



PLANNING COMMISSION MEETING MINUTES

City Council Chamber
200 Old Bernal Avenue, Pleasanton, CA 94566

DRAFT

Wednesday, June 28, 2017

CALL TO ORDER

The Planning Commission Meeting of June 28, 2017, was called to order at 7:00 p.m. by Vice Chair Nagler.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Commissioner Allen.

1. ROLL CALL

Staff Members Present: Gerry Beaudin, Director of Community Development; Adam Weinstein, Planning Manager; Julie Harryman, Assistant City Attorney; Jennifer Hagen, Associate Planner; and Kendall Granucci, Recording Secretary

Commissioners Present: Commissioners Nancy Allen, Justin Brown, Greg O'Connor, Herb Ritter and Vice Chair David Nagler

Commissioners Absent: Chair Jack Balch

2. APPROVAL OF MINUTES

There were no minutes for approval.

3. MEETING OPEN FOR ANY MEMBER OF THE AUDIENCE TO ADDRESS THE PLANNING COMMISSION ON ANY ITEM WHICH IS NOT ALREADY ON THE AGENDA

There were no members of the audience wishing to address the Commission.

4. **REVISIONS TO THE AGENDA**

There were no revisions to the agenda.

5. **CONSENT CALENDAR**

Consent Calendar items are considered routine and will be enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from the Planning Commission or a member of the public by submitting a speaker card for that item.

There were no consent calendar items.

6. **PUBLIC HEARING AND OTHER MATTERS**

a. **PUD-123, Stoneridge Chrysler, Mathew Zaheri**

Work Session to review and receive comments on an application for Planned Unit Development plan to construct a 201-stall parking lot for displaying vehicles to be shared by Stoneridge Chrysler-Jeep-Dodge-Ram and a future dealership located at 2694 Stoneridge Drive. Zoning for the property is PUD-C (Planned Unit Development - Commercial) District.

Jennifer Hagen presented the Staff Report.

Commissioner O'Connor asked staff to elaborate on the landscaping proposal.

Ms. Hagen explained how as part of the original Chrysler dealership, the applicant was required to plant a single row of trees along Stoneridge Drive and El Charro Way. She described the current conditions along Stoneridge Drive where there are two rows of London Plane trees; a more mature row exists in front of the sidewalk and smaller rows are directly behind the sidewalk. Those along Stoneridge Drive and El Charro are all London Plane trees which as described by staff is a typical street tree present throughout the City, and that's all that was required to be planted along the perimeter of the property.

Commissioner O'Connor asked if the original PUD called for any upgrades to the landscaping.

Ms. Hagen replied: not at this time, not unless that is something the Commission requests. The original PUD only required perimeter trees at the edge of the 16 acre site.

Commissioner Ritter asked staff to clarify that the applicant owns the 16 acres that includes the temporary parking lot.

Ms. Hagen confirmed that the applicant does own the 16 acre site including the temporary parking lot.

Commissioner Ritter asked staff if the original Dodge Chrysler dealership approval was conditioned with the expectation that the temporary lot would be paved at some point in the future.

Ms. Hagen explained that in the original dealership approval the temporary lot was not included. At that time, the applicant likely was not anticipating the level of inventory they now have. The temporary lot came into play in 2016 sometime after the original dealership was complete. At that time, the applicant indicated the need for additional parking and began parking on this temporary lot. Staff approved the temporary use permit for the lot with the understanding from the applicant that it would be a temporary solution to satisfy the parking needs while the applicant went through the process to obtain a permanent parking solution, be that off-site or the proposal at hand.

Commissioner Ritter inquired if/when dealership 3 comes in will there be an easement set up to tie them in to access half of this temporary lot.

Ms. Hagen clarified how as soon as the 6 months is over and this permanent lot is developed, the applicant will be required to remove the aggregate gravel base and will relinquish their right to park on it. Therefore, by the time dealership 3 goes in this would no longer be a temporary lot.

Mr. Weinstein added that once dealership number 3 comes along it would be a separate PUD development plan for that site which would include additional landscaping.

Commissioner Allen asked if consideration was given to reducing the size of Lot 2 because aside from the BMW-Mini-dealership, it would be the smallest-sized dealership.

