

## Planning Commission Agenda Report

June 26, 2019

Item 2

- SUBJECT:** P18-0050, P19-0156, & P19-0157
- APPLICANT:** City of Pleasanton
- PROPERTY OWNERS:** Various
- PURPOSE:** To review, consider, and recommend adoption of: (1) the updated Downtown Specific Plan; (2) various amendments to the General Plan, Downtown Design Guidelines, Downtown Hospitality Guidelines, and Municipal Code regulations; (3) modifications to land use designations for certain properties within the specific plan area; and review, consider, and recommend certification of the Final Environmental Impact Report for the updated plan.
- LOCATION:** Downtown Specific Plan Area
- GENERAL PLAN:** Medium Density Residential; High Density Residential; Retail/Highway/Service Commercial, Business and Professional Offices; Public and Institutional; Parks and Recreation; Public Health and Safety; Wildland Overlay
- ZONING:** Agricultural District; Central-Commercial District; Freeway Interchange Commercial District; Service Commercial District; Office District; Planned Unit Development District; Public and Institutional District; One-family residential districts including: R-1-20,000, R-1-6,500, Multi-family residential including: RM-4,000, RM-2,500, RM-2,000, RM-1,500
- EXHIBITS:**
- A. February 26, 2019, Task Force Meeting Summary
  - B. April 16, 2019, City Council Agenda Report, without attachments, and Approved Excerpt Minutes
  - C. May 7, 2019, City Council Agenda Report, without attachments, and Approved Excerpt Minutes
  - D. Memorandum for Item 3 of May 28, 2019, Task Force Meeting
  - E. Summary of Recommended Revisions to November 2018 Public Review Draft Downtown Specific Plan
  - F. Draft resolution recommending that the City Council approve amendments to the General Plan, the Downtown Design Guidelines, and the Downtown Hospitality Guidelines; rescind the 2002 Downtown Specific Plan; and adopt the updated Downtown Specific Plan

Attachment 1: Draft General Plan Text Amendments  
Attachment 2: Draft Downtown Specific Plan (available at:  
<https://ptowndtown.org/>)

Attachment 3: Draft Downtown Design Guidelines  
Amendments

Attachment 4: General Plan Land Use Amendments Map

Attachment 5: Specific Plan Land Use Amendments Map

Attachment 6: Table of Amendments to Land Use/Zoning  
Designation Amendments

- G. Draft resolution recommending the City Council adopt an ordinance approving changes to the zoning designations for certain properties
  - Attachment 1: Zoning Unit Map
  - Attachment 2: Table of Amendments to Land Use/Zoning Designation Amendments
- H. Draft resolution recommending the City Council adopt an ordinance approving amendments to the Pleasanton Municipal Code
  - Attachment 1: Draft Municipal Code Amendments
- I. Draft resolution recommending that the City Council certify the FEIR for the Downtown Specific Plan Update; make findings related to significant impacts and alternatives; adopt a Statement of Overriding Considerations; adopt the Mitigation Monitoring Reporting Program; and adopt a water supply assessment
  - Attachment 1: Final Environmental Impact Report
  - Attachment 2: CEQA Findings and Statement of Overriding Considerations
  - Attachment 3: Mitigation Monitoring & Reporting Program
- J. Public Comments

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## **STAFF RECOMMENDATION**

Staff recommends that the Planning Commission:

1. Adopt a resolution recommending that the City Council approve amendments to the General Plan, the Downtown Design Guidelines, and the Downtown Hospitality Guidelines; rescind the 2002 Downtown Specific Plan; and adopt the updated Downtown Specific Plan.
2. Adopt a resolution recommending the City Council adopt an ordinance approving changes to the zoning designations for certain properties.
3. Adopt a resolution recommending the City Council adopt an ordinance approving amendments to the Pleasanton Municipal Code.
4. Adopt a resolution recommending that the City Council certify the FEIR for the Downtown Specific Plan Update; make findings related to significant impacts and alternatives; adopt a Statement of Overriding Considerations; adopt the Mitigation Monitoring Reporting Program; and adopt a water supply assessment.

## **EXECUTIVE SUMMARY**

In January 2017, the City of Pleasanton commenced a planning process to update the Downtown Specific Plan (DSP), which was comprehensively updated in 2002. The City Council appointed a ten-member Task Force to guide and oversee the plan update, with representatives from City Council, Planning Commission, the Pleasanton Downtown Association, the Economic Vitality Committee, and at-large members.

With a goal of setting the vision, policy, and regulatory framework for the next 20 years or so in Downtown Pleasanton, the key objectives of the update were identified as follows:

- Provide clear and consistent policy guidance;
- Provide a framework for new development on significant opportunity sites, particularly the existing civic center site;
- Ensure consistency and integration with recent and ongoing planning efforts;
- Achieve the most desirable mix of land uses, including residential, retail, and office throughout the downtown area, including ground-floor uses along Main Street;
- Ensure a high-quality, well-designed public realm;
- Improve connections from Main Street to side streets; and
- Improve the mobility of cars, buses, bicycles, and pedestrians in the downtown area.

The Task Force had its final meeting on May 28, 2019. The Planning Commission is now requested to provide its recommendation on adoption of the Downtown Specific Plan; as well as a series of related amendments to the General Plan, Pleasanton Municipal Code (PMC), Downtown Design Guidelines, and Downtown Hospitality Guidelines that are required for each of these documents to be consistent with the updated DSP. In some cases, the amendments consist of text amendments, and in other cases, such as with the Downtown Hospitality Guidelines, the update is to the boundary of the specific plan area in a map within the guidelines.

## **BACKGROUND**

Since January 2017, the DSP Task Force has been working toward updating the 2002 specific plan, with the objective of reviewing strategies and options for the most desirable mix of land uses, design improvements, future development opportunities for the existing civic center site, and improvement of multi-modal mobility throughout the specific plan area. The end result of this effort, in conjunction with public outreach, is the November 2018 Public Review Draft Downtown Specific Plan (draft specific plan).

The draft specific plan was circulated to the public and also presented to various City boards, commissions, and stakeholder groups for input and comments. Results of this outreach were reported to the Task Force on February 26, 2019, along with a series of options and recommendations on five specific policy topics: 1) Regulation of massage businesses; 2) Application of the Active Ground-Floor Overlay; 3) Ground-floor residential uses; 4) Treatment of property owner-initiated requests for re-zoning; and 5) Development standards within mixed use and residential land use districts. The Task Force considered and made recommendations regarding the policy topics based on community outreach results, some of which differed from that reflected in the November 2018 Public Review Draft Plan. The Task Force's February 26, 2019, direction is summarized in the meeting notes, Exhibit A, attached.

City Council Direction

Subsequent to the February 26, 2019, Task Force meeting, members of the public raised concerns about the Task Force’s change in policy direction. To reconcile these concerns, the City Council discussed the DSP at its April 16 and May 7, 2019, meetings (please reference Exhibit B and Exhibit C, respectively, for the agenda reports and excerpt meeting minutes for these meetings).

Final Task Force Recommendation

At its final meeting on May 28, 2019, the Task Force recommended moving forward the November 2018 Public Review Draft Plan as modified at its February 26 Task Force meeting.

The Task Force recommendations and City Council direction is summarized in Table 1, and a more detailed discussion of the differences is enclosed as Exhibit D to this agenda report.

**Table 1: Task Force Recommendation and City Council Direction**

<b><i>Policy Topic Area</i></b>	<b>February 26 Task Force Recommendation</b>	<b>April 16 and May 7 City Council Direction (compared to the February 26 Task Force recommendation)</b>
<b><i>Regulation of Massage Businesses</i></b>	Amendment to the Pleasanton Municipal Code to strengthen permitting and certification requirements that would apply City-wide, not just to massage establishments within the Downtown Specific Plan area.	No Change
<b><i>Active Ground-Floor Overlay</i></b>	Modify the procedure to allow the Director of Community Development to approve exceptions to the overlay which includes a Planning Commission notification; add an exception for purpose built bank buildings; and modify one of the conditions for granting an exception in the event of an extended tenant vacancy.	No Change
<b><i>Ground-Floor Residential Uses</i></b>	Allow ground-floor residential behind commercial if there is at least 50’ of commercial on the frontage (on Main and potentially side streets) as long as: (1) the City also passes a “right to do business” ordinance; and (2) residential development is fully parked on site.	The Council directed a more restrictive approach to the allowance of ground-floor residential.  <u>Downtown-Commercial:</u> Prohibit new ground-floor residential on properties with frontage on Main Street. Ground-floor residential may be located behind commercial development on properties elsewhere in the

Policy Topic Area	February 26 Task Force Recommendation	April 16 and May 7 City Council Direction (compared to the February 26 Task Force recommendation)
		<p>district, subject to certain provisions.</p> <p><u>Mixed Use-Transitional</u>: Ground-floor residential may be located behind commercial development on properties within the district, subject to certain provisions.</p> <p><u>Mixed Use-Downtown</u>: Prohibit ground-floor residential uses throughout the district.</p>
<b>Property-Owner Initiated Requests</b>	<p>Incorporate a residential “overlay” or annotation on the DSP land use map for 4212 First Street and 475/493 St. John Street that would allow for consideration of either standalone residential uses, commercial uses, or a combination of both, but would require processing of a Planned Unit Development application.</p>	<p><u>4212 First Street</u>: No Change</p> <p><u>475/493 St. John Street</u>: Incorporate a map annotation to note potential for a future Mixed Use-Transitional designation to be applied to the property, subject to approval of a PUD rezoning/PUD Plan (maintaining the existing single family residence).</p>
<b>Development Standards</b>	<p><u>Mixed Use-Downtown</u></p> <ul style="list-style-type: none"> <li>• Height: 46’ max</li> <li>• FAR: 300% max</li> </ul> <p><u>Downtown Commercial</u></p> <ul style="list-style-type: none"> <li>• Height: 40’ max</li> <li>• FAR: 300% max</li> </ul> <p><u>Mixed Use-Transitional</u></p> <ul style="list-style-type: none"> <li>• Height: 40’ max</li> <li>• FAR: 300% max</li> </ul> <p><u>Residential</u></p> <ul style="list-style-type: none"> <li>• Height: 30’ max</li> </ul>	<p><u>Mixed Use-Downtown</u></p> <ul style="list-style-type: none"> <li>• Height: 46’, 3-stories max</li> <li>• FAR: no change</li> </ul> <p><u>Downtown Commercial</u></p> <ul style="list-style-type: none"> <li>• Height: 40’, 3-stories<sup>1</sup> max</li> <li>• FAR: no change</li> </ul> <p><u>Mixed Use-Transitional</u></p> <ul style="list-style-type: none"> <li>• Height: 36’, 2-stories max</li> <li>• FAR: 125% max</li> </ul> <p><u>Residential</u></p> <ul style="list-style-type: none"> <li>• Height: 30’ max, 2-stories max with the ability to consider additional height through a PUD</li> </ul>

<sup>1</sup> City Council’s direction was to maintain the existing development standards for the Downtown Commercial district. For clarity, a recommendation was made to the Task Force at the May 28, 2019, meeting, to retain Policy 1 from the Land Use Chapter of the 2002 Specific Plan that states, “new or remodeled buildings within the Downtown Commercial area should be limited to two stories, except that three-story buildings may be allowed on a case-by-case basis” and goes on to state a series of criteria for approval of such three-story buildings.

## **DISCUSSION**

### Planned Unit Development Requirement

The materials prepared for the May 28, 2019, Task Force meeting included a recommendation that any project in the Downtown Commercial and Mixed Use-Transitional districts which includes residential uses, be subject to approval of a Planned Unit Development development plan. This approach allows for additional review and scrutiny, including configuration and quantity of commercial space, site plan and parking, and off-site visual impacts for new residential uses. The materials also included a recommendation that any project within the Mixed Use-Downtown District (existing Civic Center and adjacent City-owned (former SFPUC) parcel) that would represent a change in use from those existing today require a PUD development plan (or similar legislative approval, such as a Master Development Plan) to be approved prior to development.

The Task Force recommended the requirement for a PUD with a residential project be removed, as several Task Force members and members of the public indicated the PUD process would result in additional cost and time.

### *Alternative Approach for Commission Discussion*

In acknowledgement that a PUD may not be the ideal process to review small additions or minor residential projects, staff has outlined alternatives to a PUD requirement for residential projects that otherwise meet the development standards in the Downtown Commercial and Mixed Use-Transitional Districts. Currently, projects that meet the development standards, Design Guidelines, and policies in the General Plan and Downtown Specific Plan are subject to Design Review approval by the Planning Commission. One option would be to maintain this approach. Additional options for residential projects that otherwise meet the standards and requirements may include any of the following (or any combination thereof):

- Requiring a PUD for projects that include new ground-floor residential (i.e., projects with proposed residential on upper-floors only would go through the standard Design Review process but not require a PUD).
- Requiring a PUD if residential does not already exist on the site (e.g., if the site already has a unit, adding an additional unit or doing an addition to the unit would not require a PUD).
- Requiring a PUD for proposed residential (mixed-use or solely residential) with a redevelopment area of a certain size (e.g., if the subject site(s) is 0.75-acres or more) or include a certain unit increase (e.g., net increase of three new units or more). Examples of project sites over 0.75-acres include: 475/492 and 497 St. John (Barone's), 652 Main St. (True Value), 530 Main St. (Inklings), and 337 Main St. (Bank of America).

### Residential Visibility

The topic of residential visibility and compatibility as it relates to the commercial streetscape in the downtown has been discussed, particularly from the pedestrian point of view. There are policies in the draft specific plan, existing General Plan, and Design Guidelines which speak to compatibility and scale. Examples of policies in the draft specific plan include the following:

- **LD-G.2** Retain the small-town scale and physical character of the downtown through the implementation of appropriate land use and development standards, including infill development that is sensitive to the context, scale, and character of existing neighborhoods.

- **LD-G.3** Encourage attractive building architecture that reinforces the traditional, pedestrian-oriented design character and scale of downtown.
- **LD-G.6** Design residential projects so that the scale, architecture, and massing enhance and preserve the character of existing residential neighborhoods.
- **LD-P.2** In order to preserve the historic character of the Downtown, new or remodeled buildings, whether commercial or residential in nature, shall not exceed the maximum prescribed height prescribed for the district in which they are located. Buildings must be pedestrian in scale, as determined through the design review process. Commercial buildings should include design features such as first-story storefront windows, recessed entries, building details, and awnings. For all buildings, techniques such as dormer windows, stepping back upper floors, and modifying design features between building levels should be used to assist in maintaining an overall horizontal design character. Height standards should allow for and encourage varied roof forms, articulation across rooflines, and architectural features and projections such as cupolas, gables, and towers at corners.
- **LD-P.29** Ensure that development within the Town Square District reflects one or more of the styles of traditional architecture found in the downtown as well as the high-quality design and construction standards of the Downtown Design Guidelines. The perceived size and scale of new buildings should be in keeping with that of existing buildings located elsewhere within the downtown.
- **LD-P.47** Preserve and enhance the character of downtown residential neighborhoods by avoiding inappropriately-scaled new construction, additions, and excessive lot coverage, and by encouraging architectural elements and details, such as porches, picket fences, flower boxes, and street-facing entrances and windows.
- **LD-P.48** Encourage additions and second units to be located in the rear of existing homes and designed to maintain the original character of the homes and the visual scale of the neighborhood.
- **LD-P.49** Require upgrade of existing buildings and landscaping on the same property as part of new residential infill projects.
- **LD-I.18** Revise, refine, and clarify context sensitive infill guidelines as needed.

Staff finds that compatibility and scale policies are sufficient to give decision making bodies, such as the Planning Commission and City Council, the ability and tools to request modifications to proposed projects that are out of scale within their context.

Relating to visibility, policy direction is included in the table of recommended revisions to the November 2018 draft Specific Plan with Item 31 in Exhibit E, attached. Specifically, the policy direction notes that if ground-floor residential is located behind commercial properties (in the Downtown Commercial District where ground-floor may be considered and in the Mixed Use-Transitional District), it must be designed to minimize visibility from the commercial street frontage. While the phrase, “minimizing visibility” is subjective and will be determined by the hearing body, there are tools that can be used to aid in an accurate review by the hearing body. As such, staff recommends strengthening the specific plan relating to visibility as follows:

- Add an implementation measure to formalize story pole requirements to ensure accurate story poles are installed.

- Add an implementation measure to formalize requirements for photo simulations of the proposed projects from the pedestrian standpoint on adjacent street(s).

