

November 7, 2017
Community Development
Planning Division

TITLE: CONSIDER CERTIFYING THE FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT (FSEIR) AND CONSIDER APPLICATIONS ON 12 PARCELS AT 7106 THROUGH 7315 JOHNSON DRIVE AND 7035 AND 7080 COMMERCE CIRCLE, COMPRISING APPROXIMATELY 40 ACRES KNOWN AS THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ) FOR: (1) APPROVAL OF A GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE DESIGNATION OF THE PROJECT SITE FROM BUSINESS PARK (INDUSTRIAL/COMMERCIAL AND OFFICE) AND GENERAL AND LIMITED INDUSTRIAL TO RETAIL/HIGHWAY/SERVICE COMMERCIAL; BUSINESS AND PROFESSIONAL OFFICES; AND (2) APPROVAL OF A PLANNED UNIT DEVELOPMENT (PUD) REZONING TO REZONE THE PROJECT SITE FROM PLANNED UNIT DEVELOPMENT-GENERAL AND LIGHT INDUSTRIAL (PUD-G&LI) DISTRICT, PLANNED UNIT DEVELOPMENT-INDUSTRIAL/COMMERCIAL-OFFICE (PUD-I/C-O) DISTRICT, AND GENERAL INDUSTRIAL (I-G-40,000) DISTRICT TO PUD-C DISTRICT.

SUMMARY

The JDEDZ involves changing the existing General Plan land use designations and zoning to spur investment in 40 acres of mostly underutilized land primarily fronting Johnson Drive near Interstate 680 (I-680) and Stoneridge Drive.

The JDEDZ has been subject to detailed evaluation of environmental, economic, and fiscal impacts, and many public meetings have been held on the proposal. Besides generating economic vitality in the JDEDZ area, the JDEDZ would result in positive fiscal benefits for the City, including a projected \$1.4 to \$1.7 million annual contribution to the City's General Fund (after tax sharing payment to Costco) at the completion of the first phase (which includes club retail and hotel uses). This net revenue estimate increases to \$2.1 to \$2.3 million annually (after tax sharing payment to Costco) upon full buildout of the JDEDZ. At full buildout these net fiscal revenues represent an annual contribution equivalent to approximately 2.1 percent to 2.3 percent of the City's General Fund expenditures. In addition, a financing plan has been developed for the transportation improvements needed to support the JDEDZ that would utilize a sales tax sharing agreement. This agreement would allow the City to collect substantial sales taxes from Costco while undertaking major transportation improvements with area-wide benefits.

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt a resolution certifying the FSEIR (Attachment 1).
2. Adopt a resolution approving P14-0852, a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/Service Commercial; Business and Professional Offices (Attachment 3).
3. Adopt an ordinance approving PUD-105, a Planned Unit Development (PUD) Rezoning of the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to Planned Unit Development – Commercial (PUD-C) District (Attachment 4), subject to the recommended conditions of approval.
4. Adopt a resolution approving the City's intent to adopt a JDEDZ Transportation Fee (Attachment 10).

FINANCIAL STATEMENT

ALH Economics, an urban and regional economic consulting firm under contract to the City, prepared a fiscal impact analysis of the JDEDZ based upon the methodology and assumptions included in a fiscal impact study prepared for the JDEDZ in February 2015.

The complete fiscal analysis is part of the Economic Analysis, which was included as Appendix A of the FSEIR (see Attachment 2; previously distributed to the City Council), and is available using this link:

www.cityofpleasantonca.gov/JDEDZ

The earlier study was updated to take into account the City's Fiscal Year 2015/16 budget, as well as operating characteristics specific to the JDEDZ, such as likely taxable sales and sales that could be diverted from existing businesses in the market area.

The fiscal impact analysis results indicate that on a worst-case basis, assuming that all diverted sales (i.e., sales accruing to the club retail use as opposed to existing retailers in the area) are diverted from Pleasanton retailers (as opposed to retailers outside of Pleasanton), the JDEDZ is anticipated to generate a projected \$1.4 to \$1.7 million annual contribution to the City's General Fund at the completion of the first phase (which includes the club retail and hotel uses). This net revenue estimate increases to \$2.1 to \$2.3 million annually upon full buildout of the JDEDZ. At full buildout these net fiscal revenues represent an annual contribution equivalent to approximately 2.1 percent to 2.3 percent of the City's General Fund expenditures.

Please refer to the link above for a summary of the Annual Net Fiscal Impact Analysis. In addition to the revenue shown (which focuses on City revenues and expenditures), property taxes generated from the JDEDZ would provide approximately \$277,440 in annual revenue to the Pleasanton Unified School District (PUSD) and approximately \$30,440 in annual revenue to other schools. The JDEDZ would also generate one-time supplemental taxes of approximately \$42,725 to PUSD and \$4,690 to other schools.

BACKGROUND

Following is a brief summary of the JDEDZ formulation and review process to-date:

- 2013 – Clorox vacates campus along Johnson Drive
- April 2014 – City initiates JDEDZ
- May 2014 to March 2016 – CEQA and Public Process
 - DSEIR released and public comment period
 - Neighborhood and community workshops
 - City releases FSEIR
- April 2016 – Joint City Council/Planning Commission Work Session
- July 2016 through November 2016 – Initiative Process
 - City Council directs staff to stop work on the JDEDZ pending results of Voter Initiative to limit the size of buildings within the JDEDZ to 50,000 square feet or less
 - Initiative defeated by 63 percent of the voters
- January 2017 to September 18, 2017
 - City staff re-engages work on JDEDZ project activities
 - City Council policy discussion introduction and direction on the required transportation mitigation improvements phasing and financing options
- September 19, 2017 through December 2017 – Public Review and Approval
 - Economic Vitality Committee
 - Planning Commission
 - City Council

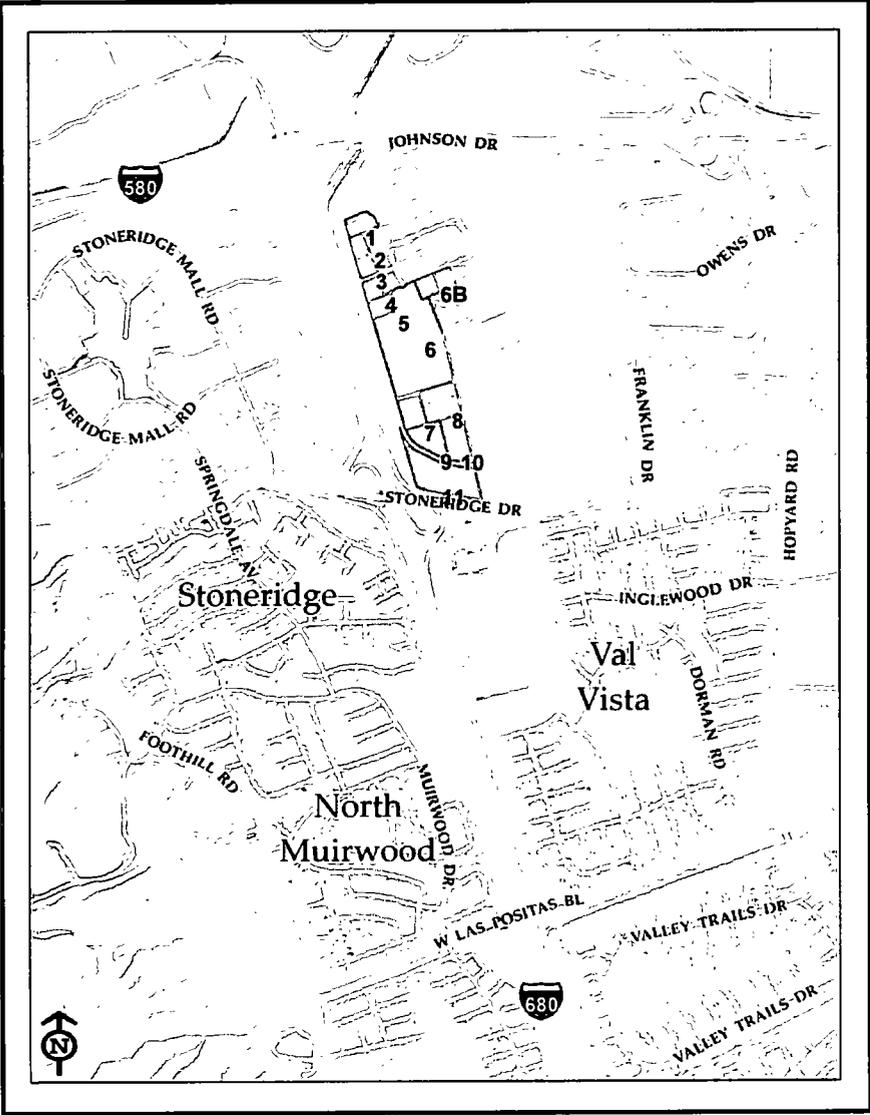
The JDEDZ and associated documentation is now before the City Council for consideration.

PROJECT AREA DESCRIPTION

The JDEDZ area consists of 12 parcels located at 7106-7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres and currently containing a mixture of land uses, including some office, retail, and institutional uses (Figure 1). However, the predominant uses for the past several decades have been light industrial uses, and the economic potential of the area has not been realized due to aging infrastructure and restrictive zoning.

The area is bounded by a fitness center, hotel and parking uses on the north; industrial, wastewater treatment, and Park and Ride uses to the east; Stoneridge Drive and the I-680 interchange to the south; and Alamo Canal and I-680 to the west. The JDEDZ area currently contains 224,688 square feet of building space, not including the demolished former Clorox buildings. In 2014, Nearon Enterprises purchased six parcels (5, 6, 6B, 9, and 10) within the project area, comprising approximately 27 of the 40 acres, which, at the time, housed Clorox campus buildings that were in poor condition. The City granted a demolition permit for the buildings, and that work was completed in early 2015. Other existing uses within the proposed JDEDZ project area include FedEx, AT&T, Black Tie Transportation and Valley Bible Church.

Figure 1: JDEDZ Project Area



PROJECT OBJECTIVES

The objectives of the proposed JDEDZ and associated General Plan amendment and PUD Rezoning are to:

- Provide a consistent framework for the City's review and approval of new uses and projects in the JDEDZ area, encouraging investment in and adding value to these properties;
- Maximize the benefits of the location of the JDEDZ project area as an infill site located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses in the JDEDZ project area; and
- Encourage the development of a diverse mix of uses in the City that would promote long-term economic growth by generating substantial new revenues for the City.

PROPOSED PROJECT

The JDEDZ entails the implementation of rules, regulations/review processes, and design guidelines (Attachment 4, Exhibit B) to facilitate future development and redevelopment within the JDEDZ project area. As part of the proposed JDEDZ, the City would also specify fees and fee credits for prospective uses and specify off-site improvements.

The mix of uses expected to occur within the JDEDZ project area with full buildout includes club retail (also known as warehouse club), hotel, recreational facilities, and general retail establishments. Existing uses within the JDEDZ project area would be "grandfathered" and operate and/or be permitted to expand until redevelopment activities are proposed for a specific parcel within the project area.

With development of the JDEDZ, the project area could contain up to 535,490 square feet of occupied building space, a net increase of 310,802 square feet over the existing occupied buildings within the JDEDZ project area. It is assumed that development of the JDEDZ project area would occur in two or more phases, including an initial phase (Phase I) during which Parcels 6, 9 and 10 would be developed with hotel(s) (231 rooms), club retail (148,000 square feet), and general retail (5,000 square feet) uses.

The afore-mentioned design guidelines include both broad brush design policies, as well as very specific development criteria. For example, the Design Guidelines would:

- Establish site development standards such as setbacks, floor area ratio, and height
- Create site design and circulation standards;
- Create architectural design standards specifying things such as materials, finishes, and colors;
- Create landscape standards such as street buffers, parking lot shading, etc.; and
- Require a master sign program for each new development.

Please refer to Chapter 2 of the attached FSEIR (Attachment 2) for the current project description, which was amended from the project description included in the DSEIR. Please refer to Attachment 4, Exhibit A for the recommended list of uses that would be permitted or conditionally permitted (as revised by the Planning Commission) and rules for the continuance and expansion of existing uses. Please refer to Attachment 4, Exhibit B for the recommended design guidelines within the JDEDZ project area.

DISCUSSION

General Plan

The project area currently has two General Plan land use designations: Business Park (Industrial/Commercial and Office) and General and Limited Industrial, which do not allow for the expanded range of retail, commercial, and hotel uses proposed by the JDEDZ. Therefore, a General Plan Amendment is proposed to change the project area's land use designation to Retail/Highway/Service Commercial; Business and Professional Offices.

Staff believes the JDEDZ is consistent with the General Plan Land Use Policies and Programs listed below, as the project would: (1) Transform the project area into a thriving commercial corridor with a diverse mix of uses, while retaining, and in some cases allowing for expansion of existing uses within the project area; (2) Create new land uses and services in the community that would promote long-term economic growth by generating substantial new revenues for the City; (3) Maximize the development potential on an infill project area located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses; and (4) Streamline the development review process for new land uses through completed CEQA documentation and in most cases staff-level development review processes.

General Plan - Land Use Element

- Program 2.2: Encourage the reuse of vacant and underutilized parcels and buildings within existing urban areas.

- Policy 5: Evaluate land-use changes in the context of overall City welfare and goals, as well as the impacts on surrounding neighborhoods.

- Program 5.1: When evaluating development proposals or changes in land use consider General Plan policies, zoning ordinance standards, existing land uses, environmental impacts, safety, and resident, merchant, and property owner concerns.

- Program 5.2: Consider surrounding land uses and potential impacts when changing land-use designations.

- Policy 13: Ensure that neighborhood, community, and regional commercial centers provide goods and services needed by residents and businesses of Pleasanton and its market area.

- Policy 15: Encourage industrial, commercial, and office development which is compatible with environmental constraints in Pleasanton.
- Policy 26: Encourage the participation and collaboration of Pleasanton residents and businesses in land-use planning and decision making.

General Plan – Economic and Fiscal Element

- Goal 2: Sustain the community’s quality of life with a vigorous and diverse economy.
- Policy 1: Enhance Pleasanton’s diversified economic base through an aggressive business retention and expansion program.
- Policy 3: Strengthen the retail sector.
- Goal 4: Maintain a diverse and stable revenue system.
- Policy 8: Undertake programs which will diversify and help to keep the City’s revenue system stable from short-term fluctuations in any one revenue source.
- Program 8.1: Promote a varied mix of land uses to ensure a broad revenue base through proactive land use planning and zoning.
- Program 8.2: Continue to investigate and utilize potential new revenue sources, particularly those which will not add to the tax burden of residents and local businesses.
- Program 18.1: Promote a diverse economic base by implementing the Economic Development Strategic Plan.

The proposed General Plan amendment would reduce the total acreage of privately-owned, potentially developable sites in the City with the Business Park (Industrial/Commercial and Office) and General and Limited Industrial land use designations by approximately 40 acres. This change would effectively reduce the amount of land in the City available for light industrial uses. There are other properties in the City that have a General Plan land use designation of Business Park (Industrial/Commercial and Office) or General and Limited Industrial. Therefore, the proposed General Plan amendment to change the land use designation for the project area to Retail/Highway/Service Commercial; Business and Professional Offices would not eliminate new opportunities for industrial development. Based on the City’s existing inventory of business park and industrial land, staff believes that there would be adequate remaining land in the City to accommodate industrial development opportunities consistent with the existing General Plan land use designations; especially within the nearby areas to the north of the project area on Commerce Circle, east of the project area on Owens, Franklin, and Johnson Drives, and farther to the east within Hacienda.

Zoning and Uses

The parcels within the project area are zoned PUD-G&LI District, PUD-I/C-O District, and I-G-40,000 District. The 12 parcels in the JDEDZ would be rezoned to PUD-C District, which would establish a list of permitted and conditionally permitted uses that would allow a wide range of commercial uses. The proposed uses, as revised by the Planning Commission (Attachment 4, Exhibit A) do not emulate any one existing commercial zoning district within the Pleasanton Municipal Code; rather, they were selected to emphasize retail uses within the project area, allow for commercial diversity, and promote vitality within the project area. Each use was also evaluated and selected to ensure a mix of uses that would be attractive in both the local and regional market, and that would capitalize on the JDEDZ's network of arterial and regionally-significant roadways. The proposed uses include, but are not limited to club retail, hotels, restaurants, bars and brewpubs, microbreweries, food stores, department stores, gymnasiums, and offices. Staff believes these uses will achieve the desired commercial character described in the project goals and objectives above and, accordingly, is recommending approval of the proposed rezoning to PUD-C, subject to the proposed list of uses, as revised by the Planning Commission, in Attachment 4, Exhibit A.