Ms. Hagen replied that the Acura dealership is also the same size as the Mini dealership.

Commissioner Allen asked if the applicant looked at the option of reconfiguring the parking on Lots 2 and 3 to make Lot 2 larger knowing that it would broaden the possibilities for occupancy thereby allowing a successful dealership which could provide a significant amount of tax revenue.

Ms. Hagen responded, stating staff had asked the applicant for a proposal of how the three lots would be configured and used in the future. To date, the applicant had not made their intentions clear; however, staff would require that information for the final application. She went on to explain how as staff views it, the site for dealership 3 is twice the size of both the Chrysler and the future dealership 2, therefore, staff feels there would be room if the applicant wanted to re-arrange and have additional parking for Lot 2 that comes from Lot 3. Ms. Hagen further explained how once a dealership comes in they are most likely going to re-arrange everything from the size of the building to the size of the vehicle service facility, and parking inventory would be based off of the dealership and their service needs.

Commissioner Brown asked staff to clarify what changed about Lot 2 from the PUD once it was a conceptual master plan because the parking lot appears to be around the same size and in the same location.

Ms. Hagen clarified that no changes were made to the dimensions of Lot 2, but that the narrative changed which described the operations of the second dealership.

Commissioner Brown asked if the temporary lot had been lit.

Ms. Hagen replied it was not.

Commissioner Brown concluded that the comments received from some of the residents regarding lighting issues were in reference to lighting elsewhere and no changes would be made regarding that.

Ms. Hagen concurred.

Commissioner Brown added, for the record, that he had asked a question of Adam Weinstein privately which was “does the landscaping around the proposed lot help alleviate any of the lighting for Stoneridge?”

Mr. Weinstein clarified that the landscaping is pretty ineffectual in staff’s opinion due to the fact it is very young and fairly scarce. He went on to explain that there are mitigation measures in the EIR that was adopted for the Specific Plan which mandate specific light candle levels that lighting has to achieve to prevent a large amount of spillover or glare onto the project site surroundings.

Commissioner Brown asked staff to confirm that the applicant proposal had a 36 candle level and staff was going to work with them to drop it down to 30 which is in the existing PUD, and that after hours the lighting would be diminished down to 10.

Ms. Hagen confirmed Commissioner Brown’s statement and explained how part of the mitigation is outside of normal business hours.

Commissioner Ritter asked if lighting for CarMax is measured in lumens and if Chrysler’s lighting is higher as proposed.

Ms. Hagen replied that all dealerships are under the same mitigation monitoring and that the proposal before the Commission has a 36 candle level light but that staff was working with the applicant to reduce it to 30 as stated in the existing PUD.

Commissioner O’Connor asked if Code Enforcement had responded to any of the complaints regarding the lighting at Chrysler.

Ms. Hagen said Planning had reviewed the lighting levels on the plans but that Code Enforcement had not measured the actual level of lighting. She indicated to the Commission that Code Enforcement could take a field reading.

Commissioner Allen asked if the parking lot on Lot 2 in the original plan was intended to be used also for dealership 1, the Chrysler dealership at that time.

Ms. Hagen explained how the earlier plan was conceptual, so there wasn't a narrative describing the intended operations.

Commissioner Allen asked staff to comment if there are some areas of the dealership that are unsightly or not well-maintained, as described in the public correspondence received.

Ms. Hagen stated that staff went to the site and observed that the trees are very young and there is not any groundcover. There was no trash, vacant cars, or anything like that, but it is just a vacant dirt lot and not necessarily attractive.

Vice Chair Nagler asked staff to confirm that when Stoneridge Creek, the senior living facility, was conceived, the plan was already in place for the subject property to be auto dealerships.

Ms. Hagen agreed and further explained that it was all part of the same specific plan. Stoneridge Creek, Pacific Pearl, this site as well as the community park were all conceptualized together. So the only permitted use on this property has always been auto-related dealerships.

The Commission took a five-minute break.

THE PUBLIC HEARING WAS OPENED.

Vice Chair Nagler welcomed the applicant and asked her if she had any comments on the project in general or background.