#### Ground-Floor Commercial on Corner Lots

For areas in the Specific Plan area where ground-floor residential may be built (i.e., Mixed Use-Transitional and Downtown Commercial on properties without Main Street frontage), the policy requires certain conditions to be met:

- Street fronting commercial space is required, with a minimum depth of 50-feet to ensure viable commercial uses;
- No net loss of commercial square-footage;
- Residential at the rear of the site be designed to minimize visibility from the commercial street-front; and
- The proposed residential is fully parked on-site

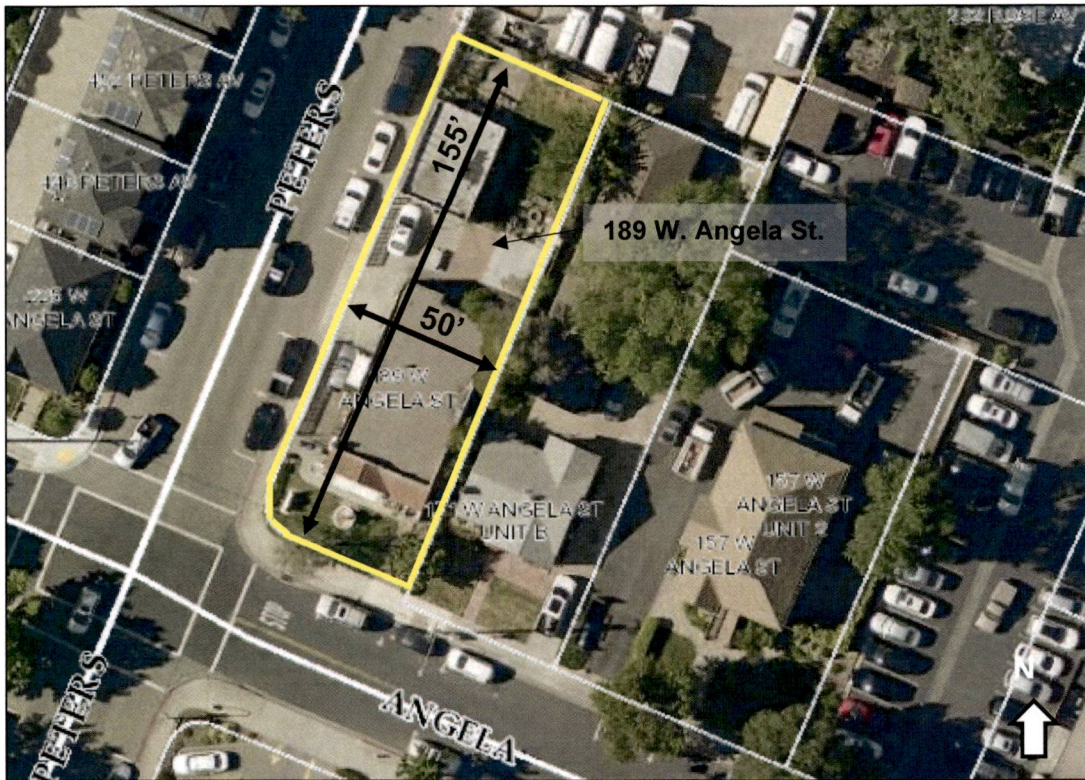
The policy is currently silent on corner lots. There has been some discussion about if the commercial frontage (as required by the first bullet) applies to both sides of a corner lot or only the principal frontage. There are pros and cons to having the commercial uses wrap the corner; while on the one hand it would increase the commercial frontage, on the other hand it may greatly limit the development potential of those lots. In some instances, the lot may even be too narrow to build viable commercial space (as noted above staff recommends a minimum of 50-feet). There may be certain sites which also have long street frontages and may be able to provide a strong commercial frontage without wrapping the corner.

To allow a certain amount of flexibility in the discretionary process, staff does not recommend requiring commercial to wrap the corner. Alternatively, one option is to require commercial on both frontages of corner lots if the subject property has a minimum depth off of the secondary frontage of at least 75-feet. This would help ensure that where the City would require commercial space, the lot is deep enough to accommodate viable commercial space (50-feet) and a drive aisle (25-feet).

Figure 1 shows an example of a corner lot located at 189 W. Angela Street (at the northeast corner of Peters Avenue and Angela Street), which has an approximate dimension of 50-feet, as measured perpendicular to Peters Avenue. This may not be able to accommodate viable commercial space, since it leaves approximately 25-feet for the commercial space once a 25-foot wide drive aisle is taken into consideration. Approximate lot dimensions of select other properties are identified in Table 2.



**Figure 1: 189 W. Angela (corner of W. Angela St. and Peters Ave.)**



**Table 2: Approximate Property Dimensions**

Address	Approximate Dimensions
273 Spring Street	71-feet by 200-feet
536 & 550 St. John Street	184-feet by 168-feet
377 St. Mary Street	61-feet by 175-feet
374 St. Mary Street	62.5-feet by 112-feet
446-458 Peters Avenue / 225 W. Angela Avenue	173-feet by 58-feet

Outdoor Dining in Mixed Use-Transitional

As currently recommended by the Task Force, outdoor dining applications (i.e., applications to allow tables, chairs, umbrellas, and other furniture associated with dining outdoors) in the Mixed Use-Transitional district would require review and approval by the Planning Commission. Outdoor dining applications in other districts requires review by the Zoning Administrator instead of the Planning Commission, and the Zoning Administrator’s action is subject to a 15-day appeal period. As such, staff recommends outdoor dining in the Mixed Use-Transitional district be subject to the same level of review as other zoning districts, and not be subject to review by Planning Commission.

Amendments to Land Use Designations

During its review of the DSP, the Task Force considered various map revisions to reconcile discrepancies between the General Plan Land Use Diagram, Downtown Specific Plan Land Use

Diagram, and Zoning Map. These discrepancies were sorted into two lists, including those shown on DSP “Map A” that are proposed to be addressed through map revisions at the time of the adoption of the draft specific plan; and “Map B” which would be subject to consideration after adoption of the plan, with additional outreach to property owners and other interested parties.

Since a subset of Map A properties require zoning map revisions (alone or together with General Plan or Specific Plan land use diagram amendments), and these amendments would be subject to a separate action by the City Council, staff has used Map A to develop a refined map, showing only these properties, keyed to a list indicating existing and proposed zoning designations, shown in a table. The table and maps are part of Exhibit F and Exhibit G, attached.

### Adoption of Draft Municipal Code Amendments

State law requires conformance between the General Plan, a specific plan, and applicable zoning regulations that serve to implement the policies and programs of either document.

The draft specific plan includes several policies and programs that necessitate updates to various existing sections of Pleasanton Municipal Code Title 18: Zoning. These amendments are generally either to add zoning standards where they do not exist today (e.g., allowable land uses and development standards for the newly-created MU-T and MU-D districts), or to update sections of the PMC that would be inconsistent with policies of the DSP once it is adopted.

A complete draft of the recommended amendments to the Pleasanton Municipal Code is included as part of Exhibit H, attached. Proposed amendments, each of which is consistent with the Draft DSP, are summarized below.

*Chapter 17.24 – Transportation Systems Management.* Amendments to this chapter would allow for an area subject to a business association or management group (such as PDA) to be defined as a “large employer” for the purposes of implementing Transportation Demand Management programs intended to encourage use of transit and alternative transportation modes.

*Chapter 18.08 - Definitions.* This existing PMC chapter has been amended to add various definitions consistent with, or necessary to apply standards that implement, policies included in the DSP. New definitions include:

- Active Ground-Floor Uses
- Mixed Use development. Note that, as proposed, “mixed use” would be defined as any combination of commercial and/or residential uses (i.e. a project containing office and retail uses would be considered mixed use, as would a project containing residential and retail uses).
- Live-Work Unit

*Section 18.44.080 – Permitted and Conditional Uses:* This existing section and related Table 18.44.080 lists permitted, conditionally-permitted, and prohibited land uses in various non-residential zoning districts throughout the city. Amendments have been included to reflect the two new mixed use land use districts; and, through footnote annotations, to note which uses are and are not permitted as ground-floor uses within the Active Ground-Floor Overlay. Note that, per the Task Force’s direction, financial institutions (which includes banks) are not considered to be active uses, and would no longer be permitted or permitted with approval of a

Conditional Use Permit within the overlay, other than as allowed through the exception noted in Policy LD-P.17.

The footnotes also limit the operating hours of uses in the Mixed Use-Transitional district to no later than 11 p.m., to ensure they are compatible with adjacent residential uses. In this district, uses such as bars and brewpubs would also not be permitted.

*Chapter 18.46 - Mixed Use Districts [New Chapter].* This new chapter defines and outlines the purpose, allowable uses, and other key development parameters for zoning districts that would implement the two new mixed use land use districts identified in the DSP:

Mixed Use-Downtown and Mixed Use-Transitional district. Note that the more specific list of allowable land uses is incorporated in Chapter 18.44; and site development standards such as height, setbacks, and floor area ratio are included in Chapter 18.84. (See additional notes on these two chapters, above and below).

*Section 18.56 – Public and Institutional District.*

Section 18.56.030 Permitted Uses, has been amended to note surface parking as an allowable use within the Transportation Corridor.

*Chapter 18.81 - Active Ground-Floor Overlay District [New Chapter]*

This new chapter defines the purpose, applicability, and procedures for granting exceptions to otherwise applicable requirements. Note that this chapter does not itself define allowable uses within the overlay, which are instead included in Chapter 18.44 (see above).

*Chapter 18.84 – Site, Yard, Bulk, Useable Open Space and Landscaping Regulations.* This zoning chapter contains the majority of applicable site development standards for all districts. Therefore, it has been amended to include development standards for the two new Mixed Use districts. Key revisions within this chapter include:

*Development Standards*

A key revision to this chapter is amendment of Table 18.84.010, to include development standards for the two new Mixed Use districts, including height limits, setbacks, required open space and required site area per dwelling unit, which effectively dictates allowable density.

As drafted, height limits and FAR reflect directed by the City Council at their April 16 and May 7 meetings. With respect to other development standards, such as setbacks, staff took the approach of generally following the requirements of the Office (O) district for the MU-T district; and the Central Commercial (C-C) district for the MU-D district. The heights in the new MU-T and MU-D districts are 6 feet taller than the O district (i.e., 30 feet) and C-C district (i.e., 40 feet), respectively. The floor area ratio proposed for MU-T (i.e., 125 percent) is greater than the O District (30 percent maximum), but less than the C-C District (which has a maximum of 300 percent). The proposed floor area ratio for the MU-D District (300 percent) mirrors that of the C-C District. The open space requirement for each dwelling in both new districts is consistent with the C-C District. Additionally, for the MU-D district, no minimum lot area, width or depth are proposed, since these are expected to be determined through the required PUD or Master Development Plan that would be required for any change in use of these properties. Proposed standards are shown in Table 3.

**Table 3: Proposed Development Standards for Mixed Use Districts**

	<b>Mixed Use-Transitional</b>	<b>Mixed Use-Downtown</b>
<b>Minimum Lot Area</b>	10,000 sq.ft.	-
<b>Minimum Lot Width</b>	80 ft.	-
<b>Minimum Lot Depth</b>	100 ft.	-
<b>Minimum Yards (setbacks)</b>		
<b>Front</b>	20 ft.	18.84.130
<b>One side/Both Sides</b>	10 ft./20 ft.	18.84.130
<b>Rear</b>	10 ft.	-
<b>Site Area per Dwelling Unit</b>	1,000 sq.ft. 18.44.080 18.84.030E	1,000 sq.ft. 18.44.080 18.84.030E
<b>Required Open Space/Dwelling Unit 18.84.170</b>	150 sq.ft.	150 sq.ft.
<b>Floor Area Limit (FAR)</b>	125%	300%
<b>Height of Main Structure</b>	36 ft.	46 ft.

*Section 18.84.050: Height Limit Exceptions:* Modification to Section 18.84.150, to clarify height limit exceptions for architectural elements such as towers and cupolas, and appurtenances such as elevator penthouses, and to distinguish these types of elements from free-standing appurtenant structures such as flagpoles and radio antennas.

*Other Amendments:* Various other sections of this chapter have been amended to incorporate references to the Mixed Use districts, including Section 18.84.230, requiring landscaping of parking areas; 18.84.020, with respect to allowable subdivision of property; 18.84.030.E. with respect to calculation of the allowable number of units; 18.84.110, with respect to traffic sight obstructions; 18.84.170, with respect to required useable open space for residential uses; and 18.84.220 requiring screening of outdoor uses.

*Chapter 18.88 - Off-Street Parking Facilities.* Minor amendments have been made to this chapter to reference the new mixed use (MU) zoning districts. Note that parking standards in these two new districts would remain the same as other commercial, residential and mixed use zoned properties in the Downtown Revitalization District (boundaries as indicated in PMC Figure 18.88.020, which is proposed to be amended to include the City-owned property adjacent to the ACE train station.)

*Chapter 18.96 – Signs.* References have been added to the new Mixed Use districts in several locations in the chapter, to some of the generally applicable sign standards. Note that the draft DSP includes a number of policies and implementing actions with respect to signs, which are not reflected in the currently proposed amendments. Given the complexity and likely level of interest from the business community and others in the exact details of any potential Municipal Code revisions, staff has recommended that these other amendments be deferred to a separate, focused process following the adoption of the Downtown Specific Plan, to allow for an appropriate level of engagement and outreach to interested stakeholders.

### Adoption of Draft General Plan Amendments

Staff has carefully reviewed the Pleasanton General Plan, to determine any necessary revisions to ensure consistency between the General Plan and draft specific plan as updated. The principal amendment needed is to the General Plan Land Use Diagram (Figure 2-1), to reflect the recommended General Plan map amendments for properties shown on DSP “Map A.” Staff has prepared a map, based on DSP “Map A” properties, to indicate these proposed changes within the downtown area. Changes to the boundaries of the Downtown Specific Plan area would also be reflected in various maps and diagrams throughout the General Plan.

Otherwise, staff found that only minor text changes were needed, to update references to the 2002 specific plan, to instead note the 2019 draft specific plan. Other policies and programs of the General Plan were found to remain consistent with the draft specific plan as amended. Please see Exhibit F, attached, for the draft General Plan amendments.

### Adoption of Draft Downtown Design Guidelines Amendments

Staff reviewed and determined a few places in which amendments to the Downtown Design Guidelines would be needed to maintain consistency with the updated Downtown Specific Plan. These include updating the map of downtown to be consistent with the proposed draft specific plan boundary, and updates to the text to defer to the Downtown Specific Plan regarding height and building stories. Please see Exhibit F, attached, for the draft amendments to the Downtown Design Guidelines.

### Adoption of Draft Downtown Hospitality Guidelines Amendment

Staff proposes to amend the map of the Downtown Specific Plan area in the Downtown Hospitality Guidelines to reflect the revised boundary of the plan area. A map of this straightforward change has not been included with the materials for this Planning Commission meeting, but will be included as part of the City Council materials when the specific plan is before the City Council for final action.

### *Changes After the May 28, 2019, Task Force Meeting*

Since the May 28 Task Force meeting, staff proposes the additional changes:

- Modification of PMC section 18.08.382, definition of “office, business, professional, or administrative” to expressly include mortgage companies and title companies, to make clear that these uses are not financial institutions.
- Modification to page 26 of the draft specific plan, to clarify that “New ground-floor residential inclusive of live-work is prohibited on properties with frontage on Main Street ...” (see Item 9 in Exhibit E, attached).
- Clarification to Program 12.4 of the General Plan Land Use Element that makes clear live-work units are not encouraged on the first floor (see Exhibit F, attached).
- Clarification of typos in the draft specific plan (see Item 57 in Exhibit E, attached).

Also, as the Planning Commission is aware, the City has recently acquired the properties located at 4363 and 4377 First Street, with the intent of using the properties for public purposes. The modified land use designations approved for these properties (General Plan as *Community Facilities – Public and Institutional*, Specific Plan to *Public*, and Zoning to *Public and Institutional, Downtown Revitalization, Core Area Overlay District*) will be reflected in the final Downtown Specific Plan as appropriate.

## **CEQA**

### Background

The City determined that an Environmental Impact Report is necessary to evaluate environmental impacts of the Downtown Specific Plan (described in the EIR as the “Proposed Plan”), to meet the requirements of the California Environmental Quality Act (CEQA). The EIR is the informational document that identifies the potential environmental impacts of the Proposed Plan, the mitigation measures for these impacts, and potential impacts that cannot be mitigated and are therefore unavoidable.

The City prepared and circulated a Draft EIR (DEIR) on February 1, 2019, and this document was made available for public comment through March 18, 2019. Subsequently, a Final EIR (FEIR) was prepared which incorporates responses to comments received on the DEIR, and also includes clarifications and corrections to the DEIR, including a discussion of changes to the draft specific plan since the November 2018 Public Review Draft was published.

