

Planning Commission Agenda Report

December 12, 2018
Item 6.a.

- SUBJECT:** PUD-81-30-57M / PUD-85-08-30M and
PUD-81-30-58M / PUD-85-08-31M
- APPLICANT:** Hacienda Owners Association
- PURPOSE:** Application for Major Modifications to the Planned Unit Development (PUD) for Hacienda Business Park (Hacienda) to update the Hacienda PUD development plan and Design Guidelines. The modifications will help to reconcile and integrate a number of adopted design guidance documents for Hacienda and clarify methodology for evaluation of projects against the approved PUD, with no changes to allowable development capacity.
- LOCATION:** Hacienda Business Park
- GENERAL PLAN:** Mixed Use/Business Park and High Density Residential
- ZONING:** Planned Unit Development – Industrial/Commercial-Office, Planned Unit Development – Mixed Use and Planned Unit Development - High Density Residential Districts
- EXHIBITS:**
- A. [Draft Resolutions and Conditions of Approval](#)
 - B. [PUD Modification Proposal Narrative](#), PUD development plan (PUD Conditions, Summary of Site Development Criteria, Summary of Property Line Setbacks, and Permitted Uses Within Each Planning District Restrictions on Operation and Use) [Clean Version](#) and [Redline Version](#), and Hacienda Design Guidelines [Clean Version](#) and [Redline Version](#) dated “Received November 30, 2018”

STAFF RECOMMENDATION

1. Find that pursuant to the California Environmental Quality Act Guidelines, Section 15183, Projects Consistent with a Community Plan, General Plan, or Zoning, additional environment review is not required; and
2. Find that the proposed modifications to the PUD's are consistent with the General Plan; and
3. Make the PUD findings for the proposed PUD Major Modifications as discussed in the Resolutions in Exhibit A; and

4. Adopt resolutions recommending approval of Case Nos. PUD-81-30-57M/PUD-85-08-30M and PUD-81-30-58M/ PUD-85-08-31M subject to the PUD development plan draft PUD Conditions included in Exhibit B dated “Received November 30, 2018” and draft conditions of approval listed in Exhibit A and forward the application to the City Council for public hearing and review.

EXECUTIVE SUMMARY

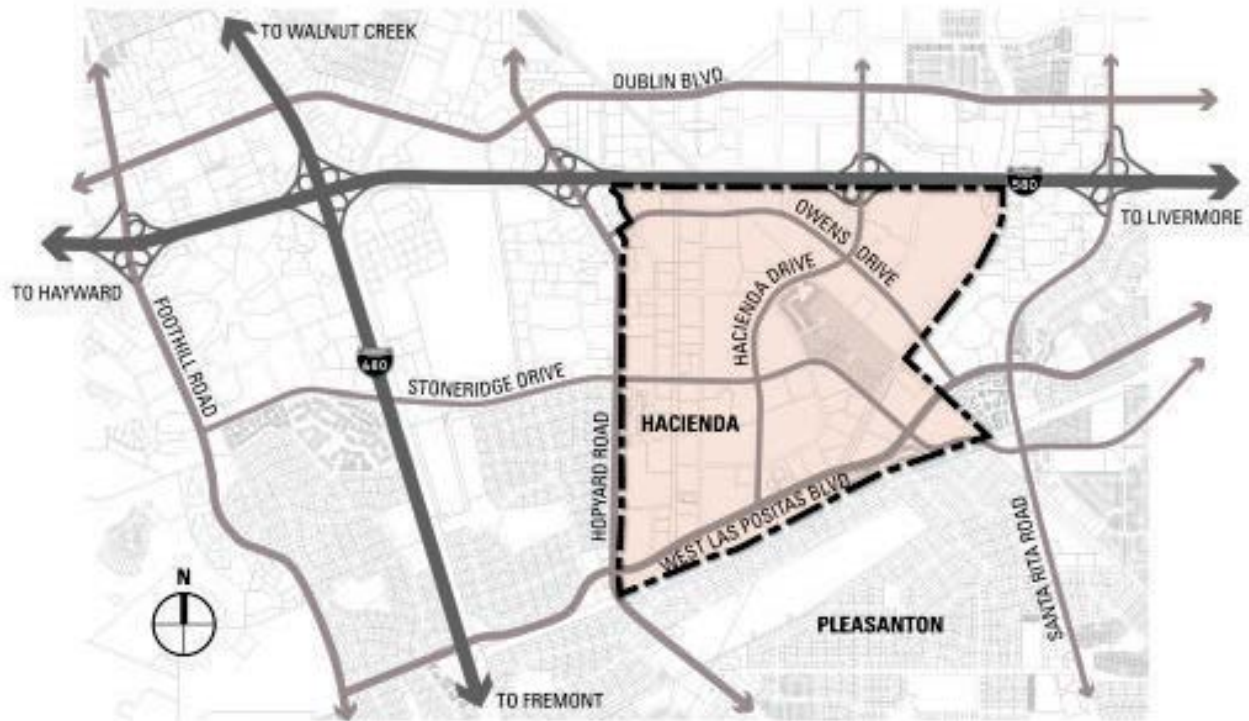
The purpose of these modifications is to provide updates to the Hacienda PUD development plan and Design Guidelines. The updates to the Hacienda PUD development plan would resolve inconsistencies that have developed over the years, better align the categories of uses allowed under the PUD with those in the City’s Zoning Ordinance, and unify the approach by which the overall amount of development in Hacienda is determined. The updates to the Hacienda Design Guidelines would align Hacienda’s design standards with current city practice and State law including the State Water Efficient Landscape Ordinance, and would consolidate the several existing design guideline documents for Hacienda into a single document. None of the modifications would result in any increase to previously approved development intensities, or substantially modify development standards or parking requirements.