As stated above, one of the primary goals of the JDEDZ is to streamline the development review process for new land uses through both completed CEQA documentation and staff-level review processes. Accordingly, the proposed uses that would be most critical to generating economic activity in the area (primarily retail uses) would be permitted (as opposed to conditionally permitted), with any new construction associated with those permitted uses subject to staff-level Design Review and verification of compliance with the recommended design guidelines (Attachment 4, Exhibit B). Staff believes that those uses identified as permitted do not represent uses the City would typically want to place operational controls on due to significant noise, objectionable odors, or activities that could be detrimental to the general health, safety, and welfare of the public and/or to surrounding uses. Moreover, the recommended design guidelines would ensure desirable and attractive buildings, adequate landscaping and site amenities, and signage criteria consistent with typical City standards. By approving certain uses as permitted and allowing new buildings to be review under a staff-level Design Review process (subject to compliance with detailed design guidelines), the entitlement process for many types of projects would be shortened (with potential reductions of 2-6 months off the typical approval process). The streamlined approval process is designed to incentivize the development of new businesses within the JDEDZ – a primary objective of the proposal.

As permitted uses, applicants would simply be required to obtain approval of a zoning certificate from the Planning Division (over the counter and typically subject to one-day processing), and, if necessary, submit a staff-level Design Review application which would generally be processed in approximately two to three weeks after receipt of a complete application. Conversely, those uses that would require a Conditional Use Permit and Planning Commission-level Design Review require a public hearing and typically take approximately six to twelve weeks to process after receipt of a complete application.

ENVIRONMENTAL ASSESSMENT

The DSEIR for the JDEDZ was completed and circulated for public comment on September 14, 2015. To allow adequate time for public review, staff extended the public comment period beyond the required 45 days required by State law. The comment period closed on November 23, 2015. Because the proposed JDEDZ would change land use policies and regulations, and does not entail a specific development plan, the DSEIR analyzed the physical effects of a reasonable development scenario based on the potential underlying land use changes. In this case, that reasonable development scenario includes club retail (148,000 square feet), hotel (132,000 square feet), and general retail (43,903 square feet) uses.

Draft Supplemental Environmental Impact Report (DSEIR)

The DSEIR addresses a wide range of potentially significant environmental impact areas. The DSEIR describes impacts in each of the topical areas and summarizes the impacts in the Summary chapter of the DSEIR (see Chapter 2 of the DSEIR). Analysis of the impacts of the proposed JDEDZ indicated potentially significant and unavoidable impacts on air quality and transportation and traffic. The following bullet points summarize the eight significant and unavoidable impacts which are identified in the DSEIR (i.e., impacts that cannot be reduced to a less-than-significant level with mitigation). It should be noted that these significant and unavoidable impacts are primarily associated with the size and amount of development that would be expected to occur within the JDEDZ area, as development projects above a certain size generally have significant unavoidable traffic and air quality impacts under CEQA, regardless of mitigation measures intended to reduce vehicle trips or air pollutants, or the fact that projects in urban areas can have regional benefits (e.g., by reducing driving distances to shopping opportunities, or providing jobs close to population centers).

▪ ***Significant and Unavoidable Air Quality Impacts***

The information provided below is intended to provide an overview of the anticipated air quality impacts and mitigation measures resulting from the implementation of the JDEDZ. For more detailed information, please refer to Chapter 4.B of the DSEIR (Attachment 2). The JDEDZ will generate significant and unavoidable air quality impacts as follows:

- **Impact 4.B-2:** The JDEDZ would generate a considerable net increase of criteria pollutants and precursors for which the air basin is already in nonattainment status under the existing ambient air quality standards. Mitigation Measure 4.B-3 would slightly reduce total criteria pollutants but not reduce emissions to less-than-significant levels.
- **Impact 4.B-3:** Due to an increase of criteria pollutants and precursors, operation of uses within the proposed JDEDZ area would conflict with or obstruct implementation of the Bay Area Air Quality Management District's (BAAQMD) 2010 Clean Air Plan, and this impact would be significant and unavoidable.
- **Impact 4.B-6:** The JDEDZ would generate operational emissions that would result in cumulative criteria air pollutant air quality impacts, when combined with past, present and other reasonably foreseeable development in the vicinity.

Staff notes the air quality impacts listed above are primarily a function of the size of the project. Although the DSEIR includes Mitigation Measures requiring dust control and other construction-period pollution reduction measures, and implementation of Transportation Demand Management (TDM) measures, these measures would not be sufficient to reduce the air emissions of the JDEDZ to a less-than-significant level. Thus, should the City Council elect to certify the SEIR, a finding of overriding considerations would need to be made for these air quality impacts (i.e., that even though a project would result in one or more unavoidable adverse impacts, specific economic, social or other stated benefits are sufficient to warrant project approval).

▪ ***Significant and Unavoidable Transportation Impacts***

The JDEDZ will generate increased traffic, affecting the levels of service for freeway ramps along I-680 and surface streets in and around the project area. It should be noted that proposed transportation mitigation improvements in the DSEIR would result in acceptable levels of service (i.e., duration of delay in traveling through an intersection), acceptable vehicle queue spillback (i.e., backed-up traffic potentially affecting operation of an upstream intersection), and acceptable freeway ramp operations. However, traffic impacts are characterized as significant and unavoidable because some of the needed improvements require approval by Caltrans and thus are outside the immediate control of the City. The graphics below (Figures 2 and 3) provide an overview of the required transportation mitigation improvements resulting from the implementation of the JDEDZ. For more detailed information, please refer to Chapter 4.D of the DSEIR (Attachment 2). Similar to the air quality impacts described above, should the City Council elect to certify the SEIR, a finding of overriding considerations would need to be made for these transportation impacts.

Other impacts from the JDEDZ on aesthetics, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, population and housing, public services and utilities systems, transportation and traffic, and recreation would be mitigated (when appropriate) to less than significant levels. The mitigation measures are generally typical of measures applied to development in Pleasanton, such as dust control during construction; pre-construction surveys to avoid impacts on birds, bats or burrowing owls; protection of waterways and riparian vegetation; archaeological monitoring for archaeologically sensitive sites; Phase 1 environmental assessments required to assess and remediate any hazardous materials on sites; a limitation on the hours of construction; and vibration and acoustical studies to determine appropriate construction techniques and sound mitigation for new buildings.

Figure 2: Required JDEDZ Transportation Mitigation Measures

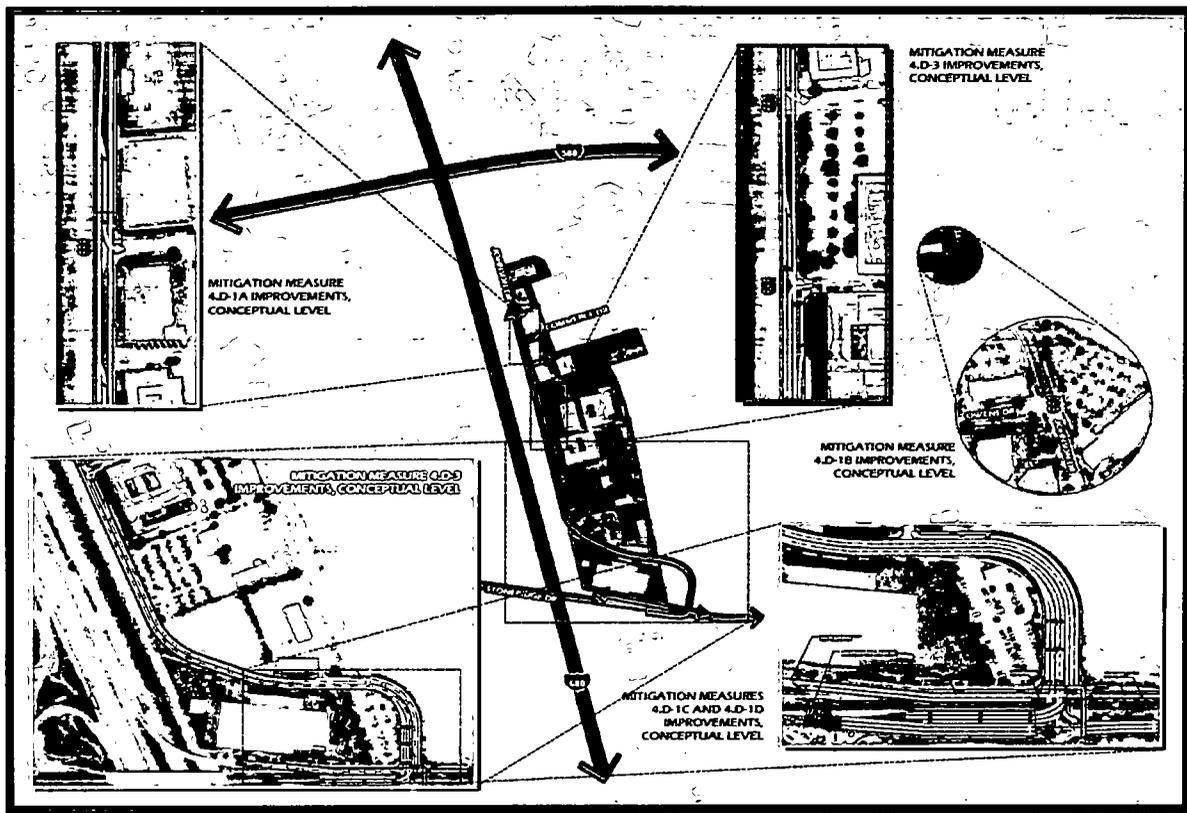
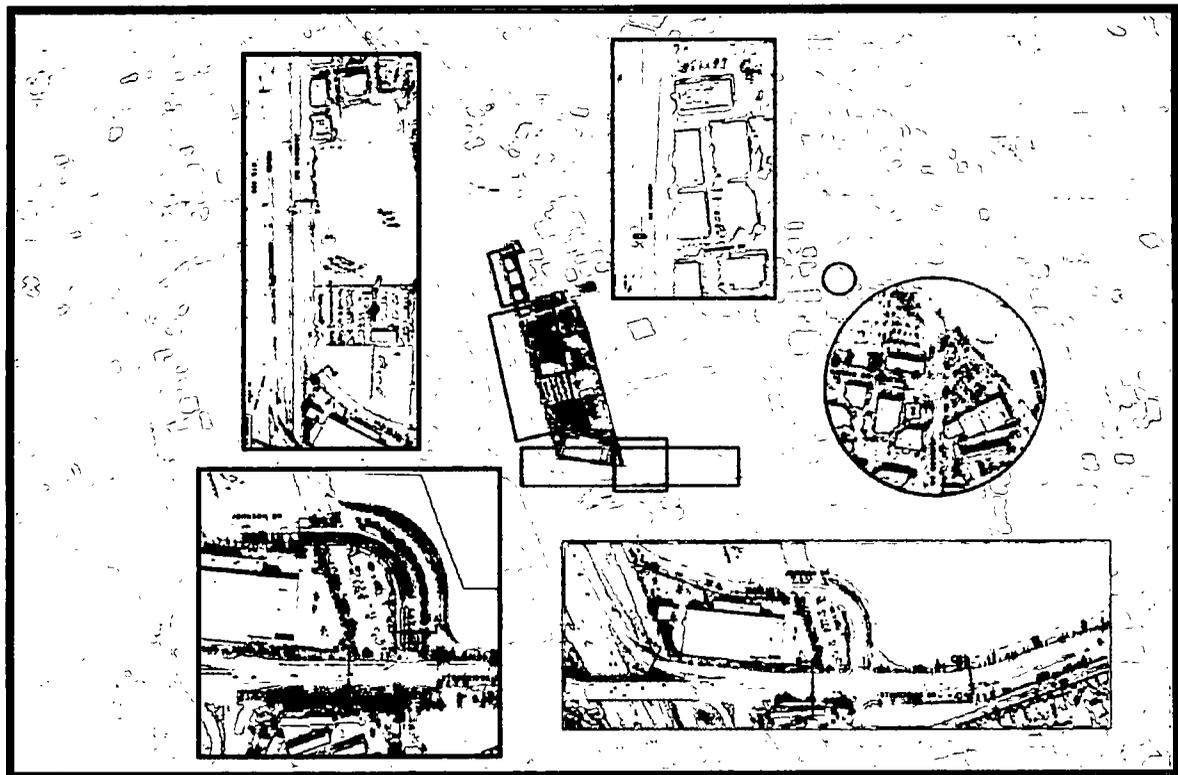


Figure 3: Conceptual Designs for the JDEDZ Transportation Mitigation Measures



Final Supplemental Environmental Impact Report (FSEIR)

The complete FSEIR includes:

- An overview of the CEQA process;
- A list of comment letters received and a summary of public hearings;
- Written responses to 94 comment letters received during the DSEIR comment period;
- Responses to comments received during the public hearing (Planning Commission) and two neighborhood/community meetings on the DSEIR;
- Revisions to the DSEIR initiated by staff and in response to public comments received on the DSEIR; and
- A Mitigation Monitoring and Reporting Program (MMRP), as well as the Economic Impact Analysis, which considers potential economic impacts on local businesses.

In summary, eight Master Responses were created to address questions that were asked repeatedly throughout the process. The Master Response topics include:

- Public Notification Process, Community Workshops & Hearing Dates
- Economic & Urban Decay¹ Impacts (Local Business Impacts)
- Traffic Impact Analysis
- Timing and Funding of Traffic Mitigation Measures
- Air Quality Impact Analysis
- Water Supply
- Nonconforming Uses & Grandfathering of Existing Uses within the Proposed EDZ
- Impacts to Neighborhoods Near Proposed EDZ

Since these topics have been prominent in the community's discussion of the JDEDZ, a discussion of each response is summarized below (discussion regarding the Traffic Impact Analysis was provided above). Additional information developed after publication of the FSEIR is also included below, where applicable. The complete responses can be found in Chapter 4 of the FSEIR document (Attachment 2).

Public Notification Process, Community Workshops, & Hearing Dates

The City has undertaken an extensive public review effort to solicit input from residents, stakeholders and business owners in the JDEDZ, and the broader community. Here is a brief history of the public involvement process to date:

- April 15, 2014 – City Council hearings to authorize initiation of the EDZ Program and pilot JDEDZ
- September 23, 2015 – Planning Commission hearing to receive comments on the DSEIR
- October 22, 2015 – Neighborhood Meeting (Hart Middle School)
 - Approximately 90 people attended
- November 12, 2015 – Community Meeting (Hart Middle School)
 - Approximately 120 people attended
- April 12, 2016 – Joint City Council/Planning Commission Workshop

¹ Urban decay, a topic of analysis under CEQA, is defined as the prolonged physical deterioration of buildings and their surroundings, resulting from sustained economic impacts.

- Approximately 180 people attended
- July 19, 2016 – City Council hearing to accept initiative and direct staff to stop work on JDEDZ pending results of initiative
- August 16, 2016 – City Council hearing to consider supplemental report on effects of initiative
- August 29, 2017 – City Council hearing to introduce policy discussion on the required traffic mitigation improvements phasing and financing plan options
- September 18, 2017 – City Council hearing to provide formal direction on the required traffic mitigation improvements phasing and financing plan options

In addition to the public meetings listed above, staff has also used a number of other techniques to inform the public about the JDEDZ, including: direct mailers, newspaper articles, flyers posted at public facilities, verbal reminders about upcoming meetings, presentations to the Chamber of Commerce and the Economic Vitality Committee, and a social media campaign to notify the public about the proposed JDEDZ, using the City's website, Twitter, Facebook, and Nextdoor.com. Please also refer to the Master Response to Comments in the FSEIR regarding the proposed JDEDZ Public Notification Process, Community Workshops, and Hearings Dates.

Local Business Impacts

The Economic Impact Analysis (Economic Analysis) prepared by ALH Economics, an urban and regional economic consulting firm under contract to the City, indicates that impacts generated by the JDEDZ on the market area's² existing retail environment would be limited. The Economic Analysis projects that Phase I sales in the JDEDZ (i.e., the sales resulting from a club retail use and a limited amount of general retail uses) could result in a decrease in annual sales by existing market retailers of approximately \$26.7 million, or 0.9 percent of the market area's existing \$3 billion in annual retail sales, which is a nominal impact.

