and special needs housing at minimal cost to the City;
- c) Eliminate the need to extensively rewrite the Inclusionary Zoning and Growth Management ordinances;
- d) Reduce school related impacts by up to 150 units in this Planning Period through the provision of well located Single Room Occupancy housing while satisfying HCD's requirement to address this housing need for extremely low and very low income individuals;
- e) Assure the availability of limited sewer infrastructure for the housing needs of all households earning less than 80 percent of the median income now and in the future.

We do not believe there are any negative impacts or additional costs that derive from these policy changes.

Summary of Recommendations:

1. **(Annotated Exhibit I, page 3)** Resolve the issue of Hacienda site 24 which is governed by the Hacienda TOD Standards and Design Guidelines. Either remove the Core Standard that effectively limits affordability to 15 percent very low income units by requiring dispersal of individual VLI units throughout the development, or designate an additional 10+ acres for zoning at 30 units/acre. Increasing the density of some sites may also work to make up the difference.
Discussion: HCD's expressed concerns about the ability of sites 22, 23, and 24 to provide very low and low income housing stem from the requirement for dispersal of very low income units throughout the sites. This effectively bars nonprofits from participating in development of these sites. This conclusion is supported by a great deal of public testimony from market rate developers, as well as by staff research during settlement negotiations with Urban Habitat and, finally, proven by BRE's proposal and Council approval of 432 market rate and just 60 very low income rental units on sites 22 and 23. The constraining effect of the Core Standard requiring dispersal on affordability is the basis of HCD's concern. If one reviews HCD's comments on the Draft, **(HCD comments on the HE Draft, Appendix our notes 1 and 2)** this deficiency is clearly a major barrier to certification. Therefore, we request the Planning Commission recommend a clear resolution of this matter one way or the other in order to assist the Council in avoiding another round of revisions.

2. **(Annotated Exhibit I - pages 14 and 16; Annotated Revised Draft - new Policy 15.1, Policy 16, new program 16.3, Policy 25, new Program 29.0)** To minimize the amount of land that must be rezoned at 30 units/acre, exempt all such properties rezoned to satisfy the RHNA from Growth Management and the Inclusionary Zoning Ordinance. Instead, require these properties to provide at least 50 percent affordability for a combination of ELI, VLI, and LI units. This will encourage property owners to work with nonprofits. Nonprofits can also provide services for these lower income households, which is an added long term cost savings to the City.
 Continue to apply the IZO to all residential projects of for profit developers with a density of 23 units/acre or less. Monitor performance as recommended in the Revised Draft.
Discussion: This minimizes the need and urgency to rewrite the IZO and Growth Management, since both ordinances can still be used effectively to add to Pleasanton's affordable housing stock in market rate developments at all other densities. This will conserve land by minimizing the amount of 30 unit/acre residential development needed to satisfy Pleasanton's RHNA.

3. **(Annotated Revised Draft - Policy 9, Program 9.1)** This Policy and Program give the impression that Pleasanton will approve housing required by the RHNA only if it doesn't impact infrastructure. This is not an allowable constraint. We suggest replacement with a more positive policy statement committing the City to ensuring that infrastructure is available to facilitate the fulfillment of our RHNA. Program 9.1 has been rewritten to support forward planning generally, and could also be expressed in an additional Program to prepare the East Side Specific Plan properties to accommodate our RHNA in the next Planning Period.

4. **(Annotated Staff Report - page 8)** Consider raising the allowable density on the Sheraton site to the CEQA maximum that will support the use of the property for Single Room Occupancy housing for lower income single adults and couples. The hotel currently has 170 rooms with Parking for all plus recreational amenities, administrative office space, and conference/event facilities.

5. **(Annotated Revised Draft - Program 14.7)** Reserve sewer capacity for all ELI, VLI, and LI housing required by RHNA, and generated by non-residential approvals resulting in job creation.

Discussion: Although staff notes in Exhibit H - page 7 the existence of an administrative policy providing priority service for lower income housing approvals, a Council-approved policy of reserving sewer capacity for RHNA and/or nonresidential approvals (they should be the same in the end) signals Pleasanton's commitment to work towards and maintain a jobs/housing balance at least up to the current limits of its wastewater capacity. This is important, since it is unknown whether Pleasanton will ever be able to acquire additional capacity in the existing LAVWMA pipeline, or whether LAVWMA will expand its capacity in the future.

6. **Annotated Revised Draft - miscellaneous edits)** Other changes:

- a) Strengthen language to indicate stronger intent to achieve Goals and implement Policies and Programs. Staff has already eliminated most of the "striving" and "endeavoring" language. Just a few got missed;
- b) Modify language to make references to the IZO and Growth Management consistent with our recommended changes;
- c) Remove contributions from the Affordable Housing Fund as an incentive to for profit developers to provide affordable housing. All other incentives remain.

Discussion: Pleasanton doesn't have a Redevelopment Agency, nor do we have the expectation of collecting a substantial linkage fees in the near future. Therefore we should prioritize the use of the Affordable Housing Fund to support nonprofit developments that can provide the greatest number of affordable units.

- d) Add a Program 44.3 to encourage affordable housing design that qualifies for LEED certification.

Thank you for consideration of our comments and recommendations.

Very sincerely,

Pat Belding

Becky Dennis

Pat Belding
Chair
Citizens for a Caring Community

Becky Dennis
Citizens for a Caring Community

Attachments:

Annotated Staff Comments on HCD's Draft Review including Exhibit I
Annotated HCD Comments
Annotated Revised Draft
Annotated Staff Report 12-16-11

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

1800 Third Street, Suite 430
P. O. Box 952053
Sacramento, CA 94252-2053
(916) 323-3177 / FAX (916) 327-2843
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October 14, 2011

Mr. Brian Dolan, Director
Community Development Department
City of Pleasanton
P.O. Box 520
Pleasanton, CA 94566-0802

Dear Mr. Dolan:

RE: Review of the City of Pleasanton's Draft Housing Element

Thank you for submitting Pleasanton's draft housing element received for review on August 16, 2011. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation on September 28, 2011 with you, Ms. Janice Stern, Planning Manager, and Mr. Jeffery C. Baird of Baird + Driskell, the City's consultant, facilitated the review. In addition, the Department considered comments from Citizens for a Caring Community and Public Advocates, pursuant to Government Code Section 65585(c).

The Department commends Pleasanton for its achievements and continuing efforts to provide affordable housing for lower-income individuals with developmental disabilities by funding local agencies, including Resources Education Activities Community and Housing (REACH) and Bay Area Community Services (BACS). The Department also recognizes the City's hard work and extensive outreach as part of evaluating candidate sites for rezoning to higher densities to accommodate the regional housing need. The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element must include complete analyses of adequate sites and potential governmental constraints. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

The Department is committed to assist Pleasanton in addressing all statutory requirements of housing element law. If you have any questions or need additional technical assistance, please contact Jess Negrete, of our staff, at (916) 323-3185.

Sincerely,

A handwritten signature in black ink that reads "Glen A. Campora".

Glen A. Campora
Assistant Deputy Director

Enclosures

**APPENDIX
CITY OF PLEASANTON**

The following changes would bring Pleasanton's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov/hpd. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at www.hcd.ca.gov/hpd/housing_element2/index.php and the Government Code addressing State housing element law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households (Section 65583(a)(1)).*

1. The element indicates the total number of existing extremely low income (ELI) households. However, in accordance with Chapter 891, Statutes of 2006 (AB 2634), it must also include an analysis of their housing needs. The analysis of needs could consider tenure and rates of overpayment and overcrowding. This analysis will assist in formulating policies and programs for ELI households. Please see the enclosed data for your assistance. For more information and a sample analysis, see the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing_element2/EHN_extremelylowincome.php.

2. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition (Section 65583(a)(2)).*

The element must include an estimate of the number of lower-income households, by tenure, paying more than 30 percent of their income on housing. For your information, CHAS data indicates 1,416 lower-income renter households and 1,178 lower-income owner households paid more than 30 percent of their income on housing (approximately 71 percent of total lower-income households). This information should be incorporated into the element to facilitate policies and programs to assist in the development of housing affordable to lower-income households. For additional information, refer to the overpayment section of the *Building Blocks*' at http://www.hcd.ca.gov/hpd/housing_element2/EHN_Overpayment.php.

3. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Pleasanton has a regional housing need allocation (RHNA) of 3,277 housing units, of which 1,804 are for lower-income households. In addition, the element identifies an unaccommodated need of 871 units for lower-income households from the prior planning period. To address these needs, the element relies on constructed and approved units, vacant and underutilized sites, and candidate sites for rezoning to higher density residential uses. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA and unaccommodated need, the element must include analyses as follows:

2

Addressing Unaccommodated Need from the Previous Planning Period: The element acknowledges rezoning was not completed to make adequate sites available during the previous planning period and indicates the unaccommodated need of 871 units for lower-income households (page 50). While the element references the Hacienda rezonings (Sites 22, 23 and 24), a complete analysis is needed to demonstrate whether adequate sites were rezoned to accommodate the unaccommodated regional housing need from the prior planning period. Specifically, the element must describe the availability of Sites 22, 23 and 24 to accommodate the unaccommodated need of 871 units for lower-income households from the prior planning period. For example, the element should describe the development status of Sites 22, 23 and 24 such as whether the sites had previously approved or pending projects or other conditions were known that would preclude these sites from being available to accommodate the entire unaccommodated need. This analysis is particularly important since, pursuant to Government Code Sections 65584.09 and 65583(c)(1) (AB 1233), the City must zone or rezone sites to accommodate the unaccommodated need within the first year of the 2009-2014 planning period. As this timeframe has lapsed, the Department cannot find the element in compliance until the required rezoning is complete and the element has been amended to reflect that rezoning.