BACKGROUND

Hacienda was established under the PUD section of the Zoning Ordinance, which, among other purposes, is intended to “accommodate changing market conditions and community desire over time”, including changes in City policy and direction, market and economic conditions, and property owner plans. The Zoning Ordinance establishes a PUD modification process that allows for changes to a PUD with Planning Commission and City Council approval.

Hacienda today covers a total of 833 acres, bounded approximately by I-580 to the north, Arroyo Mocho to the south, Hopyard Road to the west, and Tassajara Creek and the Iron Horse Trail to the east. A general vicinity map of Hacienda can be seen below in Figure 1 for reference. Hacienda was originally developed in two phases under a single comprehensive PUD Development Plan, Design Guidelines, and set of Covenants, Conditions and Restrictions (CC&Rs). Phase 1, covering 573 acres, was established with PUD-81-30. Phase 2, covering an additional 260 acres, was established with PUD-85-08. These two PUDs have undergone numerous changes since their creation. The changes have ranged from small alterations to an individual site plan or architecture, to major modifications that address the requirements of the entire project. Previous Major Modifications have addressed issues relating to floor area ratio (FAR), residential uses, the amount of development allowed within Hacienda (the limit or cap on development), and the creation of residential design guidelines for both Transit Oriented Development (TOD) and Housing sites.

Figure 1: Hacienda Vicinity Map



In February 2017, the City Council established a work program priority to update the Hacienda PUD development plan and Design Guidelines to unify the approach by which the overall amount of development in Hacienda is determined and consolidate current guidelines into one document. Changes were directed to be mostly non-substantive with the focus to be on streamlining operating rules and procedures for Hacienda and individual property owners.

PROJECT OVERVIEW

There are two PUD modifications proposed as part of this update. The first proposed modification (PUD-81-30-57M / PUD-85-08-30M) is to update the Hacienda PUD development plan including its conditions of approval, and to clarify the permitted uses in each zone. This would consolidate many individual changes to the PUD development plan that have occurred over the years. The modification would also provide a unified methodology for determining and tracking the development capacity in Hacienda. The modification would not result in any major changes to the allowable development capacity, intensities, development standards or parking requirements.

