

April 15, 2014
Economic Development

TITLE: ESTABLISHMENT OF AN ECONOMIC DEVELOPMENT ZONE PROGRAM AND INITIATION OF A PILOT ECONOMIC DEVELOPMENT ZONE

SUMMARY

Businesses are an integral part of the Pleasanton community, from the jobs they provide for residents to the amenities supported by the revenues they generate. To remain competitive in attracting and retaining businesses, it is important to build upon our existing strengths while also adapting to changing market conditions. As we consider how Pleasanton will continue to develop in the coming years, the City should be proactive in identifying opportunity sites that would benefit from being repositioned and/or redeveloped. In this regard, the City Council is asked to consider the establishment of an Economic Development Zone Program that would designate such opportunity sites and take steps to encourage future investment as desired by the City and the community, and also initiate a pilot economic development zone on a portion of Johnson Drive that would include re-zoning and environmental review.

STAFF RECOMMENDATION

Staff is recommending the City Council approve implementation of the Economic Development Zone Program and the initiation of a pilot Johnson Drive Economic Development Zone.

FINANCIAL STATEMENT

There are no direct costs associated with the program concept. While individual economic development zones may require resources to make the recommended updates, a proposed plan for each zone will be presented to the City Council outlining the anticipated financial impact to the City.

The Johnson Drive Economic Development Zone will initially require staff time to amend the General Plan and zoning updates and to manage the environmental review process. If approved, property owner(s) within the economic development zone will be asked to underwrite the cost of the environmental review through agreement with the City.

BACKGROUND

Over the years, Pleasanton has realized much success in creating an environment that has fostered a diverse and vibrant business community. The city has many strengths that attract businesses to our community, among them our central location in the Bay Area, excellent transportation accessibility, a highly-educated and skilled work force, good access to higher education and a high-profile community with an exceptional quality of life. As significantly, Pleasanton has installed the infrastructure needed to support business opportunities. It is through such public and private investment that a quality foundation has been established for business growth. All of these economic development elements have been supported by the implementation of the City's past and current Economic Development Strategic Plans.

While the City's economic development efforts have been well applied, to remain competitive it is important to build on these assets while also adapting to changing market conditions. While much of the city's existing development supports the services needed and desired by the community, there are places where sites may not be realizing their greatest return to property owners, the City and its residents given the current use(s). As a long-term economic development strategy, these sites should be identified and considered for focused review toward best positioning them for long-term future value to property owners and the community.

DISCUSSION

Defining special areas for economic development emphasis is a common tool; for example, enterprise zones, community benefit districts, and the like are variations of this concept. In creating an Economic Development Zone program for Pleasanton, the City is leveraging the tools within its control for the benefit of encouraging investment and thus adding value to the property. Examples of such tools include zoning and land use designations, incentive programs, completed CEQA documentation, and standards and guidelines that streamline the development approval process.

The proactive steps to be applied within each specific economic development zone will be identified to best address the current and future/desired state of the site in relation to the context in which the zone is located. Thus each economic development zone will provide a framework within which new uses can be encouraged. For example, a site that has been identified as a desirable location for new retail development and is already adjacent to existing retail centers might have an economic development zone framework that proactively updates the zoning, sets out design guidelines, and addresses traffic circulation prior to a formal development review application. In this way, potential retail development would be attracted to the site and given some measure of certainty in the process as well as a shorter review timeline. By taking steps prior to any specific development application, the City is establishing its desired direction for future growth that is aligned with the community's interests.

Each proposed economic development zone, along with the staff recommended framework to reposition the zone, will be presented to the City Council for its consideration.

Johnson Drive Economic Development Zone

Staff is proposing to implement the Economic Development Zone concept with a pilot zone on Johnson Drive between Stoneridge Drive and the Valley Bible Church, excluding the City's Park and Ride lot at the corner of Stoneridge and Johnson Drives. This area is approximately 35+/- acres along Johnson Drive and visible from I-680, with most of the properties zoned I-G-40 or PUD – G & LI allowing for predominantly industrial uses, except for the property at 7116 Johnson Drive (Patioworld) which is zoned PUD – I/C-O and allows some additional commercial and office uses. The map in Attachment 1 shows the properties recommended to be included in this economic development zone and the corresponding *current* zoning designations.