The proposed JDEDZ's effect on the local economy is projected to be focused in three specific retail categories: gasoline stations, home furnishings and appliances, and food and beverages. In the first two categories (gasoline stations, and home furnishings and appliances), sales within the JDEDZ would amount to a combined 1.1 percent or less of existing market area sales, which would not be considered substantial when spread among the numerous gas stations and home furnishing and appliance stores in the market area. While food and beverage sales within the JDEDZ would amount to 7.4 percent of existing market sales, the new market demand alone generated between now and buildout of the JDEDZ would be sufficient to recompense existing businesses for these potentially diverted sales. Accounting for the fact that sales diverted from existing stores to a club retail use would be widely dispersed among numerous supermarkets, ethnic food stores, and other small food markets (rather than

² The "market area" for this study comprises 18 full census tracts and three partial census tracts spanning the City of Pleasanton, the majority of the City of Dublin, and some unincorporated Alameda County areas south of the City of Pleasanton and northwest of the City of Dublin. The market area was determined through review of drive times to the project site and the locations of other nearby club retail stores, with consideration also given to natural and man-made features, such as topography and freeway access.

concentrated in a single store or small number of stores), there would be limited effects on existing food and beverage retailers.

The Economic Analysis also concludes that the JDEDZ would have no adverse economic effects on downtown businesses, primarily because downtown offers a unique and different shopping environment than a club retailer, and most downtown businesses sell goods that are quite different from those sold at club retailers. On the positive side, the economic study also notes that a Costco could generate enhanced visibility for existing businesses in the proposed JDEDZ, benefits associated with local availability of low-cost food and gas, and possible long-term increases in property values. Please refer to the Master Response to Comments in the FSEIR regarding Economic and Urban Decay impacts and the Economic Impact Analysis.

Timing & Funding of Traffic Mitigation Measures

The estimated cost of the transportation mitigations required to support JDEDZ development will total approximately \$21.47 million, including design, construction and right-of-way acquisition. The cost estimation for these mitigations identified in the DSEIR does not include the Tri Valley Transportation Fee payment, which is necessary to mitigate the impact to I-680.

Per initial feedback from City Council on September 18, 2017, the transportation improvements would be funded as follows:

- ***TIF Funding.*** The Stoneridge Drive and I-680 onramp project has been included in the City's Transportation Impact Fee (TIF) since 1998 and is eligible to receive approximately \$6.4 million in TIF revenues. The City's FY 2017/18 through 2020/21 Capital Improvement Program (CIP) allocates \$6,400,000 in TIF in Fiscal Year 2018/19 for the Stoneridge Drive and I-680 onramp project.
- ***Sales Tax Sharing Agreement with Costco.*** Costco would front \$6,785,000 and be repaid through a sales tax sharing agreement not to exceed 25 years with 1.5 percent interest where Costco receives 40 percent of the annual sales tax generated by the Costco store and the City would receive 60 percent. If repayment doesn't occur in 25 years due to lower-than-anticipated sales tax revenues, or if Costco goes out of business within 25 years, the City would not be responsible for repayment.
- ***Costco Cash Contribution.*** Costco would make a \$6,785,000 cash contribution towards the needed transportation improvements.
- ***Right of Way Contributions.*** Costco would dedicate the right-of-way from land that it owns; the City will seek right of way contributions from other properties subject to redevelopment as part of the JDEDZ, with any remaining right of way acquisitions shared equally between the City and Costco. The right-of-way cost estimate is approximately \$1,500,000.

In addition, staff is exploring a JDEDZ Transportation Fee that would be charged to future JDEDZ development applicants at the time they pull permits with the City to develop their property with uses authorized in the JDEDZ. This fee is described under “JDEDZ Transportation Fee,” below.

Air Quality Impact Analysis

For a complete discussion of potential impacts to air quality from implementation of the proposed JDEDZ, please refer to Section 4.B, Air Quality, and specifically to Impact 4.B-2, Traffic-generated Emissions of Criteria Pollutants and Impact 4.B-3, Obstruction of Implementation of the 2010 Clean Air Plan, of the DSEIR and/or the Master Response to Comments in the FSEIR regarding the DSEIR Air Quality Impact Analysis. This section is a summary of the information found in those sources.

The air quality analysis is based on the number, type, and duration of vehicle trips that would be generated by the JDEDZ. At the *local* level, all air quality impacts are less-than-significant. The DSEIR concluded that *regional* (Bay Area) air quality effects would be significant and unavoidable. The size and scope of the proposed JDEDZ would result in a volume of criteria pollutants that exceed the thresholds identified by the region’s air district (the Bay Area Air Quality Management District). These thresholds would be triggered by the construction of a project of this size anywhere in the region.

Although club-retail-specific travel characteristics were not accounted for, the traffic analysis takes into account that the JDEDZ would result in the development of a major retail component that will offer the ability to shop locally instead of driving to an out-of-town retail location. In this case, because the JDEDZ is located near a large customer/employee base, it will only increase vehicle miles traveled per individual by a marginal amount—about 0.02 to 0.04 miles per person who accesses the JDEDZ. The associated air pollutant emissions per capita are also marginal.

The regional air quality impacts are significant not because each customer/employee is traveling far and generating a large amount of pollution, but because the JDEDZ would be a major economic generator (with large numbers of customers and employees). The air district’s air quality standards are not structured to measure efficiency (i.e., how many jobs can be provided with minimal air pollutant emissions), but the overall amount of emissions generated by a project. Because the JDEDZ would be occupied by a large number of customers and employees, the trips taken by these customers and employees would together generate a relatively large volume of pollutants and thus conflict with the Clean Air Plan, even though the vehicle trips of many individuals would be reduced (i.e., they would become more efficient).

This significant air quality impact is typical of virtually all large, high-economic development activity projects in California, even those that give people the ability to work and shop closer to their homes. Please refer to the Master Response to Comments in the FSEIR regarding the DSEIR Air Quality Impact Analysis for more detail.

Water Supply

The DSEIR analyzed the proposed JDEDZ on all utility systems, including water. Please refer to Section 4.E, Other Topics, of the DSEIR and/or the Master Response to Comments in the FSEIR regarding the impacts of the Proposed EDZ on water use. This section is a summary of the information found in those sources.

The existing zoning within the Johnson Drive area allows for industrial and office land uses. The City's 2010 Urban Water Management Plan (UWMP) concludes that the City has adequate water supplies to accommodate anticipated growth through the year 2030. Non-residential growth attributable to the JDEDZ would not exceed the growth anticipated in the UWMP. In addition to forecasted water supply and demand, there is a mitigation measure in the DSEIR (Mitigation Measure 4.E-9), which requires all development projects within the proposed JDEDZ to provide written verification prior to development that Zone 7 would have sufficient water supply to meet the demand of the development in addition to existing commitments.

Finally, this project would be subject to any City water conservation measures and programs currently in place. For example, the City would apply a standard condition of project approval for all projects within the JDEDZ that requires recycled water infrastructure be installed and connected when and if recycled water infrastructure becomes available in the area.

Nonconforming Uses & Grandfathering of Existing Uses within the JDEDZ

All existing uses within the JDEDZ project area are currently legal uses under the existing zoning. Once the JDEDZ project area is rezoned, some of the existing uses would become legal nonconforming uses. All legal nonconforming uses within the proposed JDEDZ, including the Valley Bible Church, as well as the FedEx property and the AT&T property would be protected as permitted industrial uses, consistent with the uses permitted and conditionally permitted in the I-P and I-G zoning districts as of January 1, 2017, would be allowed on parcels a minimum of five gross acres in area where existing light industrial uses already exist. As currently drafted, the allowed land uses in the area would be greatly expanded to include a wider range of commercial uses. All existing uses, including those made legal nonconforming by the proposed rezoning, would be permitted, conditionally permitted, or otherwise protected by "grandfather" provisions, meaning existing businesses in the JDEDZ will be allowed to operate, undertake modest expansions, and potentially relocate within the JDEDZ. Please refer to the Attachment 2 and the Master Response to Comments in the FSEIR regarding the Impacts of the Proposed EDZ on existing and/or nonconforming uses.

Impacts to Neighborhoods Near Proposed EDZ

The residences on the west side of I-680 and Val Vista are the most proximate residential neighborhoods to the proposed JDEDZ. The DSEIR analyzes the potential noise, air quality, and traffic impacts on that neighborhood and others in the area. As shown in the DSEIR, buildout of the JDEDZ would result in a 0.2 decibel (dBA) increase in 24-hour traffic noise on Stoneridge Drive, which borders the Val Vista neighborhood on the north, and a maximum increase of 0.1 dBA on Hopyard Road, which borders the neighborhood to the east. (A significant noise increase is considered 4 dBA or higher).

The I-680 freeway borders the neighborhood to the west and would not experience sufficient JDEDZ-related traffic growth to result in a measurable noise increase.

While *regional* air pollutant emissions are considered significant, they would not directly affect locations near the JDEDZ because the effects of monitored regional pollutants, such as ozone and nitrogen dioxide, are widely distributed throughout the Bay Area's air basin. With respect to the local effects of toxic air contaminants such as diesel particulate matter (DPM) and small/respirable particulate matter (PM2.5), the analysis in the DSEIR found that effects would be less than significant, with mitigation required only if a sensitive use, such as senior housing, was proposed within the JDEDZ. The distance between the proposed JDEDZ area and the residences on the west side of I-680 and the Val Vista neighborhood (approximately 800 to 1,000 feet for locations within the JDEDZ except that of the existing FedEx facility) would preclude new uses within the JDEDZ from generating significant localized air quality impacts to this neighborhood. Please refer to the Master Response to Comments in the FSEIR regarding impacts to the Val Vista and other Neighborhoods near the Proposed JDEDZ.

ALTERNATIVES

As required by CEQA, Chapter 5 of the DSEIR (Attachment 2) analyzes a range of reasonable alternatives to the proposed JDEDZ, including the No Project Alternative, the Reduced Retail Alternative, and the Partial Buildout Alternative.

Staff does not recommend any of these alternatives as none of them completely achieve the desired project objectives nor do any of these alternatives completely reduce all significant but unavoidable impacts identified in the FSEIR. Please refer to Attachment 2 for more information about alternatives to the JDEDZ.

JDEDZ TRANSPORTATION FEE

City staff has been directed by Council to provide a methodology and structure for a possible JDEDZ Transportation Fee to assess on new development within the project area to recoup infrastructure costs borne by the City. A general description of that fee methodology and structure is provided below. A resolution recommending approval of the City's intent to adopt a JDEDZ Transportation Fee is provided in Attachment 10. Formal fee adoption hearings will be scheduled with the City Council in early 2018.

Costco represents approximately 44 percent of the total estimated trips generated by the JDEDZ at build-out. The other hotel and retail land uses included in the JDEDZ comprise the remaining 56 percent of the total trips. However, because Costco would be the first development to occur in the JDEDZ and the transportation improvements have to be completed before Costco can become operational, the City and Costco are covering 100 percent of the non-TIF portion of the transportation improvements project costs. Figure 4 summarizes the allocation of the transportation improvements project costs by land uses.

Figure 4:

JDEDZ Transportation Improvements Project Costs Divided by Land Uses		
Total Project Cost - Including ROW	\$21,470,000	
Total Project Cost Excluding Stoneridge Drive & I-680 Onramp Project (TIF Funded)	\$15,070,000	
	Percent of Total Trips at Build-out	Allocation of Project Costs Including ROW
JDEDZ Land Uses		
Costco	44%	\$6,630,800
Hotels	12%	1,808,400
Remaining Retail Land Uses	44%	6,630,800
Total	100%	\$15,070,000
Non-Costco Portion to Recover in Future JDEDZ Transportation Fee		\$8,439,200

To ensure all of the future developments in the JDEDZ contribute towards the project costs, City staff is proposing to develop a JDEDZ Transportation Fee (JDEDZ Fee) that would be charged to future JDEDZ development applicants at the time they pull permits with the City to develop their property with uses authorized in the JDEDZ. The City will use the proceeds from the JDEDZ Fee to reduce the amount owed to Costco through the proposed sales tax sharing agreement which, in turn, will reduce the years in which the City would be required to share the sales tax generated from the Costco store with Costco.

Staff has developed a proposal to allocate the \$8.4 million of costs not contributed by Costco to the future developments based on the percent of total trips at build-out by land use (based on building square footage that would be allowed under JDEDZ zoning). This methodology results in a \$28.28 per building square foot fee for retail uses and a \$13.70 per building square foot fee for hotels. Figure 5 shows how that methodology would result in potential fees by parcel within the project area.

Figure 5: Table of Potential JDEDZ Fees By Parcel

JDEDZ Transportation Fee by Parcel					
Projected Phase I Development (excluding Costco)					
Parcel	Use	Building Size [1]	Parcel Size [3]	Transportation Fee per GSF	Total Fee
Parcel 9/10	Retail	5,000	NA	\$28.28	\$141,397
Parcel 9	Hotel	66,000	105,851	13.70	904,200
Parcel 10	Hotel	66,000	123,710	13.70	904,200
Totals		137,000	229,561	NA	\$1,949,797
Projected Phase II Development					
Parcel	Use	Building Size [2]	Parcel Size [3]	Transportation Fee per GSF	Total Fee
Parcel 1	Retail	19,210	64,033	\$28.28	\$543,246
Parcel 2	Retail	12,153	40,511	28.28	343,689
Parcel 3	Retail	12,023	40,075	28.28	339,990
Parcel 4	Retail	12,284	40,946	28.28	347,379
Parcel 5	Retail	12,284	40,946	28.28	347,379
Parcel 6b	Retail	12,153	40,511	28.28	343,689
Parcel 7	Retail	25,483	84,942	28.28	720,635
Parcel 8	Retail	47,045	156,816	28.28	1,330,402
Parcel 11	Retail	76,840	256,133	28.28	2,172,992
Totals		229,474	764,913	NA	\$6,489,403
Total All Phases		366,474	994,474	NA	\$8,439,200

There is approximately \$1.5 million in right of way (ROW) costs included in the \$8.4 million JDEDZ Transportation Fee allocation. Most of that \$1.5 million of ROW costs is for land in parcels that would be charged the proposed fee. Staff is also considering a credit against the JDEDZ Transportation Fee to property owners equal to the value of contributed ROW. Staff will finalize the JDEDZ Transportation Fee proposal for City Council consideration at an early 2018 City Council meeting. However, as part of the recommended actions listed in this report, staff is recommending that the City Council adopt a resolution indicating its intent to adopt this JDEDZ Transportation Fee.

ECONOMIC VITALITY COMMITTEE ACTION

The Economic Vitality Committee (EVC) met on October 5, 2017, to review and provide a recommendation to the Council for the JDEDZ. Two members of the public spoke on the project, and all comments were supportive of the project. The Committee focused its debate on the proposed uses list and ensuring those uses met the intent of the Economic Development Strategic Plan as outlined in the agenda report (Attachment 5, Exhibit H). After listening to public testimony and discussing the project, the Committee unanimously voted to recommend approval of the project to the City Council. Please see Attachment 6 for more details related to public testimony and EVC discussion.

PLANNING COMMISSION ACTION

The Planning Commission held a public hearing on October 11, 2017 to review and provide a recommendation to the Council on the JDEDZ. Four members of the public spoke on the project, and all comments were supportive of the project. In addition, staff received approximately 56 emails subsequent to the publishing of the agenda report for the hearing (Attachment 9). Fifty three of the emails were supportive of the project while three emails expressed concerns related to traffic, infrastructure costs, noise, air pollution, and increased crime. The Commission focused its debate on the proposed uses list and ensuring those uses would generate substantial tax revenue to the City and promote the overarching economic development goals of the JDEDZ. Accordingly, the Planning Commission made revisions to the proposed uses list which is attached as Attachment 4, Exhibit A. In particular, the Planning Commission recommended: adding personal service uses as a permitted use; making tutoring, massage, and theater uses conditionally permitted uses (they were initially identified as permitted uses), and eliminating nursing homes and laboratories as uses that would be allowed in the JDEDZ. For further discussion on these topics, please see the draft Planning Commission meeting minutes (Attachment 7). After listening to public testimony and discussing the project, the Commission, on a 5-0 vote, voted to recommend certification of the FSEIR and approval of the proposed General Plan Amendment and PUD Rezoning, subject to recommended conditions of approval, to the City Council. Please see Attachment 7 for more details related to public testimony and Planning Commission discussion. Staff concurs with the Planning Commission recommended revisions made to the proposed uses list as described and recommended in Attachment 4, Exhibit A.

PREVIOUS CITY COUNCIL ACTION

The City Council held public hearings on August 29 and September 18, 2017, to discuss, and ultimately support a tax-sharing agreement with Costco to finance the necessary transportation network improvements for the JDEDZ. Additionally, the Council unanimously supported flexible development phasing for the JDEDZ in which Costco could build their facility but not open until all traffic improvements are in place and the potential hotels would be permitted to build and open immediately without any of the traffic mitigations in place.