Sites Inventory: The element aggregates various parcels into candidate sites for rezoning (Table III-2). However, the inventory must also list *each individual parcel* by size, zoning, General Plan designation, existing uses for any non-vacant sites, and include a calculation of realistic capacity (see *Building Blocks*' at http://www.hcd.ca.gov/hpd/housing_element2/SIA_land.php).

3

Suitability of Non-Vacant Sites: The parcel listing (Table III-2) provides general descriptions of existing uses on non-vacant sites (e.g., shopping center, hotel) and the element includes a snapshot of each site based on criteria such as recommended action, key considerations and proximity to transit. While the approach to provide a snapshot of each site (pages 62 - 78) can be useful and adequate to address statutory requirements, the element still must include an analysis to demonstrate potential for redevelopment of non-vacant sites to residential use. The analysis must consider the extent to which existing uses may impede residential development on the identified sites, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development. For example, one site's existing use is described as a hotel, while another site lists the existing use as a shopping center. The element could describe whether the use is operating, marginal or discontinued, the condition of the structure and any expressed interest in redevelopment of these sites. Also, if the existing use is anticipated to continue, the element should include an evaluation of the potential of adding residential units on these sites such as by describing whether there is interest in redevelopment or

what development trends have occurred on sites with similar circumstances. Refer to the sample analysis in the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/SIA_zoning.php#nonvacant.

4 **Realistic Capacity:** The element must include an estimate of the number of units that can be accommodated on each site in the inventory. The estimate may rely on minimum density standards or describe the methodology, including adjustments based on land-use controls and site improvement requirements. Based on discussion in the background portion of the element, it appears to rely on minimum density standards. However, Program 11.1 does not include a commitment to establish specific minimum densities. If Program 11.1 is revised to commit to minimum densities, the element may use those minimum densities to estimate residential capacity. Otherwise, the element must include a description of the methodology as described above. For more information, please see the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/SIA_zoning.php.

Sites with Zoning for a Variety of Housing Types:

5 **Emergency Shelters:** While the element indicates various zoning districts were considered to accommodate emergency shelters, such as the Service Commercial (C-S) zone (page 46), pursuant to Chapter 633, Statutes of 2007 (SB 2), it must demonstrate sufficient capacity in the proposed zone(s) to accommodate the need for emergency shelters. The element should also consider what other uses are permitted in the proposed zone(s) and whether the zone(s) is suitable and appropriate for emergency shelters. For example, an industrial zone with heavy manufacturing may have environmental conditions rendering it unsuitable for shelter uses. For more information, see the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

6 **Employee Housing:** The element indicates farm employee housing is an allowed use in the Agricultural (A) zone (page 42). However, Health and Safety (H&S) Code Section 17021.5 generally requires housing for six or fewer employees to be treated as a single-family home and permitted by-right. In addition, H&S Code Section 17021.6 generally requires employee housing to be permitted in *zones permitting agricultural uses* and not limited to agricultural zones. The element does not mention which zones in Pleasanton allow agricultural uses or whether zoning is consistent with Sections 17021.5 and 17021.06. The element must demonstrate consistency with these requirements and include programs to amend zoning as appropriate. For more information, see the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/SHN_farmworkers.php.

4. *Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Land-Use Controls: While the element identifies various residential development standards (page 84), it must include a cumulative analysis of their potential impacts on the cost and supply of housing and the ability to achieve maximum densities. For more information, see the *Building Blocks* at http://www.hcd.ca.gov/hpd/housing_element2/CON_landuse.php.

7 **Growth Management Ordinance (GMO):** The element includes a general overview of the GMO and Urban Growth Boundary (UGB) (page 93). However, it must include a specific description and analyses of the GMO and UGB, their requirements and processes for impacts on cost, supply, timing and affordability of housing, including, but not limited to:

- The approval process of the City Council and any other approving or recommending bodies, including the Growth Management Subcommittee that could override the annual housing allocation limitations in order to meet the City's regional housing need and unaccommodated need.
- The apportionment of new residential categories of projects (e.g., affordable projects, major projects, and first-come, first-serve projects).
- The exemption process, if any, for projects with an affordable component, including its effectiveness to-date in accommodating lower- and moderate-income households.
- Whether the GMO allows or prohibits carryover of unused allocations. If there is a prohibition on carryover, the element must analyze the impact on the cost, supply and availability of sufficient allocations to accommodate the City's RHNA throughout the planning period.
- Any limit to the number of allocations which could be received by a project in a single year and the process for obtaining allocations for phased projects (multi-year development), and the effect on financing required for infrastructure.
- Length of time for approval of allocations and how the approval process relates to other entitlements, including evaluating cumulative impacts on timing and costs.
- The impacts of any scoring criteria on costs and timing of development.

- The GMO process, including the Growth Management Subcommittee, on the certainty and predictability of approval of housing development applications.
- The impacts of annual limits on the overall cost and supply of housing. For planning purposes, this analysis should consider the RHNA as the minimum amount of housing need. It does not represent a maximum need or building cap. The analysis should address potential impacts on overall housing supply in addition to accommodating the RHNA.

Please see the enclosed samples for your assistance.

8 Inclusionary Housing: While the element generally describes the framework of inclusionary requirements and available alternatives (page 94), it should also include a complete analysis of the cost impact of the inclusionary requirements on the cost and supply of housing. For example, the analysis could discuss the extent incentives or regulatory concessions mitigate any cost impacts of the inclusionary requirements. The element should also evaluate the impacts of the discretionary approval process for requesting alternatives and granting incentives, on development timing, predictability, and certainty.

9 Mid-point Density: The element briefly mentions (page 93) the mid-point density is a density for "...which project amenities are provided to compensate for the added density..." and has minimal impact on the High Density designation. However, the element should include a complete description of the requirement and an evaluation for its impacts on the cost and supply of housing. For example, the evaluation could address what types of amenities are required to exceed the mid-point, how the allowable density above the mid-point is determined and any outcomes of prior development applications.

Density Bonus: The City should also review its density bonus ordinance for compliance with recent statutory amendments (Chapter 1928, Statutes of 2004) to State density bonus law (Government Code Section 65915) and add or revise programs as appropriate. A copy of the current law is available on the Department's website at <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=65001-66000&file=65915-65918>.

Fees and Exaction: The element lists some impact fees and aggregates Building Permit and Building Plan Check fees (pages 87-88). However, the element should specifically list all applicable planning and processing fees for residential development. In addition, while the element indicates total impact and building permit and plan check fees, it should analyze the total effect or proportion of planning and impact fees and exactions on development costs for typical single- and multi-family housing developments. For more information, see the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/CON_home.php.

10

Local Processing and Permit Procedures: While the element generally describes some processing and permit procedures and generally concludes they are not a constraint (page 90), it must specifically describe and analyze the City's permit processing and approval procedures by zone and housing type. For example, see the sample table in the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/CON_permits.php. Also, the element should list and evaluate decision-making criteria such as approval findings for impacts on housing cost and supply and approval certainty.

11

Planned Unit Development (PUD): The element generally describes the PUD process and indicates most housing developments are processed under the procedure (page 88). However, the element must include a complete analysis of the components of this requirement for impacts on housing cost and supply and approval certainty. Most notably, the element (page 85) states "The Zoning Ordinance does not specify any development standards for PUDs, instead creating standards on a case-by-case basis...". The element should evaluate the lack of specific development standards for the PUD regarding impacts on housing as described above. This analysis should also address the approval process, including approval bodies and decision-making criteria for city-initiated PUDs, or where existing sites have development standards under an approved PUD.

On/Off-Site Improvements: While the element generally describes required on/off-site improvement standards (page 90), it must identify specific subdivision level improvement, such as minimum street widths, and analyze their potential impact on the cost and supply of housing. For more information, see the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/CON_offsite.php.

Constraints on Persons with Disabilities: The element describes the various requirements and the processes for approving accessibility retrofits (page 92). To complete an analysis, it should also identify and describe the reasonable accommodation procedure for providing an exception in zoning and land-use for housing for persons with disabilities and include programs as appropriate. For more information, see a model ordinance on the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/PRO_mitigate.php.

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Water Sewer Priority: For your information, Government Code Section 65589.7 requires local governments to immediately deliver the housing element to water and sewer providers. Also, when a city is the water and sewer provider, specific procedures must be established to grant priority water and sewer service to developments with units affordable to lower-income households. The housing element should demonstrate compliance with Government Code Section 65589.7. For more information, see the *Building Blocks'* at http://www.hcd.ca.gov/hpd/housing_element2/OR_water.php.