Staff is recommending the following tools be applied within the Johnson Drive Economic Development Zone:

- Amend zone's General Plan designation from Business Park to Retail, Highway and Service Commercial, Business and Professional Offices
- Rezone all properties within the zone to PUD-C with the attached draft list of permitted and conditional uses (Attachment 2)
- Create site development standards and design guidelines
- Prepare a Supplemental EIR to the General Plan EIR – primary issues would include traffic, air quality and visual impacts
- Specify fees and fee credits for prospective office, retail and industrial uses
- Specify off-site improvements for prospective office, retail and industrial uses
- Execute a Development Agreement with identified property owner(s)
- Participate in a sales tax rebate program for high sales tax producing uses (a program will be considered and approved by the City Council at a future time)

If the City Council approves the initiation of the Johnson Drive Economic Development Zone, the establishment of this pilot economic development zone will be incorporated into a work plan, acknowledging the use of staff and financial resources and authorizing staff to begin the environmental review process. As well, staff will engage with property owners in this economic development zone and develop a program for shared participation in environmental, traffic and development related mitigations.

The City recognizes the critical role that economic development efforts play in supporting the economic health of our community. Staff believes the establishment of the Economic Development Zone Program will be an additional, and valuable, tool in stimulating economic activity in pivotal areas within the Pleasanton community.

Submitted by:



Pamela Ott
Director of Economic
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Fiscal Review:



Emily Wagner
Director of Finance

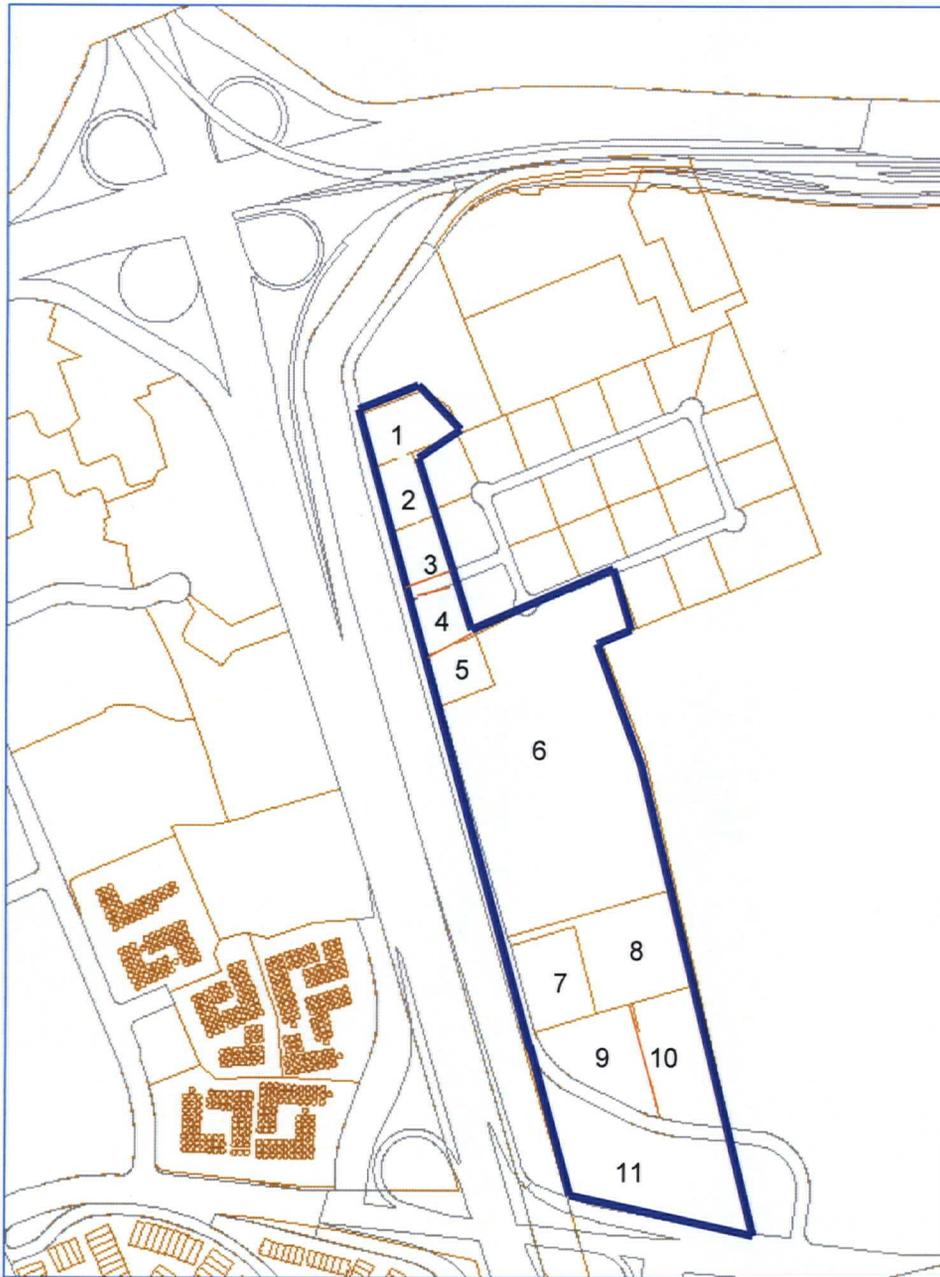
Approved by:



Nelson Fialho
City Manager

Attachments:

1. Map of proposed Johnson Drive Economic Development Zone
2. Proposed PUD-C permitted and conditional uses



Parcel	Area	Zoning	Ownership	Address / APN
1	1.47	I-G-40	Valley Bible Church	7106 Johnson Drive / 941-1311-335
2	0.93	PUD-I/C-O	Greater East Bay Properties, LLC	7116 Johnson Drive / 941-1311-1
3	0.92	I-G-40	Garnet Bear, LP	7132 Johnson Drive / 941-1311-2
4	0.94	I-G-40	William Wheeler	7080 Commerce Circle / 941-1311-21
5	0.94	I-G-40	Johnson Drive Holdings, LLC	7164 Johnson Drive / 941-1311-22
6	+/- 13.00	I-G-40	Johnson Drive Holdings, LLC	7200 Johnson Drive / 941-1311-19
7	1.95	PUD-G&LI	PT & T Co. 279-1-51-2	Johnson Drive / 941-1300-18
8	3.60	PUD-G&LI	PT & T Co. 279-1-51-2	7240 Johnson Drive / 941-1300-17
9	2.43	PUD-G&LI	Johnson Drive Holdings, LLC	Johnson Drive / 941-1300-15
10	2.84	I-G-40	Johnson Drive Holdings, LLC	7315 Johnson Drive / 941-1300-14
11	5.88	PUD-G&LI	Chamberlin Associates Johnson Drive I Ltd. PTP	7275 Johnson Drive / 941-1300-19
+/- 34.90				

