

PUD-02-09M, P12-0637, and P12-0638, Safeway, Inc.

Applications for: (1) Major Modification to the PUD Development Plan (PUD-02-07M) for the Pleasanton Gateway commercial center to replace an approximately 4,379-square-foot bank/restaurant building with drive-through with a self-serve gasoline station with nine fuel dispensers and a monument sign facing Bernal Avenue; (2) Conditional Use Permit for a service station with 24-hour operation; and (3) Sign Design Review approval for the service station's building and monument signs. The property is located at 6782 Bernal Avenue and is zoned PUD-C (Planned Unit Development – Commercial) District.

Marion Pavan played a video clip prepared by Safeway of the proposed project on the site. He then presented the staff report and described the scope, layout, and key elements of the proposal. He introduced Josh Pack and Wes Jost, who were available to answer any questions from the Commission.

Commissioner Blank requested verification that there would be two people on duty at all times, 24 hours a day, seven days a week, and that there would never be a situation when the parking monitor would not be there if there are no cars in line.

Mr. Pavan stated that was correct and noted that a condition relating to this matter was included in the Conditional Use Permit. He added that the applicant is present and would be able to answer any questions regarding the operations of the service station.

Commissioner Blank inquired what the material differences were between this proposal and the one that came before the Commission that included the gas station.

Mr. Pavan replied that the location is different: the original proposal had the gas station at the corner of the property or at the other end of the property, and this proposal sites it in the middle for the best location with respect to the entryway to the City. He noted that the design, as shown and described, provides sufficient room for stacking to prevent any circulation problems with respect to operations at the site. He added that staff supports the proposal based on its design quality and the fact that it meets the need for a second fuel source in the area.

Commissioner Blank noted that this was not staff's position originally and inquired why that was the case.

Mr. Dolan replied that there were originally some concerns about putting a fueling station at an entryway to the City.

Commissioner Blank excused himself for interrupting and questioned whether those concerns are still present at this time.

Mr. Dolan explained that the location between the proposed stores makes it less prominent. He added that this application is quite a bit further evolved than what was proposed before. He noted that staff worked quite a bit with the applicant on both the

architecture and the landscape screening and indicated that they could support this use near an entryway if it were as attractive as the existing gas station, which is, in most people's opinion, one of the nicest gas stations they have encountered.

Mr. Dolan stated that the landscape setback depth is greater with almost 30 feet of landscaping that accommodates a double row of trees. He noted that in response to staff's desire to have a very lush landscaping, the applicant also added a whole layer of rose bushes that gives it a design quality that staff believed overcame the concerns about the entryway.

Commissioner Blank recalled that when the original proposal came before the Commission, there was a lot of discussion about the orientation of the gas station and its massing, and the Commission did not want it to be visible from the freeway. He inquired if, in this new proposal, the gas station is not visible from the freeway

Mr. Dolan replied that he believes there is probably a point on the freeway that it can be seen.

Commissioner Blank stated that at that first discussion, the Commission wanted to ensure that CalTrans did not put up a sign that says "Gas Next Exit." He noted that he did not see this as a condition of approval and realizes that the City cannot condition CalTrans; but he expressed concern that this might happen, and this entryway to Pleasanton would turn into an on-/off-ramp stop.

Chair Pentin noted that there is an existing gas station on the corner, and if CalTrans wanted to put that fuel sign up, he believed they would already have done it.

Commissioner Blank acknowledged Chair Pentin's comment but pointed out that the existing fuel station is a little bit farther off the freeway. He noted that his concern is that there be no "Gas Next Exit" sign on the freeway, as can be seen on Interstate 5 and other freeways, that would suddenly make this an on-/off-ramp for a lot more traffic. He added that he does not know if there is a way to address this but suggested that staff give it a thought.

Commissioner Narum noted that the Commission has had this conversation before with respect to the location of the shopping center, that if the City were ever going to want people to get off, spend money in Pleasanton, and then get back on the freeway, there could not be a better location. She added that what the Commission did not want, however, was a 50-foot high sign that said "Gas Here" or "Truck Stop."

Commissioner Blank stated that the Minutes of that meeting indicate that the Commission did talk about signs on the freeway. He noted that he does not have a problem with the people who are going to stop here, whether they be regular commuters or local people, and that this is something that should be encouraged. He indicated that his concern is about the freeway traffic.

Commissioner Narum agreed with Commissioner Blank but indicated that she would be supportive of somebody coming up from San Jose and getting off at Stoneridge Drive or some other Pleasanton exit along I-680 and spending money in Pleasanton.

Commissioner Blank commented that there is no gas station at the Stoneridge Drive exit.

Commissioner Narum agreed but clarified that what she is saying is that she would want to encourage that.

