

## Planning Commission Staff Report

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January 8, 2013  
Item 6.a.

- SUBJECT:** P13-2458
- APPLICANT:** City of Pleasanton
- PROPOSAL:** Application to amend Chapter 18.88 (Off-Street Parking Facilities) of the Pleasanton Municipal Code to allow the City to waive in-lieu parking fees in exchange for fulfilling Design and Beautification objectives of the Downtown Specific Plan.
- ZONING:** Various
- SPECIFIC PLAN:** Downtown Specific Plan
- GENERAL PLAN:** Various
- EXHIBITS:**
- A. [Proposed Redline Changes to PMC Section 18.88](#)
  - B. [Draft Initial Study and Negative Declaration, dated December 19, 2013](#)
  - C. [City Council Staff Report with attachment dated December 4, 2012](#)
  - D. [Parking Survey Results for Downtown Pleasanton](#)
  - E. [Parking Survey Maps with Revitalization District Boundary](#)
  - F. [Letter from Robert Bird dated January 2, 2014](#)
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### BACKGROUND

When an owner/developer of a parcel or parcels within the Downtown Revitalization District is required to provide off-street parking, as described in section 18.88.020 (Exhibit A) of the Pleasanton Municipal Code (PMC), but is unable to provide all of the off-street parking required by the PMC, they may apply to the City for an in-lieu parking agreement. The agreement would require the owner/developer to pay the in-lieu parking fee for each deficient parking stall that is required. Parking in-lieu fees are then held in a fund by the City until such time that the City can purchase land within the Downtown Specific Plan Area for public parking.

On December 4, 2012, the City Council unanimously approved the Economic Development Department's request to allow the City Manager to negotiate an agreement to exchange in-lieu parking fees for a public plaza at 511 Main Street.

Please refer to Exhibit C for the City Council staff report. Although supported by the owner/developer and the City Council, the City Manager has yet to receive a formal request for an agreement between the City and owner/developer of 511 Main Street to pursue the exchange of in-lieu parking fees for a mini-plaza should the property be redeveloped.

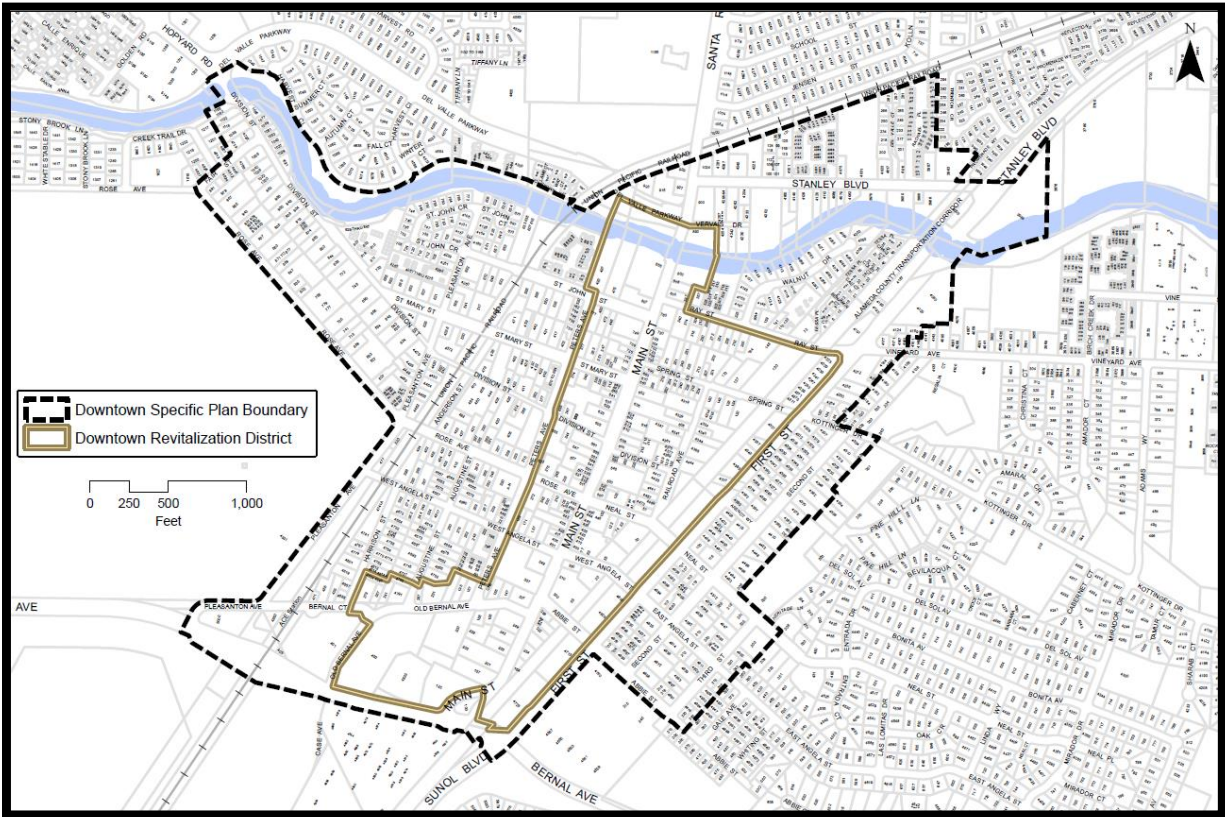
At this time, the City is initiating a PMC amendment to section 18.88 (*Off-street parking facilities*) in order to encourage private redevelopment for updating other properties located in Downtown Pleasanton by waiving in-lieu parking fees if owners/developers of eligible parcels meet the objectives of the Downtown Specific Plan. Code amendments require review and recommendation from the Planning Commission to the City Council. Accordingly, the amendment is before the Planning Commission for consideration and recommendation.