The second proposed modification (PUD-81-30-58M / PUD-85-08-31M) is to consolidate all current Hacienda design guidelines into one document. Hacienda currently has three sets of Design Guidelines governing different aspects of the development. The first set of design guidelines was approved as part of the Hacienda PUD and covered all of Hacienda; the second and third set of design guidelines were approved in 2011 and 2012 and were site specific to address new TOD mixed use and residential development, and residential development on housing sites. Changes proposed as part of the consolidation include aligning Hacienda design standards with current city practice and standards. The modification would

also not result in any major changes to the development intensities, development standards or parking requirements.

Further description and analysis for each of these modifications can be found in the Project Description and Analysis sections below.

HACIENDA DEVELOPMENT PLAN, PUD-81-30-57M / PUD-85-08-30M

DESCRIPTION

The primary purpose of this modification is to update the Hacienda PUD development plan. The Hacienda PUD development plan includes PUD conditions of approval, site development standards, and permitted uses for each planning district¹ within Hacienda. Most of the proposed changes are to the conditions of approval, reflecting incremental changes that have occurred over the past 25 years. For example, Hacienda's current conditions of approval include conditions that require certain tasks to be completed, with many of these items now having been satisfied. Other conditions reference specific City policies or ordinances that have changed since the conditions were adopted. The proposed changes would delete all references to conditions that have been satisfied, and text updates to reflect current development policies and regulations.

The two main changes to the PUD development plan, which are discussed in more detail below, include developing a single method of calculating the square footage cap of allowable development within Hacienda, and changes to the permitted uses section to update the permitted uses within each planning district to be more user-friendly and consistent with the use categories reflected in the City's Zoning Code update adopted in February 2017.

Calculating Development Cap

Although limits on development have existed since Hacienda's first PUD, the first numerical development cap was set in 1987, as a not-to-exceed total building square footage of 11,755,000 square feet. Subsequent modifications to the PUD reduced the square footage down to its current cap of 9,889,000 square feet. Reductions in Hacienda's development cap have occurred twice and were made at the same time as other changes were made to the PUD, principally to reflect rezonings to allow for residential development. The cap was reduced by 1,366,000 square feet in 1992 when 79 acres of land was rezoned to High Density Residential; it was reduced again in 1993 by 500,000 square feet when changes were made to the allowed uses within the development. In other words, the development cap is applicable to commercial development only, and excludes all residential construction, including that existing as of August 2013, as well as the subsequently approved residential development on the seven lots referenced in the Hacienda TOD Standards and Design Guidelines and the Housing Site Development Standards and Design Guidelines.² Overall Hacienda has the current

¹ When Hacienda was originally approved, the PUD development plan assigned each parcel a specific "planning district" unique to Hacienda including: office (garden, general, and midrise); industrial warehousing; research and development/light manufacturing; and retail/commercial/financial. In 1993, two new planning districts were created: Mixed Office/Industrial Planning District (MOIPD) and Mixed Commercial/Office/Industrial Planning District (MCOIPD). The PUD development plan outlined permitted and conditionally permitted uses for each planning district.

² Excludes residential construction on the following residential properties: (1) Galloway at Owens; (2) Galloway at Hacienda; (3) the northern 12 acres of the Roche Molecular Systems site; (4) the BART site; (5) the southern 8.4 acres of the Rosewood Commons site; (6) Anton Hacienda; (7) Andares and the CM Capital site; (8) Avana Stoneridge Apartments; (9) Verona at Hacienda; (10) Park Hacienda Apartments; and (11) Valencia/Avila/Siena at Hacienda.

capacity to maintain up to 3,452 units. Any future changes to allow additional residential units would be looked at on a case-by-case basis at the time of consideration.