5. *Analyze any special housing needs, such as those of the handicapped, elderly, large families, farmworkers, families with female heads of households, families, person in need of emergency shelter, and persons with developmental disabilities. (Section 65583(a)(7) and e).*

For your information, Chapter 507, Statutes of 2010 (SB 812), amended State housing element law to require an analysis of the special housing needs of persons with developmental disabilities. The term developmental disability refers to a severe and chronic disability attributable to a mental or physical impairment, such as cerebral palsy, epilepsy, or autism, that begins before individuals reach adulthood (Welfare and Institutions Code, Section 4512). The analysis could include the following:

13

- a quantification of the total number of persons with developmental disabilities, including the number of households and tenure;
- a description of the types of developmental disabilities;
- a description of the housing need, including a description of the potential housing problems, and an assessment of unmet housing needs for persons with developmental disabilities; and
- a discussion of resources, policies and programs including existing housing and services, for persons with developmental disabilities.

6. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions (Sections 65583(a)(8) through 65583(a)(9)(D)).*

While the element identified 40 units at-risk of converting to market-rate rents (page 47), it must also include the following information and analysis:

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- Estimated total cost for producing, replacing and preserving the units at-risk.
- Identification of public and private non-profits known to the City to have the legal and managerial capacity to acquire and manage at-risk units. According to information provided to the Department, entities which may be interested within Pleasanton are indicated on a roster on the *Building Blocks'* website at <http://www.hcd.ca.gov/hpd/hrc/tech/presrv/hpd00-01.xls>. The element should reference this or other appropriate resources for this information.
- Identification and consideration of use of federal, State and local financing and subsidy programs.

Additional information and sample analyses are available in the *Building Blocks'* section on Identification and Analysis of Developments At-risk at http://www.hcd.ca.gov/hpd/housing_element2/EHN_atrisk.php. You may wish to contact the California Housing Partnership Corporation for assistance at <http://www.chpc.net>.

B. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame (Section 65583(b)(1 & 2)).

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While the element includes quantified objectives by income group for very low-, low-, moderate- and above moderate-income (page 4-5), it must also include objectives for ELI households pursuant to Chapter 891, Statutes of 2006 (AB 2634).

C. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions (Section 65583(c)).*

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Programs should be revised for compliance with Government Code Section 65583 in order to ensure the beneficial impacts of the programs within the planning period. Specifically, some programs should include: (1) a description of the City's specific role in implementation; (2) definitive completion or implementation timelines; and (3) objectives, quantified where appropriate.

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For example, Program 6.2 (Affordable Rental 2nd Units) proposes to develop incentives to create affordable second unit rental opportunities and has a timeline of "2011-2014." The Program should have a definite timeline for completion, such as "July 2012." Program 38.3 (RFP for Housing for Lower-Income Households) should include a quantified objective, such as "150 units during the planning period." Additional programs to be revised with definitive timelines and objectives include, but are not limited to the following:

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1.1 (Discourage Redesignation of HDR Sites), 6.3 (2nd Unit Administrative Design Review), 9.1 (Review and Revise Growth Management Program), 9.3 (Preserve At-Risk Units), 9.4 (Funds for Lower Income Housing Development), 9.5 (Provide Incentives for Lower Income Housing Development), 11.4 (Encourage Innovative Design, Regulations and Construction), 11.5 (Employee Housing), 17.4 (Use of Lower-Income Housing Fund), 25.1 (Encourage Housing for Lower Income Households on HDR Sites), 25.2 (Support of Non-Profit Housing Providers), 36.1 (Rezone Infill Sites), 36.3 (Incentives and Design Guidelines for Mixed-Uses), 36.5 (Incentives for Relocating Non-Residential Uses), 38.3 (RFP for Housing for Lower Income Households), 41.1 (Special Needs Housing), 41.6 (Group Home Development), and 44.2 (Conservation Programs).

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2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in Finding A-3, the element does not include a complete site inventory or analysis and the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition:

Unaccommodated Need and Shortfall of Sites: The element identifies an unaccommodated need of 871 units for lower-income households from the previous planning period (page 49), along with a current RHNA of 1,804 for lower-income households. To address the unaccommodated need and shortfall, the element identifies several candidate sites (Table III-2) and includes Program 11.1 (Rezone Sites). Pursuant to Government Code Sections 65583(c)(1), 65583.2(h) and (i), and 65584.09, Program 11.1 must commit to:

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- permitting owner-occupied and rental multifamily uses by-right, without a conditional use permit (CUP), planned unit development or other discretionary review;
- ensuring at least 50 percent of the lower-income needs to be accommodated on sites designated for residential use only;
- clarifying the rezoned sites will require at least a minimum density of 20 units per acre and permit a minimum of 16 units per site; and
- selecting from the identified candidate sites (Table III-2) for rezoning.

Program 46.1: The Program proposes to amend the City's Municipal Code within one year of adoption of the housing element to permit emergency shelters consistent with SB 2. However, pursuant to SB 2, the program must identify the proposed zone(s) to permit the development of emergency shelters without a CUP or other discretionary approval, commit to establish development standards to encourage and facilitate the use, and only subject shelters to the same development and management standards that apply to other permitted uses within the proposed zone(s).

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The Program should also clarify amending zoning to permit transitional housing and supportive housing as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. See the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

Programs 14.6 (Assess Infrastructure Constraints), 14.7 (Assess Infrastructure Needs), and 29.2 (Review and Amend Growth Management Ordinance) should include a discrete timeline (e.g., biennially, every three years) for implementation or completion of the assessments and review, as well as describing specific actions to take once assessments and review are complete.

3. *The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households (Section 65583(c)(2)).*

While the element includes some programs to assist in the development of low-, and moderate-income households, pursuant to AB 2634, existing programs should either be expanded or new programs added to specifically assist in the development of a variety of housing types to meet the housing needs of ELI households. To address this requirement, the element could revise programs, such as Programs 17.5 (Priority Funding), 41.3 (Special Needs Housing) and 41.4 (Housing for Persons with Disabilities), to prioritize some funding for the development of housing affordable to ELI households, and/or offer financial incentives or regulatory concessions to encourage the development of housing types, such as multifamily, and single-room occupancy (SRO) units, which address some of the needs of this income group.

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4. *The housing element shall contain programs which address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing (Section 65583(c)(3)).*

As noted in Finding A-4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs to address and remove or mitigate any identified constraints. In addition:

Program 16.2 (Review of Inclusionary Zoning Ordinance) and Program 29.2 (Review of Growth Management Ordinance) should propose to review the ordinances as a potential constraints to housing and include specific actions (e.g., annual review and amendments as necessary) and discrete timelines (e.g., annually, biannually) to implement or complete the specific actions.

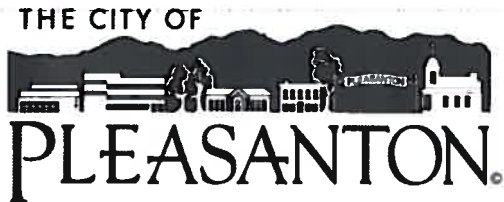
23

D. Consistency with General Plan

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals (Section 65583(c)(7)).

The element must include a discussion of how consistency between the housing element and other General Plan and community goals will be achieved and maintained during the planning period. The program could also propose to conduct an internal consistency review as part of its annual General Plan implementation report required under Government Code Section 65400. This annual report can also assist future updates of the housing element.

The City should also note recent statutory changes to Government Code Section 65302 (Chapter 369, Statutes 207 [AB 162]) which requires amendment of the safety and conservation elements of the General Plan to include analysis and policies regarding flood hazard and management information upon the next revision of the housing element on, or after, January 1, 2009. For additional information, please refer to Department's website at http://www.hcd.ca.gov/hpd/hrc/plan/he/ab_162_stat07.pdf.



Planning Commission Staff Report

December 14, 2011
Item 6.b.

Please see notes and suggestions on pages 8 and 9.

- SUBJECT:** PGPA-17 and P11-0904 through P11-0937
- APPLICANT:** City of Pleasanton
- PURPOSE:** Public hearing to recommend approval to the City Council of:
(1) the Supplemental Environmental Impact Report documents for the General Plan Housing Element and Climate Action Plan; (2) the Draft Housing Element of the General Plan; (3) General Plan Amendments, Specific Plan Amendments and/or rezonings of up to 17 sites to allow multifamily or single family residential development or mixed use (including multifamily residential development), as shown in Exhibits J and K.
- EXHIBITS:**
- A. Supplemental Environmental Impact Report Documents (previously distributed)
 - B. Draft Housing Element as submitted to the California Department of Housing and Community Development, consisting of:
 - Draft Housing Element (Goals, Policies and Programs)
 - Background
 - Appendices, A through G
 - C. Letter dated October 14, 2011, from HCD
 - D. Letter dated September 16, 2011 from Pat Belding and Becky Dennis, Citizens for a Caring Community
 - E. Letter dated September 27, 2011, from Richard Marcantonio, Public Advocates, Inc.
 - F. Housing Commission Agenda Report of November 17, 2011, and draft minutes
 - G. Draft Housing Element Goals, Policies and Programs with revisions (December 2011)
 - H. Table showing HCD comments and key to staff responses.
 - I. Inserts to Respond to HCD comments
 - J. Table describing proposed land use changes for sites.
 - K. Exhibits K.1. through K.15, showing proposed land use changes.