### **SUBJECT LOCATION**

Downtown Pleasanton is situated in the central portion of the City and is, generally, bounded by the Alameda County Fairgrounds to the west, the Arroyo del Vale to the north, properties by First, Second, and Third Streets to the east and Bernal Avenue to the south. The 308-acre Downtown Specific Plan Area contains approximately 935 parcels that range in size from 0.2 acres to 3 acres in size, with the exception of the Civic Center which is approximately 9-acres in size. Within the Downtown area, there is a mix of commercial and residential uses with the commercial uses primarily located in the Downtown Revitalization district – one of the zoning overlay districts of Downtown Pleasanton. Please refer to Image 1 on page 3 for the boundaries of the Downtown Specific Plan Area and the Downtown Revitalization District.

**Please refer to the next page for Image 1**

**Image 1: Downtown Specific Plan Area and Downtown Revitalization District Boundaries**



### **PROPOSED CODE AMENDMENT**

Improvements to commercial properties/buildings within the Downtown are completed through private investments. Examples of these improvements that have occurred in recent years are the renovations of the buildings located at 234 and 600 Main Street. Redevelopment of buildings within the Downtown serves as a method for maintaining an inviting Downtown for residents and creating an attraction for visitors. Since redevelopment of commercial properties/buildings is through private investment, development of public-private partnerships has become a key component in maximizing the value of development projects within the Downtown Revitalization District. Staff has identified one such opportunity for partnership by providing the City discretion to waive in-lieu parking fees in exchange for desired public amenities that meet the objectives identified in the Downtown Specific Plan.