The applicant representative indicated that the first phase had been developed (the Chrysler dealership) but that the remainder of the 16 acres had not. She said the applicant had an idea of how to lay out the future dealerships, but again, that could change based on the actual design. She explained how the gravel space would be given back to the dealership as soon as that portion of the site is developed. Everything else, she said, is legal.

Vice Chair Nagler asked the applicant representative to clarify that the lot the applicant is asking to be built now is to replace the temporary gravel lot.

The applicant representative said yes, the applicant needs some additional parking that would serve the dealership now, but in the future it will be given back to the south side.

Vice Chair Nagler asked the applicant representative to confirm that when the application says that it's going to be shared, shared doesn't mean that both dealerships will have vehicles; that she's saying that when dealership #2 is developed, that the subject parking lot will no longer be accessible to the Chrysler dealership.

The applicant representative said it will be accessible. She explained that the first top row and the second top row will be given to one dealership, the middle row will still be used by Chrysler Jeep Dodge, and the bottom two rows will be given to the developer of dealership #2.

Vice Chair Nagler asked the applicant representative why they chose to ask that this portion be paved as opposed to where the temporary gravel lot is. He explained how the Chrysler dealership now has a temporary permit to use that parking lot (shown in yellow), and the proposal is to build the lot between the Chrysler dealership and dealership #2 (shown in pink). He asked why the proposal is asking for the parking lot to be built there as opposed to where the temporary parking lot is. He described how the reason for asking the question is because the acreage allocated to dealership #3 is much larger than what's been allocated to #2, and as proposed it could necessitate more re-arranging in the future than necessary.

The applicant representative said she did not have an answer to the question.

Vice Chair Nagler asked if there are any immediate potential occupants or plans for dealership #2.

The applicant representative replied: not at this time.

Commissioner Allen asked if the applicant representative was able to provide the analysis of what the market opportunity is for the reduced dealership #2 which would be 14,000 square feet, as requested by staff.

The applicant representative stated she was not aware an analysis was requested.

Ms. Hagen explained to the applicant representative that in previous discussions with the applicant as well as in earlier comment letters the analysis was requested and that the applicant, Mr. Zaheri, would need to provide that information.

Vice Chair Nagler asked Commissioner Allen to explain why that is of interest.

Commissioner Allen explained how this was zoned for auto dealership uses and the City receives a significant amount of sales tax revenue from auto dealerships. So, to the degree that an auto dealership lot is being provided that is one of the smallest in Pleasanton, it would likely mean it would be harder to attract a dealership, and that lot may be vacant for much longer. Therefore, the City would not receive sales tax revenue. So that's why it's a concern. Commissioner Allen went on to discuss the alternative viewpoint, or the reason not to be concerned—because Mr. Zaheri owns the entire site and presumably his goal would be to maximize revenue, and so as a smart business person, he will probably come back to us and if he can't find a dealership, ask for more re-arrangement of land. However, Commissioner Allen explained, her reason for being concerned about it is that this is uniquely zoned land that brings in a significant amount of sales tax revenue and the City needs the sales tax revenue. So, to have a plot of land that doesn't seem to have the market opportunity, unless someone shows otherwise, is why she asked for the same analysis as staff.

Vice Chair Nagler reinforced Commissioner Allen's comments to the applicant representative, stating that the point is for Mr. Zaheri to be aware that there's interest on the part of the Planning Commission about whether or not putting in this lot somehow diminishes the potential for development of dealership #2.

Commissioner Brown asked the applicant representative if the narrative is correct in stating that the dealership #2 has been reduced in size conceptually from 27,500 to 14,200 square feet. He explained why he is asking—that it fundamentally affects Commissioner Allen's question in terms of comparing other dealership sizes. He recognized that there are a couple of dealerships around 14,000 square feet, but that Commissioner Allen's question wouldn't be a question if the narrative hadn't reduced dealership #2's size.

The applicant representative shared how as a team they looked at the size of the floor plate of the dealership when they decided to reduce the size of the floor plate and actually go vertical to two stories versus one but that it's still potentially smaller than what was originally proposed. She said they took a look at the size of the land and thought that it was the appropriate size of building for that amount of space and parking.

