



## PLANNING COMMISSION MEETING MINUTES

**City Council Chamber**  
200 Old Bernal Avenue, Pleasanton, CA 94566

**DRAFT**

**Wednesday, February 11, 2015**

### **CALL TO ORDER**

The Planning Commission Meeting of February 11, 2015, was called to order at 7:00 p.m. by Chair Allen.

### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Commissioner Nagler.

#### **1. ROLL CALL**

Staff Members Present: Brian Dolan, Director of Community Development; Adam Weinstein, Planning Manager; Larissa Seto, Assistant City Attorney; Jennifer Wallis, Associate Planner; and Maria L. Hoey, Recording Secretary

Commissioners Present: Commissioners Nancy Allen, David Nagler, and Greg O'Connor

Commissioners Absent: Commissioners Jack Balch, Gina Piper, and Herb Ritter

#### **2. APPROVAL OF MINUTES**

##### **a. January 28, 2015**

Chair Allen indicated that because she was not present at the last meeting, she would have to abstain from voting, and, therefore, only two Commissioners would be discussing the Minutes. She noted that this would not constitute a quorum and proposed that the consideration of the January 28, 2015 Minutes be deferred to the next meeting when there would be a full Commission.

Commissioners O'Connor and Nagler agreed.

The consideration of the January 28, 2015 Minutes was continued to the February 25, 2015 meeting.

3. **MEETING OPEN FOR ANY MEMBER OF THE AUDIENCE TO ADDRESS THE PLANNING COMMISSION ON ANY ITEM WHICH IS NOT ALREADY ON THE AGENDA**

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

4. **REVISIONS TO THE AGENDA**

Adam Weinstein advised that there were no changes to the Agenda.

5. **CONSENT CALENDAR**

*Consent Calendar items are considered routine and will be enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from the Planning Commission or a member of the public by submitting a speaker card for that item.*

There were no items for discussion.

6. **PUBLIC HEARING AND OTHER MATTERS**

a. **PUD-108, Pacific Pearl, Brad Blake, on behalf of BHV CenterStreet Properties, LLC**

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

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

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

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

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

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

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

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

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

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

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

Mr. Dolan replied that the relationship between the two is that the City has the right to build El Charro Road, and if the East Pleasanton Specific Plan is approved, it will be

built. He noted, however, that there are certain limitations outlined in the agreement that need to be considered, and one of them is this limitation on access in the future. He added that the agreement also says that this access could be provided if the other parties to the agreement concur that it is workable.

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

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

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

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

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

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

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

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

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

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

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

Commissioner O'Connor stated that he had no questions but commented that he was impressed with how much the applicant changed based on the input given by the Commission at the Work Session. He noted that he was not thrilled about the two stories, and that was dropped to one story. He thanked the applicant for the big improvement, noting that the new look with some of the new materials has really improved the design of the project.

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

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

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

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

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

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

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

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

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

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

Ms. Harryman stated that one of the considerations in the role of the Planning Commissioners is to be concerned about the effects of different types of uses: with respect to this issue, one of the concerns might be if this relates to more people drinking more than would be expected so that there would be potential secondary effects. She pointed out that, as the Commission has already seen in the past, the Commission provides for conditional uses for restaurants that are serving alcohol after 11:00 p.m.

She added that for establishments that also have what could be termed “entertainment-related activities,” the Commission may, based on what it decides is important and what could be secondary effects, have more restrictions on or prohibit what it would think would be appropriate or not appropriate for this shopping center.

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

Mr. Dolan replied that there are really two choices: either the Commission does not take action and work it out, or the Commission decides to take whatever action it will take and staff will have a period of time to discuss this with the applicant. He noted that the city Council adds and subtracts requirements of the project fairly frequently, and most of the time, it takes 99 percent of the Planning Commission’s recommendation. He added that the fact that the Commission raised the issue, if the Commission has concerns and wants to send that forward with its recommendation to the Council, the Council will take heed of that, and it would be something staff would work out. He indicated that staff typically wants all issues resolved at the Planning Commission hearing, but it is not uncommon to be in a situation like this, and instead of delaying the project, the Commission moves forward with the understanding that staff will continue the dialogue until the Council hearing.