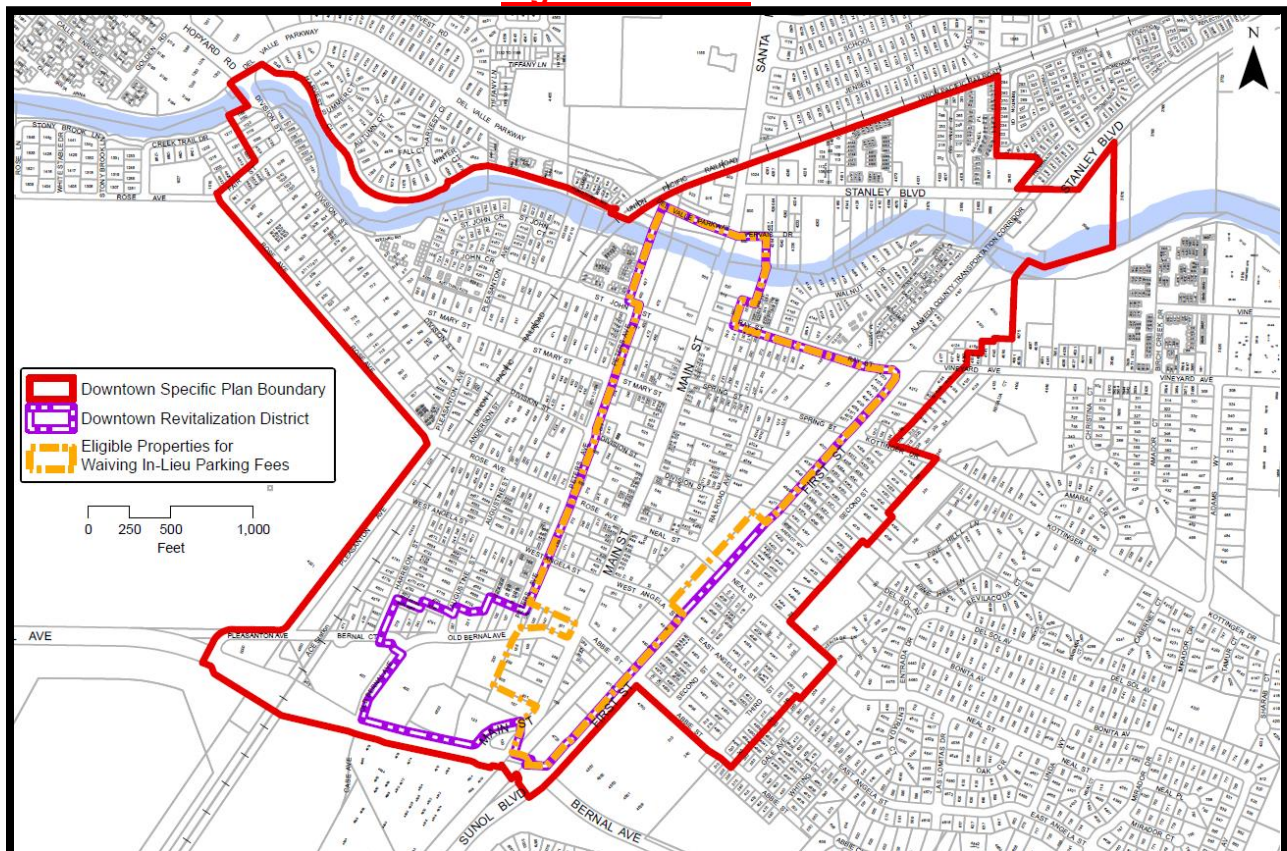
The proposed Code amendment to section 18.88 (*Off-street parking facilities*) would provide the City with flexibility in allowing some or all of an eligible development project's required in-lieu parking fees, when applicable, to be waived for the purpose of creating other desired amenities, such as public mini-plazas or other public uses. Such amenities, if requested by the developer/owner, would be required to be on the site of the proposed building improvements.

In order to allow the flexibility to provide on-site public amenities for eligible parcels, the following PMC amendment, with proposed changes shown in **red** and **strikeout**, is proposed to Pleasanton Municipal Code (PMC) section 18.88 (*Off-street parking facilities*). Please refer to Exhibit A for the full text of the effected sections of 18.88.

**18.88.020 Basic requirements.**

E. Eligible parcels within the downtown revitalization district, as shown in figure 18.88.020, can provide an on-site amenity open to the general public subject to the approval of the City Council per section 18.88.120.B. in lieu of providing required off-street parking when in furtherance of the Downtown Specific Plan.

**Figure 18.88.020**



~~E~~. For property with unreinforced masonry buildings, the following shall modify the basic requirements of subsections A and D of this section:

1. Unreinforced masonry buildings of primary or secondary significance which are located on property zoned C-C and within the downtown revitalization district boundaries as shown on the zoning maps on file with the city may be expanded up to a basic floor area ratio of 200 percent without providing any additional off-street parking facilities

and/or in lieu parking fees if the building is reinforced to comply with the requirements of Chapter 20.52 of this code.

2. Property owners with building expansions exempt from the off-street parking requirement as stated in subsection (E)(1) of this section shall not significantly alter the existing façades of buildings of primary or secondary significance nor eliminate existing parking unless such elimination is necessary, as determined by the zoning administrator, to allow the retention of the façades of a building of primary or secondary significance. Building expansions shall not exceed two stories in height

**18.88.120 In lieu parking agreement for the downtown revitalization district.**

A. The owner of a parcel or parcels within the downtown revitalization district who is unable to provide all of the off-street parking required by this code may apply to the city for an in lieu parking agreement.

