

**PUD-108, Pacific Pearl, Brad Blake, on behalf of BHV CenterStreet Properties, LLC**  
**Application for Planned Unit Development (PUD) Development Plan approval to construct an approximately 112,000-square-foot shopping center and related site improvements on approximately 11.5 acres of the Retail/Commercial site at Staples Ranch. Zoning for the property is PUD-C (Planned Unit Development – Commercial) District.**

Jennifer Wallis presented the staff report and described the scope, layout, and key elements of the proposal.

Referring to the comparison made between Pleasanton Gateway and this project with respect to parking requirements, Commissioner O'Connor requested verification that the parking requirement for restaurant use was higher not too long ago than the five spaces per 1,000 square feet it is today.

Ms. Wallis replied that she was not certain historically, and Mr. Dolan stated that it was not so within the time the present Planning staff have been here.

Commissioner O'Connor noted that in this comparison, Pleasanton Gateway has about a 10 percent higher parking requirement at one space per 219 square feet, and parking is kind of a mess at Pleasanton Gateway. He stated that he knows several cities run their restaurant use at seven parking spaces per 1,000 square feet, and this project is at five spaces per 1,000 square feet. He indicated that he wants to ensure there is sufficient parking here so that other tenants would not be impacted with that much restaurant use.

Mr. Dolan explained that there are more parking spaces per square foot in this shopping center than at Pleasanton Gateway. He stated that Pleasanton Gateway has some unique challenges in the way the parking lot is designed, and the base problem is at lunchtime during the week due to the number of restaurants there, most of which are concentrated around the smallest parking lot. He noted that Pleasanton Gateway has some spaces reserved for clean vehicles which are strategically located right in the middle of the smaller lots, and those go unused during the busiest time. He added that staff will be working with that shopping center to adjust some of the locations. He also stated that there are some differences in terms of the project design, with this proposal having a much more open, single parking field that is easily accessible to all the uses in the center, versus at Pleasanton Gateway where everyone going to a restaurant feels compelled to go into the smaller lot which gets filled up at lunch.

Commissioner O'Connor noted that what is being proposed here is a little over 50 percent, and he is concerned about how much parking will really be required by those restaurants. He inquired what percentage of Pleasanton Gateway is restaurant use.

Mr. Dolan replied that he does not have the exact data on Pleasanton Gateway's restaurant use percentage.

Commissioner Nagler noted that he is new to the Commission and that some of his questions would be for his own benefit. He recognized that a lot of work has already gone into this project and that a lot of Commission time has also been devoted to it. Referring to the 2007 agreement impacting the use of El Charro Road and the fact that there is only that one entryway into the center off of Stoneridge Drive, he inquired if the City would have asked for an additional entrance into this shopping center off of El Charro Road if this agreement did not exist and if there were no competition with gravel trucks for the use of El Charro Road.

Mr. Dolan replied that if the City had total control over this situation, staff would have asked for the second entrance. He noted, however, that that limitation has been known even through the formulation of the Staples Ranch Specific Plan. He added that this site has always been planned for a retail center, and the decision to put retail here was made with the understanding by the Council that it had that limitation. He indicated that there was some interest in the site for something similar that was designed in a very similar manner and was heading towards an approval, but that project essentially went away when the recession hit.

Commissioner Nagler noted that the pre-existing agreement is somewhat part of the controversy surrounding the development in East Pleasanton and the reason why some have potentially opposed that development. He inquired if the agreement impacts the City's ability to use El Charro Road and how it would impact the conversations the Commission and the City are obviously about to have at some length in relation to the development of East Pleasanton. He further inquired if there is a relationship between the two or if that has just been overridden by the East Pleasanton Specific Plan.

Mr. Dolan replied that the relationship between the two is that the City has the right to build El Charro Road, and if the East Pleasanton Specific Plan is approved, it will be built. He noted, however, that there are certain limitations outlined in the agreement that need to be considered, and one of them is this limitation on access in the future. He added that the agreement also says that this access could be provided if the other parties to the agreement concur that it is workable.