Hacienda has two methods to account for development within the development cap. Initially, all development based on gross building square footage was used to “draw down” the cap irrespective of the use or type of development constructed. This method was followed until 1993. With the adoption of Ordinances 1596 and 1637 in 1993, which created two new multiple-use flexible Hacienda planning district designations (Mixed Commercial/Office/Industrial district-MCOIPD, and Mixed Office/Industrial district-MOIPD) for 31 sites, an alteration occurred in how the development cap was calculated. The development on these 31 redesignated sites were now counted based on the number of traffic trips they produce, which are then converted into a square footage equivalent to draw down from the development cap. Development on the remaining original sites continued to be subject to the original draw down calculation method based on gross square footage. In addition, a separate “sub-cap” of 4,631,059 square feet of the overall 9,889,000 square foot development cap was established to account for projects built on the 31 sites as shown in Table 1 below.

Table 1: Total Allowable Square Footage

	<i>Total Square Feet Allowed</i>
<i>Pre-1993</i>	<i>5,257,941</i>
<i>Post-1993</i>	<i>4,631,059</i>
<i>Total</i>	<i>9,889,000</i>

Since its inception, 8,034,146 square feet of development has been built in Hacienda using the current methodologies for calculating the draw down on the development cap. In addition, 732,327 square feet of development has been approved (entitled) but not constructed. Table 2 summarizes the current status of development against the approved cap. As shown, with the existing cap at 9,889,000 square feet, the current methodology would allow approximately 1,122,527 square feet of development to be constructed (527,659 square feet on the original Pre-1993 sites and 584,868 square feet based on traffic trips produced converted into square footage on the 31 Post-1993 sites).

Table 2: Remaining Square Feet Based on Existing Methodology

	<i>Total Square Feet Allowed</i>	<i>Total Constructed Square Feet</i>	<i>Total Approved Not Constructed Square Feet</i>	<i>Total Remaining Square Feet</i>
<i>Pre-1993</i>	<i>5,257,941</i>	<i>4,719,606</i>	<i>10,676</i>	<i>527,659</i>
<i>Post-1993</i>	<i>4,631,059</i>	<i>3,314,540</i>	<i>721,651</i>	<i>594,868</i>
<i>Total</i>	<i>9,889,000</i>	<i>8,034,146</i>	<i>732,327</i>	<i>1,122,527</i>

Continuing to track development in Hacienda under two separate sets of rules for different sites limits the flexibility of where future development occurs in Hacienda and involves a cumbersome tracking system. Staff has worked with the Hacienda Owners Association to develop a method of calculating the development cap and a development's change to the overall square footage regardless of the Pre/Post-1993 property designation.

Moving forward, it is proposed that the Pre- and Post-1993 sub-caps be eliminated and that all development square footage (existing and future) will be applied toward the overall cap equally, irrespective of the type of development constructed (continuing to exclude residential development on the previously identified residential lots) or whether it draws from the Pre/Post-1993 allocation. This will allow for an easier and clearer evaluation of proposed development in relation to the cap in the future. Using the new proposed methodology, the new remaining amount to be built is shown below in Table 3. Although the new proposed methodology would eliminate the existing sub-cap, the Pre- and Post-1993 groups are shown below in order to be easily compared to the data in Table 2.

Table 3: Remaining Square Feet Based on New Methodology

	Total Square Feet Allowed	Total Constructed Square Feet	Total Approved Not Constructed Square Feet	Total Remaining Square Feet
<i>Pre-1993</i>	-	4,719,606	10,676	527,659
<i>Post-1993</i>	-	3,601,559	816,477	213,023
Total	9,889,000	8,321,165	827,153	740,682

With the cap remaining at 9,889,000 square feet, this will allow approximately 740,682 square feet of development to be constructed anywhere in the park irrespective of the type of development constructed. The analysis sections below discuss how this change relates to the evaluation of impacts, particularly traffic impacts, for development within Hacienda.

Permitted Uses

The original Hacienda development plan included a specific list of permitted and conditionally permitted uses for each planning district within Hacienda. However, the PUD development plan also cross-references zoning districts described in Pleasanton Municipal Code (PMC) and the PMC’s set of permitted and conditionally permitted uses. This has led to various inconsistencies and concerns with respect to interpretations of what uses are permitted, and which document, the PUD development plan or the PMC, governs when there is conflicting information on a specific use. To help create consistency between the Hacienda PUD and the PMC, the detailed list of uses within the permitted uses section of the PUD are proposed to be eliminated and it would now refer to the PMC for all permitted and conditionally permitted uses within all the Hacienda planning districts, excluding the seven TOD and housing sites.³

Table 4 on the following page illustrates which PMC district each Hacienda planning district will refer to.