Commissioner Pearce addressed the traffic analysis prepared by Fehr and Peers. She indicated that she has never seen a Queuing Analysis before and that as she understands it, Fehr and Peers is saying that typical analyses do not necessarily work because Safeway's prices for gas are so much cheaper than those at other gas stations such that more people come in than a typical analysis would allow for; so Fehr and Peers went to the Safeway gas stations in Dublin and Livermore, analyzed the PM peak data, and then extrapolated from them the numbers for the 18 fuel stations.

Kathrin Tellez, Fehr & Peers, replied that was correct.

Commissioner Pearce inquired if allowances were made for the fact that the proposed Pleasanton station is so close to an off-ramp on the freeway, while neither the Dublin nor the Livermore station is, although Livermore's is near a freeway but there is no actual off-ramp in Dublin's where one can simple exit off of the freeway and get gas. She expressed concern that in this regard, the extrapolation may be too low.

Ms. Tellez replied that they did consider what the traffic volumes were on the adjacent streets because that is a big indicator of how much traffic might be coming into and out of the gas station. She explained that in that process, they did take a look at traffic volumes on I-680 and Bernal Avenue just to make sure that they are confident with their results. She noted that their analysis shows that there should be plenty of queuing space the majority of the time; there will be room for 15 vehicles to be queued behind, even with a lot of people already at the fuel station. She added that from looking at the stations in Dublin and Livermore, Safeway continues to realize that it needs a little bit more space, and the Pleasanton station has a lot more space than those at Dublin or Livermore. She indicated that she felt confident a lot of the queuing issues will be resolved with this project.

Commissioner Blank recalled that at that last meeting, the Commission talked about something he does not remember seeing in the Minutes, that part of the reason the Commission selected the location it did was that it did not want to make it too easy for people to get on and off; that this location does in fact do that, so it would actually discourage people from stopping and getting gas and then going to the Safeway to do shopping. He stated that then this location, in his opinion, would be more of a convenience gas station as opposed to a destination gas station.

Following up on Commissioner Pearce's question and noting Ms. Tellez' statement that as spaces for stacking would be adequate the majority of the time, Commissioner Narum inquired if staff had considered a contingency plan for stacking up beyond 15 spaces should this station be much more successful than proposed.

Joshua Pack replied that staff had looked at eight different alternatives on what the volumes could be, and considering that the trip volumes of a typical gas station are not synonymous with what the Safeway station's volumes would be, staff did a number of iterations, and the number staff used for its analysis was the absolute highest they came up with of all those iterations. He noted that, as a result, this analysis with the 15 spaces is the peak, the most conservative estimate, and staff's comfort level.

Mr. Pack stated that he was a traffic engineer at Livermore when the Livermore station opened, and the queuing was underestimated, thus causing a lot of issues. He indicated that they then worked with the property developer to make some striping changes to ensure there was adequate storage. He assured the Commission, as one of the people who oversaw and managed this in Livermore, that this will not happen in Pleasanton and that these numbers before the Commission are an absolute, could be considered the worst-case scenario, and are conservative estimates that can still meet the expected demand.

Mr. Pack continued that one of the advantages with this location being pushed back a little bit from the intersection of Bernal Avenue and Koll Center Parkway is that even under some extreme condition where there could potentially be 20 percent more beyond the 15 spaces, there is some storage area in the alleyway before it even reaches Wells Fargo and the driveway. He indicated that it would still be self-contained within that area and would not impact operations at Safeway or at the other businesses there.

Commissioner Narum noted that on the blueprint, the area just beyond the gas station to the east is striped "Keep Clear."

Mr. Pavan indicated that the area is the driveway.

Mr. Dolan asked Mr. Pack to talk about the ambassador.

Mr. Pack stated that the ambassador will be there to try and maximize the space by directing folks who may be queued on the other side to get into available spaces as cars leave. He reiterated that they have been as conservative as possible, taking the maximum number of all the iterations they looked at, and that there will be a little bit of additional storage. He indicated that they are fairly comfortable in their assertion that it is going to be able to withstand the peak demand during peak time.

In response to Commissioner Blank's earlier question regarding the difference between the two proposals, Commissioner Olson stated that this structure looks like it has less massing in it than the previous proposal. He inquired if there is the capacity to add a fourth pump should the station be extremely successful and a queuing problem occurs.

Mr. Pavan replied that there is no flexibility on this project for an additional pump. He noted that he understood the Commission's concern but concurred with Mr. Pack that there is room to increase the queuing capacity from 18 vehicles to potentially 20 or 21. He indicated that staff has reviewed this at length to ensure that the design addressed any potential problems. He added that should any issues arise in the future, staff can bring this back to the Planning Commission for retroactive measures.

Mr. Dolan stated that one of the things that works for the City is the fact that the primary retail establishment that would be adversely affected by clogging up is Safeway, who is the owner of the station, and to some extent, Wells Fargo. He noted that if problems do arise, Safeway will be right there to work with staff.