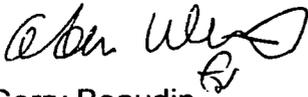
PUBLIC NOTICE AND COMMENTS

Notice of these applications were sent to surrounding property owners and tenants within a 1,000-foot radius of the site, all property owners and tenants within the Val Vista, Stoneridge, and North Muirwood neighborhoods, and to all interested parties that have contacted staff directly at the various community meetings/public hearings and/or by email/phone. Staff has provided the location and noticing maps as Attachment 11 for reference. At the time this report was published, staff had not received any new public comments regarding these applications.

SUMMARY/CONCLUSION

The JDEDZ involves changing the General Plan land use designations and zoning designed to spur investment in 40 acres of mostly underutilized land. The JDEDZ is consistent with several General Plan policies listed in this report that promote economic development in the City and diversifying the City's commercial sector. In addition, the JDEDZ has undergone substantial public vetting, resulting in the project presented in this report. As proposed, staff believes the stated goals and objectives within this report will be achieved and believes the expanded range of proposed uses will enhance the development potential and economic vitality for the parcels within the project area, while also adequately protecting existing uses that wish to remain and continue to operate unchanged. Staff believes adequate CEQA analysis has been conducted to identify and mitigate any potentially significant impacts. Additionally, the Economic Vitality Committee and Planning Commission have indicated their support for the project as proposed. Therefore, staff believes that the SEIR should be certified and that the General Plan amendment and PUD Rezoning merit a favorable determination from the City Council.

Submitted by:



Gerry Beaudin
Director of Community
Development

Fiscal Review:



Tina Olson
Director of Finance

Approved by:



Nelson Fialho
City Manager

- Attachments:
1. Draft City Council Resolution certifying the Final Supplemental Environmental Impact Report (FSEIR) dated March 21, 2016, with Exhibit A, the Findings of Fact and Statement of Statement of Overriding Considerations, Exhibit B, the SEIR Recirculation Memorandum prepared by Environmental Sciences Associates (ESA) dated June 5, 2017, and Exhibit C, the Mitigation Monitoring and Reporting Program (revised October 2017).
 2. Draft Supplemental Environmental Impact Report (DSEIR) dated September 14, 2015, Final Supplemental Environmental Impact Report (FSEIR) dated March 21, 2016, and Comparative Analysis dated August 2016 (previously distributed – www.cityofpleasantonca.gov/JDEDZ)
 3. Draft City Council Resolution approving the General Plan Amendment Map with Exhibit A, Draft General Plan Amendment land use designation map
 4. Draft City Council Ordinance for PUD-105, approving the PUD Rezoning with Exhibit A, Draft PUD Rezoning Conditions of Approval (revised per Planning Commission), Exhibit B, Draft Development Standards and Design Guidelines dated March 2017, and Exhibit C, Draft PUD Rezoning land use designation map

5. JDEDZ-related agenda reports as follows (previously distributed -- www.cityofpleasantonca.gov/JDEDZ):
 - A. April 15, 2014 City Council – EDZ program establishment
 - B. September 23, 2015 Planning Commission – DSEIR workshop
 - C. April 12, 2016 Joint City Council/Planning Commission – EDZ workshop
 - D. July 19, 2016 City Council – Referendum public hearing and request for Comparative Analysis
 - E. August 16, 2016 City Council – Presentation of Comparative Analysis Findings
 - F. August 29, 2017 City Council – Policy discussion introduction regarding the traffic and transportation mitigation improvements phasing and financing plan options
 - G. September 18, 2017 City Council – Provide direction on the transportation mitigation improvements phasing and financing plan options
 - H. October 5, 2017 Economic Vitality Committee – Provide recommendation to the City Council
 - I. October 11, 2017 Planning Commission – Provide recommendation to the City Council
6. Economic Vitality Committee draft meeting minutes from October 5, 2017
7. Planning Commission draft meeting minutes from October 11, 2017
8. Draft Planning Commission resolutions from October 11, 2017 recommending certification of the FSEIR, and recommending approval of the General Plan Amendment and the PUD Rezoning
9. Public comments received after publication of the October 11, 2017 Planning Commission agenda report
10. Draft City Council Resolution approving the City's intent to adopt a JDEDZ Transportation Fee
11. Location and Notification Map

RESOLUTION NO. 17-_____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON CERTIFYING
A SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT (SEIR) FOR THE
APPLICATION OF THE CITY OF PLEASANTON FOR
THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ)
AS FILED UNDER CASE P14-0852 AND PUD-105**

WHEREAS, The City of Pleasanton has applied for applications on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone for: (1) approval of a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C District (the "Project"); and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a SEIR was prepared for the Project; and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, relevant exhibits, and recommendations of City staff concerning the proposed SEIR for the Project; and

WHEREAS, the Planning Commission at its regular meeting on October 11, 2017, reviewed the potential Project impacts in accordance with the applicable state and local guidelines governing the preparation of the SEIR, determined that the SEIR is appropriate for the Project, and adopted Resolution PC-2017-19, determining that the SEIR is appropriate for the Project, and recommending to the City Council that the SEIR for the Project be certified; and

WHEREAS, at its duly noticed public meeting of November 7, 2017, the City Council considered all public testimony, relevant exhibits, and recommendations of City staff concerning the proposed SEIR; and

WHEREAS, the City Council at its regular meeting on November 7, 2017, reviewed the potential Project impacts in accordance with the applicable state and local guidelines governing the preparation of the SEIR and determined that the SEIR is appropriate for the Project; and

NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

Section 1. The SEIR for 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone for: (1) approval of a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C District, is certified pursuant to the attached Exhibit A, the Findings of Fact and Statement of Statement of Overriding Considerations, Exhibit B, the SEIR Recirculation Memorandum prepared by Environmental Sciences Associates (ESA) dated June 5, 2017, and Exhibit C, the Mitigation Monitoring and Reporting Program (revised October 2017).

Section 2. The City staff is directed to cause a Notice of Determination to be filed pursuant to Section 5.4(g) of Resolution No. 77-66.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regulation meeting held on November 7, 2017.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on 7th day of November, 2017 by the following vote:

- Ayes:
- Noes:
- Absent:
- Abstain:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Dan Sodergren, City Attorney

Exhibit A

FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO THE CERTIFICATION OF THE SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT FOR THE CITY OF PLEASANTON'S JOHNSON DRIVE ECONOMIC DRIVE ZONE (AND RELATED GENERAL PLAN LAND USE AMENDMENTS AND REZONINGS)

I. STATEMENT OF FINDINGS

The findings and determinations contained herein are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the proposed Johnson Drive Economic Development Zone and associated Supplemental EIR (“SEIR”). The findings and determinations constitute the independent findings and determinations by this City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

Although the findings below identify specific pages within the SEIR in support of various conclusions reached below, the City Council agrees with, and thus incorporates by reference and adopts as its own, the reasoning set forth in the environmental document, and thus relies on that reasoning, even where not specifically mentioned or cited below, in reaching the conclusions set forth below, except where additional evidence is specifically mentioned.

A. Organization/Format of Findings

Section I.C of these findings contains a summary description of the proposed Johnson Drive Economic Development Zone, sets forth the objectives of the proposed Johnson Drive Economic Development Zone, and provides related background facts. Section I.D describes the record of proceedings associated with the proposed Johnson Drive Economic Development Zone. Section I.E summarizes the City of Pleasanton’s (City’s) environmental review of the proposed Johnson Drive Economic Development Zone. Section I.I summarizes and makes findings regarding the Johnson Drive Economic Development Zone’s potential impacts that do not require mitigation measures due to the determination that the impacts would be less than significant. Section I.J describes and makes findings regarding the Johnson Drive Economic Development Zone’s potentially significant adverse environmental impacts and the mitigation measures that will be imposed to ensure that those impacts would be less than significant. Section I.K describes and makes findings regarding the Johnson Drive Economic Development Zone’s significant and unavoidable impacts and the mitigation measures that will be imposed to reduce those impacts to the extent feasible. Section I.L discusses and makes findings regarding the alternatives to the Johnson Drive Economic Development Zone analyzed in the SEIR. Section I.M discusses and makes findings regarding the growth-inducing effects of the Johnson Drive Economic Development Zone. Section II contains a description of the significant and unavoidable environmental impacts of the Johnson Drive Economic Development Zone and the City’s statement of overriding considerations and related findings demonstrating why the Johnson Drive Economic Development Zone’s benefits outweigh its significant and unavoidable impacts and thus render them acceptable.

B. Introduction

The SEIR addresses the environmental impacts associated with the adoption and implementation of the City of Pleasanton Johnson Drive Economic Development Zone and related General Plan land use amendment and rezonings (referred to collectively hereinafter as the “Zone” or “EDZ”). The SEIR was prepared in accordance with the California Environmental Quality Act, Public Resources Code §21000 et seq. (“CEQA”) and the implementing regulations set forth in the Code of California Regulations, Title XIV, §15000 et seq. (the “CEQA Guidelines”). The SEIR is a supplement to the City of Pleasanton General Plan 2005-2025 program EIR (State Clearinghouse No. 2005122139), certified in 2009 (General Plan EIR); and the Supplemental EIR for the City’s proposed Housing Element, Climate Action Plan, and associated General Plan Amendment and Rezoning (State Clearinghouse No. 2011052002), which updated several areas of the General Plan EIR technical analyses and was certified in 2012 (2012 SEIR) as provided for under CEQA Guidelines §§15162 and 15163. These findings, as well as the accompanying Statement of Overriding Considerations in Section II, have been prepared to comply with the requirements of CEQA.

C. Description and Objectives of the Zone

1. Description of the Zone

Zone Location

The City of Pleasanton is located within Alameda County, one of nine Bay Area counties bordering the San Francisco Bay. The City of Pleasanton is generally bounded to the west by the Pleasanton ridgelands, to the north by Interstate 580 (I-580) and the city of Dublin, to the east by the city of Livermore, and to the south by City and County of San Francisco Water Department lands and other rangelands. Interstate 680 (I-680) bisects the western portion of the City, intersecting I-580 in its northwestern corner. The incorporated city limits of Pleasanton include a 22.4-square mile (14,300-acre) area over which Pleasanton exercises police powers including zoning control.

The Pleasanton Sphere-of-Influence consists of a 42.2-square mile (27,200-acre) area adopted by the Alameda County Local Agency Formation Commission (“LAFCO”) and represents the probable ultimate physical boundary and service area of Pleasanton. The Sphere-of-Influence contains unincorporated lands over which Alameda County has zoning control, as well as lands incorporated within the city limits of Pleasanton.

The Pleasanton Planning Area (“Planning Area”) encompasses a 75-square mile (48,000-acre) area within which the City designates the future use of lands “bearing a relation to the city’s planning.”¹ The General Plan Map designates land uses for the entire Planning Area even though much of this land is unincorporated and lies within the jurisdictional authority of Alameda County.

¹ Definition of “Planning Area” by the Governor’s Office of Planning and Research, General Plan Guidelines (1998).

For the purpose of the SEIR, the area of the proposed Zone includes 12 parcels located at 7106-7315 Johnson Drive and 7080 Commerce Circle, comprising approximately 40 acres and currently containing a mix of land uses, including light industrial, office, retail, and institutional uses. The area is bounded by a fitness center and parking uses on the north; light industrial, wastewater treatment, and Park and Ride uses to the east; Stoneridge Drive and the I-680 interchange to the south; and I-680 to the west. The area of the proposed Zone currently includes 224,688 square feet of occupied building space. The area of the proposed Zone previously included 573,723 square feet of building space.

Some environmental impacts related to the proposed Zone were addressed in the General Plan EIR (2009) and the 2012 SEIR; accordingly, the SEIR for the Zone focuses on impacts related to the intensified commercial and other uses that would be developed in the area of the proposed Zone that were not specifically addressed in the General Plan EIR and 2012 SEIR.

Proposed Zone

The Zone, which is the project analyzed in the SEIR, consists of policies, regulations, and guidelines to allow for and facilitate future development and redevelopment within the area of the proposed Zone. The Zone is designed to establish a vision and policy framework for the area with the purpose of encouraging investment. The Zone would replace or supplement current policies that apply within the area of the proposed Zone, and is intended to guide future development.

To ensure consistency across the City's planning documents, the proposed Zone includes a General Plan amendment, rezoning, and other entitlements, and would implement a number of existing General Plan goals, policies, and programs. As part of the proposed Zone, the City could also specify fees and fee credits for prospective uses; specify off-site improvements; and execute one or more Development Agreements with identified property owners. A tax incentive or rebate program may also be established.

No specific development projects have been proposed for the area of the proposed Zone. Detailed planning applications for specific development projects within the area of the proposed Zone would be submitted to the City at a later date.

While the extent of future development within the area of the proposed Zone is unknown, the Zone provides parameters for future development that may take place. The uses authorized by the Zone include club retail (also known as warehouse club), hotel, recreational, office/commercial, and small- and large-format retail establishments. Existing uses within the area of the proposed Zone would be permitted to operate until redevelopment activities occur on those specific parcels.

With development of the Zone, the area could contain up to 535,490 square feet of occupied building space, a net increase of 310,802 square feet over the existing occupied buildings within the area of the proposed Zone. It is assumed that development of the Zone would occur in two or more phases, including an initial phase (Phase I) during which Parcels 6, 9 and 10

would be developed with hotel (132,000 square feet), club retail (148,000 square feet), and general retail (5,000 square feet) uses; and one or more future development phases.

Table 1 summarizes the characteristics of development assumed to take place during Phase I and future development phases. “Full Buildout” as presented in Table 1 and analyzed in the SEIR, includes Phase I assumptions as well as future development phases, and represents the maximum assumed level of development within the entire area of the proposed Zone.

**TABLE 1
SUMMARY OF ZONE DEVELOPMENT CHARACTERISTICS**

Land Use or Other Characteristic	Unit	Existing Development	Phase I Development (Parcels 6, 9, and 10)	Full Buildout ¹
Employees	Jobs	369	610	678
General Retail	Square Feet	38,903	43,903	227,940
Club Retail	Square Feet	-	148,000	148,000
Commercial Service	Square Feet	123,165	123,165	-
Office	Square Feet	15,070	15,070	-
Industrial	Square Feet	27,550	27,550	27,550
Hotel	Square Feet	-	132,000 ²	132,000 ²
Institutional/Religious	Square Feet	20,000	20,000	-
Total new gross building space	Square Feet	-	285,000	310,802
Total gross building space	Square Feet	224,688	509,688	535,490

¹ Inclusive of all phases of development, including Phase I.

³ 231 rooms (previously 140 to 150 rooms).

Ac = Acres

SF = Square Feet

Source: Final EIR (City of Pleasanton, 2016)

The level of actual development within the area of the proposed Zone may ultimately be less than assumed in the SEIR.

2. Zone Objectives

The Zone is a pilot economic development zone designed to establish a vision and policy framework for the area with the purpose of encouraging investment in a highly-visible part of the City. The Zone is the first economic development zone proposed by the City and is anticipated to be a model for future economic development zones.

The following are the objectives for the Zone and associated General Plan Amendment and rezonings, as presented in the SEIR:

1. Provide a consistent framework for the City’s review and approval of new uses and projects in the area of the proposed Zone, encouraging investment in and adding value to these properties;

2. Maximize the benefits of the location of the area of the proposed Zone as an infill site located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses in the area of the proposed Zone; and

3. Encourage the development of a diverse mix of uses in the City that would promote long-term economic growth by generating substantial new revenues for the City.

(Draft SEIR, p. 3-12.)

D. Record of the Proceedings

For purposes of CEQA and the findings set forth herein, the record of proceedings for the City Council's decision on the proposed Zone consists of: (1) matters of common knowledge to the City Council, including but not limited to federal, state, and local laws and regulations; and (2) the following documents that are in the custody of the City and compiled in accordance with Public Resources Code §21167.6(e):

- The General Plan EIR;
- The 2012 SEIR for the City's proposed Housing Element and Climate Action Plan;
- All notices issued by the City, including but not limited to the SEIR Notice of Preparation, Notice of Availability, and Notice of Completion, which were issued by the City in conjunction with the proposed Zone;
- The Final SEIR (dated March 2016), which includes all written comments submitted by agencies, organizations, or members of the public during the public comment period on the Draft SEIR (dated September 2015) and responses to those comments and all of the documents referenced therein;
- The Mitigation Monitoring and Reporting Program ("MMRP");
- The "Review of Final Supplemental Environmental Impact Report for the Johnson Drive Economic Development Zone" memo (i.e., Draft SEIR/Final SEIR Recirculation Memo, dated June 5, 2017), prepared by Environmental Science Associates (ESA);
- The "Johnson Drive Economic Development Zone Supplemental Comparative Analysis" (Supplemental Comparative Analysis, dated August 2016), prepared by ESA;
- All proposed decisions, findings and resolutions submitted and/or adopted by the City in connection with the proposed Zone, and all documents cited or referred to therein;
- All final reports, studies, memorandums, maps, correspondence, and related documents prepared by the City, or the consultants or responsible or trustee agencies, with respect to: (1) the City's compliance with CEQA; and (2) the City's action on the proposed Zone;
- All documents submitted to the City by other agencies and by members of the public in connection with the proposed Zone;
- All documents compiled by the City in connection with the study of the proposed Zone and alternatives; and
- The testimony and evidence presented at all public hearings at the Planning Commission and City Council on the environmental document or on the proposed Zone.

