



PLANNING COMMISSION MEETING MINUTES

APPROVED

Wednesday, November 18, 2020

(Staff has reviewed the proposed changes against the recorded proceedings and confirms that these Minutes are accurate.)

This meeting was conducted via teleconference in accordance with Governor Newsom's Executive Orders N-20-20 and N-35-20 and COVID-19 pandemic protocols.

CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

The teleconference meeting of the Planning Commission of November 18, 2020 was called to order at 7:03 p.m. by Chair Ritter.

The Pledge of Allegiance was led by Chair Ritter.

Staff Members Present: Ellen Clark, Community Development Director; Melinda Denis, Planning and Permit Center Manager; Eric Luchini, Associate Planner; Larissa Seto, Assistant City Attorney; Pamela Ott, Deputy City Manager; Mike Tassano, Deputy Director of Community Development, Transportation; Stefanie Ananthan, Recording Secretary

Commissioners Present: Commissioners Nancy Allen, Justin Brown, Greg O'Connor, Brandon Pace and Chair Herb Ritter

Commissioners Absent: Commissioner Jack Balch

AGENDA AMENDMENTS

There were no agenda amendments.

CONSENT CALENDAR - *Consent Calendar items are considered routine and will be enacted 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.*

- 1. Actions of the City Council**
- 2. Actions of the Zoning Administrator**
- 3. Approve the meeting minutes of October 28, 2020**

**Commissioner Allen moved to approve the Consent Calendar.
Commissioner Brown seconded the motion.**

ROLL CALL VOTE:

**AYES: Commissioners Allen, Brown, O'Connor, Pace, and Ritter
NOES: None
ABSENT: Commissioner Balch
ABSTAIN: None
RECUSED: Commissioner O'Connor**

The Actions of the City Council were approved, as submitted.

The Actions of the Zoning Administrator were approved, as submitted.

The Meeting Minutes of October 28, 2020 were approved, as submitted.

MEETING OPEN TO THE PUBLIC

**4. Public Comment from the audience regarding items not listed on the agenda –
*Speakers are encouraged to limit comments to 3 minutes.***

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

PUBLIC HEARINGS AND OTHER MATTERS

5. PUD-139 and P20-0973, 10x Genomics, 1701 Springdale Avenue – Workshop to review and receive comments on applications for a Planned Unit Development (PUD) Rezoning and Development Plan to: (1) demolish the existing approximately 163,500-square-foot commercial buildings; (2) rezone the subject parcel from C-R (p) (Regional Commercial - peripheral sites) District to PUD-C-O (Planned Unit Development – Commercial-Office) District; and (3) construct up to three new multi-story research and development (R&D), office and laboratory buildings totaling approximately 381,000 square feet, a parking structure, and related site improvements over multiple phases. Zoning is C-R (p) (Regional Commercial peripheral sites) District.

Associate Planner Eric Luchini presented the specifics of the item in the Agenda Report.

Commissioner Brown inquired if the buildings were occupied. Mr. Luchini stated though most tenants had relocated or closed down, there were still a few occupants. Commissioner Brown asked if there was any preliminary analysis of reinvestment. Mr. Luchini stated it was currently undergoing analysis. Commissioner Brown expressed concern with traffic and interest in the traffic study report. Mr. Tassano described the proposed 16-intersection traffic study and explained that trips generated from the existing retail uses were lower than assumed in the model and the study will account for new potential volume on the site.

Commissioner O'Connor referenced a letter from a neighbor of the property alleging the current owner of the plaza stopped renewing leases after they realized there was interest in

the space by a larger company. He asked if this was true or if it was really a dying center. Mr. Luchini explained the center had been declining for the last decade. He stated he was not sure if the alleged behavior had occurred recently, but the center had struggled for years and the project was a major lift as retail did not seem to thrive in the space. Commissioner O'Connor asked if the project made sense even though the City was adding more residential to the area and losing commercial at the mall. Mr. Luchini noted that retail was moving from brick and mortar to online and the City was trying to adjust. Community Development Director Ellen Clark stated there are advantages to having residential close to such a big employer, as well as retail next to residential.