Vice Chair Nagler asked the applicant representative if she was aware of any dealerships that would operate in that configuration of a site.

The applicant representative replied she had come across one in Mountain View—a smaller, three-story BMW dealership in the middle of the city.

Commissioner Allen elaborated on Vice Chair Nagler's question, explaining how she understood his question to mean within Pleasanton are there opportunities, and knowing we already have a BMW dealership and a BMW Mini dealership associated with it which is 14,000 square feet, are there other dealerships and what is the market opportunity for dealerships of that size that aren't already in Pleasanton.

Commissioner O'Connor added how it also begs the question as to whether we are sacrificing Lot 2. Lot 3 is the largest of the three. He said it just seems odd that we would maybe put ourselves in a position where we can't find a dealership to take that small of a lot when we have another lot right next to it that's larger than even the Chrysler lot.

Commissioner Brown brought up the fact the workshop is in regards to the parking lot which hasn't materially changed between the PUD-106 plan and what's proposed tonight. He expressed concern that the issue of a potential future application for the dealership #2 is immaterial to this application.

Mr. Weinstein clarified, restating Ms. Hagen's previous comment, which was that there absolutely will be the opportunity in the future when future dealerships come to reconfigure dealership #3 and dealership #2. He reminded the Commission that there is flexibility to do that because each dealership that comes in will need its own PUD development plan.

Commissioner Ritter asked if dealerships generally do land leases or do they own the land and the building. More specifically, he asked the applicant representative, is Mr. Zaheri interested in selling these lots off or just land leasing them.

The applicant representative was unsure but believed he would either lease the land or remain the business and land owner.

Ms. Hagen offered to provide further information after discussing with the applicant.

Commissioner Ritter asked if CarMax owned their property.

Ms. Hagen replied, yes, CarMax does own the property.

The applicant representative said Mr. Zaheri has mentioned many times that he actually bought this land and he developed phase 1 and he does not have anything in mind yet for those two dealership sites yet he still does need the parking spaces that could serve #1. Furthermore, he has expressed interest in moving around some of the parcels in the future to satisfy other needs.

Commissioner Ritter asked the applicant representative to comment on the condition of the property as mentioned in public comment letters, and to address the code enforcement violations that have occurred.

Mr. Weinstein clarified that there was only one code enforcement violation.

Commissioner Ritter revised his question, asking the applicant representative to comment on how the applicant plans to take care of the additional area if he is unable to maintain the area he currently occupies.

The applicant representative replied that she was unaware of any issues and asked if the applicant knew of the code enforcement violations.

Mr. Beaudin explained that the issues have been related to overflow parking and the state of the landscape at the perimeter of the property. He elaborated about how as the dealership got up and running, it was very successful, so parking was the primary focus and landscaping was secondary.

Commissioner O'Connor asked Mr. Beaudin to explain that if the major problem is overflow parking and what's being proposed is to remove the gravel from a 244 stall parking lot and create a 201 stall parking lot, how could one presume the overflow parking problem would be resolved.

Mr. Beaudin responded that staff had discussed the issue internally and concluded that the 244 spaces were created in a gravel lot area and that parking would be more efficient and better managed in the paved lot. This is really an inventory issue for this location. Mr. Beaudin elaborated, saying it's been a very successful dealership so far but staff does expect things to level off at a certain point and he believes we're there. So, Mr. Zaheri in his application has tried to right-size this parking lot area as opposed to formalizing a temporary solution which was happening at a time when growth was still

happening at the dealership. Mr. Beaudin clarified that he doesn't want to suggest that the dealership will be less successful, but rather that they've figured out the market and so based on employees and inventory they need to carry, as well as some efficiencies that they have figured out in the existing parking areas, he believes they're trying to right-size it.

Vice Chair Nagler asked what the sanction is when there is overflow parking.

Mr. Beaudin explained that the goal is not to be punitive but rather to maintain safety, accessibility, and visibility. He elaborated on how the City had worked with the applicant to find off-site parking locations and the collaborative effort resolved the issues.

Vice Chair Nagler asked if after the issue was resolved had the dealership adhered to the solution.

Mr. Beaudin replied, yes.