The FEIR, which is combined with and incorporates the DEIR by reference, is intended to disclose to the City of Pleasanton’s decision-makers, responsible agencies, organizations and the public the potential impacts of implementing the Downtown Specific Plan. The Downtown Specific Plan EIR is a “program” level environmental analysis that examines the potential effects resulting from implementing designated land uses and policies in the Proposed Plan. The impact assessment evaluates the Proposed Plan as a whole and identifies the broad, plan-area wide and regional effects that may occur with its implementation. As a programmatic document, the EIR does not assess site-specific impacts. Any future development project made possible by the Proposed Plan will be subject to individual, site-specific environmental review, as required by State law. The EIR represents the best effort to evaluate the Proposed Plan given its planning horizon through the year 2040. It can be anticipated that conditions will change; however, the assumptions used are the best available at the time of preparation and reflect existing knowledge of patterns of development.

Following the Planning Commission’s review, the FEIR will be forwarded to the City Council along with its review of and recommendation for adoption of the draft specific plan. The City Council will determine whether to certify the EIR as complete according to CEQA requirements, along with its action on the Proposed Plan.

### Summary of the Final EIR

The FEIR summarizes and provides a response to each of the comments that were received on the Draft EIR during the public review period, included comments submitted in writing and at meetings of the Task Force and Planning Commission.

The City received a total of seven comment letters; verbal comments were also provided at the March 13, 2019, Planning Commission meeting. The FEIR identifies each letter and provides a response to specific comments within each letter, as well as comments pertinent to the environmental review received at public meetings. The FEIR also includes a master response, which allows for a comprehensive, holistic response to the inter-related comments on changes to the land use designations and development standards in the Proposed Plan, including those changes directed by the City Council at meetings on April 16 and May 7.

The FEIR also provides updated analysis on how these modifications do (or do not) result in environmental impacts related to the topics identified in the DEIR (Aesthetics, Air Quality,

Biological Resources, etc.). The additional analysis concludes that the changes are in line with the analysis conducted in the Draft EIR for the draft specific plan, even though they could create the potential for new development within the planning area. Therefore, implementation of the changes would not result in impacts much different than those originally identified in the Draft EIR, particularly given the mitigating effects of existing federal, State, and local policies and regulations and Proposed Plan policies.

Exhibit I, attached, includes the Mitigation Monitoring and Reporting Program (MMRP), the purpose of which is to describe the procedures that will be used to implement the mitigation measures adopted in connection with the approval of the draft specific plan and the methods of monitoring such actions. The MMRP identifies the environmental impact, the mitigation measure for the impact, the method and timing of the verification, and the entity responsible for verifying that the mitigation measure has been satisfied.

Additionally, Exhibit I, attached, includes the CEQA Findings and Statement of Overriding Considerations. The purpose of the CEQA Findings is to provide a summary of the environmental effects of the project and provide findings and the rationale for the findings for each of the significant impacts. The CEQA Findings distinguish between impacts that are less-than significant impact without mitigation, those that are less-than significant with mitigation, and significant and unavoidable significant impacts. The purpose of the Statement of Overriding Considerations is to itemize the benefits of the proposed project despite the significant environmental impacts. In summary, the City finds that the significant impacts to topic areas Air Quality and Energy, Greenhouse Gases, and Climate Change are acceptable when balanced against the benefits of adopting the Downtown Specific Plan.

## **PUBLIC NOTICE**

A display ad for this item was published in *The Valley Times*. A notice was also mailed to property owners and tenants with properties for which modifications to land use designations are proposed. At the time this report was published, staff has received the comments attached as Exhibit J.

## **SUMMARY/CONCLUSION**

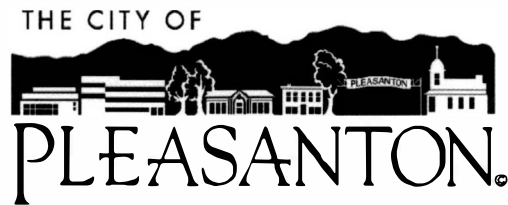
Staff requests that the Planning Commission forward a recommendation to the City Council that: certifies the Final EIR for the project and approves the Water Supply Assessment; rescinds the 2002 Downtown Specific Plan, approves the proposed General Plan amendments, the Specific Plan, amendments to the Downtown Design Guidelines, and amendments to the Downtown Hospitality Guidelines; adopts an ordinance making various amendments to the Pleasanton Municipal Code; and adopts an ordinance approving rezoning properties for certain properties.

### **Primary Authors:**

Megan Campbell, Associate Planner  
Shweta Bonn, Senior Planner  
Ellen Clark, Planning Manager

### **Reviewed/Approved By:**

Gerry Beaudin, Director of Community Development




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**ITEM 1: SUMMARY OF MEETING #17**

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**Summary of Downtown Specific Plan Update Task Force Meeting #17**  
 Tuesday, February 26, 2019

***Task Force Members Present***

1	Jerry Thorne, Mayor (Chair)	2	Kathy Narum, City Council
3	Herb Ritter, Planning Commission	4	Justin Brown, Planning Commission
5	Laura Olson, Pleasanton Downtown Association	6	Steve Baker, Economic Vitality Committee
7	Jan Batcheller, At-large	8	Jim Merryman, At-large
9	Teri Pohl, At-large		

***City of Pleasanton Staff***

1	Gerry Beaudin, Director of Community Development	2	Brian Dolan, Assistant City Manager
3	Ellen Clark, Planning Manager	4	Megan Campbell, Associate Planner
5	Renee Perko, Assistant City Attorney	6	Pamela Ott, Director of Economic Development
7	Mike Tassano, City Traffic Engineer	8	Steve Otto, Senior Planner
9	Stefanie Ananthan, Office Manager		



## **1. Welcome and Prior Meeting Summary Notes**

### **A. Welcome and Agenda Overview.**

The Mayor called the meeting to order. Staff provided an overview of the Downtown Specific Plan Task Force process to-date, provided an overview of the meeting's agenda, and highlighted the goals of the meeting. Goals include going through public outreach, getting final policy direction, and going over the Draft Environmental Impact Report (DEIR).

### **B. Review and Approval of Meeting #16 Summary.**

*Approved unanimously.*

## **2. Public Comments**

### **A. Correspondence.**

Staff provided an overview of public comments received to date and attached to the agenda packet as well as late correspondence received.

### **B. Meeting Open to the Public.**

Members of the public were given the opportunity to comment on items not on the agenda. There were no public comments at this time.

## **3. Public Outreach Results**

### **A. Summary of November and December 2018 Public Outreach**

Staff summarized the outreach staff completed in November and December of 2018. Staff outlined the groups visited and highlighted topic areas of interest discussed at these meetings. Key themes reflected in those discussions included several of the items to be considered in Agenda item 4a including height, parking and mobility, active ground floor uses, massage regulations, civic center redevelopment, and streetscape improvements.

### **B. Task Force Direction, Comments, and Questions**

Staff advised that, although the Task Force can provide comments now, it was suggested those comments be held for Item 4a that delves into the key topic areas discussed. The Task Force noted it will provide comments in item 4a.

### **C. Public Comments and Questions**

The Task Force opened up the meeting to the public. Two members of the public commented. One comment inquired about community meetings, that could be held at locations like the Firehouse or the Library, for citizens to come together to understand the potential changes and revitalization of the downtown.

Another comment noted concern about lowering the building height limits and limiting height to two-stories, prohibiting residential on the ground floor behind commercial, unneeded context sensitive infill guidelines, and the lack of a parking structure in the downtown core. Additionally, there is support for parking by ACE, concern about the City managing "active ground floor uses", and policy makers should be allowed to approve projects that are in substantial conformance to the adopted Plan but not exact consistency. The Downtown Specific Plan should be a vision and a guide and not discourage property investment.

## **4. Outstanding Policy Direction**

### **A. Massage Business Regulation**

Staff summarized massage regulation options given to the Task Force at their prior meeting, discussed State massage regulation updates, and indicated some of the potential changes

to the massage ordinance that are forthcoming.

#### Task Force Direction, Comments, and Questions

A few Task Force members noted they appreciate staff's recommendation as this is a city-wide problem rather than a Downtown problem. One Task Force member concurred with staff's recommendation, particularly, not adding massage uses to the "active ground floor" definition. They asked if there is any approach or way to deal with 1056 Division Street as it seems to be an outlier. In response, staff noted this one property could be reviewed further with the Land Use Discrepancy discussion, however, at this time, 1056 Division is on Map B- which will be discussed in the future. A likely outcome is a Planned Unit Development (PUD) that defines a specific set of uses that will be allowed.

#### Public Comments and Questions

The Task Force opened up the meeting to the public. One member of the public, a massage therapist in Pleasanton, spoke expressing appreciation of the approach recommended by staff and the discussion by the Task Force.

#### Task Force Recommendation

The Task Force moved and voted to support staff recommendation- that is to strengthen the massage ordinance in the Municipal Code rather than add policies to the Downtown Specific Plan and to not include massage uses in the definition of active ground floor (*Unanimous support*).

#### **Active Ground-Floor Overlay**

Staff summarized the definition of Active Ground Floor Uses, outlined the discussion to date on the Active Ground-Floor Overlay, and requested Task Force direction on the extent of the overlay, inclusion of personal services in the active use definition, exemption process, and bank buildings. Staff also highlighted the recent public comment received in regards to existing banks that were built to accommodate a City regulation (i.e., requiring bank buildings to be built downtown) and may not easily accommodate other types of use without a reasonable amount of tenant improvements.

#### Task Force Direction, Comments, and Questions

One Task Force member expressed appreciation for the staff recommendations that seem to incorporate the feedback from the various interest groups. There was concern in regards to the exception process and only allowing one "non-active" use per block. Finds that this should only apply to Main Street, not include personal services in the definition of "active", and finds some sort of relief to banks seems reasonable. One Task Force member noted concern that banks essentially get a "freebie" and would be treated differently than other businesses. In retrospect the policy, to locate banks downtown may not have been well-advised.

One Task Force member questioned if we can broaden relief to all non-active uses instead of being specific for banks. For example, banks do not count toward the "one non-active" use per block. Another comment clarified that the Community Development director and Zoning Administrator are used interchangeably and that the decision would be appealed to the Planning Commission if appealed. One Task Force member also commented that the PDA requests be considered; as well as a planner or two dedicated to downtown to provide consistency in rules and regulations for downtown projects.

#### Public Comments and Questions

The Task Force opened up the meeting to the public. Two members of the public commented. One comment noted that the PDA understands the intent of the Ground Floor

Overlay district in an effort to protect and enhance vibrancy. However, limiting the exception to only one use per block is too restrictive. There should be greater relief and he urged the Task Force to modify the exception to expand it to more than one business per block. The other comment highlighted the importance of supply and cautions the City about over regulation. There was a recommendation to encourage property owners to update buildings to avoid vacancy as opposed to adding restrictions. Additionally, he noted parking should be regulated downtown in terms of time limit enforcement and safety (e.g., parking lot lighting).

#### Task Force Recommendation

Based on the discussion, staff recommends adding an additional bullet to the staff recommendation to provide broader relief to the exceptions of the Active Ground Floor Overlay.

The Task Force moved and voted to support staff's recommendation as written in the report (not including the additional recommendation made above) that is- to not modify the extent of the ground floor overlay to the side streets, not include personal services in the "active use" definition, allow exceptions to be acted on by the Community Development Director, and include an exception for existing purpose-built bank buildings with the following modification: on the first bullet for "exceptions", delete the portion after "and" (e.g., to allow exceptions on the same side of the street on the same block) (*7 in support, 2 in opposition*).

#### **Ground Floor Residential**

Staff summarized the Task Force direction to date to prohibit ground floor residential uses in Commercial and Mixed Use districts and prohibiting street fronting residential entries in these districts. However, given some of the direction in the public outreach as well as public comments received, staff is looking for direction from the Task Force and suggests potentially allowing ground floor residential in Commercial and Mixed Use Districts if said ground floor residential is setback behind commercial that is at least 50-feet deep and allowing street fronting residential entrances given certain standards.

#### Task Force Direction, Comments, and Questions

One Task Force member questioned the 50-foot depth as it seems it may be overly restrictive and deep. They questioned if we knew how deep current commercial is and confirmed staff looked at range of depths and determined 50-feet seems appropriate so that "token" commercial is not provided. The Task Force confirmed that this minimum depth would not apply to all commercial buildings- it would only apply to properties that want to build residential on the ground floor. The Task Force discussed the minimum depth and if it would work for side streets that may have less deep lots.

One Task Force member questioned if we should really allow housing behind commercial in the Commercial district. We should have a right-to-do business ordinance to protect the vitality of the downtown. The Task Force agrees that commercial behind commercial on Main may not make sense and residential may make sense, however, this may result in a large increase in housing.

#### Public Comments and Questions

The Task Force opened up the meeting to the public. Six members of the public commented. One comment noted that he does not support the 50-foot depth as requiring ground floor commercial may not always be appropriate. Another member of the public questioned how vitality of downtown and the interrelationship of the community would be furthered if mixed use is permitted at entry of downtown. Additionally, one member of the public requested confirmation that this plan is actually still a draft, particularly the layout of the Civic Center, and the plan will require additional public review.

One public comment noted concern with allowing residential behind commercial specific to Main but open to it on side streets. It seems contrary to the goal of increasing vitality on Main even with a right-do-do business ordinance. If this were allowed, housing could be constructed, for example, behind Inklings. The Guidelines are vague and it may open the door to degrade Main. Another example is Spring Street where in their opinion the development was incompatible.

Another public comment noted that more housing will require more parking. Another comment noted support for right-to-do business ordinance which has been discussed heavily at the PDA. One public comment noted that living downtown comes with parking and noise concerns. The City should ensure residential built downtown is built correctly, the noise is managed, and downtown is policed correctly. The final comment related to limited parking on Division and a support for the parking lot by the train tracks to be open to the public.

#### Task Force Recommendation

The Task Force moved and voted to support staff's recommendation- that is to allow residential entrances in Commercial and Mixed-Use districts as long as the frontage is predominately commercial and to allow ground-floor residential in the Commercial and Mixed-Use Districts if there is a minimum commercial depth of at least 50-feet along Main Street with modifications to staff's recommendation as follows: ground floor residential should only be allowed if the residential is fully parked on-site and there is a "right-to-do business" ordinance. Additionally, the Task Force requested staff review the minimum depth required for side streets as 50-feet may not be the correct depth (*Unanimous support*).

#### **Land Use Discrepancies**

Staff highlighted the differences between the two maps included in the Specific Plan: Map A- with changes to be adopted as part of Specific Plan, Map B- with changes that will require further research and discussion prior to modifications, and Map C- with property-owner initiated requests (4212 First Street and 475/493 St. John Street). Staff offers a few ways to move forward with the property-owner initiated requests. Option 1 would be to include them in Map A and make the changes to the properties now, Option 2 would be to remove them from the maps and indicate that they can move forward independent of the DSP process, and Option 3 would be to create an overlay for these two properties that would allow residential them with an exception to the requirement for commercial along their frontage. The properties would remain "commercial" but the potential for residential would be added. Further, if residential or mixed use with residential is proposed on these properties, a PUD would still be required. At this time, compliance with the General Plan and Specific Plan would be completed to create flexibility and allow residential with a PUD (and the PUD will still have to go to Planning Commission and City Council). The zoning district would be modified with the PUD. Additionally, the Final EIR with the Specific Plan would address these changes at a program wide level. Project specific environmental review will need to be done at the time of the PUDs.

#### Task Force Direction, Comments, and Questions

The Task Force clarified that these properties would remain commercial with an overlay (rather than a new zoning district) maintaining Commercial Zoning but allowing residential if it goes through a PUD process. Additionally, the Task Force confirmed this would only apply to these two properties as they have been involved through the process and requested these changes. One member of the Task Force is concerned the overlay only applying to these two properties may be reactive instead of proactive. One Task Force member noted it seems one of the benefits of the overlay would provide some additional certainty to allow

additional uses and another benefit would be complete the General Plan and Specific Plan would occur at this time.

#### Public Comments and Questions

The Task Force opened up the meeting to the public. Four members of the public made public comments. The first public comment, noted that the property at 4212 First Street is ready to move forward with the required applications if the Task Force moves forward with the overlay option. The property owner supports this option and finds that a residential project would be better at this location than the existing gas station. Another member of the public, noted that the properties on St. John would also support the overlay approach and to be included in the EIR done with DSP. He noted he fully plans on going through the public application process once the DSP process is completed. A third public comment questioned the purpose of the overlay versus a normal application process. What additional flexibility does this allow? Ensuring the process is transparent with public input is important- like our normal planning process. The final public comment noted that the overlay is a creative solution of how to move forward. Additionally, over 90-percent of residents want vibrant retail and restaurants in the Commercial core, rather than residential. And if residential is provided, it be provided upstairs.

#### Task Force Recommendation

The Task Force moved and voted to support Option 3, to create an overlay on the Specific Plan land use map to allow for residential, subject to approval of a PUD (*8 in support, 1 in opposition*).

