

Planning Commission Agenda Report

November 8, 2017

Item 5.b.

- SUBJECT:** P17-0904
- APPLICANT/
PROPERTY OWNER:** Stoneridge Properties, LLC (Simon Property Group)
- PURPOSE:** Application to amend the Stoneridge Shopping Center Development Agreement, governing an approximately 362,790-square-foot expansion, for an additional five years.
- LOCATION:** Stoneridge Shopping Center (1008-1700 Stoneridge Mall Road)
- GENERAL PLAN:** Retail/Highway/Service Commercial, Business and Professional Offices and Mixed Use
- ZONING:** CR(M) – (Regional Commercial – Mall) and PUD–MU (Planned Unit Development – Mixed Use) District
- EXHIBITS:**
- A. [Draft Amendment to the Development Agreement for the Stoneridge Shopping Center](#)
 - B. [Original Development Agreement with first and second amendments](#)
 - C. [Pleasanton General Plan 2005-2025 Environmental Impact Report \(EIR\), and Housing Element and Climate Action Plan, General Plan Amendment and Rezonings Supplemental Environmental Impact Report \(EIR\) and Adopted Findings including Statement of Overriding Considerations \(available upon request\)](#)
 - D. [Location and Notification Map](#)

STAFF RECOMMENDATION

Staff recommends the Planning Commission adopt a resolution recommending that (1) the City Council find the General Plan Environmental Impact Report (EIR) and Housing Element and Climate Action Plan General Plan Amendment and Rezonings Supplemental EIR (and associated findings and Statement of Overriding Considerations) provide adequate California Environmental Quality Act (CEQA) analysis for the extension; and (2) the City Council approve this extension of the Development Agreement as set forth in Exhibit A.

EXECUTIVE SUMMARY

The applicant, Stoneridge Properties, LLC (Simon Property Group), proposes to amend the development agreement for the Stoneridge Shopping Center by extending the term of this agreement by five years until December 2022. The applicant's proposal would be the third amendment to the previously approved Development Agreement. This extension would not allow for additional future development beyond that identified in the existing Development Agreement.

BACKGROUND

The Stoneridge Shopping Center was constructed in the early 1980's by the Taubman Company. As part of the City's approval of this regional shopping center, the Taubman Company participated in funding portions of the I-680/Stoneridge Drive freeway interchange, construction of improvements to the nearby City streets and intersections that accessed the shopping center from the I-580 and I-680 freeways, and construction of Fire Station No. 2 (6300 Stoneridge Mall Road).

Development Agreement

In November 1992, the City Council approved the Development Agreement (Exhibit B) for the Stoneridge Shopping Center, which granted rights to expand the shopping center by approximately 178,000 square feet, and approved a Sewer Agreement that addressed the allocation of sewer capacity for the uses in the shopping center.

In January 1998, the City approved the first Amendment to Development Agreement to further increase the Stoneridge Shopping Center by an additional 202,000 square feet, thereby totaling 380,000 square feet of floor area, and approved an amendment to the Sewer Agreement that reserved 10,000 gallons of sewer capacity for the shopping center.

In summary, the original and amended Development Agreement and related Sewer Agreement granted the following entitlements and restrictions to the owners of the shopping center and their successors:

- Permitted the expansion of the shopping center floor area by a total of 380,000 square feet. (The additional to-be-developed area has been reduced to 362,790 square feet of floor area due to the construction of the P.F. Chang's and Cheesecake Factory restaurants.)
- Reserved 10,000 gallons per day of sewer capacity for the entire shopping center. (This capacity has been used completely by the present Stoneridge Mall retail businesses and restaurants.)
- Referenced the permitted and conditional uses of the CR(M) District of the Pleasanton Municipal Code for the shopping center with the applicable City approvals.
- Established parking ratios between 4.5 and 3.5 parking spaces per 1,000 square feet of floor area for different categories of mall uses. (These parking ratios exceed the City's retail parking standard of 3.33 parking spaces per 1,000 square feet.)