Commissioner Pace recalled a project that was brought before the Planning Commission earlier in the year that would redevelop a corner of the mall and include a gym, movie theater, a modification to the shopping experience, and some apartments. He asked if that project and the one currently before the Commission should be considered together or looked at entirely separately. Ms. Clark stated the two projects had been considered together and appeared to work well; and she discussed the importance of considering the totality of traffic.

Chair Ritter asked if Workday was still interested in the plaza and Mr. Luchini stated they were no longer interested as their needs had shifted.

Representing the Applicant, Brian Jencek, Senior Principal HOK San Francisco, gave a presentation on the proposed project.

Commissioner Allen asked for clarification on the business model of 10x Genomics, particularly the sales tax revenue to the City. Mr. Jencek informed her the company made diagnostic equipment, which did not require large transport trucks. He explained the building itself would be used for Research and Development (R&D), as a lab, and as an office, which was more of a technology campus with many clean rooms. Mr. Jencek also stated he did not have information on sales tax generation, but he would investigate it and bring the information to a future Planning Commission meeting. Mr. Luchini explained 10x Genomics was more of an assembler than a manufacturer and they were a top ten sales tax producer for the City. He discussed the City's support of the company and growing life science center. Deputy City Manager Pamela Ott confirmed 10x Genomics was one of the City's top ten revenue generators but could not share specifics as it was confidential information for the company. She also explained biotech and life sciences were on the City Council's priority list. She stated, after auto dealerships and casual dining, biotech, life sciences, and medical were the third top sales producer in the City of Pleasanton and the project was an opportunity to look at what 10x Genomics meant to Pleasanton and what the City could do to retain the business in the City.

Chair Ritter inquired whether 10x Genomics was planning on keeping its headquarters in the City of Pleasanton. Mr. Jencek confirmed that to be the case and that the company was interested in growing together with the City.

Commissioner Allen asked if the company was planning on keeping all three locations in the City or if they would consolidate after the opening of the proposed campus. Mr. Jencek stated the idea was new net growth.

Commissioner Pace asked for guidance on how to consider the economic impact to the City when the usage of land was changed and whether staff considered that in its analysis. He stated he wanted to ensure the best use for the land was selected because, even though it was not permanent, it could be hard to change the zoning once it was set. Chair Ritter commented that it was a topic for the City Council's purview. Ms. Clark stated that changing the zoning did trade one set of economic benefits for another and brought up the Johnson Drive Economic Development Zone (JDEDZ) as an example of when an economic analysis was done for a project to understand the tradeoff. She stated she would look more into it if the Planning Commission so desired. Commissioner Pace clarified he was not trying to enter into City Council territory and was only interested in the evaluation if it was within the bounds of Planning Commission to do so.

Commissioner Brown inquired about the transition plan for the site from Building 1 to Buildings 2 and 3 with the parking garage. Mr. Jencek stated that 10x Genomics was just starting to think through the phasing. He stated they wanted to stay balanced and fulfill their commitments to the City, but they do not have a solution yet. He stated he would like to come back to the Planning Commission with a clearer plan at a later date. He explained the primary focus was on Building 1 and how to invest in the public realm and pedestrian connections. Commissioner Brown expressed his approval of the plan to move traffic out to the left of the site and his appreciation to leverage the retail and dining at the mall.

Commissioner O'Connor inquired if the 10-year timeline for filling Buildings 2 and 3 was realistic. Mr. Jencek stated there was no way to know for sure but looking at past patterns he did not believe it would take longer than 10 years. He stated he would have more information as they got deeper into the process and would be happy to report back with more details once he had them.

THE PUBLIC HEARING WAS OPENED

Zelda Kohn, Pleasanton resident, added comments about the environmental impacts of the surrounding area, specifically mentioning hazardous material and light pollution.

Nathan Kohn, Pleasanton resident, added comments about biological materials and the safety level to be used.