#### **Mixed-Use District Development Standards**

Staff outlined comments received during public outreach especially regarding height limits and outlined staff recommendations: Residential districts 30-feet, Mixed-Use Transitional district 36-feet, and Downtown Commercial and Mixed-Use Downtown: 36-feet. Staff called attention to the April Task Force packet which highlighted some heights of existing buildings in town. In terms of floor area ratio (FAR), staff recommends 300-percent for Downtown Commercial, 150-percent for MU-D, and 125-percent for MU-T.

#### Task Force Direction, Comments, and Questions

One Task force member noted PDA disagrees with the height and FAR recommendations made by staff. The PDA believes there should be more consistency and greater allowance for height, especially in the MU-D district. The PDA believes the height limits should be 40-feet in the MU-T and Commercial districts and 46-feet in the MU-D. Additionally, a recommendation for a 300-percent FAR across all three districts was made. One Task Force member noted they should not get hung up on the actual height as the apparent scale may be reduced through the design. Additionally, there will be additional public review for the design of these new buildings. It was noted the overall building height in PUD's to be 30-feet which may need to be removed if the goal is to allow additional flexibility in PUDs.

#### Public Comments and Questions

The Task Force opened up the meeting to the public. Three members from the public provided comments. One comment noted we should maximize value and volume of use we can get on the land of this downtown (MU-D) area. Construction today tends to have higher plate heights and limited this area to 40-feet will only yield two-stories and really restrict any additional height/floors. However, given the right location and design, the Council may want to allow three-stories in some instances. Another comment agrees with the Task Force recommendation in terms of allowing additional heights so the projects can be reviewed on an individual basis. The final comment requested the note about limiting PUDs to 30-feet be stricken from the DSP to allow additional flexibility especially given modern construction.

#### Task Force Recommendation

The Task Force moved and voted to support a maximum height of 40-feet for C-C and MU-T Zoning Districts and a maximum of 46-feet in the MU-D Zoning District. This would remove the height limit of 30-feet in PUDs. Additionally, to support a FAR of 300-percent in all districts (*6 in support, 3 in opposition*).

#### **Other Policy Revisions**

Staff noted that there were additional policy recommendations listed in the agenda packet. The Task Force provided no additional feedback or comments on the “other” policy revisions.

#### **B. Task Force Direction, Comments, and Questions**

The Task Force did not provide any additional comments, direction, or questions.

#### **C. Public Comments and Questions**

The public did not provide any additional comments, direction, or questions.

#### **4. Draft Environmental Impact Report**

The City’s consultant outlined the timeline/process of the draft Environmental Impact Report (DEIR) to-date including publishing date, comment period, and next steps. The consultant stated the document is available on the website or City offices and briefly outlined the contents of the DEIR. To note, the key findings included significant impacts in three areas that could be mitigated to levels of less than significance through mitigation measures and found three significant and unavoidable impacts. That is, even when all mitigation measures are incorporated will remain. The DEIR also included alternatives to the project.

Following the close of the public comment period, a Final EIR will be prepared and distributed and there will be additional opportunities for public comment that time.

#### Public Comments and Questions

At this time, there were no questions or comments from the public on the EIR. There was a public comment noting the need for additional public involvement and to slow down the process to take in all of the changes and get public involvement in the Plan and EIR. Staff commented the EIR will also be reviewed at the Planning Commission on March 13 and we will continue to accept comments via phone, email, or mail through March 18. Ultimately, a Final EIR will be put together and brought through the public hearing process.

#### Task Force Direction, Comments, and Questions

The Task Force noted that under Air Quality, there should be a mitigation to include electric vehicle charging (which may be a policy in the plan or mitigation in the EIR).

#### **6. Task Force Check-In**

At this time, there were no additional comments.

#### **6. Brief Announcements from Task Force and Staff, Summary and Next Steps**

##### **A. Summary of the Meeting and Review of Next Meeting Topics**

Staff provided an overview of the Task Force’s progress and upcoming schedule.

The meeting was adjourned at 9:05pm



## **CITY COUNCIL AGENDA REPORT**

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April 16, 2019  
Community Development  
Planning Division

**TITLE: DOWNTOWN SPECIFIC PLAN UPDATE: PROVIDE POLICY DIRECTION TO STAFF AND THE DOWNTOWN SPECIFIC PLAN TASK FORCE ON FIVE TOPICS**

### **SUMMARY**

The Downtown Specific Plan Update has been underway since January 2017, including work with an appointed Task Force over the past two years to guide the development of the update. A draft Downtown Specific Plan (DSP) was released for public review and comment in November 2018, reflecting the input and direction of the Task Force, Planning Commission, and City Council. On February 26, 2019, following public outreach with various City Boards and Commissions and other stakeholder groups, the Task Force considered and provided additional direction on five topic areas including: massage regulations, the active ground-floor overlay, ground-floor residential in commercial and mixed-use districts, land use discrepancies, and development standards (i.e., height and floor area ratio (FAR) limitations). Some of these recommendations differed from the policy direction previously endorsed by the Task Force and reflected in the November 2018 draft DSP. At this point in the update process, staff is requesting policy direction from the City Council before the DSP is presented to the Planning Commission and City Council for review and adoption.

### **RECOMMENDATION**

Provide policy direction to staff and the Downtown Specific Plan Task Force on five Downtown Specific Plan topics.

### **FISCAL IMPACT**

The cost to prepare the DSP Update, including any policies that might be modified as the result of the City Council's direction, and accompanying Environmental Impact Report, has been funded as part of past and current fiscal year budgets. No additional fiscal impact is anticipated as a result of this direction.

## **BACKGROUND**

After more than two years, the Downtown Specific Plan Update and work of the Downtown Specific Plan Task Force is nearing completion. Since the November 2018 draft of the Specific Plan was released, staff has received feedback from the public, various interest groups, and City Boards and Commissions. Public correspondence received throughout the comment period is attached (Attachments 1 and 2). At its most recent meeting, held on February 26, 2019, the Task Force reviewed the input received to-date on the draft DSP. In particular, the Task force considered and provided direction on five policy items, including: 1) massage regulations, 2) the active ground-floor overlay, 3) ground-floor residential in commercial and mixed-use districts, 4) land use discrepancies including property owner-initiated requests for change in land use, and 5) development standards (i.e., height and FAR limitations). In providing its direction, and as discussed below, several of the Task Force's most recent decisions were based on comments received during the November and December outreach.

The final Task Force meeting is scheduled for April 23, 2019, with Planning Commission and City Council hearings tentatively scheduled from May through July. Going into the final Task Force meeting, staff requests direction from the City Council on the five topic areas discussed by the Task Force at the February meeting.

## **DISCUSSION**

The following provides a summary and discussion of each of the five topics items being brought to the Council for policy direction. Each topic area includes: a brief background section for context, an overview and discussion of the Task Force's direction up to and including at the February 26 meeting, and a staff recommendation with options for the City Council's consideration. In some cases, staff's recommendation differs from the Task Force's latest thinking.

### 1. Massage Regulations

#### *Background*

As allowed by State law, the City currently regulates massage establishments and massage technicians in two ways:

- Land use-based regulations in the Pleasanton Municipal Code (PMC) Title 18 (the Zoning code), which prescribes zoning districts and land use permitting requirements for massage establishments, which are generally classified as "personal services."
- Business permit requirements for massage establishments and practitioners, codified in PMC Chapter 6.24. Under these regulations, permit holders are required to adhere to strict licensing and operating requirements, administered through the Pleasanton Police Department.

Based on concerns that arose over massage establishments operating near downtown residential uses, on August 21, 2018, the City Council adopted Urgency Interim Ordinance (No. 2183) prohibiting new massage establishments within the Downtown



Specific Plan area, and limiting expansion of existing establishments. Additionally, the Council directed that potential amendments to existing land use regulations for massage uses be considered through the DSP update process.

Accordingly, the Task Force considered various options for regulation of massage businesses, including prohibiting massage businesses downtown altogether, establishing limitations on their quantity/concentration downtown, and modifying use permit requirements such that Planning Commission review all proposed massage establishments (regardless of size).

The Task Force was also advised of work currently underway to revise PMC Chapter 6.24 (business regulations for massage) by the City Attorney's Office and Police Department. When adopted, these regulations will be applicable to all massage businesses city-wide (not just applicable to downtown businesses). Staff intends to recommend requiring all massage professionals to hold a California Massage Therapy Council (CAMTC) certificate and all massage businesses to hold a City registration certificate, similar to a permit; as well as additional, more stringent operational requirements.

#### *Task Force Discussion and Direction*

The Task Force considered staff's evaluation of options, input from the community, and the potential modifications to PMC Chapter 6.24. The Task Force concluded that instead of regulating massage businesses solely within downtown, it would be beneficial and appropriate to address massage businesses on a city-wide basis through PMC Chapter 6.24. The Task Force voted unanimously to strengthen the massage ordinance in the Pleasanton Municipal Code (through the process currently underway) rather than add policies to the Downtown Specific Plan. Proposed updates to PMC Chapter 6.24 are expected to be brought forward for City Council consideration in May.

Additionally, the Task Force voted to continue to exclude massage uses (as with other similar personal service uses) from those that would be considered "active" in the Active Ground-Floor Overlay (*see Active Ground-Floor Overlay discussion below for details on that topic*).

#### *Staff Recommendation/City Council Discussion*

Consistent with the Task Force's direction, staff recommends using strengthened permit and certification requirements in PMC Chapter 6.24 to improve regulation of massage establishments, city-wide, rather than land use regulations focused exclusively in the downtown.

When the modified PMC Chapter 6.24 is considered by the Council in the next couple of months, the Council may consider whether the proposed changes sufficiently addresses the community concerns that were the basis of the August 2018 Urgency Ordinance. If the Council finds that additional attention should be given to land use-related regulations for massage establishments (whether city-wide or for the downtown only),

the item may be referred to the Planning Commission, as the advisory body for land use matters, for consideration and recommendation.

Alternatively, the Council may recommend use of a more focused, land use-based approach, incorporating one or more of the options considered by the Task Force, such as quantified concentration limits, buffering requirements, or additional land use permitting requirements (such as Planning Commission review of new establishments).

## 2. Active Ground-Floor Overlay

### *Background*

The draft DSP includes a newly-defined "Active Ground-Floor Overlay" (Overlay), intended to encourage land uses that activate the street and contribute to a vibrant pedestrian environment. As shown in Attachment 3 (Figure 4-2 of the draft DSP), the Overlay applies to ground floor building spaces fronting Main Street and the newly-created Mixed Use- Downtown district which covers the existing Civic Center area and former SFPUC properties.

Ground-floor uses fronting the street within the Overlay would need to be an "active" use. The draft DSP includes a definition that lists such uses including retail, restaurants, art and craft studios, and other uses of similar vibrancy; but excludes uses such as banks, offices, and personal services (e.g., hair salons and massage establishments).

The November 2018 draft DSP includes Policy LD-P.16, which allows some limited exceptions to the active use requirement to be granted in the Overlay by the Community Development Director/Zoning Administrator under certain circumstances, including when no similar non-active use was present within the same block.

Based on comments received during the November/December outreach process, staff recommended some revisions to policy LD-P.16, including: 1) a notification be provided to the Planning Commission of the Zoning Administrator's decision to grant an exception to the Overlay, similar to other actions taken by the Zoning Administrator/Community Development Director); and 2) an additional exception for existing purpose-built bank buildings, recognizing that several of these buildings had been established in response to a prior City requirement to locate banks downtown and acknowledgment that re-leasing or re-purposing these spaces is more challenging given their often unique design.

Additionally, staff recommended that the Overlay not be extended to side streets (perpendicular to Main Street) and recommended the list of active uses continue to exclude personal services, such as hair salons. These types of uses are typically by appointment and do not encourage the "walk-in" traffic desired by the other active ground-floor uses listed in the current active use definition. Staff highlighted that existing businesses and tenant spaces will be "grandfathered", and noted that personal services and can be still be located on the ground-floor on side and parallel streets off Main and on upper-stories within the Overlay.

### *Task Force Discussion and Recommendation*

The Task Force generally supported staff's recommendations but made a further revision to Policy LD-P.16 (with provides provisions for exceptions to the Overlay). The Task Force advised deletion of the limitations on the location and number of non-active uses when granting an exception (in other words, making the findings to grant an exception less stringent). This change was based on the concern that one property owner may be blocked from pursuing a non-active use tenant, based on a prior decision.

The final language of Policy LD-P.16 would read as follows, based on the Task Force's direction:

*Exceptions to Active Ground Floor Use Requirement: The director of Community Development may grant an exception to the requirements of the Active Ground Floor Use Overlay district for uses meeting any of the following criteria:*

- *The tenant space has been vacant for a period of at least 6 months; or*
- *The configuration of the tenant space is such that it would have a storefront frontage of less than 10-feet (as determined by the Director) on a designated active street; or*
- *The tenant is located in an existing, purpose-built building housing a bank or financial institution as its primary tenant/occupant.*

This version of the policy was approved on a 7-2 vote by the Task Force, with the principal concern for those voting against being inclusion of a special exception for bank buildings.

### *Staff Recommendation/City Council Direction*

Staff recommends accepting the Task Force's direction on this topic, with inclusion of Policy LD-P.16 as noted above; and with application and the definition of the Overlay as shown in the November 2018 draft DSP.

Alternatively, the City Council may consider modifications to the policy, such as removing the exception for bank buildings, to make the criteria for granting an exception more stringent, or to require additional review (e.g., approval by the Planning Commission, rather than the Community Development Director).

## 3. Ground-Floor Residential in Mixed Use Districts

### *Background*

The existing Downtown Specific Plan includes two land use designations, "Downtown Commercial" and "Office" that allow both residential and commercial uses (and are considered mixed-use districts). Policy language in the existing Specific Plan references "upper-floor" and "above-ground" residential uses; existing Specific Plan Land Use Policy 12 states: "*Prohibit new housing on the first floor of buildings located in the Downtown Commercial area in order to protect land designated for commercial use from being displaced by residential development.*" In recent years, the City has approved a number of mixed-use development projects in the downtown area, some of

which have included a ground floor residential component, which have carefully protected land designated for commercial use.

The draft DSP proposes three land use designations that would permit both residential and commercial uses (see Attachments 3 and 4 for the existing and proposed land use maps):

- Downtown Commercial district (Downtown Commercial land use designation in the existing Specific Plan) which applies to Main Street and the surrounding areas;
- Mixed Use- Downtown (MU-D) district (Public land use designation in the existing Specific Plan) which applies to the existing Civic Center site and former SFPUC property; and
- Mixed Use- Transitional (MU-T) district (Office land use designation in the Specific Plan), which applies to the properties on the north side of Old Bernal Avenue and the east side of Peters Avenue.

Throughout the Specific Plan update process, the Task Force supported a restrictive approach to residential development in these three land use districts that would prohibit all ground-floor residential uses, with residential only permitted on upper-floors. As such, the draft DSP included language in the land use descriptions for each of these districts; and in Policy LD-P.17, more explicitly prohibiting ground-floor residential. Furthermore, Policy LD-P.18 prohibits street-fronting residential building entries on streets in the Downtown Commercial district.

Comments received during the November/December outreach, particularly from members of the development community, and in later written comments from the Pleasanton Downtown Association (PDA) and Chamber of Commerce (Chamber), expressed concern that proposed development standards and restrictions placed on ground-floor residential uses were too stringent, and requested that they be relaxed. As such, staff provided the following options to refine or re-evaluate these policies.

- Modifying policy language to discourage, rather than prohibit ground-floor residential, provided that it is located in the rear of the site and not visually prominent from the street; and
- If ground-floor residential were to be permitted, staff suggested including an additional requirement for a street fronting commercial spaces to have a minimum depth of 50-feet so as to maintain the commercial character of the street frontage and to avoid "token" retail with a predominantly residential site in the downtown core.

The rationale for this recommended change is threefold: 1) it solves for a lack of clarity about how parking for residential uses would be treated (i.e., the location of the garage if only upper-floor residential is permitted); 2) the change reduces the overall concern that prohibiting ground-floor residential may discourage redevelopment/ reinvestment in

the downtown, and 3) it acknowledges the relatively low viability of commercial spaces in the rear of a lot and which may also not be visible from the street.

Staff also proposed relaxing the policy language from LD-P.18 prohibiting residential building entries along Main Street as this requirement may preclude or severely limit upper-floor residential potential given that not every property may be able to provide a side or rear entry to its residential upper-floors, or such entries may not be able to meet Fire or Building Code requirements.