The location of these documents and other materials, which constitute the record of proceedings, is the City of Pleasanton, Community Development Department, 200 Old Bernal Avenue, Pleasanton, CA 94566. The custodian of the documents constituting the record of proceedings is the Planning Manager.

The City Council has relied on all of the documents listed above in reaching its decision on the proposed Zone, even if not every document was formally presented to the City

Council or City staff as part of the City files generated in connection with the proposed Zone. Without exception, any documents set forth above not found in the City's files for the proposed Zone fall into one of two categories. Many of them reflect prior planning or legislative decisions with which the City Council was aware in approving the Zone. (See *City of Santa Cruz v. Local Agency Formation Commission* [1978] 76 Cal.App.3d 381, 391-392; *Dominey v. Department of Personnel Administration* [1988] 205 Cal.App.3d 729, 738, fn. 6.) Other documents influenced the expert advice provided to City staff or consultants, who then provided advice to the City Council. For that reason, such documents form part of the underlying factual basis for the City Council's decisions relating to the adoption of the proposed Zone. (See Pub. Res. Code, §21167.6[e][10]; *Browning-Ferris Industries v. Planning Commission of City of San Jose* [1986] 181 Cal.App.3d 852, 866; *Stanislaus Audubon Society, Inc. v. County of Stanislaus* [1995] 33 Cal.App.4th 144, 153, 155.)

E. Environmental Review of the Project

Pursuant to CEQA and the CEQA Guidelines, the City determined that a Supplement to the 2009 General Plan EIR and to the 2012 SEIR for the City's proposed Housing Element and Climate Action Plan should be prepared to analyze the potential environmental impact of the proposed Zone. A Notice of Preparation ("NOP") describing the proposed Zone and issues to be addressed in the SEIR was distributed to responsible agencies, trustee agencies, and other state agencies through the State Clearinghouse; and to other interested parties and posted between August 27, 2014 and September 25, 2014.

The Draft Supplemental EIR ("Draft SEIR") was prepared and circulated for a 45-day public review period beginning September 14, 2015; the public review period was extended, ending November 23, 2015. The Planning Commission held a public hearing to receive public input on the Draft SEIR on September 23, 2015. Community meetings were also held to receive public input on the Draft SEIR on October 22 and November 12, 2015.

Following the close of the public review period, responses to all comments received on the Draft SEIR during the public review period were prepared, which in some cases required revisions to the Draft SEIR intended to correct, clarify, and amplify the Draft SEIR. The response to comments, changes to the Draft SEIR and additional information have been incorporated into the Final Supplemental EIR ("Final SEIR").

CEQA Guidelines §15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR but before certification. New information added to an EIR is not "significant" unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect that the project proponent declines to implement. The CEQA Guidelines provide examples of significant new information under this standard. Recirculation is not required where the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications to an adequate EIR.

On behalf of the City, ESA conducted a review of the Final SEIR to determine whether new information has arisen that could trigger the recirculation of the SEIR prior to the City's consideration of it for certification. This review concluded that recirculation was not

required, as described in ESA's Draft SEIR/Final SEIR Recirculation Memo, dated June 5, 2017 (this memo is included as part of the City's record of proceedings for the proposed Zone, as listed above under I.D). Consistent with this review, the City finds that although changes have been made to the Draft SEIR, the Final SEIR does not contain significant new information as defined in the CEQA Guidelines and additional recirculation of the SEIR is not required.

F. Certification of the SEIR

In accordance with CEQA Guidelines §15090(a)(1), the City Council, as lead agency, finds and certifies that the SEIR has been completed in compliance with CEQA and the CEQA Guidelines. The City Council further finds and certifies that it has reviewed and considered the information in the SEIR prior to adopting or approving any element of or entitlement for the proposed Zone and that the Final SEIR reflects the City Council's independent judgment. Similarly, the City Council finds that it has reviewed the record of proceedings and the SEIR prior to approving any element of or entitlement for the Project. By making these findings, the City Council confirms, ratifies and adopts the findings and conclusions of the SEIR, as supplemented and modified by the findings contained herein. The SEIR and these findings represent the independent judgment and analysis of the City and the City Council.

The City Council further certifies that the SEIR is adequate to support the approval/adoption of all Project components.

G. Mitigation Monitoring and Reporting Program

A Mitigation Monitoring and Reporting Program, which is included in Table 6-1 of Chapter 6 of the Final SEIR, was prepared for the Project and was adopted by the City Council by the same resolution that has adopted these findings. (See Pub. Res. Code §21081.6[a][1]; CEQA Guidelines §15097.) The City will use the MMRP to ensure and track compliance with mitigation measures. The MMRP will remain available for public review during the compliance period.

H. Findings Required Under CEQA

Public Resources Code §21002 provides that "public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen the significant environmental effects of such projects[.]" Section 21002 also states that the procedures required by CEQA "are intended to assist public agencies in systematically identifying both the significant effects of proposed projects and the feasible alternatives or feasible mitigation measures which will avoid or substantially lessen such significant effects." Section 21002 goes on to state that "in the event [that] specific economic, social, or other conditions make infeasible such project alternatives or such mitigation measures, individual projects may be approved in spite of one or more significant effects thereof."

The mandate and principles announced in Public Resources Code §21002 are implemented, in part, through the requirement that agencies must adopt findings before approving projects for which EIRs are required. (See Pub. Res. Code §21081[a]; CEQA Guidelines §15091[a].) For each significant environmental effect identified in an EIR for a proposed project, the approving agency must issue a written finding reaching one or more of three permissible

conclusions. The first such finding is that “[c]hanges or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.” (CEQA Guidelines §15091[a][1].) The second such finding is that “[s]uch changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.” (CEQA Guidelines §15091[a][2].) The third potential conclusion is that “[s]pecific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.” (CEQA Guidelines §15091[a][3].) Public Resources Code §21061.1 defines “feasible” to mean “capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.” CEQA Guidelines §15364 adds another factor: “legal” considerations. (See also, *Citizens of Goleta Valley v. Board of Supervisors* [1990] 52 Cal.3d 553, 565 [*Goleta II*].)

The concept of “feasibility” also encompasses the question of whether a particular alternative or mitigation measure promotes the underlying goals and objectives of a project. (*City of Del Mar v. City of San Diego* [1982] 133 Cal.App.3d 410, 417.) “[F]easibility” under CEQA encompasses “desirability” to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, and technological factors.” (*Ibid.*; see also, *Sequoyah Hills Homeowners Assn. v. City of Oakland* [1993] 23 Cal.App.4th 704, 715.)

The CEQA Guidelines do not define the difference between “avoiding” a significant environmental effect and merely “substantially lessening” such an effect. The City must therefore glean the meaning of these terms from the other contexts in which the terms are used. Public Resources Code §21081, on which CEQA Guidelines §15091 is based, uses the term “mitigate” rather than “substantially lessen.” The CEQA Guidelines therefore equate “mitigating” with “substantially lessening.” Such an understanding of the statutory term is consistent with the policies underlying CEQA, which include the policy that “public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen the significant environmental effects of such Projects.” (Pub. Res. Code §21002.)

For purposes of these findings, the term “avoid” refers to the effectiveness of one or more mitigation measures to reduce an otherwise significant effect to a less-than-significant level. In contrast, the term “substantially lessen” refers to the effectiveness of such measure or measures to substantially reduce the severity of a significant effect, but not to reduce that effect to a less-than-significant level. These interpretations appear to be mandated by the holding in *Laurel Hills Homeowners Association v. Planning Commission* (1978) 83 Cal.App.3d 515, 519- 521, in which the Court of Appeal held that an agency had satisfied its obligation to substantially lessen or avoid significant effects by adopting numerous mitigation measures, not all of which rendered the significant impacts in question less than significant.

Although CEQA Guidelines §15091 requires only that approving agencies specify that a particular significant effect is “avoid[ed] or substantially lessen[ed],” these findings, for purposes of clarity, in each case will specify whether the effect in question has been reduced to a less-than-significant level, or has simply been substantially lessened but remains significant.

Moreover, although §15091, read literally, does not require findings to address environmental effects that an EIR identifies as merely “potentially significant,” these findings will nevertheless fully account for all such effects identified in the SEIR.

CEQA requires that the lead agency adopt mitigation measures or alternatives, where feasible, to substantially lessen or avoid significant environmental impacts that would otherwise occur. Project modification or alternatives are not required, however, where such changes are infeasible or where the responsibility for modifying the Project lies with some other agency. (CEQA Guidelines §15091[a], [b].)

With respect to a project for which significant impacts are not avoided or substantially lessened, a public agency, after adopting proper findings, may nevertheless approve the project if the agency first adopts a statement of overriding considerations setting forth the specific reasons why the agency found that the project’s “benefits” rendered “acceptable” its “unavoidable adverse environmental effects.” (CEQA Guidelines §§15093, 15043[b]; see also, Pub. Res. Code §21081[b].) The California Supreme Court has stated, “[t]he wisdom of approving . . . any development project, a delicate task which requires a balancing of interests, is necessarily left to the sound discretion of the local officials and their constituents who are responsible for such decisions. The law as we interpret and apply it simply requires that those decisions be informed, and therefore balanced.” (*Goleta II, supra*, 52 Cal.3d at p. 576.)

These findings constitute the City Council’s best efforts to set forth the evidentiary and policy bases for its decision to approve the proposed Zone in a manner consistent with the requirements of CEQA. To the extent that these findings conclude that various proposed mitigation measures outlined in the Final SEIR are feasible and have not been modified, superseded or withdrawn, the City hereby binds itself to implement these measures. These findings, in other words, are not merely informational, but rather constitute a binding set of obligations that will come into effect when the City Council adopts a resolution approving the proposed Zone.

I. No or Less Than Significant Impacts Without Mitigation

Based on the discussions in Chapter 4 and Section 6.E of the Draft SEIR, and other supporting information in the record, the City Council finds that the proposed Zone would have no or a less than significant impact associated with the specific issues identified below. As a result, no mitigation measures were determined to be needed to address the following:

1. Aesthetics

Impact 4.A-1: The proposed Zone would not cause significant new adverse impacts on scenic vistas. (Draft SEIR, pp. 4.A-17 to 4.A-23)

Impact 4.A-2: The proposed Zone would not cause significant damage to scenic resources, including, but not limited to, trees, rocks, outcroppings, and historic buildings within a state scenic highway. (Draft SEIR, pp. 4.A-23 to 4.A-24)

Impact 4.A-3: The proposed Zone would not cause significant degradation to existing visual character or quality. (Draft SEIR, pp. 4.A-24 to 4.A-25)

Impact 4.A-4: The proposed Zone would not create new sources of substantial light or glare within the area of the proposed Zone which would significantly adversely affect day or nighttime views on individual project sites. (Draft SEIR, pp. 4.A-25 to 4.A-26)

Impact 4.A-5: The proposed Zone, in combination with other past, present, existing, approved, pending, and reasonably foreseeable future projects would not have a cumulatively considerable adverse impact to aesthetic resources. (Draft SEIR, p. 4.A-26)

2. Air Quality

Impact 4.B-5: The proposed Zone would not create objectionable odors affecting a substantial number of people from operation of uses that would be developed within the area of the proposed Zone. (Draft SEIR, p. 4.B-24)

3. Noise

Impact 4.C-2: The proposed Zone would not result in significant adverse impacts from construction activities that would generate ground-borne vibration at neighboring sensitive uses. (Draft SEIR, p. 4.C-15)

Impact 4.C-3: Development within the area of the proposed Zone could locate commercial or residential uses near an existing rail (BART) line. Uses that may be developed within the area of the proposed Zone would not be exposed to exterior and interior noise exposure from train noise events such that a significant impact would result. (Draft SEIR, pp. 4.C-15 to 4.C-16)

Impact 4.C-4: Development within the area of the proposed Zone could locate commercial or residential uses near an existing rail (BART) line. Uses that may be developed within the area of the proposed Zone would not be exposed to vibration from train pass-by events such that a significant impact would result. (Draft SEIR, p. 4.C-16)

Impact 4.C-5: Development within the area of the proposed Zone would generate additional traffic on local area roadways that would increase traffic noise exposure relative to existing conditions, but not to an extent that a significant impact would occur. (Draft SEIR, p. 4.C-17)

Impact 4.C-6: New commercial land uses developed under Phase I of the proposed Zone would not be exposed to noise levels in excess of the City of Pleasanton Noise Standards. (Draft SEIR, pp. 4.C-17 to 4.C-19)

Impact 4.C-8: Development within the area of the proposed Zone would generate construction noise that, in combination with construction noise associated with other buildout in the City of Pleasanton, would not result in significant cumulative noise effects at noise-sensitive uses. (Draft SEIR, p. 4.C-20)

Impact 4.C-9: Development within the area of the proposed Zone, in combination with other foreseen projects in the City would not produce a significant cumulative increase in traffic noise exposure. (Draft SEIR, pp. 4.C-20 to 4.C-22)

4. Transportation and Traffic

Impact 4.D-4: Development facilitated by the proposed Zone would affect levels of service on mainline freeway segments under Existing plus Project conditions, but not to an extent that a significant impact would occur. (Draft SEIR, pp. 4.D-50 to 4.D-52)

Impact 4.D-6: Development facilitated by the proposed Zone would affect levels of service on mainline freeway segments under Far-term (Cumulative) plus Project conditions, but not to an extent that a significant impact would occur. (Draft SEIR, p. 4.D-53)

Impact 4.D-8: Development facilitated by the proposed Zone would have an impact on Metropolitan Transportation System roadways identified in the Congestion Management Plan, including freeways, major arterials, and other major roadways as designated by the Alameda CTC, but not to an extent that a significant impact would occur. (Draft SEIR, pp. 4.D-56 to 4.D-57)

Impact 4.D-10: Development facilitated by the proposed Zone would not result in inadequate access for emergency vehicles. (Draft SEIR, pp. 4.D-60 to 4.D-65)

Impact 4.D-13: Development facilitated by the proposed Zone would generate temporary increases in traffic volume and temporary effects on transportation conditions during construction activities, but not to an extent that a significant impact would occur. (Draft SEIR, pp. 4.D-67 to 4.D-68)

5. Biological Resources

Impact 4.E-1b: The proposed Zone would not have substantial adverse impacts on any riparian habitat or other sensitive natural community within the proposed Zone.

Impact 4.E-1d: The proposed Zone would not interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.

Impact 4.E-1e: The proposed Zone would not conflict with any local policies or ordinances protecting biological resources.

Impact 4.E-1f: The proposed Zone would not conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan.

(Draft SEIR, pp. 4.E-9 to 4.E-14)

6. Cultural Resources

Impact 4.E-2a: The proposed Zone would not cause a substantial adverse change in the significance of a historical resource, as defined in CEQA Guidelines §15064.5.

(Draft SEIR, pp. 4.E-18 to 4.E-19)

7. Geology and Soils

Impact 4.E-4a: The proposed Zone would not result in any direct or cumulatively considerable significant adverse impacts to geological resources exposing people or structures to potential substantial adverse effects within the proposed Zone, including the risk of loss, injury, or death involving:

- i) Rupture of a known earthquake fault,
- ii) Strong seismic ground shaking,
- iii) Seismic-related ground failure, including liquefaction, or
- iv) Landslides.

Impact 4.E-4b: The proposed Zone would not result in substantial soil erosion or the loss of topsoil such that a significant adverse impact would occur.

Impact 4.E-4c: The proposed Zone would not be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the proposed Zone such that a significant adverse impact would occur.

Impact 4.E-4d: The proposed Zone would not be located on expansive soil such that a significant adverse impact would occur.

(Draft SEIR, pp. 4.E-20 to 4.E-21)

In addition, development facilitated by the proposed Zone would not result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state; and would not result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan; therefore, the proposed Zone would have no impact on mineral resources.

(Draft SEIR, p. 6-7)

8. Greenhouse Gas Emissions

Impacts 4.E-3a: The proposed Zone would not generate greenhouse gas emissions, either directly or indirectly, that would have a significant impact on the environment.

Impacts 4.E-3b: The proposed Zone would not conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases.