1. The procedures to be followed for payment of in-lieu parking fees through an in lieu parking agreement shall be as follows:

4. a. New construction which provides at least 85 percent of its required parking on site and expansions to existing buildings which are less than or equal to 25 percent of the building's existing floor area may satisfy their parking deficits through in lieu parking agreements. Such agreements shall be approved ministerially by the community development director upon finding that the criteria of this section are met.

2. b. New construction which provides less than 85 percent of its required parking on site and expansions to existing buildings which exceed 25 percent of the building's existing floor area may satisfy their deficit parking through in lieu parking agreements. Such agreements shall be subject to the approval of the city council. The request for such an agreement shall be in writing and shall be filed with the planning division. Subsequent to receipt of such a request, a hearing shall be scheduled for consideration of the matter by the city council. A public hearing shall be held on any such request with notice provided pursuant to Section 18.12.040 of this title. The in lieu parking agreement shall address the amount per deficient parking space to be paid by the owner, the duration of payment, and such other terms and conditions which are deemed appropriate. The city council may grant or deny the request.

- ~~B.~~ 2. Any sums received by the city pursuant to such a contract shall be deposited in a special fund and shall be used exclusively for acquiring, developing, and maintaining off-street parking facilities and located anywhere within the downtown revitalization district. The agreement shall be executed by the owner and the city manager, and all in lieu fees shall be paid prior to the issuance of a building permit.
- ~~C.~~ 3. The city shall determine a standard surface parking lot in lieu parking fee and a parking structure in lieu parking fee based on land and construction costs in the downtown revitalization district. Such fees shall be updated on a regular basis by the city and shall be made available to the public. On April 1st of any year in which the fees have not been recalculated, the fees shall be adjusted by the rate of increase in the ENR construction cost index for the prior year.
- ~~D.~~ 4. Any development for which an in lieu parking agreement is approved where the number of in lieu spaces is less than or equal to 30 percent of its parking requirement shall pay the standard surface parking lot in lieu fee for each deficient parking space.
- ~~E.~~ 5. Any development for which an in lieu parking agreement is approved where the number of in lieu parking spaces exceeds 30 percent of its parking requirement shall pay the parking structure in lieu parking fee for each deficient parking space.
- ~~F.~~ 6. In lieu parking agreements for which the requested number of in lieu parking spaces exceeds 50 percent of the required parking shall not be approved unless the city council finds that there are special circumstances related to: (1) constraints due to the size, configuration, or features of the site; or (2) constraints related to building placement or design; and (3) the availability of off-street parking.
- ~~G.~~ 7. In the event that a use for which an in lieu parking agreement has been executed is changed or facilities are altered to meet the parking standards prescribed in this chapter before the city has committed or expended any of the money received pursuant to said agreement in the area benefited, the amount received shall be refunded to the owner. Otherwise, there shall be no refunds of in lieu fees. (Ord. 2000 § 1, 2009; Ord. 1898 § 1, 2003; prior code § 2-9.22)
- B. The owner of an eligible parcel or parcels, as shown in Figure 18.88.020, who is unable to provide all of the off-street parking required by this code may apply to the city to provide a specific on-site amenity open to the general public which equals, exceeds or is less than the value of the in-lieu parking fee that would otherwise be required for parking that cannot be provided on-site. The procedure and criteria to be followed for consideration of an on-site

amenity open to the general public instead of providing parking shall be as follows:

1. Requests for provision of an on-site amenity open to the general public in place of providing off-street parking shall be made in writing as part of a development or pre-development application and shall be filed with the Planning Division. Such requests shall include a conceptual design for the amenity. Subsequent to receipt of such a request, and prior to project approval, a hearing shall be scheduled for consideration of the matter by the City Council. A public hearing shall be held on any such request with notice provided pursuant to Section 18.12.040 of this title. The City Council shall consider whether or not the proposed amenity would meet the objectives of the Downtown Specific Plan and whether or not to enter into an agreement with the applicant to reduce parking requirements in exchange for the development of an on-site amenity open to the general public on an eligible parcel, as show in Figure 18.88.020
2. The onsite amenity shall be open and accessible to the general public at all times, and no portion of the amenity shall be restricted to the exclusive use of on-site business customers only.
3. The on-site amenity should typically consist of a mini-plaza with seating, shade, landscaping, lighting, and other pedestrian facilities. Other forms of amenities may be considered by the City Council if consistent with the objectives of the Downtown Specific Plan.
4. The value of the on-site amenity shall be equal to, exceed or be less than, if approved by Council, the amount of in-lieu parking fees otherwise required by this Chapter, and as set forth in the Master Fee Schedule, for parking not otherwise provided on-site or off-site on private property. The value of the on-site amenity shall be based on opportunity costs. Opportunity costs shall be calculated by using a standard method approved by the Community Development Director. Documentation of the calculation shall be provided to the Planning Division.
5. In the event the proposed on-site amenity is determined to be of lesser value than the amount of in lieu parking fees otherwise required by this chapter, the developer shall enter into an in lieu parking agreement that pays the difference between the provided amenity and the required fees into the in-lieu parking fund.
6. The on-site amenity shall be installed prior to the issuance of a certificate of occupancy by the Chief Building Official.

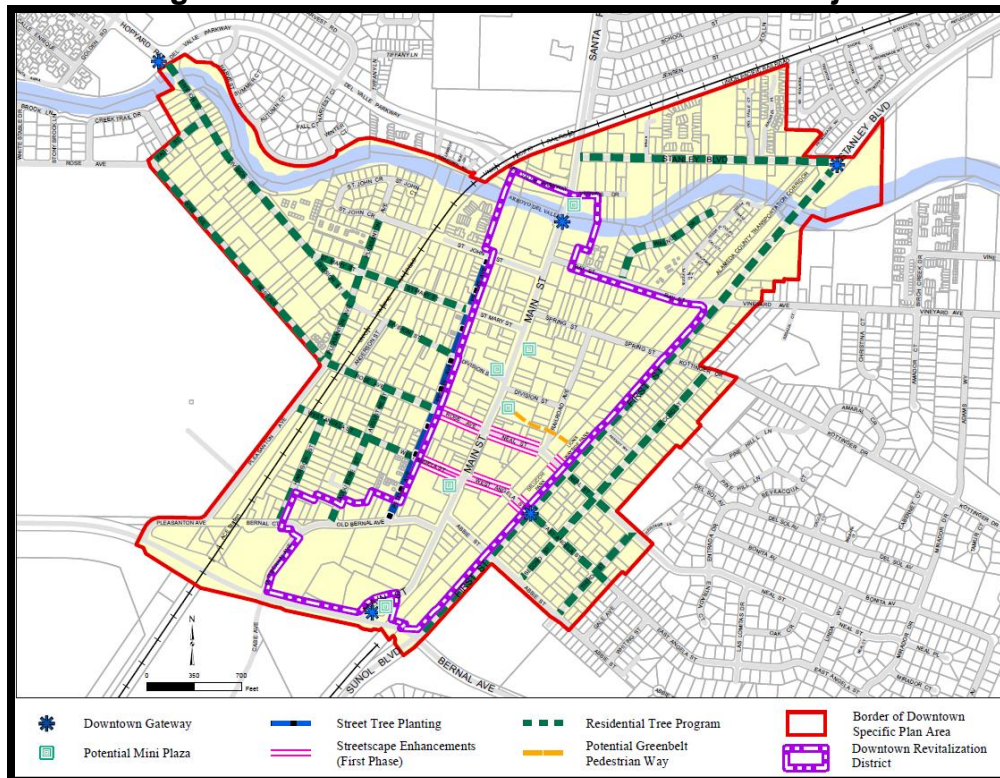
7. The on-site amenity does not create any legal public easement or public property interest, and the owner of the property remains responsible for all maintenance and repair of the on-site amenity.
  
8. The on-site amenity, its requirement to be available to the general public as provided in Section 18.88.120.B.2, and the parking waived by provision of the on-site amenity shall be memorialized in a restrictive covenant recorded against the property. Such restrictive covenant shall include remedies for the City in the event the owner of the property, or any successor, fails to comply with its requirements.