#### *Task Force Discussion and Recommendation*

The Task Force unanimously voted to support the revisions to allow ground-floor residential behind commercial uses in the Downtown Commercial, Mixed Use-Downtown, and Mixed Use- Transitional zoning districts and to allow residential entrances along the frontage, provided certain design parameters are met. In addition, the Task Force specified the following:

- Support for the requirement of a 50-foot minimum depth for commercial spaces along Main Street, with potentially a lesser requirement for other streets (with staff to provide a recommendation on this depth)<sup>1</sup>
- Inclusion of a "Right-to-do Business" ordinance, to avoid conflicts between residential and commercial uses

#### *Staff Recommendation/City Council Direction*

##### **Ground Floor Residential**

Staff recognizes the concerns raised by the PDA, Chamber of Commerce, and members of the development community about the viability of projects where ground-floor residential is prohibited. However, there is also an important need to retain viable and well-designed commercial spaces throughout downtown's commercial and mixed-use areas. Therefore, as a middle ground between the more stringent prohibition on ground-floor residential included in the draft DSP and the more permissive policy direction set by the Task Force at its recent meeting, staff recommends amending the policy language with respect to ground floor residential uses as follows:

- Generally requiring residential uses to be on upper-floors only (in the three districts discussed); however, allowing ground-floor residential in the rear of a site through a discretionary review, including a Planned Unit Development (PUD) approval process, and subject to the following requirements:
  - That such projects incorporate street-fronting commercial space, with a minimum depth of 50-feet be required along Main Street, and 40-feet along other streets; and
  - For redevelopment sites, there should be no net loss of commercial square footage.

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<sup>1</sup> As a point of clarity, the 50-foot minimum depth for commercial spaces would only apply in instances where ground-floor residential is proposed. There would be no minimum depth for commercial on lots where no ground-floor residential is proposed.

Alternatively, the City Council may consider alternative approaches, including an outright prohibition on ground-floor residential in some or all of the commercial and mixed-use districts, or within other defined areas, such as properties within the active ground-floor overlay. Regardless of the City Council's direction, staff strongly recommends that clarification be included in the Specific Plan that "ground-floor residential uses" does not preclude required on-site parking for otherwise permitted residential units (e.g., the garage for upper-floor residential).

### **Street-Fronting Residential Entries**

Staff recommends following the Task Force's direction to allow street-fronting residential entries, subject to the provision of the revised Policy LD-P.18 that such entries be of minimal width and designed and integrated in a way that maintains a predominantly commercial building frontage on the subject property.

### **Right-to-do-Business Ordinance**

Finally, staff notes the Task Force's direction to require the City to adopt a "right-to-do business" ordinance, following the approach taken by the City of Livermore for their downtown. Having reviewed Livermore's ordinance, which has relatively complex and onerous requirements, staff suggests the updated DSP allow for additional flexibility in how the City could address the concern about conflicts between residential and commercial uses. One possible approach is to include a condition of approval for residential projects, requiring a disclosure statement or covenant regarding potential noise and activity impacts associated with downtown locations. The City has included such requirements in at least six recent downtown projects, including residential/mixed use projects at 273 Spring Street, 225 Angela Street, 4791 Augustine Street, and 520 St. John Street, among others.

## **4. Land Use Discrepancies/Property Owner-Initiated Land Use Changes**

### *Background*

#### **Land Use Discrepancies**

There are a number of properties within the downtown (more than 170 parcels) with existing inconsistencies or discrepancies between their General Plan designation, Specific Plan designation, and zoning. By law, all three of these documents are required to be consistent and aligned. As such, the Specific Plan update process framed how the discrepancies should be addressed, with a two-pronged approach:

- For properties where the changes are relatively straightforward (e.g., not resulting in major changes to use, allowable density, or development standards), the amendments are proposed to be adopted at the same time as DSP update is adopted. These properties are included on a "Map A" of the draft DSP.
- For properties where changes are more complex or would have more substantial effects on allowable development, there will be a process of further study and property owner/neighborhood outreach to those affected before any amendments are made. These properties are included on a "Map B" of the draft DSP.

### **Property Owner-Initiated Requests**

In addition, during the course of the DSP update, two separate property-owners (i.e., 4212 First Street and 475/493 St. John Street), expressed interest in residential development on their lots. The properties currently have commercial land use designations. Although originally included in the land use discrepancies discussion, it was ultimately concluded that these property owner-requested zoning changes are categorically different and should be discussed and treated separately from the broader set of "land use discrepancies."

The Task Force's initial direction on the two property owner-initiated requests was that any re-designation/rezoning of these properties should be considered following, and outside of, any land use changes made as part of the DSP update.

At the February 26 meeting, staff recognized the Task Force's prior direction, while suggesting an alternative approach that would reflect the interest and potential for residential uses at 4212 First Street and 475/493 St. John Street, by placing a residential "overlay" or annotation on the DSP land use map. The overlay would clearly allow for consideration of either standalone residential uses, commercial uses, or a combination of both.

Staff suggested if residential or any type of mixed use with residential were to be proposed on these properties, a Planned Unit Development (PUD) be required, so the legislative change would have to be considered by both the Planning Commission and City Council.

The rationale behind creating this option was two-fold: although the approach allows the City to consider the possibility of residential uses in the future, the suggested overlay would not diminish the City's ability review a future project proposal and negotiate with the property owners through the entitlement process; and both property owners would like to move forward at this time and could submit separate applications which may further complicate the DSP update process or result in changes shortly after the updated DSP is adopted.

#### *Task Force Discussion and Recommendation*

By an 8-1 vote, the Task Force supported staff's suggested approach. There was some concern about allowing an overlay on these two properties but not opening up the option to other property owners.

#### *Staff Recommendation/City Council Direction*

Staff recommends following the Task Force's direction, to assign or annotate the Specific Plan Land Use map to indicate that residential, in addition to commercial uses, may be considered for these two sites. Staff further recommends inclusion of policy language in the DSP that clearly specifies such consideration would be discretionary and would necessitate a legislative review and approval process, through a PUD application, and would be subject to site-specific California Environmental Quality Act review and analysis.

Alternatively, the City Council may direct staff and the Task Force to omit the requests as part of the DSP update, which will require the property owners to pursue DSP amendments at the time they submit for a Planned Unit Development to develop the properties. The City Council may also direct that the zoning changes to allow residential development be made as part of the DSP update. If the Council decides to move forward with re-zoning the properties at the time of Specific Plan adoption, the properties will be assigned residential densities, which may limit the City's discretion to negotiate community benefits and project density when they develop. Additionally, it may create a scenario where the existing commercial uses will be non-conforming, which may not be desirable at this time.

## 5. Development Standards

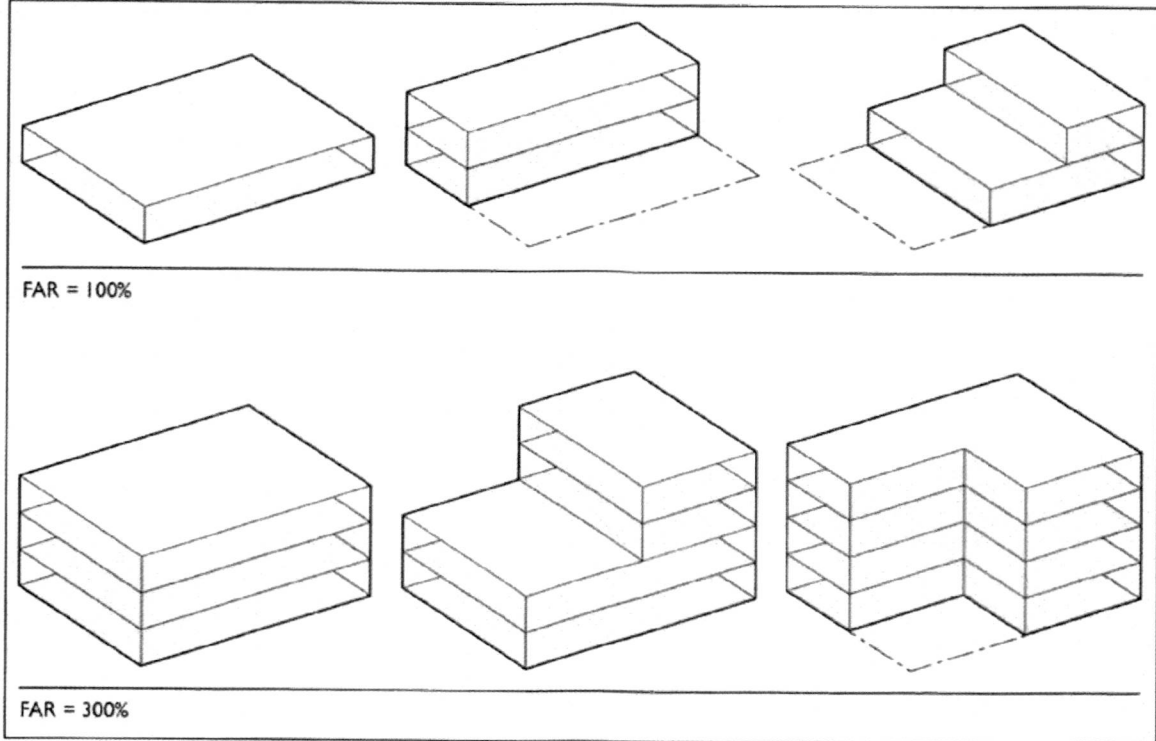
### *Background*

At the February 26 Task Force meeting, development standards, including height and Floor Area Ratio (or FAR) were discussed for various districts including the Downtown Commercial district, Mixed-Use Downtown district, Mixed-Use Transitional district, and residential districts.

For reference, floor area ratio is a measure of building size or intensity, based on the total square footage of the building, relative to the size of the site or parcel it occupies, and is often expressed as a percentage. By way of example, a 10,000 square-foot lot, with a maximum FAR of 100-percent, would permit a 10,000 square-foot building. The same site with a 50-percent FAR would allow for a 5,000 square-foot building. FAR does not dictate how a building is built or arranged on a site – as shown in the example below, which illustrates a building with a 100-percent FAR as either a one or two-story building, and a building with 300-percent FAR as a three or four-story building. Additionally, just because a site has a maximum FAR of 300-percent (as is allowed in the existing Central-Commercial zoning district), does not mean the site can accommodate a building occupying 300-percent of the lot due to other zoning requirements (i.e., parking, landscaping, and other amenities) and design criteria (i.e. neighborhood compatibility and façade articulation).



**Figure 1: Floor Area Ratio**



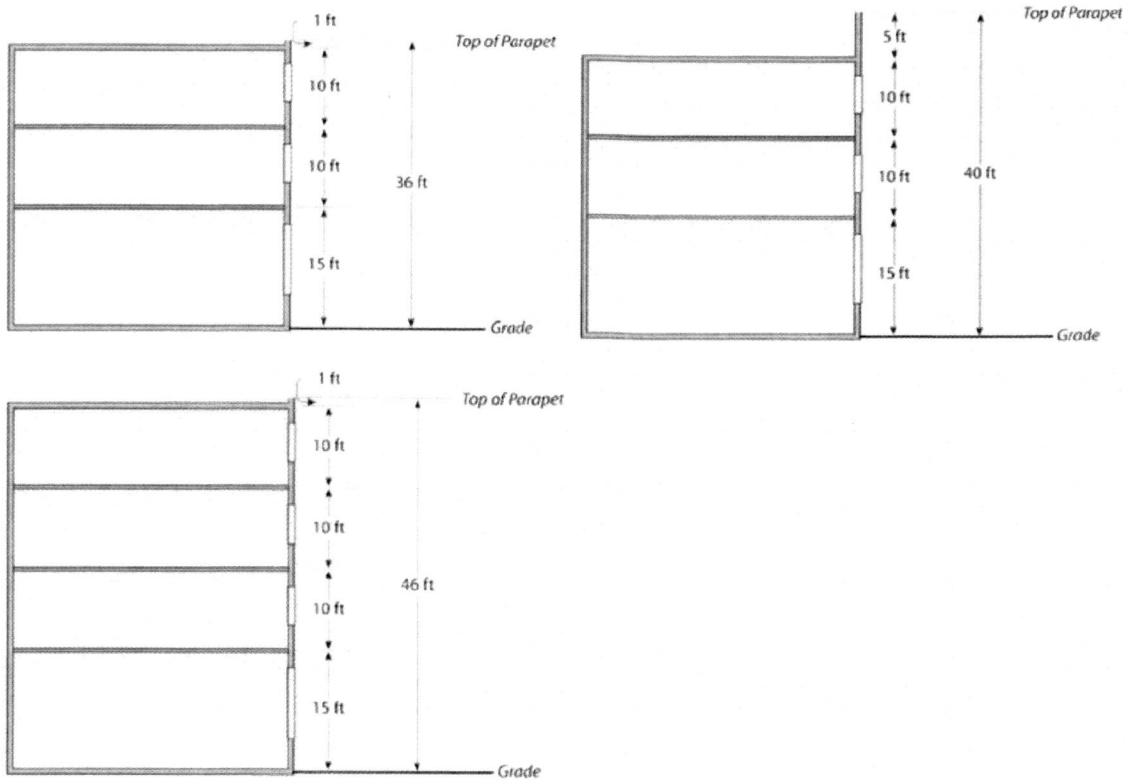
As noted previously, the Downtown Commercial district (Downtown Commercial land use designation in the existing Specific Plan) corresponds to the existing boundaries of the Central-Commercial district along Main Street and surrounding areas; the Mixed-Use- Downtown district (Public land use designation in the existing Specific Plan) corresponds to the existing civic center and former SFPUC property; and the Mixed Use- Transitional district (Office land use designation in the Specific Plan) corresponds to properties on the north side of Old Bernal Avenue and the east side of Peters Avenue (see Attachments 3 and 4).

Existing development standards for height and floor area ratio are summarized in Table 1, below. Table 2, below, lists proposed development standards as included in the November 2018 draft DSP. The proposed standards in the November draft generally followed staff's recommendations, which sought to strike a balance between existing and proposed height and FAR limits and allow for appropriate transitions between commercial and residential neighborhoods.

It should be noted, however, that staff continues to recommend consideration of a 46-foot height limit in the Mixed Use- Downtown district. This recommendation reflects modern construction methods that require a typical 15-foot plate height for ground floor commercial spaces, with up to three floors of commercial or residential development above. (See Figure 2 and below). Since the City owns the existing Civic Center site and the former SFPUC property, there is ample opportunity to ensure that any proposed

project meets the community's expectations with respect to community character and aesthetics.

**Figure 2: Height Exhibit**



**Table 1: Existing Downtown Specific Plan Development Standards**

Existing Specific Plan Land Use District	Maximum Height	Maximum FAR
Downtown Commercial	40-feet	300-percent
Public	Not Specified: "Shall meet minimums of adjoining districts with flexibility as permitted by the Planning Commission"	
Office	30-feet	30-percent
Residential Districts	30-feet, including in future PUDs (per existing DSP Land Use Policy 12) <sup>2</sup>	Not identified in Specific Plan <sup>3</sup>

<sup>2</sup> Most residential zoning districts also limit height to 30-feet; heights up to 40-feet are permitted in the RM-2,000, RM-1,500 zoning districts.

<sup>3</sup> Residential zoning district maximum FARs range from 25-50-percent.

**Table 2: November 2018 draft Specific Plan Development Standards**

<b>Proposed Specific Plan Land Use District</b>	<b>Maximum Height</b>	<b>Maximum FAR</b>
Downtown Commercial	40-feet	300-percent
Mixed Use- Downtown	40-feet	150-percent
Mixed Use- Transitional	36-feet	125-percent
Residential Districts	30-feet, including in future PUDs (per proposed DSP Policy LD-P.46)	Not identified in Specific Plan <sup>4</sup>

During the November/December outreach, and in subsequent comment letters provided by PDA and the Chamber of Commerce, concerns were raised that the proposed height and FAR limits for the Mixed Use- Downtown and Mixed Use- Transitional districts were overly restrictive and should be increased. Commenters also suggested that the 30-foot height limit language for residential PUDs, should be eliminated.

*Task Force Discussion and Recommendation*

At the February Task Force meeting, the Task Force voted 6-3 to support relaxation of the previously proposed development standards in the Mixed Use- Downtown and Mixed Use- Transitional districts, including:

- In the Mixed Use- Downtown district, increasing the proposed height limit from 40-feet to 46-feet, and maximum FAR from 150-percent to 300-percent.
- In the Mixed Use- Transitional district, increasing the proposed height limit from 36-feet to 40-feet and increasing the maximum FAR from 125-percent to 300-percent
- Amending the language from Policy LD-P.46, to generally require residential height limits to be limited to 30-feet, but not precluding heights in excess of this limit through consideration of a PUD.

*Staff Recommendation/City Council Direction*

Staff recommends that the proposed development standards revert to those included in the November 2018 draft DSP (see Table 2), with the exception of the height limit and FAR for the Mixed Use- Downtown district, which are recommended to be set at 46-feet and 300-percent, respectively. Additionally, staff recommends allowing residential development in PUDs to be in excess of 30-feet as modified by the Task Force in its February 26 meeting.

Staff's recommendation is based on several considerations; many of these same items were discussed in a memorandum prepared for the April 2018 Task Force meeting, at which development standards for the DSP were discussed (See Attachment 5).