Commission O'Connor stated that he is glad to see this back on the agenda. He disagreed with the statement on page 6 of the staff report that when this came back to the Commission in August of 2010, there were no Planning Commission comments on the removal of the gas station. He indicated that there was a lot of discussion: the Commission first looked at the corner coming into the driveway and that was not supported by staff; and the second time, the Commission looked in the far back corner, and that was not supported by staff either; and the only one place left was right in the middle. He stated that he wished the Commission had looked at it back at that time because the Commission did vet this pretty well back then. He reiterated that he is just happy that it came back. He noted that they did a pretty good job this time around and that he is satisfied with what he is looking at.

- The Commission first looked at the corner coming into the driveway” and he asked that it be amended to state “That was not supported by staff and the second time the Commission looked at the far back corner, and that was not supported by staff either. He stated that he wished staff had considered the middle location.” He said he wants to reflect that the minutes reflect it was staff that did not support the locations and not the Commission.

Commissioner Blank agreed that there were a lot of comments made and noted that he was also happy to see this back. He added that he was not convinced personally that the reason it was taken off was because of its location and that even if it were put in the middle then, it could still have been withdrawn.

Commissioner O'Connor commented that he thought it was the location and that it was too close to Bernal Corners. He added that there was a lot of pressure going on back then.

Commission Olson agreed.

THE PUBLIC HEARING WAS OPENED.

Jason Gomes, Safeway, stated that they are pretty excited about this project. He indicated that they opened up their store eight months ago; it has been successful, and they want to complement it with this fuel center. He stated that he was aware of the concern about what Safeway would do if the fuel station becomes too successful. He noted that they have been working with fuel centers for a little over ten years now, and one of the things they have learned is that they are successful at the fuel centers. He noted that the fuel center at the Dublin store was one of the first they ever built as a company, and it was way more successful than anything they could have ever imagined. He added that the Livermore store was also so successful, and they had to come back in and modify both sites. He stated that at the Dublin store, they adjusted the way the traffic flows such that while customers could initially come in from any direction, there is now only one way to come in. He noted that they know how much stacking and how many pumps they need based on the volume.

Mr. Gomes stated that fuel centers are a growing part of their business. He noted that a little over 20 percent of their stores nationwide have a fuel center and that they have a handle on it and understand how it works. He indicated that nine pumps and 18 dispensers are going to handle well into the future for whatever they need, but should it become so successful, they will come back and will make some changes to make sure it works right. He noted that Safeway is based in Pleasanton, so a lot of Safeway executives will shop at this store; it will work a lot better than any fuel station in the company because it will get a lot of scrutiny from the many company people who will be keeping an eye on it and will want to fix any problem they see.

Chair Pentin inquired if the fuel ambassador who is out there monitoring has the authority to waive cars off if the queue is considered dangerous or too full.

Mr. Gomes replied that they always have that authority, and if there is an emergency or a problem with the queuing, they will have to figure out some way to resolve it or adjust the queuing. He noted that they have the striping shown in front of the Wells Fargo building to keep its business operational, and if some fuel center customers happen to be in that area, the ambassador has the authority to tell them they need to move and stay out of that area, get back in line or go around.

Chair Pentin stated that he has experienced buying discount gas at Costco, and sometimes the cars in front of him in the queue do not move up immediately because they are on their phones and texting. He inquired if it is the monitor's job to keep checking and keep everybody moving, to tell customers if they need to move up to or to direct people into the lanes.

Mr. Gomes said yes. He stated that the monitor is aware that sometimes it is difficult to for customers to see around the car ahead of them, and the monitor will always direct customers to go to the pump if they can't see the pump.

Commissioner Blank inquired if the monitor receives any specialized training.

Mr. Gomes replied that they do have training on how to do the monitoring and what they need it for.

Commissioner Blank commented that this is a 24/7 operation which will require two people to cover one position. He inquired if the station ceases to operate if a monitor calls in sick.

Mr. Gomes replied that the station would continue to operate; they would have somebody come in. He stated that one of the benefits of this station is that there is a sister station in Dublin, so somebody can come over from that store if necessary, including to help with the volume.

Commissioner Blank noted that there is a project condition that in addition to the employee at the cash register, there shall be at least one service station employee stationed in the pump island to monitor the operation. He asked Mr. Gomes if they are in agreement that if there is only one person at the gas station, the gas station is not pumping gas.

Mr. Gomes said yes, that was correct. He added that they would always have an ambassador out there queuing, and if somebody calls in sick, they would get a replacement. He added that more than likely, they will have additional ambassadors, particularly at peak times when they may have two ambassadors.