Mr. Dolan stated that the actual improvements of the El Charro Road connection are not yet designed and will involve a long dialogue with the parties to figure out how it is all going to work. He indicated that the issue is essentially integrating regular street traffic with the gravel trucks in the safest situation possible. He noted that it is at least possible that there would be a solution within that design that would allow a future opening of the driveway.

Commissioner Nagler recalled that there was talk in the Stoneridge Drive Specific Plan about having a second access road for the gravel trucks in addition to El Charro Road.

Mr. Dolan explained that if El Charro Road is built, the path of travel for the gravel trucks is not going to be the same as that of the internal City traffic. He stated that it is a question of how the merging of those two different types of traffic is designed and how to get the trucks safely essentially up to the freeway and back.

Commissioner Nagler inquired if, for the purposes of this development, that conversation has been put to the side.

Mr. Dolan said yes. He stated that the City explored with the other parties permission to have the second opening, but they were not enthusiastic and the City did not pursue it any further. He pointed out that this is understandable from the perspective that what future improvements will look like is still uncertain, and the parties would rather be safe than sorry. He noted that they are using the rights they have in that agreement to at least delay or possibly prohibit forever.

Chair Allen noted that Ms. Wallis had mentioned earlier that in some cases, the City has limited the amount of non-retail and non-restaurant space use, which was the Commission's feedback from the last Work Session. She pointed out, however, that there were a couple of areas that were not included in that limitation, such as Items 7 and 8 of the Permitted Uses and Item 1 of the Conditional Uses: barber shops and beauty salons, including massages. She indicated that these would have been included as a non-retail kind of service and would have been limited to 5,000 square feet or similar. She inquired what staff's thinking was in this regard and if there was a reason why those were not included.

Ms. Wallis replied that staff's thinking was that in traditional commercial retail centers, only one beauty shop would typically be established within a center, as opposed to other non-retail type of uses that oftentimes would have multiple uses within the same center because they can differ slightly from one another. She indicated, however, that it is within the Commission's purview to put those uses in the other group.

Chair Allen confirmed with staff that it would not be an issue potentially if those uses were added to non-retail.

Ms. Wallis confirmed that it would not be an issue.

#### **THE PUBLIC HEARING WAS OPENED.**

Brad Blake, Applicant, Managing Partner of BHV CenterStreet Properties, LLC in Danville, stated that Ms. Wallis has done a nice job of presenting the changes that they had made to circulation, parking, landscaping, and architecture, based on the excellent input from all five Commissioners at the Work Session. He indicated that in lieu of making a presentation, he thinks it would be more productive to respond to any questions, comments, or further suggestions the Commission may have. With respect to the issue raised by Chair Allen regarding salon services, he stated that in Asian-oriented centers, there may be more than one of these uses, but they would be happy to accept a 5,000-square-foot restriction, given the size of the center.

Commissioner O'Connor stated that he had no questions but commented that he was impressed with how much the applicant changed based on the input given by the

Commission at the Work Session. He noted that he was not thrilled about the two stories, and that was dropped to one story. He thanked the applicant for the big improvement, noting that the new look with some of the new materials has really improved the design of the project.

Mr. Blake expressed his appreciation for Commissioner O'Connor's comments. He noted that projects get better through the Work Session process and thanked their architect for stepping out and taking the Commission's recommendations to heart.

Commissioner Nagler stated that he was not yet on the Commission during the Work Session, but looking through the renderings and reading the staff report from the Work Session, and then seeing the end result, he complimented the developers for being responsive to the process, noting that the look and feel of this development very much complements the geography of the area.

Mr. Blake thanked Commissioner Nagler and welcomed him to the Commission.

Chair Allen concurred with Commissioners O'Connor and Nagler that the design was better, the landscape was improved, and there is more space on the meandering sidewalk; she liked the connection to the park, dropping from two stories to one story, and the single facilities, adding that she just really appreciated all the work that went on.