## DISCUSSION

### Downtown Specific Plan

The Downtown Specific Plan states that a series of mini-plazas should be planned and constructed along Main Street and other appropriate locations. Examples of these locations, in addition to other examples of public amenities, improvements and/or enhancements, are shown in Image 2 below. Should an eligible property owner/developer, as defined in the proposed PMC amendment above, redevelop a building/site that can accommodate a public plaza, for example, the City would evaluate the proposed location of the plaza through the development process to ensure that it is in an appropriate location and is an appropriate amenity that justifies waiving in-lieu parking fee.

**Image 2: Planned Downtown Beautification Projects**

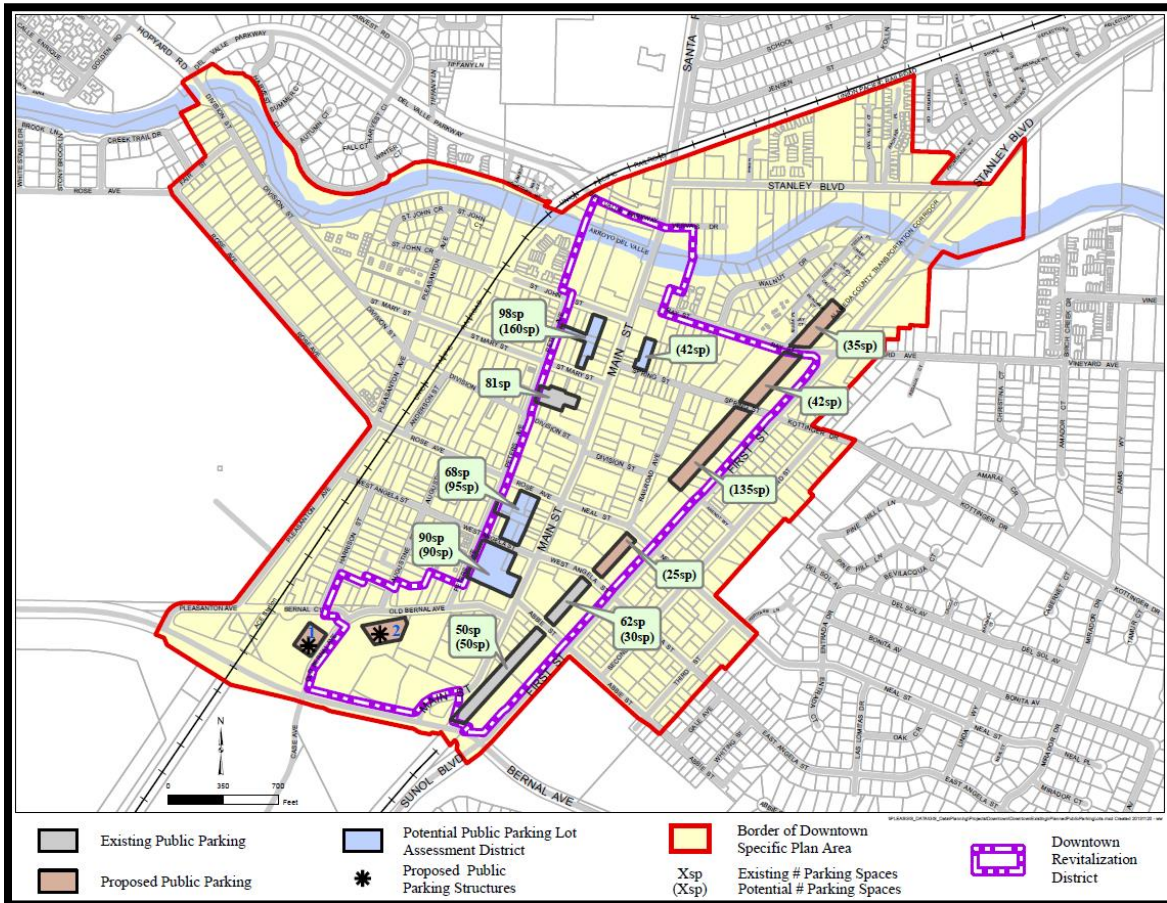




## Downtown Parking Survey

The purpose of parking in-lieu fees is to help fund the construction of public parking lots in Downtown. The Downtown Specific Plan identifies existing and planned public parking lots within the Revitalization District (please refer to Image 3 below). Staff notes that the existing and proposed parking lots shown in Image 3 do not indicate on-street parking or private parking within the Downtown.