Commissioner Allen asked the applicant representative if they explored having the overflow parking being part of dealership #3 instead of dealership #2 so that dealership #2 would have more space for sales and service since dealership #3 has lots of space. She explained that the intent behind her question was to ensure future dealerships would have plenty of space to attract strong market opportunity.

The applicant representative agreed that Commissioner Allen's proposed configuration would make sense and said the applicant likely had a valid reason for designing the parking as he had but she was not aware of what that reason was.

Mr. Beaudin assured Commissioner Allen that he had that question in his notes to discuss with Mr. Zaheri.

Ms. Hagen added that the current configuration and layout of the temporary parking does not match the configuration of the circulation master plan. She explained how if you look at it right now, the temporary parking lot is going north and south on the lot where the future circulation is actually going to be going east to west and it's going to mirror the same row pattern and access and circulation as the Chrysler dealership. The applicant wanted the parking to be as close to the Chrysler dealership as possible, and so to do that the most feasible place to do it would be on lot 2. If you do the upper portion of lot 3, it's going to be going horizontal and it's going to go all the way over El Charro and really it's not going to be very close to the Chrysler dealership. Ms. Hagen elaborated on the initial discussions between the applicant and staff with regard to the placement of the temporary lot. Furthermore, when they did the temporary lot they actually had to do a lot of improvements and address drainage issues and all the aggregate, and so that was before they had the plan of where the permanent parking was going to go. So it really didn't make sense once a temporary parking lot was down to then create a secondary temporary parking lot in a different location. Therefore, since the temporary parking lot was already in place, the most feasible location was on lot 2.

Vice Chair Nagler thanked the applicant representative and closed the public hearing.

THE PUBLIC HEARING WAS CLOSED.

Vice Chair Nagler brought the attention to the Discussion Points provided by staff.

1. Are the on-site circulation and parking layout acceptable as proposed?

Commissioner Ritter answered that since they've already been using it, they probably know what circulation system is optimal and so if that is what they proposed it probably is the best.

Commissioner Allen said she could go either way. She could agree with Commissioner Ritter's point or she could ask for further consideration of the use of Lot 3 for some parking and at a minimum, employee parking. She explained how she believes the market analysis may be useful and had that been provided her answer may have been different. Her concern is that Lot 2 is too small as designed to produce expected revenues.

Vice Chair Nagler said the on-site circulation and parking layout are fine as proposed and that he is comfortable with staff having the Commission's feedback. He reminded the Commission that the question relates only to the proposed circulation within the lot itself as proposed and whether or not having a single point of access is appropriate.

Commissioner Allen thanked Vice Chair Nagler and agreed that the circulation of the parking layout is acceptable for this design.

Commissioner Brown asked staff to evaluate and consider where car trailers would park while unloading to ensure they would not disrupt circulation.

2. Is the proposed location of this additional lot, the size of the additional lot and the overall conceptual master plan as is being proposed to be changed acceptable?

Commissioner Ritter answered that if he were the owner, he would see that it's already been re-landscaped with drainage improvements and the like. He believes it is the perfect lot to get instant paving and that if the applicant wanted to go the least expensive route and get immediate use that this proposal would make the most sense. Ideally, when dealership #2 comes along and says they want to buy this, the owner will give him this part already graded out and then put in an application to make that temporary parking to get that ready for the next opportunity. Commissioner Ritter concluded that the applicant is likely getting it ready for sale or lease to a future dealer #2. He added that with regard to landscaping, he is really concerned about the code enforcement issues and would like to see it cleaned up.

Commissioner Allen agreed with Commissioner Ritter's thoughts on landscaping. She added that she would like to see the planning of more mature trees because the current trees are not growing quickly enough to provide the desired coverage. As far as the overall concept, she said she could understand that the Commission could deal with this as a temporary solution, as Commissioner Ritter mentioned, knowing it is all owned by the same person and that if he needed more land later he could take it from

dealership #3. Commissioner Allen said she is okay with that but she personally would rather have an option laid out now to deal with the concerns rather than tackle the issues when dealership #3 comes in. She said she would like to see diligence paid to looking at the options of moving some of the temporary parking specific to Chrysler to future dealership #3.