(Draft SEIR, pp. 4.E-24 to 4.E-26)

9. Hazards and Hazardous Materials

Impact 4.E-5a: The proposed Zone would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.

Impact 4.E-5e: The proposed Zone would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

Impact 4.E-5f: The proposed Zone would not expose people or structures to a

significant risk of loss, injury or death involving wildland fires.

(Draft SEIR, pp. 4.E-27 to 4.E-28)

10. Hydrology and Water Quality

Impact 4.E-6a: The proposed Zone would not violate any water quality standards or waste discharge requirements.

Impact 4.E-6b: The proposed Zone would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge.

Impact 4.E-6c: The proposed Zone would not substantially alter existing drainage patterns.

Impact 4.E-6d: The proposed Zone would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.

Impact 4.E-6e: The proposed Zone would not otherwise substantially degrade water quality.

Impact 4.E-6f: The proposed Zone would not place structures within a 100-year flood hazard area which would impede or redirect flood flows.

Impact 4.E-6g: The proposed Zone would not expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam.

(Draft SEIR, pp. 4.E-29 to 4.E-31)

11. Land Use and Planning

Impact 4.E-7a: The proposed Zone would not physically divide an established community.

Impact 4.E-7b: The proposed Zone would not conflict with any applicable land use plan, policy, or regulation.

Impact 4.E-7c: The proposed Zone would not conflict with any applicable habitat conservation plan or natural community conservation plan.

(Draft SEIR, pp. 4.E-31 to 4.E-32)

In addition, the proposed Zone would not directly or indirectly convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use; would not conflict with existing zoning for agricultural use, or a Williamson Act contract; and would not involve other changes in the existing environment which, due to their location or nature, could result in conversion of farmland to non-agricultural use, and therefore would have no impact on agricultural resources. Likewise, the EDZ would not cause rezoning of forest land, timberland, or timberland-zoned Timberland Production, and, therefore, development facilitated by the proposed

EDZ would not result in the loss of forest land or convert forest land to non-forest use.

(Draft SEIR, p. 6-7)

12. Population and Housing

Impact 4.E-8: The proposed Zone would not induce substantial population growth in an area, either directly or indirectly.

In addition, no housing is present in the area of the proposed EDZ, and therefore the proposed Zone would not displace substantial numbers of existing housing, or displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

(Draft SEIR, p. 4.E-33)

13. Public Services and Utilities

Impact 4.E-9a: The proposed Zone would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, in order to maintain acceptable service ratios, response times or other performance objectives for fire protection, police protection, schools, parks, or other public facilities.

Impact 4.E-9b: The proposed Zone would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board.

Impact 4.E-9c: The proposed Zone would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities.

Impact 4.E-9d: The proposed Zone would not require or result in the construction of new stormwater drainage facilities or expansion of existing facilities.

Impact 4.E-9f: The proposed Zone would not result in a determination by the wastewater treatment provider which serves the proposed Zone that it does not have adequate capacity to serve the proposed Zone's projected demand in addition to the provider's existing commitments.

Impact 4.E-9g: The proposed Zone would be served by a landfill with sufficient permitted capacity to accommodate the proposed Zone's solid waste disposal needs.

Impact 4.E-9h: The proposed Zone would be in compliance with federal, state, and local statutes and regulations related to solid waste.

(Draft SEIR, pp. 4.E-35 to 4.E-37)

14. Recreation

Impact 4.E-10: The proposed Zone would not increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated; or include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.

(Draft SEIR, p. 4.E-38)

J. Less Than Significant Impacts With Mitigation Incorporated

The SEIR determined that the proposed Zone has potentially significant environmental impacts in the areas discussed below, and identified feasible mitigation measures to avoid or substantially reduce some or all of the environmental impacts in these areas. Based on the information and analyses set forth in the SEIR, all but eight of the impacts of the proposed Zone will be avoided or substantially reduced to less than significant with identified feasible mitigation measures incorporated into the proposed Zone.

The City Council agrees with the characterization in the SEIR with respect to all impacts initially identified as “significant” or “potentially significant” that would be rendered less than significant with implementation of the mitigation measures identified in the SEIR and MMRP. In accordance with CEQA Guidelines §15091(a), a specific finding is made for each impact and its associated mitigation measures in the discussions below. The City Council again ratifies, adopts and incorporates the full analysis, explanation, findings, responses to comments and conclusions of the SEIR.

1. Air Quality

Impact 4.B-1

Construction activities within the area of the proposed Zone would result in increased emissions of fugitive dust, criteria air pollutants, and TACs from construction activities.

The SEIR evaluates the impacts on air quality that would result from construction and operation activities that would take place within the area of the proposed Zone. The assessment includes the potential for the proposed Zone to violate an air quality standard or contribute substantially to an existing or projected air quality violation, to result in a cumulatively considerable net increase of any criteria pollutant for which the region is in non-attainment, or to expose sensitive receptors to substantial pollutant concentrations, including odors. Air quality effects related to the proposed Zone are evaluated against State and federal ambient air quality standards, as well as the standards established by the Bay Area Air Quality Management District (BAAQMD).

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.B-1 and 4.B-2, which have been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Construction activities related to the proposed Zone could result in emissions of pollutants that result in an air quality violation.

2. Implementation of Mitigation Measures 4.B-1 and 4.B-2 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.B-1 would be reduced to a less-than-significant level. These mitigation measures are hereby incorporated by reference and described below.

Mitigation Measure 4.B-1: All developers of sites within the EDZ area shall ensure that construction plans include a requirement that the BAAQMD Best Management Practices for fugitive dust control be implemented. All developers of sites within the EDZ area are required to implement the following for all construction activities within the EDZ area, to reduce fugitive dust emissions that would be generated primarily during soil movement, grading, and demolition activities, but also during vehicle and equipment movement on unpaved construction sites:

1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
2. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
4. All vehicle speeds on unpaved roads shall be limited to 15 miles per hour.
5. All streets, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of CCR). Clear signage shall be provided for construction workers at all access points.
7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
8. A publicly visible sign shall be posted with the telephone number and person to contact at the City of Pleasanton Planning Division regarding dust complaints. This person shall respond and take corrective action within 48 hours. BAAQMD's phone number shall also be visible to ensure compliance with applicable regulations.

Site(s) affected: All sites within the proposed Zone.

Mitigation Measure 4.B-2: All developers of sites within the EDZ area that are located within 1,000 feet of sensitive receptors including church, school, senior housing, or recreational uses (i.e., Valley Bible Church and Love & Care Preschool, Club Sport, or other recreational uses) shall ensure that construction contract specifications include a requirement that all off-road diesel-powered construction

equipment used during the construction activities within the EDZ area be equipped with engines that meet or exceed either U.S. Environmental Protection Agency or California Air Resources Board Tier 2 off-road emission standards, and are fitted with Level 3 Verified Diesel Emissions Control (VDEC), which would reduce diesel particulate emissions by at least 85 percent; or ensure that off-road diesel-powered construction equipment engines meet interim or final Tier 4 emission standards.

Site(s) affected: All sites within the proposed Zone located within 1,000 feet of sensitive receptors such as church, school, senior housing, recreational, or other sensitive uses.

(Draft SEIR, pp. 4.B-14 to 4.B-18.)

Impact 4.B-4

Operation of uses that would be developed within the area of the proposed Zone would expose sensitive receptors to substantial concentrations of toxic air contaminants or respirable particulate matter (PM_{2.5}).

The SEIR evaluates the impacts related to the exposure of sensitive receptors, such as senior housing or outdoor recreation within the proposed Zone, in close proximity to sources of toxic air contaminants (i.e., within 300 feet of a fuel station or within 1,000 feet of warehouse loading docks or Highway I-680).

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure 4.B-4, which has been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will be reduced to less than significant.

1. Some of the sites within the proposed Zone that would be developed are within areas of concern related to TAC emissions from one or more stationary TAC sources. On-road vehicular traffic on nearby highway segments and arterials could also expose receptors within the area of the proposed Zone to TAC sources.
2. Implementation of Mitigation Measure 4.B-4 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.B-4 would be reduced to a less-than-significant level, and is hereby incorporated by reference and described below.

Mitigation Measure 4.B-4: If a new sensitive residential use, such as senior housing or a child-care or healthcare facility, is proposed within the EDZ area and within 300 feet of a fuel station or within 1,000 feet of warehouse loading docks or

Highway I-680, the developer of this use shall prepare a health risk assessment report to be reviewed and approved by the City. The health risk assessment shall demonstrate that the increased cancer risks for the proposed sensitive use would be below the BAAQMD permitting limit of 10 in one million (per its Policy and Procedure Manual, the BAAQMD would deny an Authority to Construct or a Permit to Operate for any new or modified source of TACs that exceeds a cancer risk of 10 in one million or a chronic or acute hazard index of 1.0); or, should the health risk assessment determine that lifetime cancer risk would exceed 10 in one million, the developer shall install in the sensitive use an enhanced ventilation filtration system such that the resultant lifetime increased cancer risk is less than 10 in one million. No sensitive use shall be approved within the EDZ where the health risk assessment determines that lifetime cancer risk from the freeway and from uses in the EDZ would exceed 10 in one million.

Site(s) affected: All sites that include a sensitive use such as, but not limited to, a senior housing facility, child-care or healthcare facility, within 300 to 1,000 feet of a source of TACs.

(Draft SEIR, pp. 4.B-23 to 4.B-24.)

2. Noise

Impact 4.C-1

Development within the proposed Zone would increase construction noise levels at sensitive receptors located near construction sites.

The SEIR evaluates the impact of the proposed Zone related to a substantial temporary increase in noise levels at sensitive receptors located near construction sites.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.C-1a and 4.C-1b, which are incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Construction activities would include demolition, site preparation, paving, and building construction, in addition to construction for improvements such as roadways, storm drainage, and utilities. Construction would involve the use of heavy equipment (e.g., front loader, graders, haul trucks) in addition to small power tools, generators, and hand tools that would be sources of noise.
2. Implementation of Mitigation Measures 4.C-1a and 4.C-1b set forth in Table 6-1 of the Final SEIR and listed in the MMRP apply to all potential sites that would be developed within the proposed Zone and will ensure that

Impact 4.C-1 will be reduced to a less-than-significant level, and are hereby incorporated by reference and described below.

Mitigation Measure 4.C-1a: To address nuisance impacts of construction activities within the EDZ area, all developers of sites within the EDZ area shall ensure that construction contractors implement the following:

- Signs shall be posted at all construction site entrances to the property upon commencement of construction, for the purposes of informing all contractors/subcontractors, their employees, agents, material haulers, and all other persons at the applicable construction sites, of the basic requirements of Mitigation Measures 4.C-1a and 4.C-1b.
- Signs shall be posted at the construction sites that include permitted construction days and hours, a day and evening contact number for the job site, and a contact number in the event of problems.
- An onsite complaint and enforcement manager shall respond to and track complaints and questions related to noise.

Site(s) affected: All sites within the proposed Zone.

Mitigation Measure 4.C-1b: To reduce daytime noise impacts due to construction within the EDZ area, all project developers shall require construction contractors working within 55 feet of the construction site property boundary to implement the following measures:

- Equipment and trucks used for construction shall use the best available noise control techniques (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically-attenuating shields or shrouds).
- Impact tools (e.g., jack hammers, pavement breakers, and rock drills) used for construction shall be hydraulically or electrically powered where feasible to avoid noise associated with compressed air exhaust from pneumatically powered tools. Where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used; this muffler can lower noise levels from the exhaust by up to about 10 dBA. External jackets on the tools themselves shall be used where feasible; this could achieve a reduction of 5 dBA. Quieter procedures, such as use of drills rather than impact tools, shall be used unless deemed not feasible by a geotechnical investigation.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.C-13 to 4.C-14.)

Impact 4.C-7

Development within the area of the proposed Zone would be exposed to stationary

(non-transportation) noise sources at levels in excess of the City of Pleasanton Noise Standards.

The SEIR evaluates the impact of the proposed Zone related to the exposure to stationary (non-transportation) noise sources that would exceed the applicable City of Pleasanton Noise Standards.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.C-1c and 4.C-1d, which are incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Noise from stationary (non-transportation) sources in the vicinity of all the potential sites for rezoning could exceed the applicable exterior noise exposure limit established within the City Municipal Code. Some areas adjacent to industrial/commercial areas could be subject to loading noise and late or 24-hour operations noise.
2. Implementation of Mitigation Measures 4.C-1c and 4.C-1d set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.C-7 would be reduced to a less-than-significant level, and are hereby incorporated by reference and described below.

Mitigation Measure 4.C-1c: Prior to the approval of the development of senior housing projects within the EDZ area, the City shall require site-specific acoustical assessments to determine exposure to existing and approved noise sources, impact, and mitigation regarding non-transportation sources. Noise exposure shall be mitigated to satisfy the applicable City Municipal Code criterion using appropriate housing site design.

Site(s) affected: All sites within the proposed Zone.

Mitigation Measure 4.C-1d: For all senior housing proposed for development within the EDZ area, the City shall require noise disclosures and noise complaint procedures for new residents of these developments, which will include 1) a disclosure of potential noise sources in the project vicinity; and 2) the establishment of procedures and a contact phone number for a site manager the residents can call to address any noise complaints.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.C-19 to 4.C-20.)

3. Transportation and Traffic

Impact 4.D-9

Development of the proposed Zone would increase traffic safety hazards for vehicles, bicyclists, and pedestrians on public roadways due to roadway design features, incompatible uses, or project-related vehicles trips.

The SEIR evaluates the impact of the proposed Zone related to traffic safety hazards.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Implementation of Mitigation Measures 4.D-3 and 4.D-4 would reduce this impact to a less-than-significant level and are incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact would be reduced to less than significant.

1. Implementation of the proposed Zone would could affect vehicular, bicycle, and pedestrian traffic along Johnson Drive, especially in relation to movements into and out of new uses developed along Johnson Drive.
2. Mitigation Measure 4.D-3 and 4.D-4 set forth in Table 6-1 of the Final EIR and listed in the MMRP will ensure that Impact 4.D-9 would be reduced to a less-than-significant level, and are hereby incorporated by reference and described below.

Mitigation Measure 4.D-3: Johnson Drive Improvements. The City will review design plans for club retail and other traffic-intensive uses that would be developed as part of Phase I and buildout of the EDZ to determine needed improvements to accommodate additional traffic on Johnson Drive. If at the conclusion of this review the City determines that additional improvements to Johnson Drive are required, one or more of the following improvements shall be implemented:

1. If a club retail use is proposed for Parcel 6, signalize one or more entrances at Parcel 6, and widen Johnson Drive at this location, to accommodate a southbound left-turn pocket and a northbound right-turn pocket.
2. Widen Johnson Drive to provide up to two vehicle travel lanes in each direction from Stoneridge Drive to the main entries of sites with traffic-intensive uses (such as club retail).
3. Implement other improvements as needed at major driveways (signal control, provision of left-turn or right-turn pockets) to provide additional capacity.

4. Final design of all improvements along Johnson Drive shall maintain or enhance existing bicycles, transit, and pedestrian facilities, and shall ensure bicycle and pedestrian facilities and access to the Alamo Canal Trail at the signalized crossing at Commerce Circle and any other signalized locations on Johnson Drive.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

Mitigation Measure 4.D-4: Retention of Bicycle Lanes on Stoneridge Drive. Final design of all improvements along Stoneridge Drive shall maintain or enhance existing bicycles and pedestrian facilities.

Site(s) affected: All sites within the proposed Zone along Stoneridge Drive (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-57 to 4.D-60.)

Impact 4.D-11

Operation of uses within the proposed Zone would be inconsistent with adopted polices, plans, and programs supporting alternative transportation.

The SEIR evaluates the impact of the proposed Zone related to alternative transportation.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Implementation of Mitigation Measures 4.D-3 and 4.D-4 would reduce this impact to a less than significant level and are incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact would be reduced to less than significant.

1. Implementation of the proposed Zone would could affect bicycle and pedestrian traffic as well as transit service along Johnson Drive, especially in relation to movements into and out of new uses developed along Johnson Drive.
2. Mitigation Measures 4.D-3 and 4.D-4 set forth in Table 6-1 of the Final EIR and listed in the MMRP will ensure that Impact 4.D-11 would be reduced to a less-than-significant level, and are hereby incorporated by reference and described below.