- L. Table: All Potential Housing Sites, Acreages and Densities
- M. Map of All Potential Housing Sites
- N. Map of Recommended Potential Housing Sites
- O. Map of Potential Housing Sites and areas of existing or planned High Density Residential
- P. Additional correspondence

BACKGROUND

In October 2010, the City Council confirmed an 11-member Housing Element Task Force with the mission to oversee the update of the City's Housing Element. After nine Task Force meetings, four community workshops, input from housing experts, and extensive community input at Task Force and community meetings, and via e-mail, the Housing Element Task Force recommended a draft list of potential sites for rezoning and goals, policies and programs for the 2007 to 2014 Housing Element. Following review and discussion at its meeting on June 22, 2011, the Planning Commission recommended the document to the City Council as a Draft Housing Element to be submitted to the California Department of Housing and Community Development (HCD) for its 60-day review. The Draft Housing Element as submitted to HCD is provided in Exhibit B. HCD provided the City with comments on the Draft Housing Element in a letter dated October 14, 2011 (Exhibit C). In preparing the response, HCD considered letters from Citizens for a Caring Community (Exhibit D) and Public Advocates (Exhibit E).

Concurrent with the preparation of the Draft Housing Element, Environmental Science Associates (ESA) and staff prepared a Draft Supplemental Environmental Impact Report covering the Draft Housing Element and the rezoning and other land use changes for 17 potential multifamily housing sites, and the City's Draft Climate Action Plan. The public review period for the DSEIR closed on November 14, 2011. The Planning Commission held a public hearing on the DSEIR on October 26, 2011.

Following the public review period, a Final Supplemental Environmental Impact Report (FSEIR) has been prepared, which includes responses to comments on the DSEIR raised during the public review period, and includes revisions intended to correct, clarify, and amplify the DSEIR. If certified, the Supplemental Environmental Impact Report (SEIR) would be a supplement to the EIR prepared for the Pleasanton 2005-2025 General Plan which was certified in July 2009.

The SEIR documents, the Draft Housing Element of the General Plan with inserts to address comments from HCD, and the General Plan Amendments, Specific Plan Amendments and/or rezonings of 17 sites to allow multifamily or single family residential development or mixed use (including multifamily residential development) are before the Commission for review and recommendation to the City Council.

HOUSING COMMISSION ACTION

The Housing Commission reviewed the Draft Housing Element on November 17, 2011. At that time, staff discussed with the Commission HCD's comments on the City's inclusionary zoning ordinance, units at-risk of converting to market rate units, meeting the needs of extremely low income households, and proposed amended language for the following programs: 6.2

Affordable rental second units; 9.1 Review and revise the Growth Management Program, 9.4 Providing incentives for lower income housing development, 17.4 Use of Lower Income Housing Fund, 25.1 Encourage housing for lower income households on HDR sites; 25.2 Support of non-profit housing providers; and 38.3 RFP for housing for lower income households. (See the Housing Commission Agenda Report and Draft Minutes in Exhibit F.)

The discussion with the Housing Commission included questions about counting the non-rent-restricted units on the two BRE sites and the need to zone additional acreage at 30 units per acre (which is reflected in the staff recommendation in this report), a question about the completion of the Growth Management Program review, a request to make the language in Policy 22 stronger (which is reflected in Exhibit G), the consensus of the Housing Commission that all HCD comments should be addressed and that stronger language be used regarding how the City intends to implement the programs, and a request that specific percentages be included as targets for the provision of Extremely Low Income Households (a specific quantified objective has been included for this category on p. 4-5 of Exhibit G).

PLANNING COMMISSION-CITY COUNCIL JOINT WORKSHOP

A Joint Workshop of the City Council and Planning Commission was held on December 6, 2011, to discuss the Housing Element Update and specifically the selection of sites to move forward for rezoning, Specific Plan Amendments and General Plan Amendments. Although Planning Commissioners and City Council members were generally comfortable with the recommended list of sites presented, there was discussion of the list and comments on specific sites as follows:

- Several Planning Commissions supported a list that included more acreage than the minimum required to meet the City's share of the regional housing need. One Commissioner suggested more sites in south Pleasanton would be a more equal distribution. At the suggestion of a City Council member, staff is including a map of high density housing areas (Exhibit O) that was previously available to Housing Element Task Force members.
- A suggestion that additional density be accommodated on TOD sites such as the Stoneridge Shopping Center, which is currently proposed to accommodate 400 units at a minimum of 40 units per acre, and Carr-America currently at 30 units per acre. Subsequent discussion with the representative of these sites indicates that the Simon Group (Stoneridge Mall) is not willing to endorse a higher minimum density; however, Carr-America will commit to a minimum density of 35 units per acre, increasing the housing on that site from 252 to 294 housing units. This increase on the CarrAmerica site is reflected in Table 1 in this staff report.
- A concern that 345 units was too many for the Auf der Maur site, and that the high density residential portion of that site should be reduced to 10 acres from 11.5.
- Recognition that Site 18 (Downtown Site) was a good housing site close to downtown and the ACE train but development at 30 units per acre may not be compatible with the scale of existing residential development in this area. There was also support for reserving this site for future consideration of library expansion or other civic use.

Several members of the public and site representatives also spoke during the public hearing. Correspondence received just prior to the Workshop included letters or e-mails from Citizens

for a Caring Community, EBHO, Kiewit, a neighbor of the CM Capital site, the owner of the CM Capital Site, and several Pleasanton residents. This correspondence is included in Exhibit P.

PROJECT DESCRIPTION

The Housing Element is a policy document that consists of goals, policies and programs to guide the City and private and non-profit developers in providing housing for existing and future residents, and to address the housing needs of all economic segments of the community. Concurrent with the City's consideration of the updated Housing Element are proposed General Plan amendments, Specific Plan amendments and rezonings for up to 17 sites in Pleasanton to allow high density multifamily development.

The Draft Housing Element retains many of the programs included in the 2003 Housing Element with adjustments and refinements where necessary. The Goals, Policies and Programs also address legislative mandates enacted since the 2003 Housing Element (related to the provision of emergency shelters, transitional and supportive housing, and housing for extremely low income persons), as well as provisions included in the Settlement Agreement in the matter of *Urban Habitat v. City of Pleasanton* as they relate to addressing special needs housing, housing for large families, facilitating development of housing by a non-profit developer and presenting an annual report regarding housing to the City Council. To address HCD's comments (Exhibit C), staff has drafted a series of responses for the Planning Commission's consideration, including additional information, analysis and some proposed changes to the Goals, Policies and Programs. These are discussed under **Response to HCD**, below, and are shown in Exhibit H, Exhibit I, and Exhibit G.

[Also part of the project description for the SEIR was the City's Draft Climate Action Plan (CAP) which outlines goals, strategies and actions to reduce municipal and community-wide greenhouse gas (GHG) emissions. The Planning Commission will be asked to take a formal action on this document at its January 11, 2012 meeting, and additional details regarding this project will be provided to the Commission at this time.]

SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

A Supplemental EIR (SEIR) augments an EIR prepared for an existing project to address any project changes or changed circumstances since the time the prior document was certified. In the case of changes to a previously approved project, as is the case here where the new Housing Element amends the Pleasanton General Plan, the purpose of an SEIR is to provide the additional analysis necessary to make the previous EIR adequately apply to the project as modified. Accordingly, the SEIR need contain only the analysis necessary to respond to the proposed change in the project that triggered the need for additional environmental review.

SEIR Description: An SEIR is an informational document, the purpose of which is to make the public and decision-makers aware of the environmental consequences of a project. It is also intended for use by responsible agencies in considering any actions they must take or permits they must issue as a result of implementation of the Housing Element and Climate Action Plan. Together the DSEIR and the FSEIR compose the entire SEIR document for the project. Staff is recommending adoption of these documents.

The SEIR identifies potential environmental impacts and mitigation measures. Analysis of the impacts of the proposed project indicated potential significant impacts on Aesthetics, Air Quality, Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Noise, Public Services and Utilities (Water), and Transportation. The impacts requiring mitigation were all ascribed to impacts of the Housing Element, and specifically to residential development that would be allowed with the potential rezoning of sites. Most of these impacts would be reduced to a less than significant impact with the application of the mitigation measures described in the SEIR. The mitigation measures are generally typical of measures applied to development in Pleasanton, such as: dust control during construction; pre-construction surveys to avoid impacts on birds, bats or burrowing owls; protection of creeks and riparian vegetation; archaeological monitoring for archaeologically sensitive sites; Phase 1 environmental assessments required to assess any hazardous materials on sites; a limitation on the hours of construction; vibration and acoustical studies to determine appropriate construction techniques and sound mitigation for new buildings; and payment of impact fees.

