

**PUD-98 & P13-2518, CarMax Auto Superstores**

**Applications for PUD Development Plan and Sign Design Review to construct an automobile dealership consisting of an approximately 11,783-square-foot sales and presentation building, an approximately 45,000-square-foot service building, an approximately 3,930-square-foot quality control building and non-public car wash, vehicle sales display area, project signage, and related site improvements on approximately 19.66 acres of the Auto Mall site at Staples Ranch. Zoning for the property is PUD-C (Planned Unit Development – Commercial) District.**

Shweta Bonn presented the staff report and described the scope, layout, and key elements of the application, focusing on the changes to the plan made by the applicant following the February 12, 2014 Planning Commission Work Session.

Commissioner Pearce requested clarification that the applicant did not add landscaping around the service building as the Commission had asked at the Work Session.

Ms. Bonn replied that was correct.

Commissioner Allen stated that she wanted to know what the applicant's thinking was for why that was not done and indicated that she would ask the applicant later.

**THE PUBLIC HEARING WAS OPENED.**

Keith Henderson, applicant, stated that he did not have a lot to add to Ms. Bonn's presentation as she covered all the changes that had been made to the plans. He indicated that he would instead present an update about CarMax, pointing out that at the end of its fiscal year in February, CarMax had sold 500,000 cars the past year through its retail operations and had \$12.5 billion in revenue. He noted that CarMax currently has 133 stores in 66 different markets across the country. He added that CarMax Foundation has donated over \$20 million since 2003 to local charities in each one of its markets, and last year alone, it donated about \$4.6 million, the highest since its inception in 2013.

Amanda Steinle, Center Point Integrated Systems, stated that in addition to Ms. Bonn's presentation, she would like to talk about the changes CarMax has made in response to the Commission's February Work Session.

With respect to the noise from the carwash and service building, Ms. Steinle clarified that the carwash is at the end of the Final Quality Control (FQC) building and explained that the way the circulation works there is that vehicles enter through the south and exit through the north, which means that the door that is opening most frequently is actually projecting the noise to the north rather than toward the Continuing Life Community (CLC) property. She noted that this was intentionally planned that way from the start to mitigate any potential noise impacts to the residential area. She indicated that the western-facing façade of the service building is the quietest side of all the service building operations. She stated that to mitigate noise impacts further, the blower from

the service building, which is the noise generator, is located indoors. She added that the service doors are not metal doors that crinkle up and make noise, but are fabric rubber material that are substantially quieter than the typical garage door.

Ms. Steinle then addressed the concern about lighting along the freeway and the adjacent properties, explaining that the lighting is downward cast. She noted that they have technology that allows the reflection of the light to point inwards such that there is no concern about light pollution on the freeway. She added that on the western side, the light poles are 14 feet tall and are fully shielded so the light bulbs are not visible.

Ms. Steinle stated that Ms. Bonn addressed the landscaping issue to soften the appearance of the service building with the vertical green vines. She then showed a slide on the west-facing façade and stated that in discussion with CLC, the paint booth equipment mounted to the ground on the exterior will be screened completely with high quality material and painted to match the service building.

Ms. Steinle then presented several renderings of views from the CLC property, showing their interpretation of what the CLC architecture will look like based on elevations CLC had given them. She added that they also had taken it upon themselves to do some views from CLC's third-story balcony, showing the proposed storage units and a 15-foot tall berm with a ten-foot high wall on top. She noted that CarMax had worked with CLC early on to shift the CarMax property line to give CLC 70 feet on which to build something to screen their uses from each other.

Ms. Steinle then displayed more conceptual renderings of views from CLC's fourth-story balcony, turned at an angle to show a variety of what might be visible: towards I-580, the storage building, and the berm with a ten-foot wall on top.

Finally, Ms. Steinle talked about the Commission's recommendation on the signage to address consistency in the illumination styles for the different panels and have only one illumination style for the monument sign.

Chair Olson inquired if the storage units belong to CarMax.

Ms. Steinle said no and added that they were proposed by CLC.

Commissioner Allen stated that she would like to follow-up the earlier discussion regarding the service building and the Commission's recommendation to add trees there. She noted that the vines helped some but do not go as far as the discussion at the Work Session. She inquired what CarMax's thinking was on why it was not taken a little further.

Mr. Henderson stated that one of the things they mentioned at the Work Session was that the area was made to be very flexible. He indicated that in most situations, customers are not back there, and any views toward that storage area will be screened by the walls and landscaping on the perimeter of the property. He noted that they had

worked with CLC to slide the property over so CLC would have some space to do some appropriate buffer between their properties.

Mr. Henderson stated that landscaping in the service building area would hinder their operation and that it is not something that they do in any of their stores. He noted that they had heard about the Commission's concerns about the service building and that they had looked at different options, driving around Pleasanton to see what other people had done. He indicated that installing vines around the building to break up that massing a little bit was approved, and noted that this is not something they have done anywhere else before. He explained that it is an operational issue for them not to have trees back in that area; it makes it more difficult for them, and it is not something they want to do.

Commissioner Pearce noted that "operational" and "flexible" were mentioned a few times at the Work Session, and she is trying to understand how trees would hinder the operational situation. She asked Mr. Henderson if a tree would prevent them from hosting another car in that spot and requested him to walk her through this process.

Mr. Henderson explained that the area is made to be extremely flexible and that they need to shift the around parking spaces in different parking stalls. He stated that the way the store is laid out is based on sales estimate on what they expect to sell here, and they need to fully utilize all the space that is back there. He noted that trees take up additional space and would make it more difficult for them to operate. He added that there is also the question of maintenance of that area with leaves falling down and birds flying through there.