³ Due to the unique nature of the seven housing sites, the permitted and conditionally permitted uses for the seven TOD and housing sites were established as part of those approvals, rather than with reference to the PMC.

Table 4: Permitted Uses for Each Planning District⁴

Hacienda Planning District	PMC Zoning District
OGPD (Garden Office Planning District) OPD (General Office Planning District) OMPD (Mid-rise Planning District)	O (Office District)
CPD (Retail/Commercial and Financial Planning District)	C-C (Central Commercial District) C-F (Freeway Interchange Commercial District)
IPD (Research and Development/Light Manufacturing Planning District)	I-P (Industrial Park District)
MOIPD (Mixed Office, Research and Development/Light Manufacturing Planning District)	O (Office District) I-P (Industrial Park District)
MCOIPD (Mixed Retail/Commercial/Financial, Office, and Research and Development/Light Manufacturing Planning District)	C-C (Central Commercial District) C-F (Freeway Interchange Commercial District) O (Office District) I-P (Industrial Park District)
MCOIRPD (Mixed Retail/Commercial/Financial, Office, and Research and Development/Light Manufacturing/Residential Planning District)	If developed with commercial uses: C-C (Central Commercial District) C-F (Freeway Interchange Commercial District) O (Office District) I-P (Industrial Park District). If developed with high density residential: Uses within Section 1.6.1 of the PUD development plan.
HDR (High Density Residential District)	Uses within Section 1.6.1 of the PUD development plan.

⁴ For unabbreviated district designations and a full list of all permitted, conditionally permitted, and prohibited uses, please refer to PUD-81-30-57M / PUD-85-08-30M Exhibit B.

ANALYSIS

City staff, including the Traffic Division, have reviewed the proposed changes to the PUD development plan and find them to be consistent with the goal and policies of the City's Zoning Ordinance and General Plan, as well as with the goals and objectives of the original Hacienda PUD plan. As proposed, the revised PUD development plan will help to streamline the review process by consolidating the incremental changes that have occurred over the years and to provide a unified methodology for determining and tracking the development capacity in Hacienda.

The modification for calculating development capacity will now include one consistent methodology for reviewing all future development applications and does not change the total amount of development (9,889,000-square-feet) allowable within Hacienda or modify any development standards such as Floor Area Ratio or setbacks. Under the existing bifurcated system, the remaining developable square footage within Hacienda amounts to approximately 1,122,527 square feet. Of this amount, development on the post-1993 parcels was based on traffic trips produced, converted into a square footage equivalent.

Under the new system, the remaining square footage would be decreased by approximately 3.8% to a total of 740,682 square feet. This reduction is due to previously approved projects on post-1993 parcels that had uses that had lower trip generation rates (mostly warehouse type uses) than typical office uses, resulting in a smaller "draw down" from the cap than would have been calculated based solely on the total square footage of the development (see example below). Since, under the new proposal, all draw-down (including pre- and post- 1993 development) is based on square footage irrespective of use, approved development is now a greater proportion of the total cap, reducing the amount of remaining developable square footage. An example of such calculation would be as follows:

Table 5: Capacity Draw Down Comparison

	Current Trip Based System Draw Down	Proposed Square footage Based System Draw Down
10,000 square foot Warehouse	7,000 square feet of office equivalent. Based on traffic trips produced, converted into a square footage equivalent	10,000 square feet

In addition, under the existing system, development would be limited under each sub-cap, potentially limiting development based on which area the site is in instead of what is the best overall location for development. Removal of the sub-caps would allow greater flexibility for development to be distributed anywhere in the park (provided it was consistent with allowable uses and other development standards, such as height, setbacks and FAR).