The following paragraphs describe the two significant and unavoidable impacts which are identified in the Supplemental Environmental Impact Report:

Impact 4.D-1: Development facilitated by the General Plan Amendment and rezoning has the potential to adversely change the significance of historic resources.

Construction activities such as grading and excavation associated with development on the potential sites for rezoning identified in the proposed Housing Element could potentially affect known historic or cultural resources. Specifically, Site 6 (Irby-Kaplan-Zia) and Site 21 (4202 Stanley) include several early 20th century buildings that may be historic. These resources could be directly adversely impacted by development if they are demolished to make way for new housing. Mitigation measures 4.D-1a and 4.D-1b include the requirement for a historic evaluation at Sites 6 and 21. These evaluations may determine that these buildings are not eligible for consideration as historic resources. However, if one or more of these buildings is determined to have historic significance, demolition would remain significant and unavoidable even with implementation of mitigation requiring documentation of the resource. Although the mitigation would eliminate one adverse impact of demolition (the loss of historical information), it does not prevent the physical loss of a historically significant resource.

A proposed project would be required to undergo design review during the project application phase. For sites 6 and 21 The City Council would determine whether or not the physical historic resource would be preserved as part of the decision made on a site-specific development proposal. Design features and conditions of approval could also be established at the time of project review. Depending on the finding of the historic evaluation, additional conditions of approval could include provisions requiring:

- An Architectural Resource Interpretive Display and/or Interpretive Material
- Preservation and Relocation
- Preservation and Reuse
- Architectural Resource Salvage Opportunities

These are more fully described in the FSEIR on pages 5-2 and 5-3.

Impact 4.N-7: Development facilitated by the General Plan Amendment and rezoning could potentially add traffic to the regional roadway network to the point at which it would operate unacceptably under Cumulative Plus Project conditions.

In year 2035, numerous roadway facilities are projected to operate at deficient LOS F conditions. Traffic generated by development facilitated under the proposed Housing Element on the potential sites for rezoning would not worsen any segment projected to operate acceptably to unacceptable conditions; however, it would increase the volume to capacity ratio (V/C) by more than 0.03 on two roadway segments projected to operate at LOS F:

- Sunol Boulevard (First Street) between Vineyard Avenue and Stanley Boulevard
- Hopyard Road between Owens Drive and I-580

Traffic generated by development facilitated under the Housing Element on the potential sites for rezoning would worsen LOS F conditions on Sunol Boulevard (First Street) between Vineyard Avenue and Stanley Boulevard during morning peak hours by increasing the volume to capacity ratio by more than 0.03. Additionally, the proposed Housing Element would worsen LOS F conditions on Hopyard Road between Owens Drive and I-580 during the morning peak hour by increasing the volume to capacity ratio by more than 0.03. Based on the significance criteria, this is considered a significant impact. Widening this segment of Sunol Boulevard (First Street) is not considered feasible or desirable due to the surrounding built environment. Likewise, widening the segment of Hopyard Road is not considered feasible due to the surrounding built environment. Improvements to nearly parallel corridors could create more attractive alternative routes and provide additional capacity. Implementation of Mitigation Measure 4.N-7 would reduce the project contribution to cumulative impacts.

Mitigation Measure 4.N-7: Prior to issuance of building permits, the City shall require developers on the potential sites for rezoning to contribute fair-share funds through the payment of the City of Pleasanton and Tri-Valley Regional traffic impact fees to help fund future improvement to local and regional roadways.

However, as the City of Pleasanton is not the Lead Agency (the Tri-Valley Transportation Council is the implementing agency for the Tri-Valley Region traffic impact fee) and because the City cannot be assured that collected funds would specifically improve Sunol Boulevard or parallel corridors, the impact to this segment would remain significant and unavoidable after mitigation.

The FSEIR includes text changes to the DSEIR. Changes include minor text corrections; clarifications regarding site assumptions; revisions to Mitigation 4.B-4 to better reflect the Bay Area Air Quality Management District's requirements related to toxic air contaminants; revisions to Mitigation 4.J-7 clarifying that single-event aircraft noise mitigation is not needed on sites on/near Hacienda Business Park; additional land use traffic summary details for Site 8

(Auf de Maur/Rickenbach), clarifying that development of Site 8 with 345 multifamily homes and 40,000 square feet of retail is not expected to result in worse intersection service levels than anticipated in the DSEIR; and revisions to the land use and corresponding demand assumptions, but not to the mitigation measure recommended, in the Water Supply Assessment.

Mitigation Monitoring and Reporting Program

When approving projects with SEIRs that identify significant impacts, CEQA requires a public agency to adopt a mitigation monitoring and reporting program (MMRP) to mitigate or avoid the identified significant effects. Only mitigations recommended to be adopted to address significant impacts are included in this program. The MMRP is included in Chapter 6 of the FSEIR for the Planning Commission's review.

HCD REVIEW

HCD's letter and appendix of October 14, 2011 (Exhibit C), is an exhaustive analysis from the State's perspective of the adequacy of the City's Draft Housing Element. It is organized around the major requirements of Housing Element law, as follows:

- Housing Needs, Resources and Constraints;
- Quantified Objectives;
- Housing Programs; and
- Consistency with the General Plan

HCD's comments range from requests for additional information documenting housing need for extremely low income households and ability to pay for housing, to requests for additional analysis related to the constraints to housing imposed by land use controls, and the feasibility and capacity for residential development on some of the sites selected for rezoning. A table showing HCD's comments and staff's responses is included as Exhibit H, and Exhibit I includes several inserts into the Background document and amendments to the Goal, Policies and Programs (see Exhibit G for these revisions).

Staff notes that the Draft Housing Element will be edited to reflect the fact that the rezonings will be completed at the time of Housing Element adoption. The sites will therefore be discussed in the document as part of the City's housing inventory rather than being referred to as sites to be rezoned.

SITES AND PROPOSED LAND USE CHANGES

A large part of the discussion during the Housing Element update has been related to the appropriate location, size and density of sites needed to accommodate the City's remaining share of the regional housing need. Information on the 17 sites which were included in the Draft Housing Element can be found in Exhibit L (Table) and Exhibit M (Map). More recently, staff has recalculated the remaining need, based on counting only the income-restricted units on the two BRE projects in Hacienda Business Park currently under review by the City. This recalculation showed that the City's need for housing sites for moderate income households has been met, and the remaining need is for 70 acres of land to be designated with a minimum residential density of 30 units per acre. Table 1 below shows staff's recommendation for

Explore using Sheraton site for a 132 unit SRO, or higher density if CEQA clearance permits. The site currently has 170 rooms (with parking), plus recreational, administrative office, and conference/event facilities. The site could also probably accommodate supportive services for some of the units as well.

meeting this remaining need. Exhibit N shows a map of the recommended potential housing sites.

This would allow a reduction of density back to 23 du/acre on the Nearon site.

Table 1: Potential Housing Sites, Acreages, and Densities for Rezoning

Site	Score	Mixed Use?	Total site acreage	Potential acreage for multi-family development	CEQA Clearance	Owner preference if known	No. of units @30 units/ac	No. of units @40 units/ac
1. BART	26	MU	14.9	8.3	300	249	249	
2. Sheraton	25	MU	3.3	3.3	132	n/a	99	
3. Stoneridge Shopping Center	25	MU	74.6	10.0	400	400		400
4. Kaiser	26	MU	6.1	6.1	244	n/a	183	
7. Pleasanton Gateway ¹	24	HDR	39.6	7.0	400	210	210	
8. Auf der Maur/Rickenbach Site ²	23	HDR	16.0	11.5	345	345	345	
9. Nearon Site	24	HDR	5.6	5.6	168	129	168	
10. CarrAmerica	27	MU/HDR	60.0	8.4	420	294	294 ³	
13. CM Capital Properties	24	HDR	12.6	12.6	378	n/a	378	
TOTAL				72.8			1884	400

- Notes:
1. Proposed land use changes on the Gateway site would also allow Medium Density Residential (single family) development on the balance of the site.
 2. Proposed land use changes on the Auf der Maur Site would also allow commercial development on a portion of the site.
 3. The CarrAmerica site is calculated at a minimum density of 35 units per acre.

As noted in the December 6, 2011, Joint Workshop agenda report, this list represents a geographic distribution of properties throughout the City that eliminates any concentration of new multifamily residential development in any one neighborhood or area of Pleasanton. The sites in Table 2 are located around the West Dublin/Pleasanton BART Station and Stoneridge Shopping Center area, the Hacienda Park area, and in south and east Pleasanton, with no one area having a disproportionate amount of potential new multifamily sites.

The sites in Table 2 are also sites with existing utility infrastructure and street access, or availability of infrastructure on contiguous properties. Most of these are in-fill sites and therefore can be efficiently developed without the design and construction of major new public facilities or private improvements.

Add a Program to support the development of a Specific Plan for the area before the next Planning Period (See suggested revisions to Program 9.1).

Deferring any land use changes on the East Pleasanton sites (Site 11: Kiewit, and Site 14: Legacy) also means that the Specific Plan process can proceed without presupposing the land use on some of the area.