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

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

#### **THE PUBLIC HEARING WAS CLOSED.**

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

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

Chair Allen stated that she too likes the design and appreciates all the work that has been done, which will show well. She indicated that she would like to add the one condition relative to the beauty salons and massage uses: Items 7 and 8 on "Permitted Uses" and Item 1 on "Conditional Uses/Retail," that there be a maximum of 5,000 square feet for these uses, given the feedback from the applicant as well. She stated that she is also comfortable with forwarding this to the Council, given that the applicant is willing to work with staff regarding Tilted Kilt. She noted that everyone is trying to come up with a win/win situation and have uses that would be perceived broadly as ones the whole community would be proud of. She specifically asked staff to look at a usage like this and understand: (1) the incremental potential enforcement implications that have been historic to a Hooters or a Tilted Kilt are; (2) parking implications, because this could be a higher usage than traditional restaurants and might bring in a crowd that has different habits, especially given their earlier discussion about the parking challenges at Pleasanton Gateway; and (3) stipulations relative to this kind of establishment.

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

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

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



## **ROLL CALL VOTE:**

**AYES:** Commissioners Allen, Nagler, and O'Connor  
**NOES:** None  
**ABSTAIN:** None  
**RECUSED:** None  
**ABSENT:** Commissioners Balch, Piper, and Ritter

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

### **b. Consideration and Recommendation of Planning Commission Priorities for the 2015 City Council Priorities**

Mr. Dolan presented the staff report, stating that every year, at least for the past five years or so, the City Council has been requesting input from the various Commissions in advance of its priority setting session which is usually held somewhere around March of each year. He indicated that the document before the Commission is a list of items the Council has approved as priorities over the years, and if the project is not completed, it stays on the list. He noted that it has a really unique origin, and a lot of these items are likely to come out of Programs adopted in the General Plan or some other master plan affecting some other area of service within the City. He added that there are literally hundreds of those projects that could be undertaken if every plan the City has adopted were considered, but these are the ones that have resonated with the Council as more urgent. He stated that there is also a subset of the items on this list, and those are the ones for which the City actually will find resources to address in the short-term.

Mr. Dolan stated that Commissioner O'Connor, having been on the Commission the longest, will recall that the Commissions that limit their recommendations to one or two seem to have the most success in getting the Council to emphasize them as a priority that will be done, funded, have staff time assigned, and really get the ball rolling. In that regard, he encouraged the Commission to limit its suggestions to either one or two items, because if there are too many recommendations, the chances of them happening are less effective.

Mr. Dolan stated that some recommendations from different Commissions have come in since staff distributed this document with the staff report, and the ones that are relatively new, which either came from a recommendation from a different commission or were added by the City Manager, are outlined in the newer documents in red. He indicated that those listed as "CDD" under "Responsible Department" generally fall in the Planning Commission's area, although in some cases, they could refer to some of CDD's Transportation or Engineering tasks which are not necessarily Planning-related.

Mr. Dolan stated that staff did not produce a report with a recommendation on which ones the Commission should do, but he wanted to alert the Commissioners to two that he thinks are worthwhile doing, both of which fall into the category of having been added since this was first distributed to the Commission last week. He then proceeded to explain the two items.

1. Hacienda PUD Modifications (on page 2 of 13)

The issue here is that the original PUD approval for Hacienda is now about 35 years old and has been modified a number of times. It is in some other program that the City has long not used, and it is not a very user-friendly document. Some of PUD is outdated, and James Paxson, General Manager of Hacienda Business Park, has constantly reminded staff that it is a fairly significant hindrance to economic development within Hacienda Business Park because people show up and the documents are not clear, not necessarily up-to-date, and are confusing. One of the most confusing things is that the Park was approved in two phases, and the first phase directs staff to calculate traffic impacts using one methodology and the second phase directs staff to use a different methodology: one is based on square footage, and the other is based on trip generation. The reality is, when staff evaluates something, it is always converted from square footage to trips because it is just the logical thing to do. So, in practice it is done one way but the original document says to do it a different way.

The other thing that has happened is that new residential guidelines have been added into the regulations at Hacienda, which have not really been incorporated or acknowledged in the original PUD. This is something that needs to be worked on to make it a more usable document. The idea is not to change all the level of development allowed or really the general way that it is approved; it is just to make the materials that say what can be done and how it is processed clearer for the applicants, and theoretically, easier for staff to use as well, as staff turns over. The old-timers are able to wade through it and get to the right page that is appropriate, but somebody brand new may not have a very easy time wading through those documents.

This is something that has been talked about for a number of years. James Paxson will talk about it with anyone who will listen and he's been working on Councilmembers, and he has at least one who has sort of taken this on as a pet project. That particular Councilmember will probably be well-served by having the support of the Planning Commission in that regard.

Commissioner O'Connor stated that the Planning Commission also talked about it over the last two or three years, and it missed getting on the priority list by maybe one item or priority.

Commissioner Nagler inquired what the Planning Commission's role in this would be.