Chair Allen then stated that she just read an article from the February 11, 2014 *Business Wire* about Tilted Kilt coming to the shopping center, and asked Mr. Blake is that was true because it did not seem like the kind of place the City would like to see as part of the entry gateway to Pleasanton. She indicated that she is not familiar with the restaurant but based on what the article states, "An authentic pub fare and craft beer with a side of sexy servers is soon to be on the menu for Northern California," she was personally not proud of having it in this shopping center. She recognized that the Planning Commission's job is to define uses and not to prevent vendors from coming in, and asked Mr. Blake to shed some light on this matter.

Commissioner O'Connor stated that his first reaction upon reading the article was that this shopping center has been touted as an Asian center all along, and Tilted Kilt did not seem to fit in. He asked Mr. Blake to provide the Commission with some input.

Mr. Blake stated that he was made aware of this article a short while ago. He indicated that they had nothing to do with that announcement and thinks it is a bit premature, given the conditional nature of the agreement they have with Tilted Kilt. He added that he appreciated any comments the Commission may have and can take that into account as they decide to proceed further with the restaurant. He noted that they have a number of approval rights that go into that that have to do with government approvals, various financial approvals, and various other conditions that go into it, so part of the reasoning behind it is we were encouraged to seek out some mainstream tenants that would appeal to the broader Pleasanton community. He stated that he is sure it does not appeal to the Commission, but it may appeal to others, and this was some attempt to do that, given the

nature of their business. He indicated that they take the Commission's comments seriously and will go back and consider what their alternatives are.

Chair Allen stated that this is the first time she encountered this matter and has not consulted with staff on it, and she is speaking as a person, a member of the community, and a Planning Commissioner. She then asked staff for some guidance with respect to what the Commission's role here is in considering this one way or the other, and if staff would be willing to accept not having establishments like this in this beautiful gateway that everyone has worked so hard on and wants to be proud of.

Mr. Blake stated that the short answer to the question is that they will take the Commission's comments seriously, noting that there are other factors they could take into account that he could not talk about publicly. He pointed out that it is a bit of a slippery slope because this is basically a restaurant, and the Commission is basically saying that it does not like what the waitresses wear. He stated that that is a difficult position for the City to be in, regardless of what the use is, and that would be up to the City Attorney and the Planning staff to comment on. He added that on their part, they would have that discussion with the restaurant and the other parties that have certain rights of approval over this.

Mr. Dolan stated that this is also new information to staff and that he just started a dialogue with the applicant right before the meeting. He noted that it seemed to be a good dialogue and that he thinks that this needs to continue and see what can be done. He further noted that it will be a period of time before this comes before the City Council, and he is certain that there will be at least some members of the Council who will feel exactly the way the Commission does. He stated that he is glad it was brought up and is on the table, and that it is all right for the Commission to proceed.

Ms. Harryman stated that one of the considerations in the role of the Planning Commissioners is to be concerned about the effects of different types of uses: with respect to this issue, one of the concerns might be if this relates to more people drinking more than would be expected so that there would be potential secondary effects. She pointed out that, as the Commission has already seen in the past, the Commission provides for conditional uses for restaurants that are serving alcohol after 11:00 p.m. She added that for establishments that also have what could be termed "entertainment-related activities," the Commission may, based on what it decides is important and what could be secondary effects, have more restrictions on or prohibit what it would think would be appropriate or not appropriate for this shopping center.

Commissioner Nagler inquired, for clarification purposes, if the Commission were to want to apply such restrictions, when that would occur, and whether it would as part of the discussion, the approval, or post-approval.

Mr. Dolan replied that there are really two choices: either the Commission does not take action and work it out, or the Commission decides to take whatever action it will take and staff will have a period of time to discuss this with the applicant. He noted that the city

Council adds and subtracts requirements of the project fairly frequently, and most of the time, it takes 99 percent of the Planning Commission's recommendation. He added that the fact that the Commission raised the issue, if the Commission has concerns and wants to send that forward with its recommendation to the Council, the Council will take heed of that, and it would be something staff would work out. He indicated that staff typically wants all issues resolved at the Planning Commission hearing, but it is not uncommon to be in a situation like this, and instead of delaying the project, the Commission moves forward with the understanding that staff will continue the dialogue until the Council hearing.