The recommended sites are also located near transit (BART or frequent-headway bus lines), have convenient freeway access or are within job centers. Residential development of these sites would be consistent with and help implement General Plan goals, policies and programs related to mixed use and transit-oriented development. This type of development furthers the goal of creating a more sustainable and energy efficient city.

The list in Table 1 also preserves Site 18 for a future civic use. This is consistent with the existing General Plan designation of this site as Public and Institutional and with land use concepts discussed previously such as a library or civic center expansion.

PUBLIC NOTICE

Notice of this item was published in The Valley Times. Notice cards were sent to owners of properties within 1,000 feet of each of the potential housing sites. In addition, the City sent notification to about 450 interested parties who have provided e-mail addresses during the Housing Element update process.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission take the following actions:

1. Receive comments from the public regarding the completeness and adequacy of the SEIR documents, the Draft Housing Element and proposed land use changes;
2. Recommend approval to the City Council of the Supplemental Environmental Impact Report documents in Exhibit A;
3. Recommend approval to the City Council of the Draft Housing Element, as shown in Exhibit B, and as amended by Exhibits G, H and I.
4. Recommend approval to the City Council of the land use changes (General Plan amendments, Specific Plan amendments and rezoning, as appropriate) shown in Exhibit J and Exhibit K.1 through K.15.

Staff Planner: Janice Stern/Planning Manager, [\(925\) 931-5606](tel:9259315606); e-mail: jstern@ci.pleasanton.ca.us

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December 12, 2011

Planning Commission Members
c/o Janice Stern, Planning Manager
City of Pleasanton
200 Old Bernal Avenue
Pleasanton, CA 94566

RE: City Council – Planning Commission Joint Workshop Agenda Report (Report)
Request to Maintain 10 Acre Recommendation for Kiewit Property, Site 11

Dear Planning Commission Members:

Kiewit Infrastructure Co. presented a request at the Joint Workshop last week for our site, Site 11, to remain on the “recommended” list of potential housing sites for rezoning. We provided you a letter presenting all the positive attributes of our property. To avoid redundancy by repeating all of these positive reasons to assign density to our site, we have attached this letter as Exhibit 4.

One of the main reasons Site 11 should receive a zone change is simply that it was one of the highest rated sites throughout the evaluation process that occurred with over 20 public hearings. The Kiewit Site, Site 11, scored 25 in this evaluation, the third highest score. If units are being allocated to the east side, how does the site with the highest score not receive the allocation?

At the Joint Workshop meeting, and in the recent Staff Report, Staff explains the reason to eliminate our site is that “Deferring any land use changes on the East Pleasanton sites also means that the Specific Plan process can proceed without presupposing the land use on some of the area.” However, we would like to point out that this was considered by the Housing Element Task Force, the Planning Commission and the City Council throughout the process and the solution was to require that the Specific Plan be completed by a date certain and stipulate that development would not occur until the Specific Plan was complete. This is consistent with the City Council’s commitments. Exhibit 2 shows that the recommendation submitted to the HCD by the City stated:

” The completion of the East Pleasanton Specific Plan, including a funding and timing plan for the extension of El Charro Road, to be adopted by the second quarter of 2013 and prior to any development plan approval. If the East Pleasanton Specific Plan is not adopted within this timeframe, allow development plan review to proceed. “

Therefore Site 11 should not be eliminated for this reason. Furthermore, as pointed out in our December 6th letter, by zoning 10 acres on our property only 1% of the land in the Specific Plan area is being zoned. This is not a significant portion of the area and it helps achieve the goal distributing the housing throughout town.

Geographic Distribution

At the Joint Workshop and throughout the process there has been considerable discussion that the units should be dispersed throughout the City so there is no disproportionate amount of potential new multifamily units in any one area. We propose that with the current recommended list of sites there is a significant disproportionate allocation. In Exhibit 1 we have taken the information on the density map provided by the City and indicated the number of units at each site. It shows that the Bart/Hacienda area is slated to receive 1536 units (including the 3 Hacienda sites recently rezoned); the Stoneridge area 682; while the Southern portion of town will receive 210 and the East side of town 345. The East side only receives 12.4% of the units and all in one site. This is not geographic disbursement.

Furthermore, if you look at the dark blue sites on the map which indicate existing properties with Major Apartment Complexes it is seen that when evaluating existing plus proposed high density housing, this disproportionate allocation is worse. Exhibit 1A shows just the Major Apartment Sites, Senior Housing and Proposed High Density Sites with the unit count of each community. This Exhibit indicates how the distribution of high density housing is primarily allocated to the Stoneridge, BART and Hacienda areas of town; that there are existing projects throughout the center and southern parts of town; and shows how the East Side of town is significantly under allocated even if you allocated 300 units to Site 11. Including the proposed and existing sites in the analysis shows that the East Side of town only has one Major Apartment Complex and one senior complex thus comprising 8.5% of the existing high density units and comprising only 9.6% of the entire City's high density inventory. This clearly suggests a significant under allocation on the East Side.

East Pleasanton Specific Plan

At the Joint Workshop there seemed to be general consensus that our site is a good site for this type of housing and that it certainly would be appropriate to allocate units to the property during the next Housing Element update. It was discussed that by waiting until the next update this allows the Specific Plan to be completed before any zoning changes occur. We suggested that it would be a benefit to rezone our property now (only 1% of the Plan Area) so that the Specific Plan will be required to be completed by the second quarter 2013 as currently required in the HE Update provided to HCD.

Summary

The fair distribution of units throughout town is the most compelling reason to allocate units to Site 11 at this time. For the reasons stated in our December 6th letter and this letter, Site 11 should receive a rezone now. The 10 acres on the Kiewit property as identified in Exhibit K10 of the Staff report should be rezoned to 30 residential units per acre. (See Exhibit 3).

However, if a consensus cannot be reached for this rezoning, at a minimum we would request that Planning Commission make the following recommendation to the City Council for two items of action:

1. Take a vote to direct Staff to begin the process and complete the East Pleasanton Specific Plan by the second quarter 2013 regardless if the City rezones any property in the Plan area at this time; and,
2. Identify Site 11 as a "Backup" site to receive a rezone in the event HCD disallows any of the current recommended sites or significantly reduces the density on any of these sites such that another site requires rezoning.

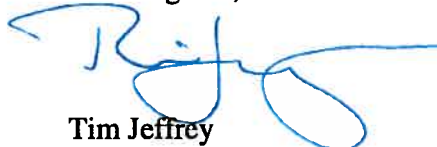
By making these recommendations, the Planning Commission will be acting prudently to suggest to the City Council that they be prepared for the next Housing Element Update by having the East Pleasanton Specific Plan completed in a timeframe that will allow them to avoid having a similar issue as now – not wanting to zone property in the Plan before the Plan is complete. By completing the Plan by second quarter 2013 the update due in 2014 will be assured to have higher density housing in the East area of town where it is clearly under allocated now.

We respectfully request that the Planning Commission either: (i) recommend placing Site 11 on the current rezone list with the recommendation for 10 acres of the Kiewit site to be rezoned to 30 units per acre high density residential; or, (ii) make the two recommendations outlined above to ensure the Specific Plan is completed in a timely manner. Our representative, Patrick Costanzo, is available to discuss the benefits of our site and answer any questions in advance of the meeting and he will be in attendance on Wednesday as well. Please contact Pat at 408-888-4224 if you have any questions prior to the meeting.

We look forward to working with you and the community to provide a quality development on our property.

Thank you for your consideration.