Mr. Dolan explained that, ultimately, any PUD amendment requires Planning Commission review and recommendation. He indicated that he does not see this as a big work task for the Commission, but a fairly significant work task for staff, and there will be some consulting help because it will be fairly labor-intensive. He noted that it is not about changing entitlement levels or anything like that, but producing a better processing document.

Commissioner Nagler commented that it sounds like it is to maintain the status quo but in a way that is usable and understandable.

Mr. Dolan said yes.

2. City Zoning Code Update (on page 6 of 13)

A few years ago, a Customer Service Review Team was put together as an advisory committee to the City Council on how customer service could be improved for various applicants within the community development services realm, and this ranged from small builders to big time developers, commercial/residential, other people that just use City services. One point of emphasis was that they believed that the Zoning Code was outdated even in the simplest ways, such as the list of allowed uses, where the use of blacksmiths continues to be regulated and is an indication of how outdated the overall document is, but there are uses that did not exist a long time ago when the Zoning Code was originally created, and staff references other related uses, bumping them into a category that is almost the same but not quite. There really is a need to update; there are probably a few opportunities, and this is what the development community and the real estate industries are interested in. There are some uses that staff brings back over and over to the Planning Commission; they require a Use Permit and have the same set of six conditions every time. They are put on the Consent Calendar, but the question is if they really need a Use Permit any more. Staff figured out how these need to be regulated, so they should be put through the regulations and let go. The Zoning Code really needs to be looked through for these uses.

Mr. Dolan stated that those are the two items that he would just throw out there for the Commission's consideration. He indicated that the Commission would not need to adopt or recommend both, but he is leaving that for the Commission's discussion.

Commissioner O'Connor recalled that that fell under the streamlining of the City's processes about five years back.

Mr. Dolan stated that there were about 70 recommendations that came out of that Committee, and staff implemented virtually every single one that they had the ability to do internally just as an administrative change in process. He noted that there were a number that required Council action, and staff had a hard time getting them into the high priority area where staff would have to be assigned.

**THE PUBLIC HEARING WAS OPENED.**

There were no speakers.

**THE PUBLIC HEARING WAS CLOSED.**

Commissioner O'Connor stated that the Commission had talked about these two items for several years, but they did not quite make it to the short list. He indicated that when he went through the original list, he saw that most of the items looked like they have either been completed or were already underway, or they were the ongoing type and would always be on the list. He noted that there were not that many left that looked like they needed a jump start, and he did not find any of them to be that compelling.

Commissioner O'Connor stated that he did not have a problem with recommending both of those items because the Commission has considered them for years and they need to be taken off the table. With respect to streamlining the development process, he indicated that he knows the Chamber of Commerce is frustrated with how long projects take, and anything that would speed things up would be wonderful. As to the Hacienda modification, things could get very confusing for these big businesses in Pleasanton and they could get frustrated as well.

Commissioner Nagler inquired if everything on the list is current, as time and resources allow.

Mr. Dolan said yes, in theory, but some items have been pretty much ignored, such as the two he mentioned. He indicated that the Zoning Code update was actually started twice in the past and then just stopped because there were other priorities.

Commissioner Nagler asked about the East Pleasanton Specific Plan.

Mr. Dolan replied that that is almost done and will happen, so he would not waste a recommendation on that.

Commissioner Nagler clarified that the question before the Commission is what it would recommend, outside of the natural course of business, that would give staff the license to spend time on it, in addition to the things that they already have to do in the day-to-day course of helping run the City.

Mr. Dolan replied that was correct. He noted that some of the items already have a life and are going to happen; the two that he identified were things that need a jump-start.

Commissioner Nagler then talked about workforce housing or affordable housing as a priority. He noted that the Housing Commission has taken this on as a project to rework or improve the Inclusionary Zoning Ordinance and would come back with recommendations. He asked under whose purview taking that as a priority would be.

Mr. Dolan replied that the Planning Commission would definitely touch that. He stated that he would characterize that as something that already has a life and will happen because it is a commitment that is included in the Housing Element. He indicated that staff will be preparing this in conjunction with the City Manager's Office since the housing function comes out of the City Manager's Office, but it is also a zoning ordinance, which is the Planning Commission's purview, and the recommendations forwarded to the Council will come from both the Housing Commission and the Planning Commission.

Chair Allen asked Mr. Dolan which of the two items would be most impactful and would streamline the process should the Commission choose only one.

Commissioner O'Connor noted that one benefits the Hacienda Business Park and the other benefits the rest of the City.

Mr. Dolan replied that although both of them would benefit the business community, Mr. Paxson is also on the Economic Vitality Committee and thinks about things more globally; while the Zoning Code extends beyond the Business Park, the Park is the City's economic engine.