Mitigation Measure 4.D-3: Johnson Drive Improvements. The City will review design plans for club retail and other traffic-intensive uses that would be developed as part of Phase I and buildout of the EDZ to determine needed improvements to accommodate additional traffic on Johnson Drive. If at the conclusion of this review

the City determines that additional improvements to Johnson Drive are required, one or more of the following improvements shall be implemented:

1. If a club retail use is proposed for Parcel 6, signalize one or more entrances at Parcel 6, and widen Johnson Drive at this location, to accommodate a southbound left-turn pocket and a northbound right-turn pocket.
2. Widen Johnson Drive to provide up to two vehicle travel lanes in each direction from Stoneridge Drive to the main entries of sites with traffic-intensive uses (such as club retail).
3. Implement other improvements as needed at major driveways (signal control, provision of left-turn or right-turn pockets) to provide additional capacity.
4. Final design of all improvements along Johnson Drive shall maintain or enhance existing bicycles, transit, and pedestrian facilities, and shall ensure bicycle and pedestrian facilities and access to the Alamo Canal Trail at the signalized crossing at Commerce Circle and any other signalized locations on Johnson Drive.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

Mitigation Measure 4.D-4: Retention of Bicycle Lanes on Stoneridge Drive. Final design of all improvements along Stoneridge Drive shall maintain or enhance existing bicycles and pedestrian facilities.

Site(s) affected: All sites within the proposed Zone along Stoneridge Drive (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-65 to 4.D-66.)

Impact 4.D-12

Development facilitated by the proposed Zone would result in increased demand for motor vehicle parking, or remove existing parking areas.

The SEIR evaluates potential physical impacts of the proposed Zone related to demand for parking and existing parking areas.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure 4.D-3 would reduce this impact to a less-than-significant level and is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact would be reduced to less than significant.

1. Implementation of the proposed Zone would could remove existing street parking, including along Johnson Drive.
2. Mitigation Measure 4.D-3 set forth in Table 6-1 of the Final EIR and listed in the MMRP will ensure that Impact 4.D-12 would be reduced to a less-than-significant level, and is hereby incorporated by reference and described above under Impact 4.D-11.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-66 to 4.D-67.)

4. Biological Resources

Impact 4.E-1a

Development facilitated by the proposed Zone could potentially have a substantial adverse effect, either directly or through habitat modifications, on species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations or by the CDFG, or the USFWS.

The SEIR evaluates the impact of the proposed Zone on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. The removal of trees or other vegetation associated with development within the proposed Zone could result in direct losses of nesting habitat, nests, eggs, nestlings, or roosting special-status bats, and demolition of unused or underutilized buildings could also impact bats through loss of habitat or by direct mortality.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes or alterations have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures (2012 SEIR) 4.C-1a and 4.E-1 which have been required in or incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. The removal of any trees or other vegetation associated with development within the proposed Zone could result in direct losses of nesting habitat, nests, eggs, or nestlings of special-status birds.
2. The removal of any trees or other vegetation or demolition of unused or underutilized buildings could result in direct losses of roosting special-status bats.

3. Implementation of Mitigation Measures 4.C-1a and 4.E-1 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-1a would be reduced to a less-than-significant level and are hereby incorporated by reference and described below.

(2012 SEIR) Modified Mitigation Measure 4.C-1a: Pre-construction Breeding Bird Surveys. The City shall ensure that prior to development of all potential sites for rezoning (Sites 1-4, 6-11, 13, 14, and 16-21) and each phase of project activities that have the potential to result in impacts on breeding birds (e.g., tree removal or demolition of buildings or bridges), the project applicant shall take the following steps to avoid direct losses of nests, eggs, and nestlings and indirect impacts to avian breeding success:

- If grading or construction activities occur only during the non-breeding season, between August 31 and February 1, no surveys will be required.
- Pruning and removal of trees and other landscaped vegetation, including grading of grasslands, should occur whenever feasible, outside the breeding season (February 1 through August 31).
- During the breeding bird season (February 1 through August 31) a qualified biologist will survey project sites for nesting raptors and passerine birds not more than 14 days prior to any ground-disturbing activity or vegetation removal. Surveys will include all line-of-sight trees within 500 feet (for raptors) and all vegetation within 250 feet for all other species.
- Based on the results of the surveys, avoidance procedures will be adopted, if necessary, on a case-by-case basis. These may include construction buffer areas (up to several hundred feet in the case of raptors) or seasonal avoidance.
- Bird nests initiated during construction are presumed to be unaffected by project activities, and no buffer would be necessary except to avoid direct destruction of a nest or mortality of nestlings.
- If pre-construction surveys indicate that nests are inactive or potential habitat is unoccupied during the construction period, no further mitigation is required if work is initiated within 14 days of the survey. Trees and shrubs that have been determined to be unoccupied by nesting or other special-status birds may be pruned or removed within 14 days of the pre-construction survey. Should activities be delayed beyond 14 days, pre-construction surveys shall be repeated prior to the start of work.

Site(s) affected: All sites within the proposed Zone.

Mitigation Measure 4.E-1: Pre-Construction Bat Surveys. Conditions of approval for building and grading permits issued for demolition and construction on sites within the EDZ area shall include a requirement for pre-construction special-status bat surveys when large trees constituting suitable habitat for roosting bats (e.g. trees with cavities or trees with bark that could be used for roosting such as eucalyptus and redwood) are to be removed or underutilized or vacant buildings are to be demolished.

- Surveys shall be conducted by a qualified biologist prior to any tree removal or building demolition. Removal of trees and structures shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 31) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.
- If removal of trees and structures during the periods when bats are active is not feasible and active bat roosts being used for maternity or hibernation purposes are found on or in the immediate vicinity of the site where tree and structure removal is planned, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist. A 100-foot no disturbance buffer is a typical protective buffer distance; however, buffer width may be modified by the qualified biologist depending on existing screening around the roost site (such as dense vegetation or a building) as well as the type of construction activity which would occur around the roost site.
- The qualified biologist shall be present during tree and structure removal if potential bat roosting habitat or active bat roosts are present. Trees and structures with active roosts shall be removed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50°F.
- Removal of trees with potential bat roosting habitat or active bat roost sites shall follow a two-step removal process:
 1. On the first day of tree removal and under supervision of the qualified biologist, branches and limbs not containing cavities or fissures in which bats could roost, shall be cut only using chainsaws.
 2. On the following day and under the supervision of the qualified biologist, the remainder of the tree may be removed, either using chainsaws or other equipment (e.g. excavator or backhoe).

Removal of structures containing or suspected to contain potential bat roosting habitat or active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-9 to 4.E-14.)

Impact 4.E-1c

Development facilitated by the proposed Zone could potentially have a substantial adverse effect on federally protected wetlands.

The SEIR evaluates the impact of the proposed Zone on wetlands, including wetlands present in the Alamo Canal adjacent to the area of the proposed Zone.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.E-2 through 4.E-4, which have been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Construction activities within the proposed Zone – specifically, reconstruction and widening of the freeway on-ramp bridge over the Alamo Canal – could affect wetlands and wetland habitat.
2. Implementation of Mitigation Measures 4.E-2 through 4.E-4 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-1c will be reduced to a less-than-significant level and are hereby incorporated by reference and described below.

Mitigation Measure 4.E-2: Wetland Delineation. In coordination with the City, a qualified wetland ecologist shall conduct a wetland delineation of the proposed bridge expansion and replacement site to identify potential waters of the United States (U.S.) (including wetlands) or waters of the state which may be present. If no waters of the U.S. or waters of the state are identified onsite, no further action is required. Should waters of the U.S. or waters of the state be determined present within the site, features shall be mapped and documented in a report for submission to the appropriate jurisdictional agencies retaining authority over the identified features.

Site(s) affected: Proposed bridge expansion and replacement site.

Mitigation Measure 4.E-3: Wetland Avoidance and Protection. Access roads, work areas, and infrastructure shall be sited to avoid and minimize direct and indirect impacts to wetlands and waters. Where work will occur within and/or adjacent to federal and state jurisdictional wetlands and waters, protection measures shall be applied to minimize the footprint of overall impacts and protect these features. These measures shall include the following:

- A protective barrier (such as silt fencing) shall be erected around the work area (s) to minimize disturbance to wetland or water features and isolate

adjacent to wetland or water features from construction activities to reduce the potential for incidental fill, erosion, or other disturbance beyond what is necessary for bridge expansion and replacement;

- Signage shall be installed on the fencing to identify sensitive habitat areas and restrict construction activities;
- No equipment mobilization, grading, clearing, or storage of equipment or machinery, or similar activity shall occur at the site until a representative of the City has inspected and approved the wetland protection fencing; and
- The City shall ensure that the temporary fencing is continuously maintained until all construction activities are completed.

A fencing material meeting the requirements of both water quality protection and wildlife exclusion shall be used.

Site(s) affected: All sites within the proposed Zone adjacent to wetlands.

Mitigation Measure 4.E-4: Compensation for Impacts to Wetlands and Other Waters. Where jurisdictional wetlands and other waters cannot be avoided, to offset temporary and permanent impacts that would occur as a result of the bridge expansion and replacement, restoration and compensatory mitigation shall be provided through the following mechanisms:

- Prior to construction, the City or Caltrans shall obtain relevant permits and authorizations from the U.S. Army Corps of Engineers (USACE), California Department of Fish and Wildlife (CDFW), and the San Francisco Bay Regional Water Quality Control Board (RWQCB);
- Consistent with the terms and conditions of these permits and authorizations, the City or Caltrans shall compensate for the unavoidable loss of wetlands and other waters at a minimum of a 1:1 ratio; and
- Compensation may be provided by one or more of the following methods: 1) on-site creation or habitat restoration, 2) off-site habitat creation, restoration and/or enhancement, or 3) payment to an approved wetland mitigation bank.

Mitigation bank credits, if available, shall be obtained prior to the start of construction. On-site or off-site creation/restoration/enhancement plans must be prepared by a qualified biologist prior to construction and approved by the permitting agencies. Implementation of creation/restoration/enhancement activities by the permittee shall occur prior to impacts, whenever possible, to avoid temporal loss. On- or off-site creation/restoration/enhancement sites shall be monitored by the City for at least five (5) years to ensure their success.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-9 to 4.E-14.)

5. Cultural Resources

Impact 4.E-2b

Development facilitated by the proposed Zone has the potential to cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines §15064.5.

The SEIR evaluates the impacts of the proposed Zone on archaeological resources. Some sites that would be developed may have only been minimally disturbed in the past and they may contain unknown archaeological resources, the disturbance of which could therefore cause a substantial adverse change in the significance of a unique archaeological resource pursuant to §15064.5 of the CEQA Guidelines.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure 4.E-5, which has been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will be reduced to less than significant.

1. The proposed Zone is located in Holocene-aged alluvial deposits, a geologic formation that has a high potential for buried archaeological resources. Previous disturbance from the channelization of Alamo Creek, construction of the I-680 and I-580 freeways, and existing development throughout the area of the proposed Zone indicates that any sensitivity for buried prehistoric archaeological resources in the area has been significantly reduced; however, unknown archeological resources may be present underground within the area of the proposed Zone.
2. Implementation of Mitigation Measure 4.E-5 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-2b would be reduced to a less-than-significant level and is hereby incorporated by reference and described below.

Mitigation Measure 4.E-5: Archeological Resources. If prehistoric or historic-period archaeological resources are encountered during ground disturbing activities for a project under construction within the EDZ, the construction contractor shall

halt all activities within 50 feet of the discovery, and the construction contractor shall notify the City. Prehistoric archaeological materials might include obsidian and chert flaked-stone tools (e.g., projectile points, knives, scrapers) or toolmaking debris; culturally darkened soil (“midden”) containing heat-affected rocks, artifacts, or shellfish remains; stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); and battered stone tools, such as hammerstones and pitted stones. Historic-period materials might include stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse. The project developer shall ensure that a Secretary of the Interior-qualified archaeologist will inspect the findings within 24 hours of discovery. If the archaeologist determines that construction activities could damage a historical resource or a unique archaeological resource (as defined pursuant to the CEQA Guidelines), mitigation will be implemented in accordance with Public Resources Code (PRC) Section 21083.2 and Section 15126.4 of the CEQA Guidelines, with a preference for preservation in place. Consistent with Section 15126.4(b)(3), this may be accomplished through planning construction to avoid the resource; incorporating the resource within open space; capping and covering the resource; or deeding the site into a permanent conservation easement. If avoidance is not feasible, a qualified archaeologist will prepare and implement a detailed treatment plan in consultation with the City. Treatment of unique archaeological resources shall follow the applicable requirements of PRC Section 21083.2. Treatment for most resources would consist of (but would not be not limited to) sample excavation, artifact collection, site documentation, and historical research, with the aim to target the recovery of important scientific data contained in the portion(s) of the significant resource to be impacted by project construction. The treatment plan will include provisions for analysis of data in a regional context, reporting of results within a timely manner, curation of artifacts and data at an approved facility, and dissemination of reports to local and state repositories, libraries, and interested professionals.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-17 to 4.E-19.)

Impact 4.E-2c

Development facilitated by the proposed Zone may directly or indirectly destroy a unique paleontological resource or site or unique geologic feature.

The SEIR evaluates the impacts of the proposed Zone related to the potential destruction of unique paleontological resources or a unique geologic feature.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure (2012 SEIR) 4.D-3, which has been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will be reduced to less than significant.

1. Subsurface ground-disturbing activities within the area of the proposed Zone could have a significant impact on previously unknown unique paleontological resources. The City has a moderate sensitivity with regard to paleontological resources, and it is possible that paleontological resources could be present underground within the area of the proposed Zone.
2. Implementation of Mitigation Measure (2012 SEIR) 4.D-3 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-2c would be reduced to a less-than-significant level and is hereby incorporated by reference and described below.

(2012 SEIR) Mitigation Measure 4.D-3: In the event that paleontological resources are encountered during the course of development, all construction activity must temporarily cease in the affected area(s) until the uncovered fossils are properly assessed by a qualified paleontologist and subsequent recommendations for appropriate documentation and conservation are evaluated by the Lead Agency. Excavation or disturbance may continue in other areas of the site that are not reasonably suspected to overlie adjacent or additional paleontological resources.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-17 to 4.E-19.)

Impact 4.E-2d

Development facilitated by the proposed Zone has the potential to disturb human remains, including those interred outside of formal cemeteries.

The SEIR evaluates the impacts of the proposed Zone related to the disturbance of human remains.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure 4.E-6, which has been incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will be reduced to less than significant.

1. Subsurface ground-disturbing activities within the proposed Zone could inadvertently disturb previously unknown human remains.
2. Implementation of Mitigation Measure 4.E-6 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-2d would be reduced to a less-than-significant level and is hereby incorporated by reference and described below.

Mitigation Measure 4.E-6: Human Remains. In the event that human remains are discovered during ground disturbing activities for a project under construction within the EDZ, the construction contractor shall stop work immediately. No disposition of such human remains shall take place, other than in accordance with the procedures and requirements set forth in California Health and Safety Code Section 7050.5 and Public Resources Section 5097.98. Per these code provisions, the project developer shall ensure appropriate notification of the County Coroner and the Native American Heritage Commission, who in turn must notify the persons believed to be most likely descended from the deceased Native American for appropriate disposition of the remains.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-17 to 4.E-19.)

6. Hazards and Hazardous Materials

Impact 4.E-5b

Development facilitated by the proposed Zone could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

The SEIR evaluates the impacts of the proposed Zone related to disturbance of unknown hazardous materials in soil or groundwater during construction activities.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.E-7 and 4.E-8 which are incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Remaining and/or previously unidentified contamination may be present on or

below the ground surface within the area of the proposed Zone. Encountering contaminated soil, surface water, or groundwater without taking proper precautions during site remediation within the proposed Zone could result in the exposure of construction workers to hazardous materials and consequently result in associated significant adverse human health and environmental impacts.

2. Implementation of Mitigation Measures 4.E-7 and 4.E-8 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-5b would be reduced to a less-than-significant level and is hereby incorporated by reference and described below.

Mitigation Measure 4.E-7: Soil and Groundwater Plan. For proposed development on all sites within the EDZ undergoing or requiring remediation of contaminated soil or groundwater, and prior to issuance of a building or grading permit, the project developer shall demonstrate that its construction specifications include implementation of a Soil and Groundwater Plan (SGP) prepared by a qualified environmental specialist (geologist or engineer) and reviewed and approved by the agency or agencies with oversight over cleanup (San Francisco Regional Water Quality Control Board [RWQCB] and/or State Department of Toxic Substances Control [DTSC]). The SGP shall describe requirements for excavation, stockpiling, and transport of soil and disturbance of groundwater. The SGP shall also include a contingency plan to respond to the discovery of previously unknown contamination. In addition, all construction activities shall require written approval by either RWQCB or DTSC prior to commencement. The SGP shall be present on site at all times as ensured by the construction lead, and readily available to site workers and City staff as needed.

Site(s) affected: All sites within the area of the proposed Zone undergoing or requiring remediation of contaminated soil or groundwater.