THE PUBLIC HEARING WAS CLOSED

Discussion Point #1:

1. Is the proposed rezone and the proposed land uses acceptable?

Commissioner Pace stated the proposed project area had been underutilized for many years and the project was a great opportunity to retain a large employer and increase foot traffic to the mall where there had been a decline. He stated the project would also help attract other developers to the area.

Commissioner Brown stated that he was hesitant to lose retail space but acknowledged that retail had been struggling, even prior to the COVID-19 pandemic. He stated he saw the project as a reinvestment in a company dedicated to Pleasanton. He also mentioned he liked seeing

critical spaces close to BART and the potential stimulus for the mall. He expressed concern with the potential impact on traffic.

Commissioner Allen stated she agreed with the other two Commissioners but did not feel comfortable answering the question until there was an economic analysis, whether by the Planning Commission or City Council. She also stated the City of Pleasanton had a lot less retail than neighboring cities Dublin and Livermore and that the COVID-19 pandemic was an opportunity to invest in retail opportunities that looked different than that traditionally imagined. She stated she was not sure if there was a better project for the space but that an economic analysis would still be the responsible thing to do.

Commissioner O'Connor stated he was not opposed to the rezone or land use change, nor the economic analysis. He mentioned retail was suffering and trying to add more retail into areas that already had a lot might hurt the City, but the project was well outside high retail areas and the mall was outstanding.

Chair Ritter echoed the other Commissioners and requested consideration of the cost of 10x Genomics leaving Pleasanton. He stated he believed it was the perfect land area for the project and it fit well with the proposed redevelopment at Stoneridge Mall.

Discussion Point #2:

2. What amenities and mitigations should the applicant consider providing to support the proposed FAR?

Commissioner Allen suggested the Planning Commission determine the commensurate appropriate value for doubling density and applying it where the City needed it, similar to Workday and Irby Ranch. She expressed her hope that the City would get value and that it would need to be big for the strategic site.

Commissioner Brown discussed the proposed phasing and suggested the Floor Area Ratio (FAR) be tied to Buildings 2 and 3.

Commissioner O'Connor agreed with Commissioner Brown that if the buildings were phased then the amenity requests should also be phased. He also mentioned that he was not always comfortable deciding what the amenity should be if it is not directly on site. He suggested the City Council prioritize its needs.

Commissioner Brown inquired whether there were any traffic improvements in the area or other project priorities that might be appropriate to consider. Mr. Tassano mentioned the cycle track ring around the outside of Stoneridge Mall and a trail that connected the campus to the mall.

Chair Ritter concurred with the concept and discussed the possibility of a fund for the cycle track.

Discussion Point #3:

3. Is the overall massing, scale and setbacks of the proposed buildings acceptable, and should the heights of buildings 2/3, in particular, be modified?

Commissioner Pace stated he liked the orientation of Building 1 overlooking the mall and Buildings 2 and 3 looking at the apartments. He discussed the need for the appropriate traffic plan and retail experience. He indicated there was a way to benefit everyone living, working, and shopping in the area.

Commissioner O'Connor reviewed the current proposed plans presented during the presentation and stated he was amenable to the current proposal where Building 1 is two stories and Buildings 2 and 3 are four stories.

Commissioner Allen was also amenable to the current proposed plans, however, suggested Building 1 be three stories and the others be lower, if facing residential. She questioned the 50- to 100-foot setback around the perimeter and allowable 32-foot setback over time. Mr. Luchini explained that 32 feet was the setback minimum and the 50- to 100-foot setback could not be reduced below 32 feet, providing a building envelope and flexibility should 10x Genomics change their plans, though the intent was to keep the setback as presented in the current plan. Mr. Jencek stated they were trying to keep the minimum acceptable setback but wanted some flexibility as needs evolved and to allow future designers to work with the City on the appropriated design. Commissioner Allen expressed concern that a 32-foot setback on a four-story building facing the apartments would seem very high and requested a larger setback. She suggested the Planning Commission determine setbacks when Phase 2 began.