Commissioner O'Connor inquired if the Commission would be doing itself an injustice if it put forward two items instead of just one. He noted that the two are inter-related which would streamline the process as well as relieve confusion with business development.

Mr. Dolan replied that if those were the two items, the Commission would be fine.

Chair Allen stated that there were two other items that excited her when she read the original list: the first is the Civic Center Master Plan, which essentially is all about developing a plan that talks about what to do with City buildings Downtown and the potential of moving City Hall somewhere else, one of them being the Bernal Park. She noted that this would free up valuable Downtown prime space which could potentially attract businesses and retailers and create an even more vibrant, retail-oriented Downtown. She added that, assuming this land is more valuable than Bernal Park, the City might be able to not just cover the cost for the new development but also maybe make more money by selling this land. She indicated that she worries a lot about Downtown vibrancy and retail, and thinks having this area built up more could really be a move.

Commissioner O'Connor stated that his only concern with this is that building a new City Hall has been going on for years and asked if the City knows where it wants to move its headquarters to. He noted that there was a lot of talk about the San Francisco property, but San Francisco has not been so cooperative, so then Bernal Park was considered.

Mr. Dolan replied that all of those options are on the table, and the momentum is going: the Council is creating a Task Force and there will be recommendations coming out of it. He stated that both of the possibilities Commissioner O'Connor discussed are very reasonable and in play. He noted, however, that using Bernal Park would have to go to the voters because the voter-approved Land Use Plan did not include a Civic Center, but it is a big deal that will cost a lot of money, and is probably a good idea anyway.

Commissioner O'Connor stated that he was wondering if it is premature to prioritize something like this if the City does not really know where it wants to go. He added that the City cannot create a plan if it does not know what acreage it is going to be on, and asked if the momentum is going because a Task Force is being created. He inquired if the City would really rather be on the San Francisco property and just refurbish the library. He further inquired if all of the City services, including the library, would fit on that one piece of property.

Mr. Dolan said no.

Commissioner O'Connor commented that the City would then be retaining some of its existing property and maybe rebuilding or remodeling obviously through an updated

plan. He asked Mr. Dolan if the Commission would then be wasting its vote on this item, just like on some of the others.

Mr. Dolan replied that a Commission vote would be adding to some of the momentum. He indicated that it already has a kind of a kick-start because the Task Force will be formed.

Chair Allen commented that this is probably not a kick-start one and just reinforces that it is potentially important.

Commissioner O'Connor agreed that this is an important thing but it is already being done. He noted that this is at its early stages, and the Task Force would be a first step. He suggested that if nothing is done by the following year, the Commission could then pick it up then.

Mr. Dolan stated that the City Manager and Department Heads have City Council Agenda prep meetings every week to talk about upcoming items on the next three Council meetings. He noted that this item is on one of those weeks.

Chair Allen indicated that the second item that has also been high on her list for years is re-looking at the City's user fees, not just the development fees but all user fees. She stated that it is her understanding that the City is under water, that the residents are subsidizing a lot of these fees such that the people using them are paying less than what the actual costs are. She noted that this effort is all about re-calibrating what those fees are, and was something that came to the City Council about three years ago, but the Council did not want to make the change then because of the recession. She recalled that Director of Finance Emily Wagner gave the Council the list, and it was clear there were some things that should be done.

Chair Allen stated that she believes now is the time to move on this because the City is in a healthy period, and if this is not dealt with now, the City will certainly not tackle it again when it starts getting into a downswing once more. She stated that it is a principle that impacts the community, and she would rather have more money in the City to apply to new projects than subsidize specific users who are not paying their fair share.

Commissioner Nagler stated that there was a fee structure or cost Task Force that he was actually a member of as a Human Services Commissioner. He noted that it is an interesting issue because it is true apparently that most, if not all, of the programs that are offered in the City do not pay for themselves, particularly if staff time, infrastructure cost, and things like that are loaded on. He added that it very much is a conversation underway with a formalized group that is aggregated from a number of Commissions and Departments, which will come back to the Council with a recommendation.

Commissioner O'Connor noted that the Commission talked about that at the last meeting in connection with beekeeping.

Commissioner Nagler agreed, noting that it begs the question: does the City want to charge so much for Little League that each child's fee in the aggregate would pay for

the lawn mowing, the planting, the short- and long-term maintenance of a field versus the purpose of City service as its basis.

Chair Allen asked Mr. Dolan if this is an item with work already underway.