Commissioner Blank indicated that he just wanted to make sure it is really clear on the public record that it has been discussed with the applicant that if the monitor calls in sick and the replacement cannot get there right away for whatever reason, during that waiting period, the station will be closed. He stated that he wanted to hear Mr. Gomes' "yes" on the record.

Mr. Gomes said yes.

Commissioner O'Connor noted that the staff report states that if someone is needed outside for queuing, an additional staff would be pulled from the store. He inquired if it is the store's intent to have people working in the store trained for the gas station as well.

Mr. Gomes replied that more than likely, it would be the store manager or assistant manager who would go out to the fuel center. He indicated that they have a union contract so they cannot just take any employees from one department and move them to another department, as per the union contract, employees have certain job duties they have to do for which they get paid.

Commissioner Blank inquired if these managers will have received the training.

Mr. Gomes replied that all managers get all the training that all the employees get; while it is not as focused as what the employees receive, the managers need to be aware of what is safe and what is not for all their employees.

Commissioner O'Connor commented that he has had the same issues at Costco where the person who is out there sometimes just does not seem to be focused on the job. He noted, however, that at both the Livermore Safeway and the Dublin Safeway, he has never had an issue; the people are moving, so he believes the training is obviously working.

Chair Pentin noted that on the additional sheet provided on the preliminary kiosk exterior elevations alternate, trellises have been added. He inquired if there are plans to add any landscape to those trellises.

Mr. Gomes said yes, and they would be a vine similar to what is on the store now.

Scott Trobbe, South Bay Development Company, stated that he wanted to reinforce that when they brought this project to the Commission a couple of years ago, they had indicated that they were going to stay involved, and as a property owner next door, they have stayed involved. He stated that they have been fully aware of the progress of the fuel station and wanted to provide some kind of big picture information that needs to be revisited for a moment.

Mr. Trobbe stated that when they went through the process for this particular project, they did a pretty active outreach to the neighborhoods and to the communities surrounding the property. He recalled that at those meetings, one of the constant question raised was whether there will be a fuel station, followed by a comment that they could not stand having to go to Dublin to shop and get fuel there. He noted that it was a pretty resounding majority who said that in a lot of these meetings, and he wanted to bring up from a community perspective that there were a lot of people in favor of a fuel station.

Mr. Trobbe indicated that as the property owner next door, ultimately with a residential development coming in, they appreciate and are very much in favor of the work that has come in and what Safeway has done with this.

THE PUBLIC HEARING WAS CLOSED.

Commissioner Blank moved to: (1) find that there is no new information or changed circumstances that would require additional CEQA review and that the project is covered by the approved Mitigated Negative Declaration for PUD 02-07M and that the proposed PUD Major Modification and Development Plan are consistent with the Pleasanton General Plan and the Bernal Property Specific Plan; (2) make the PUD Development Plan Findings and the Conditional Use Permit findings stated in the staff report; and (3) recommend approval of Cases PUD-02-09M, P12-0637, and P12-0638 to the City Council, subject to the

Conditions of Approval listed in the staff report: Exhibit A for the Major Modification, Case PUD-02-09M; Exhibit B for the Conditional Use Permit, Case P12-0637; and Exhibit C for the Sign Design Review, Case P12-0638.

Commissioner Narum asked Commissioner Blank if he was including in his motion the revised elevation plan of the kiosk distribution by staff tonight.

Commissioner Blank stated that he assumed this was included and asked staff if that was part of or separate from the Exhibit B of the staff report.

Mr. Dolan replied that it was separate and that staff is recommending that elevation.

Commissioner Blank amended his motion to incorporate the revised elevation plan of the kiosk.

Commissioner Narum seconded the motion.

Commissioner Blank commented that he is really glad to see this back as it is a necessary amenity in that part of town and that he is pretty excited to see it happen.

Commissioners Olson, Narum, and O'Connor agreed. Commissioner Narum added that people will no longer need to go to Dublin for gas.

Commissioner Pearce stated that originally, she was the Planning Commissioner that was not in favor of the gas station because she was concerned about this becoming a freeway attraction as opposed to a neighborhood attraction and a gateway. She noted that some of those concerns have been allayed with the reconfiguration as well as the new location. She added that she has heard the residents, and the number of people who have come up to her asking about the gas station has been countless. She indicated that she will support the gas station.

Chair Pentin concurred with all the comments. He stated that he was glad to see it back and that the Commission can maybe have a positive vote here.

ROLL CALL VOTE:

AYES: Commissioners Blank, Narum, Olson, Pentin, and Pearce

NOES: None

ABSTAIN: None

RECUSED: None

ABSENT: None

Resolutions Nos. PC-2012-33 recommending approval of PUD-02-09M, PC-2012-34 recommending approval of P12-0637, and PC-2012-35 recommending approval of P12-0638 were entered and approved as motioned.