**Image 4: Existing and Planned Public Parking Lots**



In order to assess the parking demand in the Downtown, a parking survey for Downtown Pleasanton was prepared by Hexagon Transportation Consultants, Inc., please refer to Exhibit D. The parking survey showed that the overall parking demand peaked as follows:

- Weekday midday (12:30 p.m.): 79% occupied
- Weekday evening (7:00 p.m.): 70% occupied
- Saturday (12:00 p.m. during the Farmers Market): 65% occupied

Based on the parking data collected by Hexagon, staff prepared three maps detailing the parking occupancy rate for the weekday afternoon (please refer to the maps in

Exhibits D). The maps highlight the occupancy rate, by color code, for each street and parking lot. The study prepared by Hexagon shows that, although close to fully occupied at the “center” of Downtown, not all of the parking spaces within the study area are fully occupied during peak times. Furthermore, the survey boundary area (dashed blue lines on the three maps) does not include all of the parking within the Downtown Revitalization District, such as the City Hall and library parking lots and additional on-street parking on Old Bernal Avenue, the northern part of Main Street, and a few side streets. As indicated in the study area, the “preferred” parking spaces are located on Main Street and a few adjacent side streets; however parking in the Downtown Specific Plan Area and Revitalization District is not at capacity and parking is available.

#### Parking In-Lieu Fee and Public Amenity

As drafted, the value of the on-site amenity would need to be equal to, exceed, or be less than, if approved by Council, the amount of the in-lieu parking fees as set forth in the Master Fee Schedule, currently \$17,727.78 per surface space, for parking not otherwise provided on-site or off-site on private property. The value of the on-site amenity would be based on opportunity costs. Opportunity costs would be calculated by using a standard method approved by the Community Development Director. An example of a standard method could be as follows:

Square footage of the proposed amenity multiplied by annual rent per square-foot divided by the capitalization rate percentage.

#### *Example*

666 square-feet (the size of a proposed public mini-plaza) x \$3.75 (monthly rent per square-foot) x 12 (months) / .065 (a 6.5% capitalization rate) = \$461,076

Should a request be received to waive in-lieu parking fees in exchange for providing an on-site public amenity, it will be required to be made in writing as part of a development or pre-development application and include documentation of the method used to calculate opportunity costs. The request will also be required to include a conceptual design for the public amenity with the request being considered at a City Council hearing prior to project development approval. The City Council will consider whether or not the proposed amenity would meet the objectives of the Downtown Specific Plan and whether or not to enter into an agreement with the applicant to reduce parking requirements in exchange for the development of an on-site amenity open to the general public on an eligible parcel, as show in Figure 18.88.020.

#### **PUBLIC NOTICE**

Notice of this item was published in *The Valley Times* and was noted in the *Pleasanton Weekly*. Public notification cards were also sent to owners and tenants within the entire Downtown Specific Plan Area. At the time this report was prepared, staff had received comments from two residents regarding whether this would apply to existing residential properties and a letter from Robert Byrd objecting to the proposed PMC amendment.

Please refer to Exhibit F for Mr. Byrd's letter of objection.

### **ENVIRONMENTAL ASSESSMENT**

In accordance with the California Environmental Quality Act (CEQA) section 15070, an Initial Study has been prepared for the proposed Pleasanton Municipal Code amendment. The Initial Study concludes that there is no substantial evidence that the project may have a significant effect on the environment, and correspondingly, a Negative Declaration has been prepared (Exhibit B).

The comment period for the Negative Declaration started on December 19, 2013 and ends January 8, 2014.

### **CONCLUSION**

The PMC amendment to section 18.88 would give discretion of the City to waive in-lieu parking fees in exchange for a public amenity that fulfills other objectives as identified in the Downtown Specific Plan.

The proposed changes to the Pleasanton Municipal Code are intended to improve the Downtown Area while offering flexibility to developers/owners within the Downtown Revitalization District. Staff believes that the proposed Code amendments will result in improved changes aesthetically and maintain the small-town character of the Downtown that the citizens and patrons of Pleasanton desire.

### **STAFF RECOMMENDATION**

Staff recommends that the Commission take the following actions:

1. Find that the proposed Code amendment would not have a significant effect on the environment and adopt a resolution recommending approval of the attached draft Negative Declaration; and
2. Adopt a resolution recommending approval of P13-2458 to the City Council for the proposed amendments shown in Exhibit A.

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