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<sup>4</sup> Residential Zoning district maximum FARs range from 25-50 percent

- **Mixed Use- Downtown.** Staff initially recommended a 46-foot maximum height limit, for the MU-D district based on consideration of modern construction standards that typically call for a 15-foot minimum ground-floor plate height to accommodate commercial uses, with 10- to 12-foot plate heights for upper floors. 46-feet would allow ground-floor commercial with up to three floors of office or residential above. This approach is likely to result in more viable redevelopment of the area, based on the other public amenities desired for the area and necessary infrastructure upgrades for the ~13 acres of property. Furthermore, given that these development standards would apply only to City-owned property, the City itself will retain considerable control over the ultimate design and development of the site, ensuring that buildings are sited, designed and detailed to remain compatible with existing downtown development and adjacent neighborhoods.
- **Mixed Use- Transitional.** Staff continues to believe that a 36-foot, rather than 40-foot height limit in the Mixed Use- Transitional district is appropriate, to maintain an appropriate transition between the commercial downtown (40-foot height limit) and residential neighborhoods (30-foot height limit). Recently-constructed residential and mixed-use projects have been successfully realized at heights at or below 36-feet, including:
  - 4693-4715 Augustine (25-feet);
  - 273 Spring Street (30-feet); and
  - 225 West Angela/446-458 Peters (34 feet-6 inches).

The previously-suggested FAR limit (125-percent) for the Mixed-Use Transitional District is more realistic and appropriate given that properties will have a 36-foot height limit, and will need to include parking, on-site circulation, landscape areas, drainage, and so on. Given the transitional nature of this zone between the residential districts and the commercial districts, staff does not believe 300-percent is appropriate for this area.

- **Downtown Commercial.** The 300-percent FAR and 40-foot height limit currently for the Downtown Commercial district are consistent with that currently permitted in the Downtown Commercial district. As shown in the examples above in Figure 1, the existing FAR allows a 3-story building occupying 100-percent of a site, which no existing development in the downtown today approaches. Nonetheless, the higher FAR provides additional flexibility new buildings with more lot coverage, appropriate for the commercial center of downtown. Staff believes these development standards are appropriate as the plan sets the parameters for the next 20 years of (re)development in the core commercial area.
- **Residential Planned Unit Developments.** PUDs have routinely and successfully allowed the City to consider and approve deviations from development standards such as height and FAR, taking into account factors such as location, design, public benefits/amenities, and site and project-specific conditions. Allowing residential PUDs to exceed 30-feet will not change that. If a residential component to a project is proposed in the downtown core, limiting it to

30-feet where commercial development is otherwise permitted to be 40-feet would be overly restrictive. Staff believes allowing the flexibility for residential projects to exceed 30 feet, when subject to the public review process required for a PUD, is appropriate.

Although staff believes the above recommendations are supportable, the City Council may direct further revisions or alternative height and/or FAR limits.

### **CONCLUSION**

The final Task Force meeting is scheduled for April 23, 2019, with Planning Commission and City Council hearings to follow this summer. At its upcoming meeting, the Task Force will provide a recommendation to the Planning Commission (and Council). Staff will supplement the Task Force recommendation as necessary to provide additional perspective and guidance on some of these topics and issues based on the City Council's discussion and direction. Staff recommends providing direction on each of the five topic areas as described above.

Submitted by:



Gerry Beaudin  
Director of Community  
Development

Approved by:



Nelson Fialho  
City Manager

Attachments:

1. February 26, 2019 Task Force memorandum discussing public outreach
2. Public Comments
3. Land Use Map in November 2018 draft Specific Plan (Figure 4-2)
4. Land Use Map in the existing Specific Plan (Figure IV- I)
5. April 24, 2018 Task Force memorandum discussing height
6. Draft Downtown Specific Plan (*available digitally on the City website at [cityofpleasantonca.gov/draftDTSP](http://cityofpleasantonca.gov/draftDTSP) and hard copy available on request*)

**Downtown Specific Plan Update: Provide policy direction to staff and the Downtown Specific Plan Task Force on five topics**

Director of Community Development Beaudin presented the agenda report addressing and update to the Downtown Specific Plan and noting staff is seeking policy direction on five topics. He commented positively on the work of the Downtown Specific Plan Update Task Force and reported they worked hard on creating a town square framework for the existing Civic Center and the former SFPUC site and infused streetscape enhancements that will ensure downtown continues to reflect its historic character. He presented a brief background, details of the draft land use plan and buildout, assumptions for residential and non-residential uses and five topics for which staff is requesting direction. In terms of massing regulations, he addressed existing regulations, Task Force recommendations, alternatives for Council consideration and staff recommendations. Regarding Active Ground-Floor Overlay, he addressed goals, allowable ground floor uses, Task Force recommendations and staff recommendations. Director of Community Development Beaudin addressed Ground-Floor Residential noting there are inconsistencies between the 2002 Downtown Specific Plan policies and General Plan Housing Element policies and provided Task Force recommendations, alternatives and staff recommendations. He discussed owner-initiated land use requests and reported there are over 170 parcels with a mismatch between the General Plan, Specific Plan and/or zoning and provided proposed corrections to Maps A and B as shown on the presentation and stated Map C does not exist anymore. The two property-owner initiated requests include designating the Shell Station at 4212 First Street and the Barone property at 475/493 St. John's Street asking to change the zoning designation from commercial to residential. He discussed Task Force recommendations, alternatives and staff recommendations. On the topic of development standards, Director of Community Development Beaudin reported it is specific to floor area ratios (FAR), addressed corresponding maps, discussed existing and proposed development standards and provided information regarding FARs. He presented Task Force recommendations, project examples in commercial, residential and mixed uses and staff recommendations for mixed-use, mixed-use transitional and residential uses. In summary, Director of Community Development Beaudin discussed next steps including seeking Council direction on the five topics discussed, final Task Force meeting, additional Planning Commission and Council public hearings and implementation.

Mayor Thorne asked whether staff recommendations on the Shell and Barone property will allow them to skip making a change to the Downtown Specific Plan and Director of Community Development Beaudin reported the only benefit to flagging it at this stage is that staff would not need to amend the plan if they were to do 100% residential projects. He noted the commercial district allows for mixed-use projects and this makes it clear that staff is open to the concept of a residential project, a commercial project or a mixed-use project. In response to Mayor Thorne's question regarding the need for housing behind stores on Main Street, Director of Community Development Beaudin reported the City does not need housing units but there are policies within the Housing Element and the Land-Use Element of the General Plan that encourage residential development on upper floors and behind commercial uses. He added it would not have a negative impact on the Housing Element if residential developments were allowed only on upper floors.

Councilmember Brown asked about the location of expanded retail, theaters and vitality if residents vote against the relocation of the Civic Center. Director of Community Development Beaudin indicated the plan has moved forward based on the Civic Center Master Plan, fully acknowledging the issue will have to go to voters; the City will revisit some portions of the plan if the voters decide they are not interested in relocating the Civic Center and the Library adding that the plan includes a phased relocation. Councilmember Brown asked whether the Downtown Specific Plan looks to intensify uses on side streets and Director of Community Development Beaudin stated it looks to improve the connection from Main Street to side streets as well as connecting the streetscape. In response to Councilmember Brown's inquiry as to whether driveway cuts will be needed off Main Street to access residential units in the back, Director of Community Development Beaudin reported there is a policy in the draft plan that prohibits new curb cuts and staff will ensure access is provided without impacting Main Street. In reply to

Councilmember Brown's question regarding FAR, he added that different zoning codes in different cities define FAR differently and confirmed that the plan is amendable.

Councilmember Narum referenced 370 units in the plan; reported receiving an email that the Task Force was contemplating 370 new residential units in the core of the historic downtown and asked for clarification. Director of Community Development Beaudin reported the 370 units will be spread across the entire plan area, including the Civic Center site where 124 of those units have been contemplated. The remaining 246 will be spread across the 300 acre plan area. In response to Councilmember Narum's question as to whether a four-story building could be built in the historic downtown area, Director of Community Development Beaudin reported there are policies addressing two- and three-story structures and a four-story building could be built but it would take a lot of public process and discussion and staff would probably recommend denial.

Councilmember Brown noted staff is asking for four-stories on the existing Civic Center property and Director of Community Development Beaudin clarified it is 46 feet with 300% FAR, similar to Main Street and would create an envelope for development, but it does not mean the City would have to accept it. Design criteria would be considered with the broader development concept.

Councilmember Narum referenced ground-floor residential on Main Street and asked whether residential could be built behind an existing building fronting Main Street that is 100% commercial. Director of Community Development Beaudin stated that is not the intent. He explained if someone comes in with a proposal to redevelopment a parcel, they would have to maintain the commercial space. In response to Councilmember Narum regarding policies to help protect Main Street, Director of Community Development Beaudin reported the City's legislative effort focuses on protecting downtown. Councilmember Narum referenced the EIR regarding significant impacts on traffic and reduced levels of service and asked how that is reconciled with the impacts of adding more housing. Director of Community Development Beaudin noted it is a policy decision to use that level of service and the idea of having to dramatically change the character of downtown to address it is not viable at this time. He reported vehicle miles traveled is a different approach to managing traffic and it is the direction in which cities are being required to move. Regarding the Shell and Barone properties Councilmember Narum asked if they would have to do CEQA work in consideration of doing an overlay, Director of Community Development Beaudin reported there will be additional analysis required. He confirmed that the height and FAR in the existing commercial district on Main Street is not proposed to be changed.

In reply to Councilmember Testa, Director of Community Development Beaudin reported additional analysis would have to be done and explained staff contemplated using existing zoning and assumptions about the rate of change for downtown which seemed reasonable based on the rate of development and changes seen in the area.

Director of Community Development Beaudin addressed areas zoned as commercial and reported the Task Force and staff considered mechanisms to help bring the Main Street experience on to side streets.

Councilmember Testa asked about entertainment amenities and Director of Community Development Beaudin reported the zoning that is in place allows for all of those uses, currently, there are no existing buildings to accommodate those uses and the parceling does not lend itself to a large grocery store or theater, but when the market is ready the City will be happy to accommodate them. He confirmed the 50 feet referenced is meant to be the store depth or the linear interior store space. Councilmember Testa asked about the impacts to Downtown if SB 50 passes and asked if there are additional vulnerabilities to the State legislation. Director of Community Development Beaudin explained it may relieve a lot of the pressure downtown; staff continues to look at how legislation will impact the community and stated residential is allowed across downtown. He addressed parking and the State's intent on reducing costs and staff has not reduced or waived parking requirements as part of this update. He added that under SB 50, the corresponding issue will be the BART Station. Mayor Thorne opened the public hearing.

Howard Tsztoo referenced articles in the Pleasanton Weekly and results of a survey indicating 51% or more oppose residential in the downtown commercial area and over 90% do not want ground-level residential. He referenced the prohibition of three- or four-story structures behind shallow store front retail and referred to the recently build Spring Street structure that he concerned an eyesore. He felt mixed-use areas downtown should be amended and commented on the Barone property offering a great opportunity, but not for residential.

Diane Envent referenced results of a survey relative to density; felt the real issue is how it feels and how it reflects the City's values and vision and noted people want the downtown core protected at two stories. She referenced challenges with the Starbucks building asserting it is shoved in like an ocean liner on a little street; referenced comments about tying in smaller streets to Main Street and reported people are struggling to keep Main Street vital. She discussed the importance of maintaining the small-town light and space that gives vibrancy, attractiveness, and invitation to mingle and economic vitality.

Laura Olson, Executive Director of the Pleasanton Downtown Association and member of the Task Force, thanked everyone for their hard work on this process; discussed heights and FAR; noted the Task Force did not recommend changing anything in the commercial core and wanted clear and consistent zoning. She stated support to keep the 46-foot height and for the master design.

Sandra Yamaoda reported participating and encouraging others to complete the survey and stated she does not support residential in the commercial core area of downtown or the height of 46 feet. She felt the Task Force veered away from the goal of increasing the vitality and maintaining the small-town feel in downtown. She opposed housing backing up to commercial buildings in the core area; noted parking and circulation are huge issues and asked Council instruct the Task Force and staff to consider the results of the survey and community emails and change the recommendations to reflect the desire and concerns of the community.

Mike Carey commented on the work of volunteers, staff and the Task Force and asked Council to respect their time and commitment to the process and their recommendations as to what is best for Pleasanton. He reported no one supports ground-floor residential on Main Street and no one wants four stories. He provided examples of existing housing behind commercial uses; asked Council to preserve the existing zoning code to maintain the small-town character of downtown and the rights of seven years of the City's evolution. He noted if Council votes to change the allowed uses, what exists today could not be built and reported the PDA, the Chamber and the Downtown Owners Group all support no change. He urged Council to retain the current zoning and agreed with the idea of having 50 feet of commercial frontage. Mr. Carey discussed the City of Danville and reported their ordinance encourages residential in their downtown, as retail and residential compliment each other and addressed misinformation that has been circulated.

Steve Van Dorn, President and CEO, Pleasanton Chamber of Commerce, referenced his letter to the City; reported supporting the Task Force and staff's recommendations except for the active ground-floor overlay and a request for more parking. He hoped additional parking will be considered in this plan before it is finalized. He suggested a good location would be behind the Museum on Main Street, and commented on partnering with various groups on this issue and commented positively on the collaboration.

Kelly Cousins commended the Task Force for it work but felt it has veered considerably from the original proposal and the draft plan. She stated people have a sense of pride in the downtown area because of its quaint, small-town feel and spoke in opposition to adding residential there. She urged Council to consider a plan where everybody can continue to be proud of downtown.

Laureen Green referenced a letter she submitted to the City and felt the survey and felt the plan has diverted from it.



Wilson Wendt, Attorney, representing the Safreno family, owner of the Shell property, reported being involved with the process and the Task Force starting two years ago. He addressed zoning of the property and stated they would like to change it to high-density residential, consistent with all of the properties surrounding it. He reported the Task Force originally agreed to the request but reconsidered and placed them on Map B meaning they would not get a change in designation immediately upon approval of the plan. He referenced a conceptual site plan they submitted and reported they are ready to file an application as soon as possible. He noted residential is the highest and best use for the property and asked Council to approve what was discussed in February by the Task Force, to assign an overlay so they can submit their application without having to amend the Specific Plan.

Councilmember Brown asked whether they would consider something else besides residential and Mr. Wendt reiterated the highest and best use for the property is residential.

In reply to Councilmember Narum's question, Director of Community Development Beaudin reported there is nothing stopping the property owner from submitting an application, adding that staff has encouraged people to join the process one way or another.

Mr. Wendt reported he made a commitment to the property owner that an application would not be submitted until this process is done.

Bryan Bowers, President of the PDA, reported the organization supports the active ground-floor overlay and the right to do business ordinance, and that it should cover the entire downtown area in order to compete with other downtowns that have such an ordinance. In response to an inquiry from Councilmember Brown, Mr. Bowers noted there is a conflict between residents and businesses downtown. He clarified PDA encourages keeping a 300% FAR downtown.

Libby Galt spoke on behalf of her 10 year old daughter; urged Council not to make any changes downtown and stated she would like to feel she has a voice in her town. She added she would not like to see tall buildings or a lot of residential units and urged Council to think about the families who live in Pleasanton.

Christine Bourg addressed issues with parking, traffic and character of the downtown area; spoke in opposition to in-fill developments and suggested the City should look for small pockets of land to purchase for additional parking. She added the Barone property is a perfect opportunity to get creative to add to the vibrancy of the area; referenced the EIR; said it is impossible to mitigate the traffic and spoke in opposition to adding residential downtown.

Joe Barone, Owner, Barone's Restaurant, asked Council to support staff's recommendation to include them in the residential overlay and the proposed Downtown Specific Plan land use map. Since the plan is being revised, he and his wife would like to protect the long-term viability of their property; reported currently there are no plans to close the restaurant but only want to prepare for their future and those of their children; and stressed there are no plans for the property at this point. He added there are ready to submit an application but was advised by staff to wait until after the DSP is ratified.

Guy Houston commended staff for its work; noted this is a 20-year plan and spoke on behalf of the Safreno family who owns the Shell Station. He stated there are residential uses on the east side of First Street and retail on the west side; felt a small residential development would generate fewer vehicle trips than the gas station; and urged Council to support staff's recommendations.

Mayor Thorne closed the public hearing.

**MOTION:** It was m/s by Pentin/Brown to approve the Task Force and staff recommendations regarding massage regulations by strengthening the Municipal Code to apply citywide. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Pentin, Testa, Mayor Thorne  
Noes: None  
Absent: None

**MOTION:** It was m/s by Pentin/Narum to approve the Task Force and staff recommendations regarding Active Ground-Floor Overlay, including exceptions to Overlay granted by Community Development Director decision with notification to Planning Commission; include additional exception for purpose-built bank buildings; relax exception criteria for properties with extended vacancy; Overlay does not extend to side streets. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Pentin, Testa, Mayor Thorne  
Noes: None  
Absent: None

Mayor Thorne stated he cannot support having ground-floor residential behind commercial uses and Councilmembers Brown and Testa agreed. Councilmember Brown noted those areas are often used for deliveries and parking and would intensify downtown too much.