When developing the single method for calculating development capacity, staff analyzed existing policies and procedures for reviewing new projects. In this review, staff found some shifts over time in the city's approach to traffic modeling; most importantly, the city now generally requires projects in Hacienda to perform individual traffic studies and analysis as part of development applications, regardless of whether the project site is located on a Pre- or Post-1993 methodology site. This change has made the traffic trip-based model for the

Post-1993 properties less relevant and useful as a way to meter or track development against the overall PUD cap.

Current review process and approach requires that each project that requires discretionary review, whether new construction or a change in use or tenancy, with the potential to create non-standard traffic impacts, is assessed against current baseline traffic information. The analysis allows the city to determine whether the project's traffic impacts are in line with those anticipated by the buildout of Pleasanton's General Plan and the buildout road network. It also clearly identifies whether a project would create an immediate need for road or intersection improvements and the scope and timing of those improvements. In addition, when impacts are identified through project specific analysis that cannot be addressed by the existing or proposed road network, project specific mitigations (such as adjustments to project size, operating characteristics, etc.) may be specified as conditions of approval.

These required traffic studies and analysis have been shown to effectively evaluate potential impacts and secure required mitigation. The proposed modifications to the Hacienda PUD development plan will retain the requirement for performing traffic analysis as described above and removes the traffic-based equivalency for determining reduction of the sub-cap on development. In removing the dual methodology and sub-caps, only one system with one cap for the entire Hacienda development (9.889 million square feet) would be utilized. Overall, staff is supportive of the proposed approach and finds that the new methodology would provide a unified approach that will be consistent across all projects and will appropriately ensure new development adequately mitigates its impacts.

With respect to the proposed alignment of Hacienda land use categories with those in the PMC, staff believes this change will create consistency and provide more clear and transparent guidance to new businesses coming to Hacienda, by eliminating potential conflicts and need for interpretation between the two sets of regulations. The planning districts will now directly align with the updated City Zoning Code that was recently adopted in February 2017. The change will not result in any major changes to the allowable development capacity, intensities, development standards or parking requirements for projects within Hacienda.

HACIENDA DESIGN GUIDELINES, PUD-81-30-58M / PUD-85-08-31M

PROJECT DESCRIPTION

The last comprehensive update to the Hacienda Design Guidelines was approved by the City in 1994. In 2011 and 2012, the City Council approved the Hacienda TOD Standards and Design Guidelines and the Housing Site Development Standards and Design Guidelines. These documents guide the development of high-density residential and mixed-use projects on a few specified parcels in Hacienda. The existing Hacienda Design Guidelines do not reflect these more recently-adopted documents and the relationship between them and the original guidelines is not completely clear. In addition to incorporating the TOD and Housing Design Guidelines, the Hacienda Design Guidelines need to be updated to incorporate other best practices in Hacienda, including new water-efficient landscaping requirements, incorporation of new recycled water implementation strategies, new solar panel guidelines, as well as updating the Hacienda sign criteria. The updates to the Hacienda Design Guidelines focus on consolidating current guidelines into one document and aligning Hacienda design standards with current city practices and adopted regulations. The updates would not change any

development intensities or parking requirements. Minor changes that are proposed include changes to the following:

- Ground cover and turf specifications
- Update signage regulations to be consistent with current practice⁵
- Solar canopy guidelines encouraging roof-mounted installation
- Adoption of Pleasanton Water Efficient Landscape Ordinance (PWELo)
- Recycled water implementation strategies
- Landscape improvement thresholds to achieve greater PWELo compliance

The revised Design Guidelines were completed in two steps. First, the City retained an outside consultant (Van Meter Williams Pollack (VMWP)) funded by Hacienda in November 2014. VMWP was tasked with taking all three design documents and consolidating them verbatim into one document. They also incorporated new and updated graphics and visual exhibits throughout the document. The second step, which was done by the Hacienda Owners Association, included unifying the styles, structure, nomenclature, and format of all three documents into one cohesive readable set of guidelines. The new Hacienda Design Guidelines have now been compiled and consolidated into one comprehensive document, and the guidelines have been reformatted and re-packaged in a way that makes the document easier to navigate and understand, retaining the primary objective of attracting new businesses to Hacienda and enhancing the design quality of the area. A summary of changes and new formatting is provided at the beginning of the Design Guidelines Redline version included in Exhibit B.