Ms. Steinle stated that the vehicles are organized based on the service that they need, and a lot of times they can be stacked in tandem; they would have to maneuver around the trees. She added that there is also fire lane emergency vehicle requirement as well, and the efficiency of operation is reduced if there is landscaping around the building.

Commissioner Pearce noted that she certainly would not suggest putting a tree on the fire access and that it is not what she is suggesting.

Commissioner O'Connor inquired if there is open parking all around service building.

Mr. Henderson said yes. He stated that the area is well-organized and that they could potentially park cars stacked in lines.

Ms. Steinle added that there is no storage of any parts or engines in the building. She noted that it is organized, unlike a service station that is not a visually attractive place to look at with parked vehicles that need repair.

Commissioner O'Connor noted that the sales and display area are a very small piece of the entire acreage and inquired where customers will stand when they walk through and if they are going to see the tall service building.

Ms. Steinle displayed a rendering showing a view from entry drive, noting that a six-foot tall wall surrounds the area where the service building is located. She pointed out that the service building is set back far enough so that it is not right up against the customer experience. She added that a customer standing at the entry will just see the architectural detail of the building and the rooftop screen that has a cornice as well.

Mr. Henderson explained that when customers come and walk in from their car, they will see the service building but it is at a good distance and there is a wall and landscaping to break up that view. He noted that customer access is limited to the customer and employee lot, and the service building area is only for CarMax associates.

Commissioner O'Connor noted that there is also wall around south side of property.

Mr. Henderson replied that it is a seven-foot tall wall that is screened and articulated to break up the view a little bit.

Ms. Steinle stated that it is the bioretention area and has a double row of trees.

Commissioner O'Connor inquired if customers looking to purchase a car would be driving mostly into the northern parking lot to the sales building.

Mr. Henderson replied that customers come in into sales area, are greeted by a sales person to find out what their needs are. He added that customers are free to browse and walk around only in the sales area.

Commissioner O'Connor inquired if all the cars staged around service building are not ready for sale.

Ms. Steinle replied that was correct.

Mr. Henderson added that cars are in there either for retail service, for oil service or tire rotation, or are in line to be reconditioned to be put out on that front display area to be sold.

Commissioner Olson stated that the Commission received a staff memo before tonight's meeting proposing to modify Condition No. 2 of the Conditions of Approval regarding the hours of operation in response to comments from CLC. He asked Mr. Henderson if he has seen that and is fine with the revision.

Mr. Henderson replied that they have been talking to CLC for quite some time regarding those operating hours and that they have reached an agreement.

Commissioner Ritter inquired if CarMax has had any concerns at any of its other stores in other locations about operating hours and noise.

Mr. Henderson stated that Douglass Moyers, CarMax Vice President for Real Estate, is in the audience and would be able to respond to that. He indicated that personally, they have run into persons concerned about their working hours but that they have not had too many instances where a lot of people have complained because all the work is being done inside the building. He added that the only thing happening around there is cars moving around. He noted that, as earlier mentioned, the doors coming up and down are not like clanking metal doors but are rubberized canvas doors that are actually pretty quiet.

Chair Olson commented that CLC would probably be getting more noise from the freeway.

Commissioner O'Connor inquired if CarMax had some stores located right next to residential areas.

Mr. Henderson replied that they have some stores close to residential and referred the question to Mr. Moyers.

Mr. Moyers stated that their stores are located next to lot of different uses, including next to multi-family residential areas and back up to neighborhoods. He noted that they have locations near neighborhood residential; particularly in older car dealer rows that are more developed with retail use that have fairly shallow depth of property with residential immediately behind them. He indicated that what they typically do, once in a location, is design a program to meet on a regular basis with the neighbors and homeowner association to see what kind of concerns they have and try to work with them before the concerns become problems.

#### **THE PUBLIC HEARING WAS CLOSED.**

Commissioner Ritter referred to staff's proposal to modify Condition No. 2 of the Conditions of Approval, showing redlined language in the event that the City receives complaints from neighbors. He clarified with staff that it is technically true with just about every project that comes before the Commission that if there are complaints from neighbors, the item is brought back to the Commission for reconsideration.

Mr. Dolan said yes.

**Commissioner Pearce moved to find that the conditions prescribed in California Environmental Quality Act (CEQA) Guidelines Section 15162 have not occurred as described in the Addendum to the Environmental Impact Report (EIR) and Supplemental Environmental Impact Report (SEIR), and that the previously prepared EIR and SEIR, including the adopted CEQA Findings and Statement of Overriding Considerations, and the Addendum to the EIR and SEIR are adequate to serve as the environmental documentation for this project and satisfy all the requirements of CEQA; to find that the proposed PUD Development Plan is consistent with the General Plan; to make the PUD findings for the proposed**

**Development Plan as listed in the staff report; and to recommend approval to the City Council of Case PUD-98, the PUD Development Plan, subject to the Conditions of Approval listed in Exhibit A-1 of the staff report, and of Case P13-2518, the Sign Design Review for the project, subject to the Conditions of Approval listed in Exhibit A-2 of the staff report.**  
**Commissioner Allen seconded the motion.**

**ROLL CALL VOTE:**

**AYES: Commissioners Allen, O'Connor, Olson, Pearce, and Ritter**

**NOES: None**

**ABSTAIN: None**

**RECUSED: None**

**ABSENT: None**

Resolution No. PC-2014-14 recommending approval of Case PUD-98, and Resolution No. PC-2014-15 recommending approval of Case P13-2518 were entered and adopted as motioned.