Mr. Blake suggested that, given the sensitivity of timing with their contract with the County of Alameda on the project, the Commission continue its deliberation, and they will take the Commission's comments seriously and will work closely with staff to resolve the issue favorably.

David Preiss, representing Vulcan Materials Company, thanked the applicant, Ms. Wallis, Mr. Dolan, and everybody for listening to their concerns and including some appropriate conditions of approval to address those concerns so that things could move forward. He indicated that they look forward to continuing their working relationship with staff and the developer to make sure this all works together.

**THE PUBLIC HEARING WAS CLOSED.**

Commissioner O'Connor indicated that he was very impressed with the changes the applicants have made and that he thinks the project plays out much better. He reiterated that he likes that it is all one story and that the massing is much less; he likes the new materials and thinks the applicants pretty much did what the Commission asked, even those who were the minority. With respect to the comment about the use, he indicated that he does not know if it is too late to be concerned about Conditional Uses versus Permitted Uses; additionally, he does not know enough about this one particular tenant and how close it is to some other similar type of establishments. He stated that he thinks what is important is the timing, and the Commission should move the project forward and let staff work with the applicant. He added that the Commission has voiced an opinion, and that will carry forward; furthermore, the City Council will have the opportunity to weigh in as well.

Commissioner Nagler stated that everyone has worked very hard to make the development appropriate to the site and to the City, and the developer has acknowledged and been responsive the Commission's comments. With respect to the particular issue raised by Chair Allen, he stated that he totally appreciates that she did raise it and will follow her lead and be supportive of her recommendation.

Chair Allen stated that she too likes the design and appreciates all the work that has been done, which will show well. She indicated that she would like to add the one condition relative to the beauty salons and massage uses: Items 7 and 8 on "Permitted Uses" and Item 1 on "Conditional Uses/Retail," that there be a maximum of 5,000 square feet for these uses, given the feedback from the applicant as well. She stated that she is also

comfortable with forwarding this to the Council, given that the applicant is willing to work with staff regarding Tilted Kilt. She noted that everyone is trying to come up with a win/win situation and have uses that would be perceived broadly as ones the whole community would be proud of. She specifically asked staff to look at a usage like this and understand: (1) the incremental potential enforcement implications that have been historic to a Hooters or a Tilted Kilt are; (2) parking implications, because this could be a higher usage than traditional restaurants and might bring in a crowd that has different habits, especially given their earlier discussion about the parking challenges at Pleasanton Gateway; and (3) stipulations relative to this kind of establishment.

Commissioner O'Connor noted that with respect to parking, the staff report states that compact parking is about 25 percent of the project, which he finds to be fairly high. He stated that in some particular commercial developments he is aware of, smaller-sized parking is usually under-utilized as a lot of people will not park there because the space is just tighter.

Commissioner Nagler noted that most of the compact parking is delegated to employee parking, which is sort of interesting, given its assumption about employees' cars.

**Commissioner O'Connor moved to find the previously prepared EIR and SEIR, including the adopted CEQA Findings and Statement of Overriding Considerations, are adequate to serve as the environmental documentation for this project and satisfy all the requirements of CEQA, and that the proposed PUD Development Plan is consistent with the General Plan and the Stoneridge Drive Specific Plan Amendment/Staples Ranch; to make the PUD findings for the proposed Development Plan as listed in the staff report; and to recommend approval of Case PUD-108, subject to the Conditions of Approval listed in Exhibit A of the staff report, with modifications to Items 7 and 8 under "Permitted Uses" and Item 1 under "Conditional Uses/Retail" of Condition of Approval No. 2 to limit barbershops and beauty shops with massage services uses to 5,000 square feet within the entire shopping center; and with direction to staff to work with the applicant to analyze potential entertainment uses prior to forwarding the application to the City Council. Commissioner Nagler seconded the motion.**

**ROLL CALL VOTE:**

**AYES: Commissioners Allen, Nagler, and O'Connor**

**NOES: None**

**ABSTAIN: None**

**RECUSED: None**

**ABSENT: Commissioners Balch, Piper, and Ritter**

**Resolution No. PC-2015-02 recommending approval of Case PUD-108 was entered and adopted as motioned.**