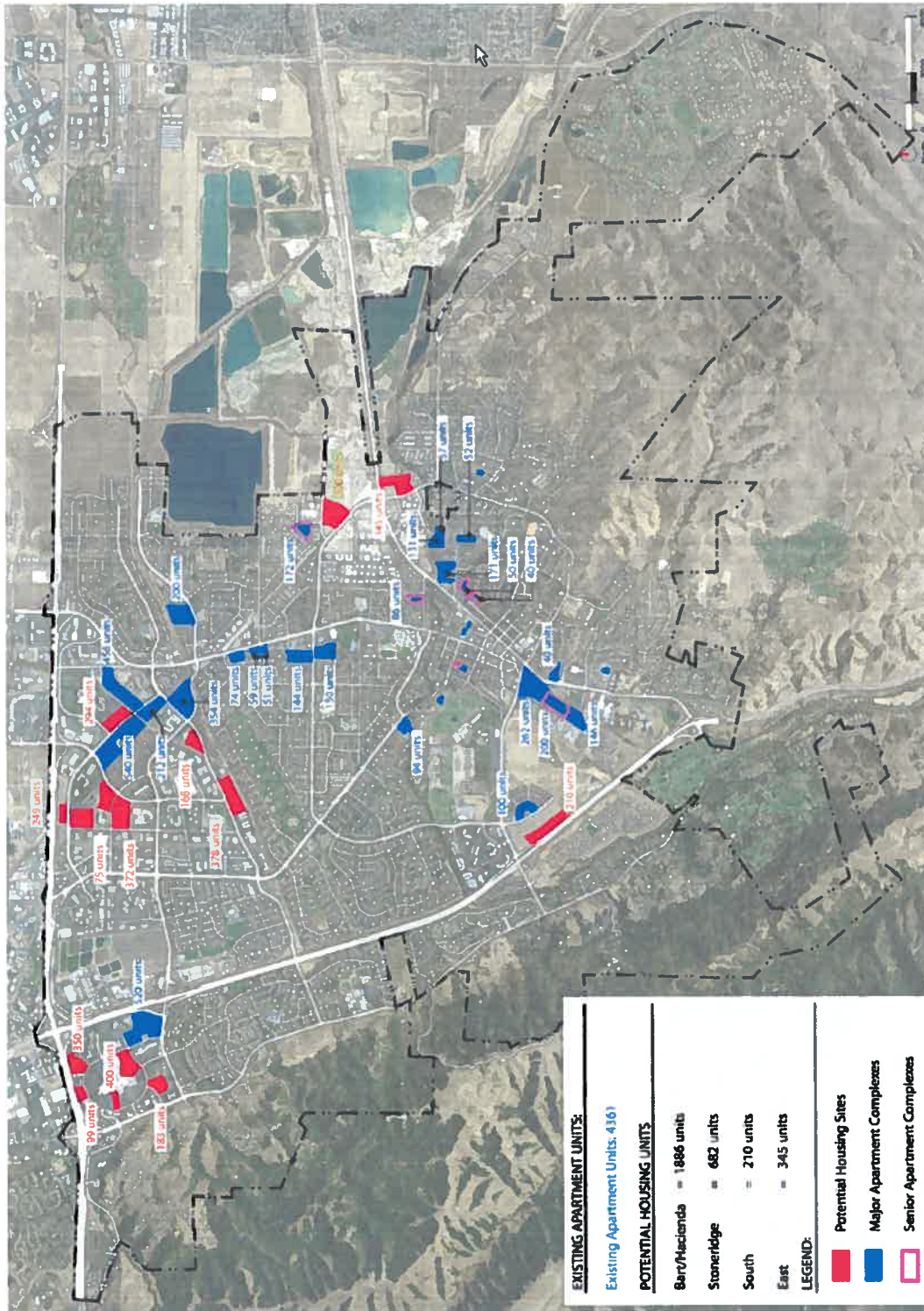
Best Regards,



Tim Jeffrey
Kiewit Infrastructure Co.

cc: Patrick Costanzo, Jr., PCJ Real Estate Advisors, LLC
Brian Dolan and Janice Stern, City of Pleasanton
Paul White, Kiewit Infrastructure Co.

Exhibit 1A



KIEWIT PROPERTY, PLEASANTON, CA
KIEWIT INFRASTRUCTURE CO.

Exhibit 2



Site #11 Kiewit Site

Location: Southeast of Busch Road and Valley Avenue Intersection

Site Size: 49.0 acres

Recommended General Plan Designation: HDR (High Density Residential 30+ du/ac—10.0 ac max.)

Recommended Rezoning: PUD-HDR

Estimated Potential Number of Housing Units per Recommended General Plan Designation and Rezoning: 300+

Acreage for High-Density Residential Development: 10.0 acres

Background Description:

- Vacant site.
- Within ½ mile of parks.
- Within ½ mile of an elementary school.
- Adjacent to a bike route.
- Large vacant site, development of complementary uses/amenities possible.
- Site is more than 5 acres in size allowing for design flexibility.

Key Considerations for Site Development:

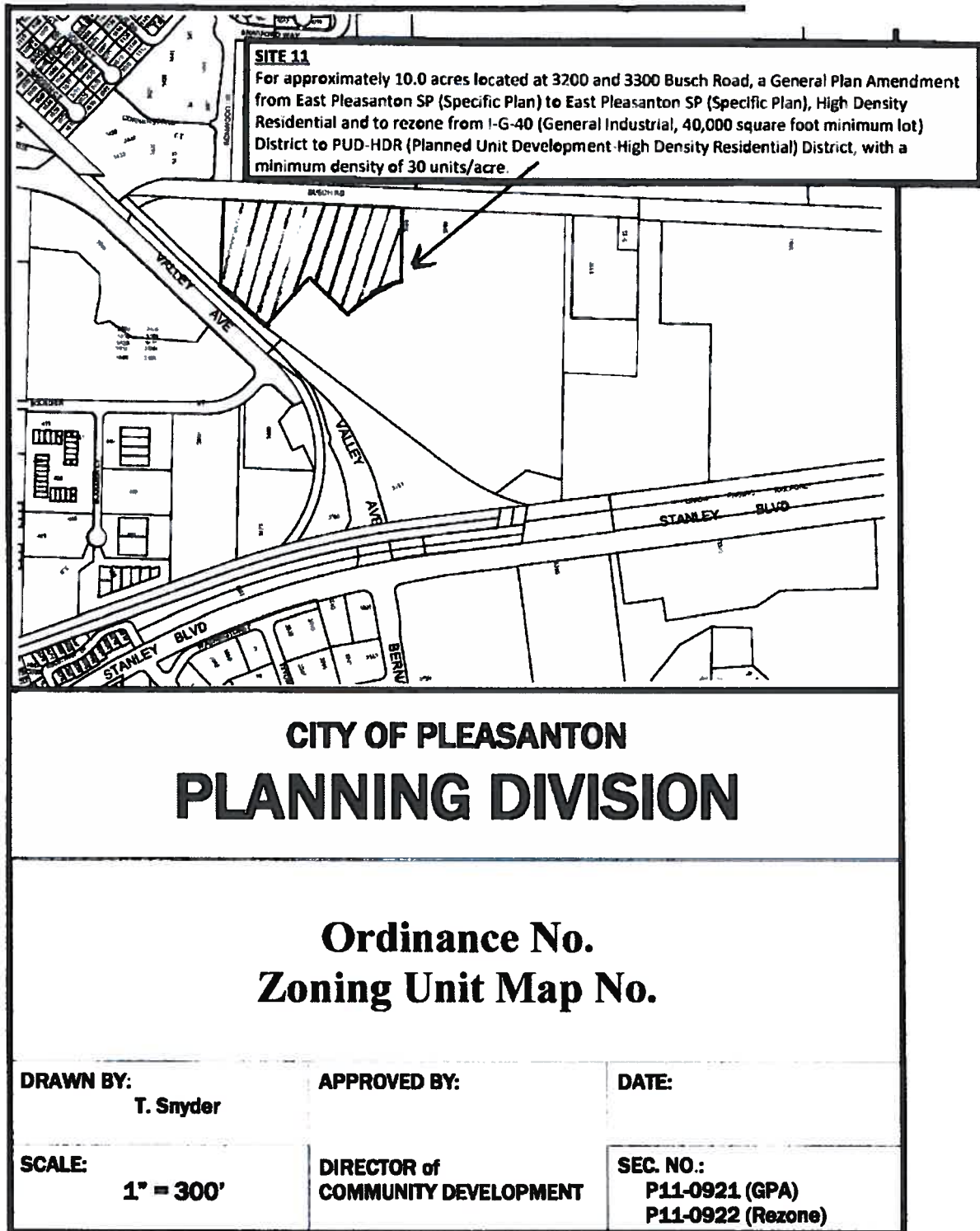
- Consider requiring the relocation of the existing personal wireless service facility on site as part of any development plan approval.
- The completion of the East Pleasanton Specific Plan, including a funding and timing plan for the extension of El Charro Road, to be adopted by the second quarter of 2013 and prior to any development plan approval. If the East Pleasanton Specific Plan is not adopted within this timeframe, allow development plan review to proceed.

Recommended Action:

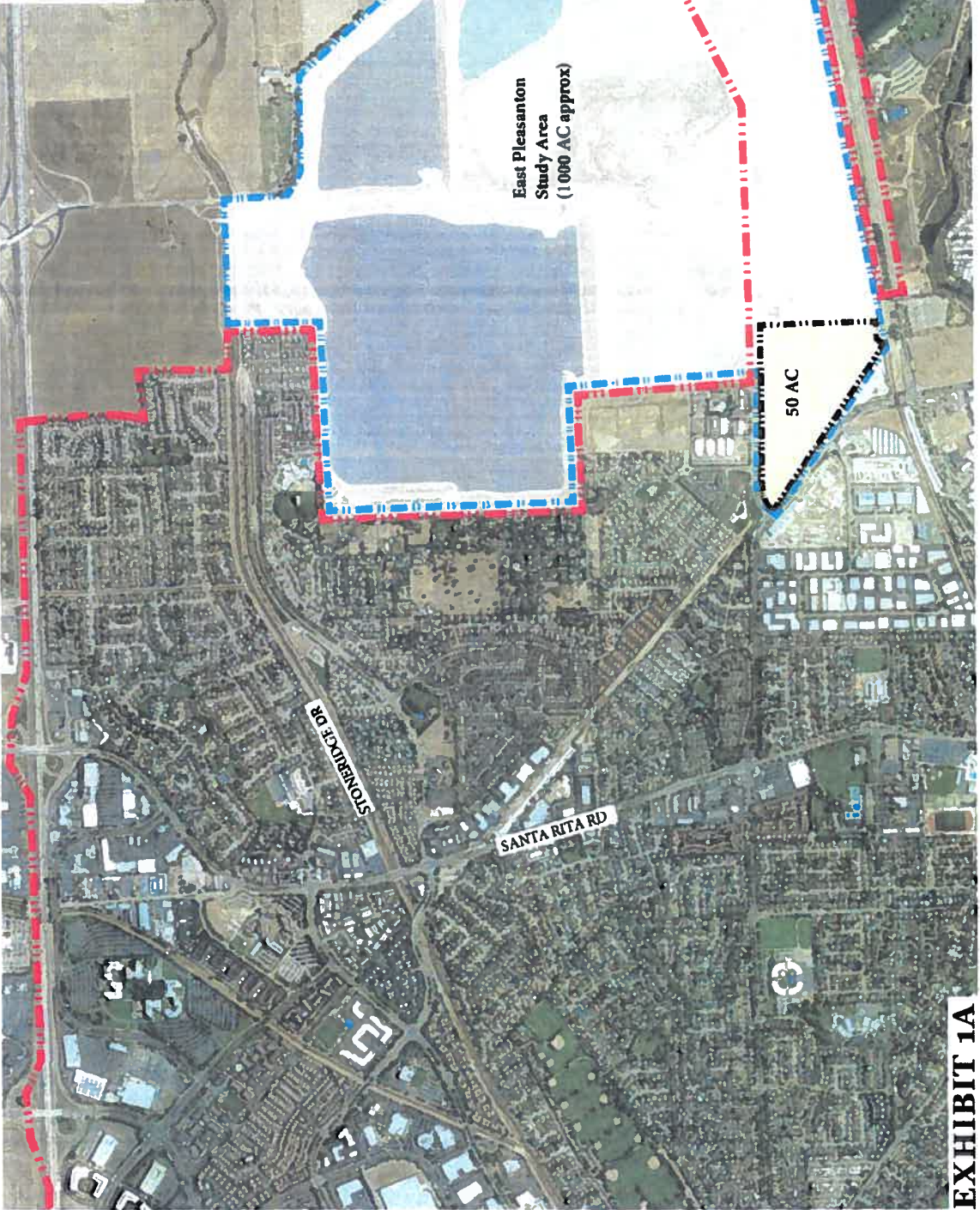
General Plan amendment; adoption of Specific Plan; rezoning.

Exhibit 3

EXHIBIT K.10



--- CITY OF PLEASANTON CITY LIMITS
--- EAST PLEASANTON STUDY AREA
 KIEWIT PROPERTY



KIEWIT INFRASTRUCTURE CO.
 10000 KIEWIT BLVD
 DUBLIN, CA 94568
 (925) 835-1000

EXHIBIT 1A

KIEWIT PROPERTY ONLY 5% OF THE EAST PLEASANTON STUDY AREA

KIEWIT INFRASTRUCTURE CO.



- CITY OF PLEASANTON CITY LIMITS
- ▭ KIEWIT PROPERTY
- - - ACE RAIL LINE
- ↔ IRON HORSE TRAIL

EXHIBIT 2A

KIEWIT PROPERTY, PLEASANTON, CA

KIEWIT INFRASTRUCTURE CO.

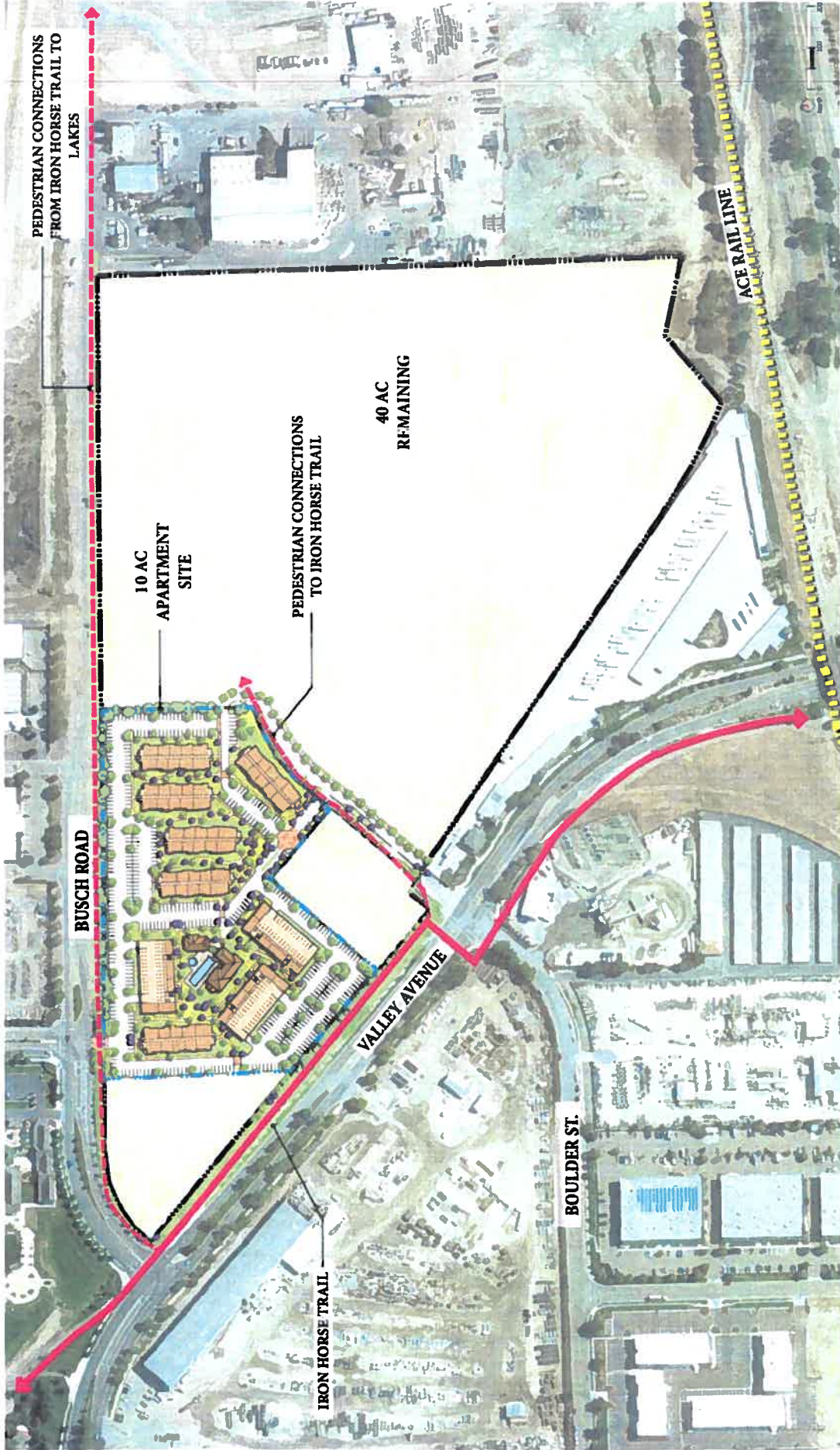


EXHIBIT 3A
KIEWIT PROPERTY, PLEASANTON, CA
KIEWIT INFRASTRUCTURE CO.



PEDESTRIAN CONNECTIONS
FROM IRON HORSE TRAIL TO
LAKES

BUSCH ROAD

VALLEY AVENUE

IRON HORSE TRAIL

PEDESTRIAN CONNECTIONS
TO IRON HORSE TRAIL



10 AC APARTMENT SITE
300 UNITS @ 30 DU/AC

EXHIBIT 4A
KIEWIT PROPERTY, PLEASANTON, CA
KIEWIT INFRASTRUCTURE CO.

DATE: 11/11/11
SCALE: 1" = 100'



C.M. CAPITAL CORPORATION

December 21, 2011

Janice Stern
Planning Manager
City of Pleasanton
200 Old Bernal Road
Pleasanton, CA 94566

Re: Rezoning of CM Capital Properties Site #13

Dear Ms. Stern,

I want to thank you for your support in the rezoning of CM Capital Properties Site #13 in the Housing Element program.

Throughout this rezoning process we were excited for the opportunity to have our sites rezoned to Mixed Use. However, in the December 6, 2011 memorandum from Nelson Fialho, City Manager, and Brian Dolan, Director of Community Development, to Mayor Hosterman and City Councilmembers, I noticed that the proposed zoning for our sites changed from MU to HDR. This presents a considerable problem for us, because it locks us into residential zoning and renders our current use nonconforming. Given the economic landscape, it is extremely difficult to project the timing of future development. This proposed rezoning to HDR will not work for us.

We have been part of the Pleasanton community since 1989, when we purchased our first office building, Hacienda West. We want to make sure that the rezoning of our sites make sense for the everyone: the City, the community and ourselves.

Please reconsider rezoning our sites to MU, and if that is not possible, I respectfully ask that you remove our sites from the current Housing Element program. If we cannot get our sites rezoned to MU, we would rather keep our current zoning designation.

I thank you for your help and support.

Sincerely,

Elizabeth Hammack, Esq.
Managing Director, Chief Counsel and CCO

cc: James Paxson (via email - james@hacienda.org)
Garrett Chan, Vice President