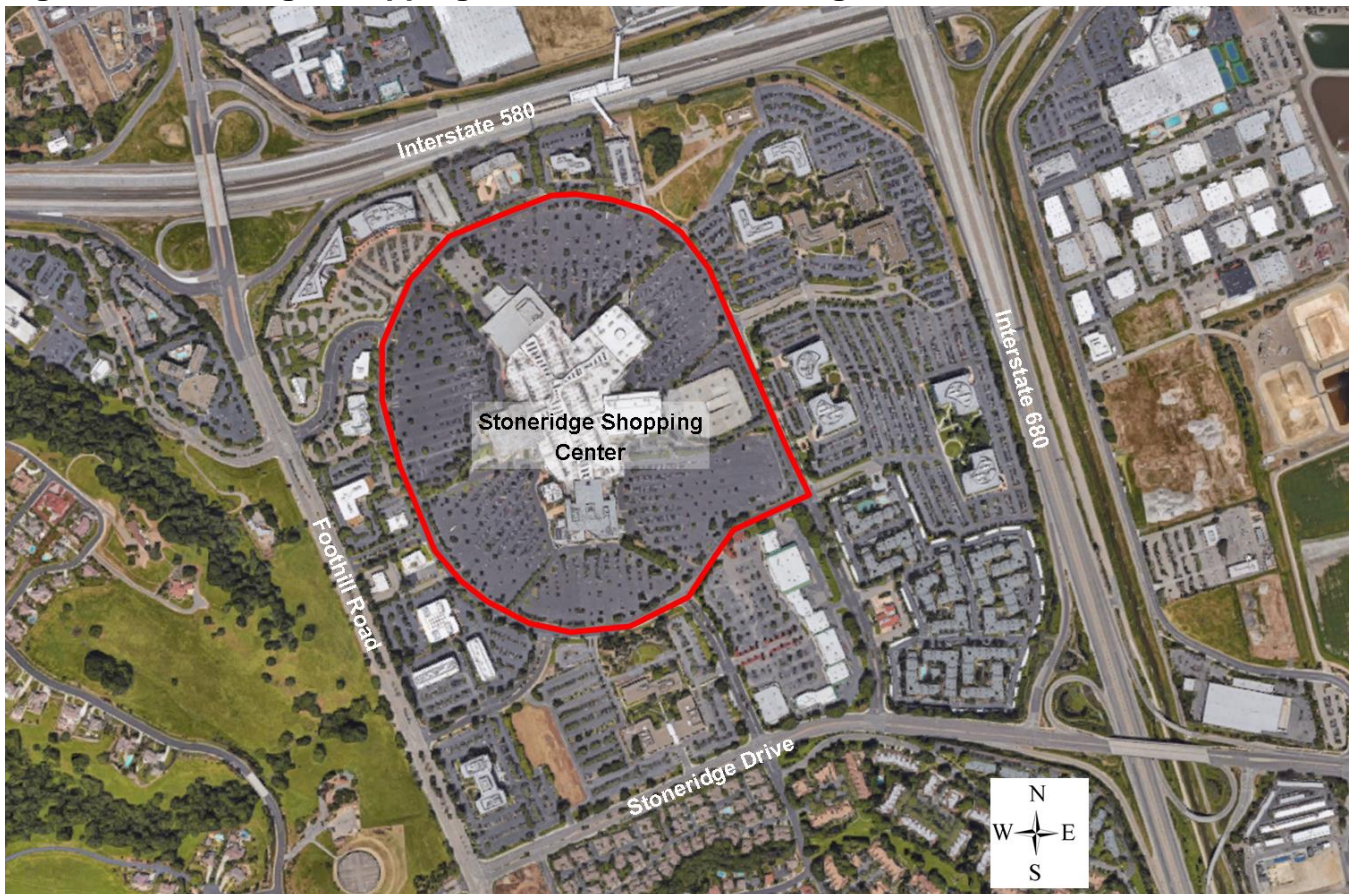
- Required the Stoneridge Mall shopping center to participate in mitigation measures identified by the City to offset the anticipated traffic impacts if the I-680/West Las Positas Road freeway interchange is not built.
- Defined the maximum height for all new shopping center buildings as 68 feet.
- Permitted parking decks up to a maximum height of three levels above grade.
- Identified traffic improvements to nearby intersections that could be required by the Traffic Engineer to mitigate the impact of the additional floor area on traffic operations.