Mr. Dolan said yes. He noted that Chair Allen is correct in that Ms. Wagner brought something to the Council in the middle of the recession, and there was not a big appetite to increase development fees because economic development was not exactly cruising along. He stated that Ms. Wagner, who is no longer Director of Finance, will be staying on for a number of months working on special projects, and she has been very recently updating what she brought to the Council and meeting with different Departments on the fees they charge. He added that it will come before the Council, who will have to make those tough decisions about whether to charge full weight or to subsidize some others. He indicated that the Building and Safety Division pays for itself, the Engineering Division does about half, and Planning fees are so low that he wonders why the Division even bothers to collect any fees since it costs just as much to process five cents as \$500. He noted that it would probably be in Planning where there will be the most dramatic increase in terms of percentage, and added that what always comes into dialogue is what everyone else charges and how the City relates to its competitors or neighbors. He indicated that it will come to the Council sometime this summer or sooner.

Chair Allen noted that there is good energy and that it sounds like it would be wasting a vote there too if it is already underway. She then asked Commissioners O'Connor and Nagler if they believe this is an important item and would support it even if it is not on the Commission's top two list.

Commissioner O'Connor said yes, although he admitted he was not familiar with where the big dollars are. He stated that if Building and Safety is the biggest impact and the City is covered there, and this is really about some of these smaller fees, he did not think there was a need to break even on everything. He noted that the Commission talked about this at the last meeting where some of these are a service to the community, and the Commission does not want to make things so cost-prohibitive that people are not able to get involved in these things. He emphasized, however, that development should pay for itself, for whatever the real costs are, such as for hook-up fees and sewer fees and those kinds of things.

Commissioner Nagler echoed that this is also his point. He stated that if this is specifically about the Planning Commission's purview, then it seems reasonable that that is where the biggest change is.

Mr. Dolan informed the Commission that the fee discussion will not come through the Planning Commission even though it involves fees related to planning and development.

Commissioner O'Connor noted that some of those fees are community-based, but there are some that are ridiculously low, such that people appealing Planning Commission items to the Council sometimes pay as little as \$12. He added that it sounds so silly

that it takes so much staff time to re-do another staff report, and the applicant is charged almost nothing for that.

Commissioner O'Connor inquired if this is just a recommendation or if the Commission needs to take a vote on this.

Mr. Dolan replied that if there is a consensus, it would probably be good to have a vote, and he can inform the City Manager that this is the Commission's recommendation.

**Commissioner O'Connor moved to recommend that the Planning Commission pursue "Hacienda PUD Modifications" and "City Zoning Code Update" as priorities for the 2015/2016 City Council Work Plan Priorities. Commissioner Nagler seconded the motion.**

**ROLL CALL VOTE:**

**AYES: Commissioners Allen, Nagler, and O'Connor**  
**NOES: None**  
**ABSTAIN: None**  
**RECUSED: None**  
**ABSENT: Commissioners Balch, Piper, and Ritter**

**7. MATTERS INITIATED BY COMMISSION MEMBERS**

No discussion was held or action taken.

**8. MATTERS FOR COMMISSION'S REVIEW/ACTION/INFORMATION**

**a. Future Planning Calendar**

Mr. Weinstein noted that the description of the Lund Ranch II project as it relates to the Environmental Impact Report (EIR) is an old input and should actually say "Work Session to review and receive comments on the application for Planned Unit Development (PUD) Rezoning and Development Plan to construct 50 single-family, two-story homes and related improvements on the approximately 194.7-acre Lund Ranch II property located at 1500 Lund Ranch Road, at the end of Lund Ranch Road." He indicated that this will be one Planning Commission hearing, and the Commission will then consider the project again when it comes back for a recommendation to the Council on the project and certification of the EIR.

Chair Allen requested clarification that the next meeting will be only a discussion on questions and issues based on the Final EIR, and not on the merits of the project or the direction toward making a decision about the project.

Mr. Dolan replied that it will be a Work Session and would be all right to talk about the merits of the project. He indicated that there is new information from the Final EIR, but because this is a relatively new Commission, staff felt that it needed one more general dialogue about it. He added that the Commission will not be asked to make a decision at that meeting, but everything is on the table in terms of what to discuss.



Commissioner O'Connor indicated that he may have to recuse himself for that discussion.

Chair Allen inquired what other items would be on the Agenda.

Mr. Weinstein replied that there would be one Consent Calendar item on a Conditional Use Permit for a vocational school on Owens Drive.

**b. Actions of the City Council**

No discussion was held or action taken.

**c. Actions of the Zoning Administrator**

No discussion was held or action taken.

**d. Matters for Commission's Information**

No discussion was held or action taken.

**9. ADJOURNMENT**

Chair Allen adjourned the Planning Commission meeting at 8:22 p.m.

Respectfully submitted,

Adam Weinstein  
Secretary