ANALYSIS

Staff has reviewed the revised Design Guidelines and believes the update has provided a substantially improved and more user-friendly document in terms of organization, readability and graphic representation. All design guideline documents have been incorporated into one comprehensive document that now includes best practices at Hacienda, including new water-efficient landscaping requirements and the incorporation of new recycled water implementation strategies. The updates to the guidelines have focused on consolidating current guidelines that did not change any development intensities or parking requirements and only provided minor modifications to the proposed development standards to be consistent with current practices and guidelines. The proposed minor changes all involve new City policies and/or regulations such as the incorporation of new water-efficient landscaping requirements, and the incorporation of new recycled water implementation strategies; or reflect current City practice such as the incorporation of updated signage regulations to be consistent with current practice. Staff has reviewed the final document and believes it is consistent with the scope, content, vision and intent of all the original design guideline documents and will aid in streamlining the development review process in Hacienda.

PUBLIC NOTICE

Notice of these PUD Major Modifications have been published in the East Bay Times and was noted in the Pleasanton Weekly as an upcoming agenda item for the December 12, 2018, Planning Commission meeting. Mailed notices were also sent to all commercial and residential

⁵ Examples of minor sign changes include increasing the maximum height for low-rise wall signs from 30-inches to 36-inches and the maximum height of mid-rise wall signs from 36-inches to 40-inches consistent with commonly approved Sign Design Review applications. All changes can be found in the redline version within Exhibit B.

property owners within Hacienda. At the time this report was prepared, staff had not received comments pertaining to these amendments.

ENVIRONMENTAL ASSESSMENT

The proposed project is consistent with the development density, land uses, development standards and other key parameters established by the PUD development plan, which were reviewed pursuant to CEQA in a number of previously certified and/or adopted environmental documents. These include: the Environmental Impact Reports (EIR) for Hacienda Business Park approved in 1982 concurrently with Ordinance No. 1040 for Phase I of Hacienda under City Council Resolution No. 82-197; Initial Study and Negative Declaration approved in 1987 concurrently with Ordinance No. 1325 for Phase II of Hacienda under City Council Resolution No. 87-325; and the Supplemental Environmental Impact Reports (SEIR) for the Housing Element and Associated Land Use Changes and the Climate Action Plan approved in 2012 consistent with Ordinance Nos. 2044-2047 under City Council Resolution No. 12-492. Mitigation measures established in these prior environmental documents would remain applicable to projects within the PUD as amended. The established development capacity would also not exceed that which was included for Hacienda in the Pleasanton 2005-2025 General Plan and associated EIR, which was adopted and certified by the City Council in 2009 under City Council Resolution No. 09-312.

Based on the foregoing, the Planning Commission finds that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15183, Projects Consistent with a Community Plan, General Plan, or Zoning, additional environmental review is not required because there are no project-specific significant effects that are peculiar to the project or its site that would result from the proposed PUD amendments. Therefore, no further environmental review is required.

SUMMARY/CONCLUSION

As proposed, staff believes that the proposed modifications are consistent with the original intent and purpose of the Hacienda PUD development plan as well as the City's General Plan. Staff believes that the proposed modifications, which result in non-substantive changes to the overall development program in Hacienda and are focused on streamlining operating rules and procedures for Hacienda and individual property owners have created a development plan and design guidelines that are easy to navigate and understand. This helps to meet the primary objective of attracting new businesses to Hacienda, while ensuring impacts of development are appropriately mitigated and enhancing the design quality of the area. In addition, the proposed modifications would accomplish the City Council work program priority to update the Hacienda PUD development plan and Design Guidelines to unify the approach by which the overall amount of development in Hacienda is determined and consolidate current guidelines.

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