On May 8, 2013, the City Council approved the second Amendment to Development Agreement to allow for an additional five year extension of the term of the agreement until December 2017.

SITE DESCRIPTION

The entire shopping center is located on an oval-shaped property defined entirely by Stoneridge Mall Road. Figure 1, below, shows the entire Stoneridge Shopping Center and portions of the I-580 and I-680 freeways and Foothill Road.

Figure 1: Stoneridge Shopping Center and Surrounding Land Uses



The properties surrounding the mall are located between Stoneridge Mall Road and the I-580 freeway, I-680 freeway, Stoneridge Drive, and Foothill Road are developed with a variety of office, hotel, medical, restaurant, and retail uses.

PROJECT DESCRIPTION AND ANALYSIS

The applicant requests the expiration date of the Development Agreement for the Stoneridge Shopping Center be extended again for another five years, to December 2022. The proposed amended Development Agreement and the existing agreements are attached as Exhibit A and Exhibit B, respectively.

Development agreements are public/private contracts specifically authorized by California State law with the purpose of providing to property owners more certainty about the entitlements and exactions that will apply to their property. The local government gets a legally binding promise the developer will provide infrastructure and/or pay fees required by a new project. The developer gets a legally binding promise it can build a project. The Development Agreement sets forth the rights and responsibilities between the City and the property owner/developer. Development agreements are primarily utilized on large, master planned developments constructed in a phased manner over a relatively long period of time, and often require significant investments in public infrastructure in the part of the private developer. They therefore encourage private investment, including the provision of public facilities that could not normally be required under a typical development plan review.

The proposed modification to the Development Agreement does not allow for any additional development beyond that identified in the existing agreement and continues to require all new commercial projects be subject to Planning Commission Design Review approval administered at a public hearing. The Development Agreement process requires the Planning Commission provide a recommendation to the City Council for action.

PUBLIC NOTICE

Notice of this workshop was sent to all property owners and tenants/occupants within 1,000 feet of the subject properties as shown in Exhibit D, was published in The Valley Times, and was noted in the Pleasanton Weekly as an upcoming agenda item for the November 8, 2017, Planning Commission meeting. Staff has not received any verbal or written communications about the proposal as of the publication of this staff report. Any public comments or concerns will be forwarded to the Planning Commission.

ENVIRONMENTAL ASSESSMENT

The original Development Agreement was the subject of a Mitigated Negative Declaration and Initial Study approved by the City Council on November 1996 in compliance with CEQA.

The Initial Study that accompanied the Mitigated Negative Declaration included traffic analyses which determined the shopping center's traffic with the expansion will occur primarily off-peak and, therefore, would not impact surrounding streets and intersections during the critical a.m./p.m. peak-commute hours. Staff notes the traffic resulting from the remaining permitted floor area of 362,790 square feet was also addressed in the General Plan EIR and Housing Element and Climate Action Plan General Plan Amendment and Rezonings Supplemental EIR, confirming the conclusions of the original analysis.

On January 4, 2012, the City Council certified a Supplemental Environmental Impact Report (SEIR) and adopted the CEQA Findings and a Statement of Overriding Considerations for the Housing Element and Climate Action Plan General Plan Amendment and Rezonings Supplemental EIR. This SEIR was a supplement to the EIR prepared for the Pleasanton 2005-2025 General Plan which was certified in July 2009. The 362,790-square-foot expansion of the Mall was evaluated and mitigated as part of these certified CEQA documents which are available upon request as part of Exhibit C. Since certification of these CEQA documents, conditions have not changed such that the expansion would result in new or more substantial impacts beyond those already identified as part of the previously-certified documents. Therefore, no additional environmental review is required.

SUMMARY/CONCLUSION

This extension will enable Stoneridge Properties to continue to explore commercial expansion of the Stoneridge Shopping Center, broadening the City's tax base and allowing the continued vitality of the mall. This extension would not alter or modify the obligations and responsibilities described in the original Development Agreement or subsequent amendments as they apply to this shopping center. With expectations the mall will continue to evolve to remain competitive in the current retail environment, staff supports the request for the extension and recommends the Planning Commission provide a positive recommendation to the City Council.

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