Uses	Allowed Uses
Art galleries and artists' supply stores	P
Bars and brew pubs, as defined in PMC Chapter 18.08	C
Bicycle shops	P
Bookstores and rental libraries	P
Candy stores	P
Clothing, shoe, and accessory stores	P
Commercial radio and television aerials, antennas, and transmission towers with design review approval specified under PMC Chapter 18.20, having a minimum distance of 200 feet from the property lines of all of the following:	C
1. Existing or approved residences or agricultural zoning districts or in planned unit developments with a residential or agricultural zoning designation;	
2. Undeveloped residential or agricultural zoning districts or undeveloped planned unit developments with a residential or agricultural zoning designation and without an approved development plan, unless designated as a public and institutional land use in the general plan;	
3. Existing or approved public schools, private schools, and childcare centers, not including schools which only provide tutorial services;	
4. Neighborhood parks, community parks, or regional parks, as designated in the general plan; and	
5. Existing or approved senior care/assisted living facilities, including nursing homes.	
All commercial radio and television aerials, antennas, and transmissions towers shall be located so as to minimize their visibility and, unless determined by the zoning administrator to be significantly hidden from view, designed to ensure that they will not appear as an aerial, antenna, and/or transmission tower. All such facilities determined by the zoning administrator to be visible from residential land uses, the I-580 and/or I-680 rights-of-way, or other sensitive land uses such as parks, schools, or major streets, shall incorporate appropriate stealth techniques to camouflage, disguise, and/or blend them into the surrounding environment, and shall be in scale and architecturally integrated with their surroundings in such a manner as to be visually unobtrusive. All applications for commercial radio and/or television aerials, antennas, and transmission towers shall include engineering analyses completed to the satisfaction of the zoning administrator. Said analyses shall be peer-reviewed by an outside consultant.	
If mounted on structures or on architectural details of a building, these facilities shall be treated to match the existing architectural features and colors found on the building's architecture through design, color, texture, or other measures deemed to be necessary by the zoning administrator.	

Uses	Allowed Uses
Roof-mounted aerials and antennas shall be located in an area of the roof where the visual impact is minimized. Roof-mounted and ground-mounted aerials, antennas, and transmission towers shall not be allowed in the direct sightline(s) or sensitive view corridors, or where they would adversely affect scenic vistas, unless the facilities incorporate the appropriate, creative techniques to camouflage, disguise, and/or blend them into the surrounding environment, as determined to be necessary by the zoning administrator.	
All commercial radio and television aerials, antennas, and transmission towers shall conform to the applicable requirements of Cal-OSHA and/or the FCC before commencement of and during operation. Evidence of conformance shall be provided to the zoning administrator before final inspection of the facility by the chief building official.	
If the zoning administrator finds that an approved aerial, antenna, or transmission tower is not in compliance with this title, that conditions have not been fulfilled, or that there is a compelling public safety and welfare necessity, the zoning administrator shall notify the owner/operator of the aerial/antenna/transmission tower in writing of the concern, and state the actions necessary to cure. After 30 days from the date of notification, if compliance with this title is not achieved, the conditions of approval have not been fulfilled, or there is still compelling public safety and welfare necessity, the zoning administrator shall refer the use to the planning commission for review. Such reviews shall occur at a noticed public hearing where the owner/operator of the aerial/antenna/transmission tower may present relevant evidence. If, upon such review, the planning commission finds that any of the above have occurred, the planning commission may modify or revoke all approvals and/or permits	
Delicatessen stores	P
Department stores	P
Drugstores and prescription pharmacies	P
Dry goods stores	P
Florists	P
Food market including supermarkets, convenience markets, and specialty stores	P
Gift shops	P
Hardware stores	P
Hobby shops	P
Hotels and motels	C
Ice cream sales	P
Jewelry stores	P
Leather goods and luggage stores	P
Membership warehouse club	P

Uses	Allowed Uses
Microbrewery	P
Music stores	P
Office buildings	P
Offices, including, but not limited to, business, professional, and administrative offices	P
Pet and bird stores	P
Photographic studios	P
Photographic supply stores	P
Picture framing shops	P
Recreation and sport facilities, indoor, which cannot meet the recreation and sport facility criteria as written in the use category below	C
Recreation and sport facilities, indoor, with more than 20 users in the facility at any one time, and with no massage services or with massage services of three or fewer massage technicians at any one time. Massage establishments within recreation and sports facilities shall meet the requirements of Chapter 6.24	P
Restaurants and soda fountains not including drive-ins or take-out food establishments	P
Restaurants and soda fountains including take-out food establishments	C
Shoe stores	P
Specialty stores selling those items normally sold in department stores	P
Sporting goods stores, no firearm sales	P
Sporting goods stores with firearm sales	C
Theaters and auditoriums	P
Toy stores	P