Councilmember Testa referenced the right to do business and asked for clarification. Director of Community Development Beaudin provided information regarding the right to do business ordinance noting it will become a deed restriction that will run with the land going forward, and the City moved in the direction of conditions of approval rather than applying the right to do business ordinance which is a more-aggressive and onerous method than what the City has begun doing on a condition-basis, for new projects. Councilmember Testa expressed concerns regarding existing conflicts between residents and downtown vitality and worried about the possibility of new conflicts arising.

Councilmember Brown added the City has been successful with applying the right to do business on new construction.

Discussion followed regarding residential unit entrances for off Main Street. Mayor Thorne did not see it as a problem. Councilmember Narum commented on having a minimalist design. Councilmember Testa voiced concern noting people who have residential entrances on Main Street will likely park on Main Street. Councilmember Brown voiced security/safety concerns regarding entrances behind stores/structures and suggested adding lighting. Councilmember Pentin felt an overlay district is the way to go and agreed with having residential access on Main Street, noting it will add to the vitality of downtown. He added it could be done in the downtown commercial area and leaving the MUT and MUD alone. Councilmember Narum felt there should be no residential on the ground floor in the MUD; there should not be deep lots with space that could be in-filled. She added that the Specific Plan stipulates that the ground floor has to be commercial with no residential on the Civic Center site. She agreed with some residential in the downtown commercial area but noted necessary restrictions.

Mayor Thorne suggested adding a condition that if there will be an entrance on Main Street, they must also have a rear entrance.

Ensuing discussion pertained to having no residential units in the Civic Center site, adding residential to downtown commercial properties.

Director of Community Development Beaudin asked whether Council would support parking on the ground level for self-parked residential.

**MOTION:** It was m/s by Brown/Narum to prohibit ground-floor residential behind commercial properties on mixed uses downtown, not including parking. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Testa, Mayor Thorne

Noes: Councilmember Pentin

Absent: None

Discussion followed regarding the rationale behind prohibiting residential units behind the downtown commercial district including that the space could be used for parking and the area is already intensified.

Councilmember Pentin stated opposition adding that the Task Force and the City have better options that could be worked through; suggested sending it back the Planning Commission to vet the matter further and make a recommendation to Council.

In response to Councilmember Brown regarding the kind of business that would be successful at 50 feet in, Director of Community Development Beaudin explained it is a minimum threshold and reported 50 feet is a commonly used number, but it goes up to 75 feet, depending on the market and the kind of businesses.

Mayor Thorne reiterated the City can meet its Housing Element in the General Plan without housing in the commercial district.

City Manager Fialho clarified that when considering the downtown commercial core, Council must think about areas such as Railroad Avenue and Spring Street and noted the motion on the floor also applies to those properties. He suggested modifying the motion to apply it only to Main Street having less of an impact on existing property owners who have the ability to put residential behind commercial on Railroad Avenue, Spring Street and other areas.

Councilmember Brown asserted each of the projects that come through where the applicant wants an exception, they can apply; adding that if the City wants to make a more vibrant downtown the City will have to take residential off some areas and place more retail.

Director of Community Development Beaudin noted that if the City removes the policies that facilitate residential on the ground floor, the typical use of PUDs and mis-matched policy framework applies; the policy is clear, and zoning is for commercial, and residential on the ground floor would be removed. There would be less flexibility unless it is built into the plan as part of the update.

City Manager Fialho clarified, what staff is saying on non-Main Street options, is that the only residential on Main Street would be above commercial. Councilmember Narum added it would make existing residential non-conforming and Councilmember Brown indicated they will be grandfathered in.

Director of Community Development Beaudin added that if Council decides to have no residential on the ground floor in the commercial core, then the Barone project would change dramatically.

City Manager Fialho suggested limiting the motion to just Main Street, to avoid conflicts in the future.

In response to Councilmember Pentin's question regarding the effect on other areas besides Main Street, Director of Community Development Beaudin stated if Council is silent on it, the assumption is residential would be acceptable on the ground floor if it was behind a new or proposed commercial use.

**MOTION:** It was m/s by Brown/Testa to prohibit new residential behind commercial properties on Main Street. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Pentin, Testa, Mayor Thorne

Noes: None

Absent: None

Relative to the Shell and Barone properties, Councilmember Testa did not feel the Downtown Specific Plan is the right place to rezone the properties and suggested they should go through the regular process.

Mayor Thorne claimed staff's recommendations would accomplish that and would only allow them not to have to change the Specific Plan.

Director of Community Development Beaudin asserted it would allow for mixed-use and the City would consider a straight residential project, a straight commercial project or a mixed-use project.

Discussion followed regarding setting density on residential. Director of Community Development Beaudin reported as part of the public hearing process, the Shell site has a consistent zoning pattern around it and staff would apply that notation; for the Barone site, staff will do something similar and it will go through the public hearing process as well.

Councilmember Narum commented on re-zoning done once there is a project and Councilmember Pentin stated it is not being re-zoned, and the City is simply saying, for the benefit of the Specific Plan, it will be finished and say they can be considered for either straight residential, straight commercial or mixed-use. They would not need to return asking for an update of the Specific Plan.

Councilmember Testa noted concerns from the community about those properties becoming residential and did think this is the best use for the community.

City Manager Fialho stated when the draft Specific Plan comes forward, Council will see the EIR and a zoning map and staff will identify a range of density for the site at that time. Prior to adoption Council will have the ability to provide direction on density.

Director of Community Development Beaudin added staff will return to Council with the goal of setting a final number with the PUD application when it comes forward.

In response to Councilmember Testa regarding EIRs, Director of Community Development Beaudin suggested current zoning would allow for an office building on the Barone site and that the applicant would help staff determine where those units would be located. The EIR is being done comprehensively, throughout the whole area and as projects come forward, applicants will need to connect the dots between what the City has assumed and what the project does on a specific basis and there will be no additional costs.

**MOTION:** It was m/s by Pentin/Thorne to accept the staff recommendation regarding owner-initiated land use requests. Motion failed by the following vote:

Ayes: Councilmember Pentin, Mayor Thorne

Noes: Councilmembers Brown, Narum, Testa

Absent: None

In response to Mayor Thorne's question regarding the conclusion regarding this matter, Director of Community Development Beaudin reported they will need to submit their applications, go through the process of changing the Specific Plan and do their own environmental review.

Councilmember Narum suggested she may have to reconsider her vote and asked to table the motion until after consideration of the next issue.

Council considered development standards.

Director of Community Development Beaudin added it would be up to 124 units for mixed-use downtown zoning for the existing Civic Center site.

Councilmember Testa stated she does not support 46 feet as the height and referenced concerns from the community. Director of Community Development Beaudin reported 124 units is contemplated in the draft plan and is the cap that has been established by the Task Force.

**MOTION:** It was m/s by Narum/Pentin to set the height at 46 feet, that the FAR be 300% for mixed-use downtown and that the maximum number of stories limited to three. Motion passes by the following vote:

Ayes: Councilmembers Narum, Pentin, Mayor Thorne  
Noes: Councilmembers Brown, Testa  
Absent: None

**MOTION:** It was m/s by Narum/Brown that the mixed-use transitional district have a maximum height of 36 feet and a FAR of 125% and limited to two stories. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Mayor Thorne  
Noes: Councilmembers Pentin, Testa  
Absent: None

**MOTION:** It was m/s by Testa/Brown to modify existing standards to 36 feet maximum, a FAR of 200% with a two-story maximum. Motion failed by the following vote:

Ayes: Councilmembers Brown, Testa  
Noes: Councilmembers Pentin, Narum, Mayor Thorne  
Absent: None

**MOTION:** It was m/s by Narum/Brown to reconsider the vote regarding owner-initiated land use requests at the next City Council meeting. No vote was taken on the motion.

Discussion followed regarding the Rose Hotel and the process for reconsidering a vote and the possibility of postponing the upcoming Task Force meeting.



## CITY COUNCIL AGENDA REPORT

May 7, 2019  
Community Development

**TITLE: DOWNTOWN SPECIFIC PLAN UPDATE: REVIEW APRIL 16, 2019, POLICY DIRECTION ON FIVE TOPICS, INCLUDING RECONSIDERATION OF PROPERTY OWNER-REQUESTED LAND USES CHANGES TOPIC**

**SUMMARY**

On April 16, 2019, the City Council discussed five key policy topics for the ongoing update of the Downtown Specific Plan (DSP) to provide direction to staff and the appointed Task Force before the draft plan is brought forward for adoption. The City Council voted on a number of those items, including how property-owner requests for land use changes should be incorporated into the Specific Plan. After voting on this item, Councilmember Narum requested the opportunity to reconsider her vote, as allowed by the Council's adopted Rules and Operating Procedures. The City Council agreed to reconsider the item at its next meeting on May 7.

**RECOMMENDATION**

Reconsider the City Council's April 16 direction on Policy Item #4, Property Owner-Initiated Land Use Changes.

**FINANCIAL STATEMENT**

The cost to prepare the DSP Update, including any policies that might be modified as the result of the City Council's direction, and accompanying Environmental Impact Report, has been funded as part of past and current fiscal year budgets. No additional fiscal impact is anticipated as a result of this direction.

## **BACKGROUND**

After more than two years, the Downtown Specific Plan (DSP) update and work of the DSP Task Force is nearing completion. At its April 16, 2019, meeting the City Council discussed and provided direction on a series of five policy topics for the DSP Update: 1) massage regulations, 2) the active ground-floor overlay, 3) ground-floor residential in commercial and mixed-use districts, 4) land use discrepancies including property owner-initiated requests for change in land use, and 5) development standards (i.e., height and FAR limitations).

Additional information on the five topics is provided in the April 16 City Council Agenda Report (Attachment 1) and the April 16 City Council Draft Meeting Minutes (Attachment 2).

### Summary of April 16 City Council Actions

Based on specific votes taken on each topic and/or consensus among a majority of the City Council, the Council provided the following direction on four of the five policy topics:

*Massage Business Regulations.* The City Council supported staff's and the Task Force's recommendation to strengthen citywide permitting requirements for massage establishments and technicians, rather than including downtown-specific land use policies in the DSP.

*Active Ground Floor Overlay.* The City Council supported staff's and the Task Force's recommendation regarding implementation of the Active Ground Floor Overlay, including the exceptions process and criteria.

*Ground-Floor Residential.* The City Council provided the following direction with respect to ground floor residential uses in each of the three downtown mixed-use districts:

- Downtown Commercial District: Prohibit new ground floor residential on properties with frontage on Main Street. Ground floor residential may be located behind commercial development on properties elsewhere in the district, provided that:
  - Street-fronting commercial space required, of a minimum depth to ensure viable commercial uses;
  - Redevelopment sites have no net loss of commercial square footage; and
  - Residential at the rear of a site designed to minimize visibility from the commercial street-front.
- Mixed Use-Transitional District: Ground floor residential may be located behind commercial development on properties within the district, subject to the parameters listed above.
- Mixed Use-Downtown District: Prohibit ground floor residential uses throughout the district.

The Council also provided direction on a series of related subtopics, including:

- Street-Fronting Residential Entries: Permitted on Main Street, but should be designed to minimize their prominence, as outlined in the recommendation.
- On-Site Ground Floor Parking for Residential Uses: Permitted in all districts, provided that it does not include habitable space.
- Right-to-do-Business Ordinance: Use other methods (i.e. project conditions of approval) to address potential conflicts between downtown residential and commercial uses.

*Development Standards.* The City Council provided the following direction with respect to development standards within various land use districts:

- Mixed Use-Downtown: Height: 46-foot maximum height, and a maximum of 3 stories; Floor Area Ratio: 300 percent.
- Mixed Use-Transitional: Height: 36-foot maximum with a maximum of 2 stories; Floor Area Ratio: 125 percent.
- Downtown Commercial: Height: 40-foot maximum; Floor Area Ratio: 300 percent, consistent with the existing development standards.
- Residential Height Limits: 30 feet maximum, with the ability to consider additional height through a Planned Unit Development (PUD).

*Private Property Owner Initiated Requests.* The City Council also considered whether and how requests for changes in land use designation made by two individual property owners (4212 First Street (Shell Station property), and 475/493 St. John Street (Barone's property)) should be incorporated into the DSP update process. After discussion, on a 2-3 vote the City Council rejected a motion to include the properties among land use map changes to be adopted with the Specific Plan. Following the vote, Councilmember Narum, who was among the three Councilmembers voting in the majority, requested the opportunity to reconsider her vote at the next City Council meeting. Discussion of this item is therefore provided below.

## **DISCUSSION**

### Property Owner-Initiated Land Use Requests

During the Council's April 16 discussion, staff was questioned about how the two properties (4212 First Street and 475/493 St. John Street) would be re-designated in the Specific Plan, the relationship of that action to other actions, such as rezoning, and to required CEQA review, and the related question of density assumptions for the two sites.

#### *Specific Plan Amendment*

If the Council were to support inclusion of the requested land use changes in the DSP, staff recommended doing so by including an annotation or other map notation for each property on the DSP Land Use Diagram (Figure 4-2) to indicate the possibility of being allowed to proceed with a residential-only project, in addition to the commercial and mixed-use options available in the current DSP. The notation and a related policy would



make it clear that any such residential project would be subject to discretionary approval of a Planned Unit Development (PUD) and appropriate California Environmental Quality Act (CEQA) review.

If the Council did not support inclusion of the requested land use change, the notation would not be included, and a future residential-only project would require approval of a future amendment to the DSP Land Use Diagram, along with any other required discretionary approvals, such as a zoning map amendment or PUD.

#### *Zoning & Planned Unit Development*

Any proposed land use or development in the DSP area must be consistent with three separate but related City planning documents: the City's General Plan, the Downtown Specific Plan, and the Pleasanton Municipal Code (PMC Zoning). Each of these includes a map or diagram indicating the applicable land use or zoning for various properties within the city. By law, there must be "vertical consistency" between the mapping and allowable land uses in each document, meaning that the land use designations in the Specific Plan must be consistent with the General Plan; and the Zoning Map's designation(s) must be consistent with both the Specific Plan and General Plan land use maps.

With respect to the need to re-zone either property: addition of the DSP map annotation as described above would not remove their existing "Downtown Commercial" Specific Plan land use designation. As a result, there would not be a need to amend either the General Plan land use designation or zoning for either property at the time of Specific Plan adoption. However, as described, the map annotation would indicate that any proposal to develop either property with 100 percent residential uses would require a Planned Unit Development approval – involving re-zoning (to the Planned Unit Development designation), and adoption of a PUD Development Plan as part of that application. The PUD process, which typically includes one or more study sessions as well as public hearings, allows the public, Planning Commission, and City Council to consider the appropriate site specific project details.

#### *CEQA*

With respect to CEQA review, site-specific CEQA analysis would be required for any site redevelopment, which would supplement and be additive to the broader "program-level" analysis that is currently being prepared in the form of a Program EIR for the Downtown Specific Plan update. While the program-level analysis looks at the impacts of the total amount of development allowable under the Specific Plan, and the distribution of that development across different portions of the specific plan area, it does not look at that development at a site- or project-specific level of detail. Once certified, the information in the Program EIR can provide information and analysis that will help inform subsequent, project-level analysis; however, the project itself will be required to conduct more detailed analysis of any unique or site-specific impacts not captured in the broader program-level review.

#### *Density Assumptions*

Finally, the Council inquired about allowable density on the two properties. At this time, no specific density range has been adopted or is recommended for either. However, it

was necessary to develop assumptions about the amount of potential development that could occur on each site for the purposes of the Specific Plan Program-level EIR, since, in public comments on the Draft EIR, the question was raised as to whether allowing for residential development on the two sites could alter or change the EIR's conclusions. For the purposes of the Final EIR, staff assumed a maximum of 10 units on the 4212 First Street property; and 28 units on the Barone's property; these numbers were felt to be reasonable based on their relative consistency with the profile of similar recent projects within the downtown. These assumptions are for analysis purposes only and are not to be construed as any guarantee or approval of that density level, which would ultimately be determined through the PUD process.

### **CONCLUSION**

The final Task Force meeting, originally scheduled for April 23, has been rescheduled to May 28 (pending confirmation of a quorum) to allow time for the City Council to conclude its discussion of this item. As noted in the April 16 Agenda Report, the Task Force will be asked to provide a recommendation to the Planning Commission (and City Council) on the complete Draft DSP, inclusive of the five policy topics discussed here.