Ms. Clark stated it would be helpful to understand the Commission's tolerance regarding setbacks. She reminded the Commission that Mr. Jencek indicated they wanted to retain spaciousness in their project and thought it could be prudent to add language about the design in the PUD to give flexibility but to state the rules. Commissioner Allen reiterated she was not comfortable with a 32-foot setback, but could support a 50-foot setback, as the worst-case scenario. Commissioner Allen clarified her comments related to the 50-foot setback, stating it was a minimum of 50 feet to be validated by streetscapes, which have not yet been seen but will need to be seen in the future; if the streetscapes don't support it, then the 50-foot setback might not be sufficient. Commissioner O'Connor suggested a 50-foot minimum setback with the applicant requesting a modification if necessary. Commissioner Allen agreed with the suggestion.

Commissioner Brown stated he liked the detail in Building 1 with the courtyard and that it mirrored the proposed residential reviewed for the mall development. He stated he liked the revision and suggested it might be better to have three- and four-story buildings but he liked the height.

Chair Ritter stated he liked that the design removed the dumpsters currently at the entrance to the Stoneridge Mall area. He suggested waiting to determine setbacks until there were details on building height and location on the lot, adding that community benefit was more important to him. He suggested Building 1 be taller than Buildings 2 and 3 because it was further back and would give the campus more of a park feel.

4. Is the site plan, circulation, phasing approach and parking ratio acceptable?

Commissioner Allen stated she would like to wait for Mr. Tassano's analysis on traffic circulation, but that she liked that it was coming from Springdale Avenue. She also expressed concern about the drop off on the Stoneridge Mall side.

Commissioner O'Connor indicated support for the proposal but expressed similar concerns as Commissioner Allen regarding access from Springdale Avenue and echoed his desire to see the traffic analysis.

Commissioners Brown and Pace expressed agreement with Commissioners Allen and O'Connor.

Chair Ritter also stated his agreement and mentioned the environmental evaluation of the traffic flow and how it tied into the parking ratio and circulation was always a concern. He also stated he liked the phased approach to the project.

Discussion Point #4:

5. Is there additional information needed to assist the Commission in its decision on the proposed project?

Chair Ritter requested that the matters raised by both public comments received during the meeting be considered.

Commissioner Allen summarized the information requested so far, including an economic analysis for City Council on land use changes, an environmental evaluation around biological issues, traffic study, streetscape, consideration of four-story buildings and setback requirements over time, and building Leadership in Energy and Environmental Design (LEED) standards. She mentioned the Workday LEED platinum building and suggested the project aim towards carbon neutrality.

Commissioner Brown commented on the concerns raised by Ms. Kohn during public comment about the lighting and requested limited LED lighting overflow.

Commissioner Pace discussed challenges of power generation in the State and suggested the use of solar to reduce power grid demands.

Chair Ritter concurred with the comments by the other commissioners.

MATTERS FOR COMMISSION'S REVIEW/ACTION/INFORMATION

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

Commissioner O'Connor discussed the Heritage Tree Board of Appeals meeting where it was decided to remove ten eucalyptus trees at the request of the fire department.

7. Future Planning Calendar

Planning and Permit Center Manager Melinda Denis gave a brief overview of future items for the Commission's review.

MATTERS INITIATED BY COMMISSION MEMBERS

Chair Ritter inquired about the status of the Costco project. Assistant City Attorney Larissa Seto informed the Commission that the Judge ruled in the City's favor, but the ruling was subject to a 60-day appeal period.

Commissioner Pace inquired about Cook's Seafood on Valley Avenue, which received project approval two years ago and yet has had no movement. Ms. Denis discussed issues faced by the property owner and efforts to extend their building permits. She stated she would ask Lead Building Inspector Alfredo Vasquez to provide an update.

Commissioner Pace requested an update on the impacts of the COVID-19 pandemic on retail and dining in the City.

Ms. Clark mentioned Council Member Julie Testa requested a review of the Public Storage project, which would go before the City Council in December.

ADJOURNMENT

Chair Ritter adjourned the meeting at 8:53 p.m.

Respectfully submitted,



Stefanie Ananthan
Recording Secretary