Commissioner O'Connor answered that he does not want to design the plan for Mr. Zaheri and that he believes the goal of the applicant is to maximize his income, therefore, he trusts that the plan the applicant proposes will be the best option. With regard to the proposed improvements and the overall conceptual master plan, Commissioner O'Connor said he would like to see the landscaping and lighting issues addressed. The perimeter landscaping should be supplemented so as to become more attractive to the neighboring properties and to passersbys, and the lighting should be toned down to the maximum allowable lumens for the site to prevent spillover into the adjacent residential areas.

Commissioner Brown said he believes the Commission is getting ahead of themselves by trying to design future dealerships and that he agrees with Commissioner O'Connor that the applicant will presumably know the market and design the lots to maximize his revenue.

Vice Chair Nagler concluded that the Commissioners have made consistent comments that suggest a way to substantially improve the application. He agreed with all of the comments and asked staff to address the issues of drainage, runoff, grading, and the like when the lot is built with the understanding that a building will someday be built on Lot #2. Vice Chair Nagler added that what has changed on this auto mall site since the original permit was issued and the plan was adopted is the development across the street and the increased amount of traffic. He elaborated on how the freeway entrance with the Stoneridge extension is used as a major point of entrance and exit to the City and not just to get to those businesses, so the appearance of this vacant lot actually has taken on more importance to us as a City than when the whole site was initially permitted. Therefore, Vice Chair Nagler agreed that he would like to see additional landscaping along the perimeter of the property when the application comes back to the Commission.

Mr. Beaudin summarized that the Commission would like to see landscape improvements and lighting concerns addressed. He asked if options for the future layouts, as requested by Commissioner Allen, were of interest to the majority of the Commission or if they were comfortable with the layout as proposed knowing it could change when dealership #2 and #3 submit their applications.

Commissioner O'Connor replied that he is comfortable with the layout as is.

Commissioner Ritter agreed with Commissioner Allen with regard to ensuring proper drainage.

Mr. Beaudin assured the Commission that staff will have a grading and drainage plan with the site plan.

Commissioner Brown agreed that he is comfortable with the layout as proposed.
Commissioner Allen agreed with the layout as proposed.

Mr. Beaudin asked if the Commission was interested in the applicant producing a market analysis or if they were comfortable with leaving it up to the applicant to watch what the market brings, and respond at that time.

Vice Chair Nagler replied that he believes the applicant will design the property in a way to maximize his profits. He added though, that it would be in the City's best interest to be sure the site looks as appealing as possible to attract those future opportunities.

The Commission agreed unanimously.

Mr. Beaudin concluded that staff would focus on the landscaping, lighting, and drainage and move forward with the shared parking arrangement that's been proposed for future dealership #2.

Vice Chair Nagler thanked everyone for their comments.

7. MATTERS INITIATED BY COMMISSION MEMBERS

No discussion was held or action taken.

8. MATTERS FOR COMMISSION'S REVIEW/ACTION/INFORMATION

a. Reports from Meetings Attended (e.g., Committee, Task Force, etc.)

Commissioners Ritter and Brown summarized the discussion points from the June 27, 2017 Downtown Specific Plan Update Task Force Meeting.

b. Future Planning Calendar

Vice Chair Nagler asked staff if the Main Street Pleasanton LLC proposal and the proposed PUD for Foothill Road and the Sunflower Hill project would be coming to the Commission for a workshop.

Mr. Weinstein confirmed they would be subject to a workshop.

Commissioner Ritter informed staff he would be absent for the July 26th Planning Commission meeting and Commissioner O'Connor informed staff he would be absent for the July 11th Planning Commission meeting.

c. Actions of the City Council

Mr. Weinstein noted the City Council approval of the Bike Corral next to Peet's Coffee and the parklet next to Café Main.

d. Actions of the Zoning Administrator

No discussion was held or action taken.

e. Matters for Commission's Information

Mr. Weinstein reminded the Commission of the invitation to attend the September 2017 APA Conference in Sacramento.

9. ADJOURNMENT

Vice Chair Nagler adjourned the meeting at 8:26 p.m.

Respectfully submitted,

Kendall Granucci
Recording Secretary