Submitted by:



Gerry Beaudin  
Director of Community Development

Approved by:



Nelson Fialho  
City Manager

Attachments:

1. April 16, 2019 City Council Agenda Report

**Continued from April 16, 2019 – Downtown Specific Plan Update: Review policy direction to staff and the Downtown Specific Plan Task Force on five topics including reconsideration of property owner-requested land uses changes**

Director of Community Development Beaudin presented the staff report and displayed a PowerPoint presentation addressing background, the Five Policy Topics reviewed, Council actions and direction from April 16, 2019, Mixed Use Land Use Districts, Ground Floor Residential Uses in Mixed Use Districts, Development Standards, Owner-Initiated Land Use Requests, recommendations and next steps.

Councilmember Brown referenced commercial zoning and asked why it is called commercial when it allows residential. Director of Community Development Beaudin indicated it is up to each individual jurisdiction to address how each district is defined and it allows for a mix of uses and other policies, including the Housing Element. Councilmember Brown stated it is misleading as it allows mixed use areas and pointed out that four-story buildings could be built. Mr. Beaudin stated the Taskforce they come up with up to four-stories for the Mixed Use Downtown District, however based on Council's direction from the last meeting, it was reduced to up to three stories. He added four-stories were discussed with respect to the Mixed Use Downtown District and not with respect to the Downtown Commercial District. A developer could request to amend the planning document and make a PUD application, to build a four-story building, it does not mean that staff would recommend approval. Councilmember Brown referenced the current DSP where it states two-stories can be built, with three on a case-by-case basis and asked if there is anything in the documents that limits the number of stories but allows consideration of more on a case-by-case basis. Director of Community Development Beaudin responded it is not that subjective; the City has up to and maximums, not, maximum plus.

Councilmember Brown referenced on-site ground floor parking for residential and asked for clarification. Director of Community Development Beaudin stated structures having two stories and ground-floor parking would be considered a three-story structure. He added ground-floor parking would include under-structure, parking separate from the structure and any parking at grade. Councilmember Brown noted residential is allowed in front of commercial as long as it is not visible, but a depth of the business was not provided. Director of Community Development Beaudin reported discussion has taken place regarding having a fifty-foot minimum for a commercial space but noted each site is unique. With regard to owner-initiated land use requests depicted in the red zone, Councilmember Brown confirmed that residential would be allowed, so as long as commercial was not cleared from the site. Mr. Beaudin added if using the 2002 plan, it would be a PUD and there are conflicting policies. He reported the Shell Station would maintain the commercial properties with residential behind it. The Barone property would be similar, having a commercial component with residential behind it; it could be a new commercial use.

Councilmember Narum asked what agency controls the arroyo on the north end of Downtown and Director of Community Development Beaudin stated it is controlled by property owners including the City, Zone 7 and homeowners' associations. Regulatory agencies oversee maintenance and protection, including Fish and Game, the Water Resource Board and others. Councilmember Narum asked whether they have been contacted regarding possible development in the area and Mr. Beaudin said they have not, adding that the odds of success would be very low.

City Manager Fialho presented an example noting during the recent storms, man-made structures in the arroyo paved area were damaged and it will be a year before the permitting agencies allow the City to replace the structures.

In response to Councilmember Narum's question regarding allowing residential behind commercial, Director of Community Development Beaudin explained it would be allowed, including on Main Street, as a PUD, which has conflicting policies and would be a community conversation. He added there are policies and standards that address on-site development compatibility between two properties including visibility from the street. Additionally, if a downtown property owner comes forward after the document is

certified, a program-level EIR will significantly reduce the environmental analysis that has to go into a project application, once adopted and certified it will be available to all property owners. In further response to Councilmember Narum, Mr. Beaudin reported a mixed-use transitional project would not require a PUD if development standards are met and explained the number of units for the Shell Station and Barone properties in terms of residential density and assumptions necessary for environmental review. Brief discussion followed regarding the different levels of environmental review depending on the type application and its location. Any property in Downtown Commercial could have the benefit of a programmatic EIR for proposed redevelopment.

Councilmember Brown addressed visual impacts of residences behind commercial uses in terms of street view noting the need to look at different angles to evaluate visibility. Director of Community Development Beaudin reported the 2002 plan does not have as many policies relative to compatibility and in-fill development. Staff has taken into consideration full visual impacts from many different points. He confirmed housing space holders could be higher than what is listed but would trigger additional environmental analysis. In response to Councilmember Brown's question regarding the process for handling soil contamination in terms of the Shell Station, Mr. Beaudin said it would be handled the same manner as any other gas station and explained the process. City Manager Fialho added that the Environmental Services Agency of Alameda County is responsible for site clearance.

In response to Councilmember Testa regarding whether supporting planning documents are incorporated into the Downtown Specific Plan, Director of Community Development Beaudin reported some are incorporated by reference and others directly incorporated, depending on the document and defined pedestrian scale. Brief discussion followed regarding hard limits set in terms of the estimated number of maximum units allowed. Councilmember Testa asked about the risk of future State legislation to the Downtown Specific Plan to which Mr. Beaudin explained impacts of the ACE and BART stations and addressed exemptions requested by the City. He added that until the City sees the legislation on SB 4 and SB 50, the City is just speculating about the potential impacts.

Brief discussion followed regarding suggested amendments to the legislation to increase protection of Pleasanton. City Manager Fialho noted it is hard to predict what the impacts of the legislation will be. He added the legislation is complex, is a moving target, and the City must be very careful moving along the process.

Councilmember Testa requested an impact analysis of future legislation and asked about the impact of an overlay if a project is 100% residential versus 99%. Mr. Beaudin explained that residential and mixed-use projects would be subject to a PUD, a commercial project meeting all development standards would be a design review.

In response to Mayor Thorne's question, Director of Community Development Beaudin reported design reviews are appealable.

Mayor Thorne opened public comment.

Kelly Mokashi expressed the need to have balance and harmony with respect to architecture, scale and proportion.

Linda Sandifur agreed with the speaker, commented on the uniqueness of Pleasanton noting that building three- and four-story buildings it will destroy the atmosphere and eliminate the charm.

Howard Tsztoo referenced an email he sent earlier, reported attending a Taskforce meeting in 2017 where members agreed that the Main Street buildings would be at most, two stories with the Rose Hotel being the only exception, at three stories. He addressed results of a survey and noted 51% of Pleasanton voters did not want any residential or condominiums in commercial areas.

Steven Wang spoke in opposition to adding new residential units in the downtown area, addressed parking challenges and expressed concerns about occupants of high-density residential units using street parking/

Isaac Elias spoke in support of the project, said knows many people who would like to live in Pleasanton but cannot, because there is so much resistance to building residential units in the City. He encouraged Council to the desperately needed housing.

Mayor Thorne closed the public comment.

Concerning action by the Council, Director of Community Development Beaudin advised that staff will take a community-wide approach to strengthen permitting requirements for massage establishment and technicians and asked that Council affirm or modify direction on policy topics on active ground-floor overlay, ground-floor residential, development standards, and to reconsider and provide direction on property owner-initiated land use changes.

In terms of ground floor residential uses in Mixed Use Districts, Councilmember Brown suggested using examples, referenced projects on Peters and asked whether they will continue in the mixed use area. City Manager Fialho indicated there will be no ground-floor residential uses in Mixed Use Districts and no ground-floor residential on properties fronting Main Street. However, elsewhere in the Downtown Commercial District, residential would be allowed behind residential on new commercial properties. He explained the three Mixed Use Districts. Director of Community Development Beaudin reported there are policies and standards throughout the plan addressing compatibility and how things integrate throughout the entire area but are not included in the conversation about ground floor residential uses.

Councilmember Brown asked if a forty-foot residential building would be allowed in any of the different types of uses. Director of Community Development Beaudin said it is possible; however Council has directed nothing more than three stories, projects will undergo review to determine its compatibility and fit with surrounding structures, project will also through the public process.

City Manager Fialho verified there will be no ground floor residential on Main Street but on the side streets, there could be a potential situation where commercial is on the first floor with two stories of residential above or residential behind commercial. Director of Community Development Beaudin added the Commercial District requires a commercial frontage.

In response to Councilmember Narum's question, Director of Community Development Beaudin reported the staff is making sure there is commercial frontage in the Commercial District. Councilmember Narum referenced the Spring Street building and the side view. Mr. Beaudin said there are policies that will take that into consideration and added it is a thirty-foot structure that sits on a hill and meets the Residential Zoning District height requirements. Additionally the policies and the plan address how things look from various vantage points and compatibility of those around it. There are opportunities for new development on Main Street which will help that knit in over time. Councilmember Narum referenced the Downtown Commercial District and felt it important that ground-floor residential behind part itself. Director of Community Development Beaudin reported it is currently in the plan.

Mayor Thorne asked if anything in the plan would prohibit the visibility of residences that are allowed behind commercial uses. Director of Community Development Beaudin stated there is language relative to visibility of commercial use from the street and policies that address visibility and compatibility with uses around it.

Councilmember Brown stated she is uncomfortable with the three-story option and that the document does not address capping the number of stories allowed. City Manager Fialho reported that would be determined later in the process.

Discussion followed regarding ground-floor residential uses and no changes were made to prior actions.

Mayor Thorne noted Council is not making final decisions at this time but is rather giving feedback to the Taskforce. The matter will be subject to additional public input through the process.

Discussion followed regarding Council actions relative to ground floor residential uses in Mixed Use Districts and Development Standards. Councilmember Brown reported the San Francisco PUC property does not require a vote of the people to be constructed. City Manager Fialho reported it is zoned Public and Institutional and will not change unless the Council changes it.

Councilmember Brown requested the Mayor call for a vote on each of the policy items.

**MOTION:** It was m/s by Pentin/Narum to approve Mixed Use-Downtown; three stories, forty-six feet maximum, as previously recommended by Council.

Councilmember Brown indicated she cannot support three-story structures Downtown.

Motion passed by the following vote:

Ayes: Councilmembers Narum, Pentin, Mayor Thorne

Noes: Councilmembers Brown, Testa

Absent: None

**MOTION:** It was m/s by Brown/Narum to approve thirty-six feet with a two-story maximum and a FAR up to 125% in Mixed Use-Transitional. Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Pentin, Testa, Mayor Thorne

Noes: None

Absent: None

**MOTION:** It was m/s by Pentin/Narum to approve Downtown Commercial as recommended by staff; forty feet maximum, three stories maximum and FAR up to 300%.

Councilmember Testa pointed out it allows for three stories on a case-by-case basis and reported the community would like to keep structures at two stories.

Motion passed by the following vote:

Ayes: Councilmembers Narum, Pentin, Mayor Thorne

Noes: Councilmembers Brown, Testa

Absent: None

**MOTION:** It was m/s by Pentin/Narum to approve residential height limits of a thirty-foot maximum with additional height through a PUD.

Councilmember Narum noted there are policies in place that prohibit a structure that would not fit in with a taller building. Director of Community Development Beaudin agreed, adding you could not have a three-story structure next to a one-story structure; the new policies would guide the conversation for better architectural compatibility.

Motion failed by the following vote:

Ayes: Councilmember Pentin, Mayor Thorne

Noes: Councilmembers Brown, Narum, Testa

Absent: None

Councilmember Brown asked regarding a limit in stories on the residential height limit. Director of Community Development Beaudin reported there is no limit on the number of stories and noted challenges in doing the roof structures so that it is compatible with those around it.

Councilmember Narum pointed out the City has a historic context statement that details the different types of architecture allowed around Downtown and it would be part of this equation. The City is allowing for architectural variations. It calls for a thirty-foot maximum with two stories being the norm.

**MOTION:** It was m/s by Testa/Brown to modify residential height limits to a thirty-foot maximum with a two-story maximum and additional height through a PUD.

Councilmember Narum asked about high-density units on the west side of Peters and how a two-story maximum would limit the project. Director of Community Development Beaudin reported it will limit the total buildout of the area. The units would have to fit on two stories instead of three. City Manager Fialho added anything outside the Downtown area can go as high as three stories through a PUD application.

Councilmember Brown stated she would expect the Downtown area to be treated differently than residential areas in terms of scale and walkability.

Councilmember Testa referenced emails received from residents indicating they do not want to see Downtown built over two stories. She added there was tremendous amount of public outreach and residents want to limit residential in downtown as well as limit structures to two stories and keep the small-town character of the area.

Motion passed by the following vote:

Ayes: Councilmembers Brown, Narum, Pentin, Testa

Noes: Mayor Thorne

Absent: None

Director of Community Development Beaudin addressed consideration of adding uses annotating the map to allow for a residential project through a PUD process and the annotation would live on the map until such time as a property owner came forward with an application and the City would consider a preapplication, workshop with the Planning Commission and a public hearing.

City Manager Fialho reported the motion failed at the last meeting and it was requested that it be reconsidered at this time.

Councilmember Narum reported last meeting, after voting, there were comments related to CEQA that did not appear to be consistent with answers she has received earlier in the meeting about CEQA impacts. At that point, she had discomfort with answers around the questions of setting density if the City were to do 100% residential. Given the late hour and increased confusion, she felt this needed further discussion. She believed zoning is used to give assurances of what can and cannot be done on a property and felt it important to know and understand potential impacts. In terms of the Shell Station, she felt most residents would agree that Peters and First Streets are transitioning streets from the core commercial into residential. The City has been working to improve First Street. She reported the Shell Station location is the odd "duck" on the street being commercial with everything else being residential. She added everything is residential on Peters and reported she has been contacted by many residents in the vicinity of the gas station and have been firm in their opinion that the City should get rid of the gas station and want residential for consistency on that side of the street. She expressed her support in annotating the residential with a PUD on the Downtown Specific Plan Land Use Diagram and felt it is consistent with the Downtown Specific Plan Goals of preserving and protecting residential neighborhoods and having them continue to be a desirable place to live. Should this pass, there should be a demand of the property owner to schedule a workshop with the Planning Commission to discuss the type and density. She referenced the Barone property and noted the goal is to increase the vitality and the vibrancy of the Commercial

District by activating the streets off Main Street with commercial and trying to integrate the arroyo as a public benefit. To eliminate commercial would be inconsistent with the goals of the Downtown Specific Plan. At this point she cannot support the annotation of 100% residential on it but supports the annotation of a Mixed Use Transitional with a PUD. She added it would be beneficial to take the time and develop a creative use for the property.

**MOTION:** It was m/s by Narum/Pentin to have an annotation on the property located at 4212 First Street with 100% residential via a PUD and add an annotation on the property at 475 - 493 St. John Street, excluding the residents, annotating the Mixed Use Transitional with a PUD.

Councilmember Pentin confirmed currently, an application for mixed –use could be submitted for Barone property without a PUD. Director of Community Development Beaudin responded affirmatively but stated they would probably be asking for a PUD, quickly, because of development standards and other constraints on the site, including parking.

Councilmember Brown stated she does not like for pieces of property zoned differently on the outliers, noted there is a need for a gas station in the area, and wondered if Council should not wait for the DSP.

Councilmember Narum noted residents are concerned with the blighted condition of the Shell Station.

Councilmember Pentin withdrew his second and asked that the motion be restated to address the two properties, separately. Councilmember Narum withdrew her motion.

**MOTION:** It was m/s by Narum/Pentin to annotate the property located at 4212 First Street with 100% residential via a PUD and require a workshop detailing the application through a public process.

Councilmember Testa wondered why the item could not be addressed in the regular review process instead of waiting for the completion of the DSP. She stated she would not support taking it out of a standard process.

Motion passed by the following votes:

Ayes: Councilmembers Brown, Narum, Pentin, Mayor Thorne

Noes: Councilmember Testa

Absent: None

**MOTION:** It was m/s by Narum/Pentin to annotate the property at 475 - 493 St. John Street, excluding the residents, with Mixed Use Transitional through a PUD.

Mayor Thorne asked for clarification and City Manager Fialho explained that under Mixed Use Transitional, the square footage of the restaurant would have to be preserved or redeveloped and residential could go behind a structure or up above.

Councilmember Pentin noted they would have the right to do this as a commercial property and can ask for a mixed-use project that would require a PUD and a mixed use transitional with annotation of the map. The annotation offers a separate opportunity.

Councilmember Brown questioned where restaurant customers would park. Staff responded that parking would have to be included in the development plan.

Councilmember Testa stated she is confused as to why this is different, noting it is a process, but it is going out of the process and it seems inappropriate to do so. She referenced discussions in a previous meeting that the applicant would incur additional costs if they were not under the DSP and stated she is uncomfortable making a decision outside of the process, instead of a consideration of a cost/benefit.



City Manager Fialho reported the property owner with the environmental analysis has assumed a certain level of density for programmatic reasons and there is benefit derived from that and the property owner would not have to absorb that cost with the existing assumptions. The property owner would have to do some level of additional analysis such as a traffic study.

Councilmember Testa said she is uncomfortable going outside the standard process.

Councilmember Narum noted the EIR and any benefits would apply to any downtown commercial property owner and is not a special case.

Motion passed by the following votes:

Ayes: Councilmembers Narum, Pentin, Mayor Thorne

Noes: Councilmembers Brown, Testa

Absent: None