Mitigation Measure 4.E-8: Soil Vapor Barriers. For proposed development on all sites within the EDZ undergoing or requiring remediation of contaminated soil or groundwater, where residual contamination includes volatile components (such as the chlorinated solvent TCE), and prior to issuance of a building or grading permit, the project developer shall demonstrate to the City either that the building plans include vapor barriers reviewed and approved by San Francisco Regional Water Quality Control Board (RWQCB) or State Department of Toxic Substances Control (DTSC) to be installed beneath foundations for the prevention of soil vapor intrusion, or that RWQCB or DTSC has determined that installation of vapor barriers is not necessary.

Site(s) affected: All sites within the EDZ area determined by the RWQCB or DTSC to require the installation of vapor barriers in buildings.

(Draft SEIR, pp. 4.E-27 to 4.E-28.)

Impact 4.E-5c and 4.E-5d

Development facilitated by the proposed Zone could potentially emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school; and could be located on a site which is included on

a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, create a significant hazard to the public or the environment.

The SEIR evaluates the potential for development within the proposed Zone to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school, as well as the impacts related to the potential for sites proposed for development within the proposed Zone to be included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measures 4.E-7 and 4.E-8, which are incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will be reduced to less than significant.

1. Development of sites known to be formerly contaminated by hazardous materials or wastes would occur within the proposed Zone, and remaining and/or previously unidentified contamination may be present on or below the ground surface within the area of the proposed Zone. Encountering contaminated soil, surface water, or groundwater without taking proper precautions during site remediation within the proposed Zone could result in the exposure of construction workers or others to hazardous materials and consequently result in associated significant adverse human health and environmental impacts.
2. Implementation of Mitigation Measures 4.E-7 and 4.E-8, which are listed above under Impact 4.E-5b, and set forth in Table 6-1 of the Final SEIR and listed in the MMRP, will ensure that Impact 4.E-5 would be reduced to a less-than-significant level and are hereby incorporated by reference.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-27 to 4.E-28.)

7. Public Services and Utilities

Impact 4.E-9e

Development facilitated by the proposed Zone could potentially require new or expanded water supply resources or entitlements.

The SEIR evaluates the impact of the proposed Zone related to the need for new or expanded water supply resources or entitlements.

Significance Before Mitigation: Significant

Significance After Mitigation: Less than Significant

Finding: Changes have been incorporated into the proposed Zone that would avoid the significant environmental effect as identified in the SEIR. Mitigation Measure 4.E-9, which is incorporated into the proposed Zone, will reduce the significant environmental impact to a less-than-significant level.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will be reduced to less than significant.

1. New development as facilitated on sites within the area of the proposed Zone would increase demand for water. Future water demand resulting from new development has been addressed by Zone 7's capital improvement projects to secure more water. In order to meet future needs, Zone 7 plans to improve conveyance, storage, and groundwater recharge and extraction facilities to accommodate the growth outlined in its customers' general plans, which include the City of Pleasanton.
2. Implementation of Mitigation Measure 4.E-9 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will ensure that Impact 4.E-9e would be reduced to a less-than-significant level, and is hereby incorporated by reference and described below.

Mitigation Measure 4.E-9: For any project proposed for development within the EDZ, prior to the recordation of a Final Map, the issuance of a grading permit, the issuance of a building permit, or utility extension approval, whichever is sooner, the project developer shall submit written verification from the Alameda County Flood Control and Water Conservation District Zone 7 (Zone 7) or the City's Utility Planning Division that water is available for the project. This approval does not guarantee the availability of sufficient water capacity to serve the project.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.E-35 to 4.E-37.)

K. Significant Impacts That Cannot be Mitigated to a Less Than Significant Level

The following significant impacts cannot be mitigated to a less-than-significant level, even with the implementation of the identified mitigation measures set forth below. No mitigation measures are feasible that would mitigate these impacts to a less-than-significant level. The City has determined that the impacts identified below are acceptable because of overriding economic, legal, social or other considerations, as described in the Statement of Overriding Considerations presented in Section II, below.

1. Air Quality

Impact 4.B-2

Uses within the area of the proposed Zone would generate operational emissions

that would result in a considerable net increase of criteria pollutants and precursors for which the air basin is in nonattainment under an applicable federal or state ambient air quality standard.

The SEIR evaluates the impacts on air quality that would result from construction and operation activities that would take place within the area of the proposed Zone. The assessment includes the potential for the proposed Zone to violate an air quality standard or contribute substantially to an existing or projected air quality violation, to result in a cumulatively considerable net increase of any criteria pollutant for which the region is in non-attainment, or to expose sensitive receptors to substantial pollutant concentrations, including odors. Air quality effects related to the proposed Zone are evaluated against State and federal ambient air quality standards, as well as the standards established by the BAAQMD.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measure 4.B-3 is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will not be reduced to less than significant.

1. Operational activities related to the proposed Zone could result in emissions of pollutants that exceed significance thresholds established by the BAAQMD.
2. Implementation of Mitigation Measure 4.B-3 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.B-2; as discussed in the SEIR, even with implementation of Mitigation Measure 4.B-2, this impact would not be reduced to a less-than-significant level (i.e., whereby NO_x and PM₁₀ emissions levels from operation of uses under anticipated buildout of the area of the proposed Zone would be below the significance thresholds established by the BAAQMD). This mitigation measure is hereby incorporated by reference and described below.

Mitigation Measure 4.B-3: All developers of sites within the EDZ area shall implement Transportation Demand Management (TDM) measures, such as establishment of commute trip reduction program(s) with employers to discourage single-occupancy vehicle trips and encourage alternative modes of transportation such as car-pooling, taking transit, walking, and biking. Developers of sites within the EDZ shall also evaluate increasing transit accessibility to the EDZ, potentially including the use of a BART shuttle. The voluntary commute trip reduction program(s) may include, but would not be limited to, a ride-sharing program for which 50 percent or greater of site employees are eligible, carpooling encouragement, preferential carpool parking, a transportation coordinator, and ride-matching assistance. Specifically, TDM measures shall incorporate the following components to be required in the Development Agreements for individual projects, as appropriate to proposed land uses to be developed:

- Require commute based trip reduction programs for all businesses of more than 20 on-site employees that may include transit subsidies, parking cash out incentives, and carpool parking preferences;
- Provide preferred parking spaces and recharging stations for electric vehicles;
- Require businesses to provide bicycle facility amenities such as showers and lockers;
- Require electrical hook-ups for diesel trucks at loading docks;
- Require any new backup diesel generators to meet CARB's Tier 4 emission standards;
- Prohibit all vehicles including commercial motor vehicles with gross vehicular weight ratings of less than 10,000 pounds from idling for more than 2 minutes; and
- Require truck fleets based in the area of the proposed EDZ to meet CARB's highest engine tier available at the time the building permits are issued.

Site(s) affected: All sites within the proposed Zone.

Implementation of Mitigation Measure 4.B-2 would not reduce the impact to less than significant as anticipated buildout within the area of the proposed Zone would result in emissions of NOx and PM10 that would remain above the BAAQMD significance thresholds, even with implementation of mitigation.

(Draft SEIR, pp. 4.B-18 to 4.B-21.)

Impact 4.B-3

Operation of uses within the area of the proposed Zone would conflict with or obstruct implementation of the applicable air quality plan.

The SEIR evaluates the impacts on air quality that would result from construction and operation activities that would take place within the area of the proposed Zone. The assessment includes the potential for the proposed Zone to violate an air quality standard or contribute substantially to an existing or projected air quality violation, to result in a cumulatively considerable net increase of any criteria pollutant for which the region is in non-attainment, or to expose sensitive receptors to substantial pollutant concentrations, including odors. Air quality effects related to the proposed Zone are evaluated against State and federal ambient air quality standards, as well as the standards established by the BAAQMD.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would

substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measure 4.B-2 is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will not be reduced to less than significant.

1. Operational activities related to the proposed Zone could result in emissions of pollutants that exceed significance thresholds established by the BAAQMD.
2. Implementation of Mitigation Measure 4.B-2 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.B-3; as discussed in the SEIR, even with implementation of Mitigation Measure 4.B-2, this impact would not be reduced to a less-than-significant level (i.e., whereby NO_x and PM₁₀ emissions levels from operation of uses under anticipated buildout of the area of the proposed Zone would be below the significance thresholds established by the BAAQMD). This mitigation measure is hereby incorporated by reference and described below.

Mitigation Measure 4.B-2: All developers of sites within the EDZ area that are located within 1,000 feet of sensitive receptors including church, school, senior housing, or recreational uses (i.e., Valley Bible Church and Love & Care Preschool, Club Sport, or other recreational uses) shall ensure that construction contract specifications include a requirement that all off-road diesel-powered construction equipment used during the construction activities within the EDZ area be equipped with engines that meet or exceed either U.S. Environmental Protection Agency or California Air Resources Board Tier 2 off-road emission standards, and are fitted with Level 3 Verified Diesel Emissions Control (VDEC), which would reduce diesel particulate emissions by at least 85 percent; or ensure that off-road diesel-powered construction equipment engines meet interim or final Tier 4 emission standards.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.D-21 to 4.D-23.)

Impact 4.B-6

Operation of uses within the area of the proposed Zone, when combined with past, present and other reasonably foreseeable development in the vicinity of the proposed Zone, would result in cumulative criteria air pollutant air quality impacts.

The SEIR evaluates the impacts on air quality that would result from construction and operation activities that would take place within the area of the proposed Zone. The assessment includes the potential for the proposed Zone to violate an air quality standard or contribute substantially to an existing or projected air quality violation, to result in a cumulatively considerable net increase of any criteria pollutant for which the region is in non-attainment, or to

expose sensitive receptors to substantial pollutant concentrations, including odors. Air quality effects related to the proposed Zone are evaluated against State and federal ambient air quality standards, as well as the standards established by the BAAQMD.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measure 4.B-3 is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will not be reduced to less than significant.

1. Operational activities related to the proposed Zone could result in a cumulatively considerable contribution to emissions of pollutants that exceed limits set by the BAAQMD.
2. Implementation of Mitigation Measure 4.B-3 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.B-6; as discussed in the SEIR, even with implementation of Mitigation Measure 4.B-3, this impact would not be reduced to a less-than-significant level (i.e., whereby NO_x and PM₁₀ emissions levels from operation of uses under anticipated buildout of the area of the proposed Zone would be below the significance thresholds established by the BAAQMD). This mitigation measure is hereby incorporated by reference and described above under Impact 4.B-2.

Site(s) affected: All sites within the proposed Zone.

(Draft SEIR, pp. 4.D-24 to 4.D-25.)

2. Transportation and Traffic

As presented in the SEIR, the Zone would result in five impacts to transportation and traffic that would be significant and unavoidable. Table 2 illustrates the impacts discussed below and also identifies the following:

- The physical locations affected by each impact;
- To what extent mitigation measures would reduce the level of impact;
- Which impacts would remain significant and unavoidable after mitigation; and
- Which impacts would be significant and unavoidable due to substantial uncertainty regarding Caltrans' discretionary review of the improvements contained in the measure.

To ensure the improvements described in the mitigation measures addressing Transportation and Traffic impacts are completed, and as provided for in the MMRP, each site developer shall contribute fair-share funds for traffic impact fees, or construct the required improvement prior to occupancy of each new use that would be developed in the Zone. Transportation and traffic improvements will be funded using one or more of a combination of sources, including the City's Transportation Impact Fee (TIF), a sales tax sharing agreement, developer cash contributions, or right-of-way contributions. In addition, the City may implement a Transportation Fee for the Zone that would be charged to future developers of sites within the Zone, prior to development of those sites. In general, Mitigation Measures 4.D-1a through 4.D-1b will be funded via the City's TIF, whereas the other Transportation and Traffic mitigation measures presented in the MMRP will be funded and/or implemented by the site developer or site developers.

**TABLE 2
SUMMARY OF SIGNIFICANT AND UNAVOIDABLE TRANSPORTATION AND TRAFFIC IMPACTS**

Impact	Location Affected	Mitigation Measure	Physical Improvement	Level of Impact After Mitigation
<p>Impact 4.D-1: Development facilitated by the proposed EDZ would affect levels of service at the local study intersections under Existing plus Project conditions.</p>	<p>Commerce Drive at Johnson Drive Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the PM peak hour would worsen the side street movement at this intersection to LOS F; this condition would be further worsened with full EDZ buildout conditions. (Impact 4.D-1a)</p>	<p>4.D-1a</p>	<p>Install traffic signal. Construct southbound left-turn lane to Commerce Drive.</p>	<p>Less than Significant</p>
<p>Johnson Drive at Owens Drive (North) Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the Saturday peak hour would degrade the service level at this intersection from LOS C to LOS E. Conditions would be slightly exacerbated with full EDZ buildout conditions (i.e., conditions would worsen but LOS would not be degraded from E to F). (Impact 4.D-1b)</p>	<p>Johnson Drive at Stoneridge Drive Intersection. The addition of vehicle trips generated by full buildout of the EDZ during the PM peak hour would worsen conditions at this intersection from LOS D to LOS E. This impact would not occur under conditions caused by Phase I of the EDZ. (Impact 4.D-1c)</p>	<p>4.D-1b</p>	<p>Install traffic signal.</p>	<p>Less than Significant</p>
<p>Stoneridge Drive (Queue Spillback). The addition of vehicle trips generated by Phase I and full buildout of the EDZ would result in vehicle queue spillback from Stoneridge Drive onto adjacent intersections and the freeway mainline. (Impact 4.D-1d):</p>	<p>1. Vehicle queue spillback from the I-680 northbound off-ramp and southbound off-ramp onto the freeway mainline. 2. Vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive.</p>	<p>4.D-1c</p>	<p>1. Third eastbound left-turn lane to Johnson Drive plus additional northbound receiving lane on Johnson Drive. 2. Additional southbound right-turn lane on Johnson Drive. 3. Rebuild (widen) Johnson Drive to six lanes (3 southbound lanes, 3 northbound lanes) for a minimum of 700 feet.</p>	<p>Less than Significant</p>
<p>Stoneridge Drive (Queue Spillback). The addition of vehicle trips generated by Phase I and full buildout of the EDZ would result in vehicle queue spillback from Stoneridge Drive onto adjacent intersections and the freeway mainline. (Impact 4.D-1d):</p>	<p>1. Vehicle queue spillback from the I-680 northbound off-ramp and southbound off-ramp onto the freeway mainline. 2. Vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive.</p>	<p>4.D-1d</p>	<p>1. Stoneridge Drive at northbound I-680 off-ramp: Provide northbound right-turn overlap phase. 2. Second southbound left-turn lane from Johnson Drive to Stoneridge Drive. 3. Extend westbound right-turn pocket onto Johnson Drive approximately 800 feet east (widen Stoneridge Drive, convert resulting lane into through-right-shared lane). 4. Second on-ramp lane to northbound I-680 from westbound Stoneridge Drive approach (lanes will merge; lane drop would occur over a distance of at least 800 feet; bridge reconstruction and widening).</p>	<p>Significant and Unavoidable due to substantial uncertainty about Caltrans approval for I-680 improvement (#4) and interdependency between #1, #2, #3, and #4. Funding: City's TIF</p>

**TABLE 2 (continued)
SUMMARY OF SIGNIFICANT AND UNAVOIDABLE TRANSPORTATION AND TRAFFIC IMPACTS**

Impact	Location Affected	Mitigation Measure	Physical Improvement	Level of Impact After Mitigation
<p>Impact 4.D-2: Development facilitated by the proposed EDZ would affect levels of service at the local study intersections under Near-term plus Project conditions.</p>	<p>Commerce Drive at Johnson Drive Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the PM peak hour would worsen the side street movement at this intersection to LOS F; this condition would be further worsened with full EDZ buildout conditions. (Impact 4.D-2a)</p>	<p>4.D-1a</p>	<p>Same as above for Mitigation Measure 4.D-1a</p>	<p>Less than Significant</p>
<p>Johnson Drive at Owens Drive (North) Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the PM peak hour would degrade the service level at this intersection from LOS C to LOS E, and during the Saturday peak hour would degrade the service level at this intersection from LOS C to LOS F. Conditions would be exacerbated with full EDZ buildout conditions. (Impact 4.D-2b)</p>	<p>Johnson Drive at Stoneridge Drive Intersection. The addition of vehicle trips generated by Phase I and full buildout of the EDZ during the PM peak hour would worsen conditions at this intersection from LOS D to LOS E. (Impact 4.D-2c)</p>	<p>4.D-1b</p>	<p>Same as above for Mitigation Measure 4.D-1b</p>	<p>Less than Significant</p>
<p>Stoneridge Drive at Stoneridge Drive Intersection. The addition of vehicle trips generated by Phase I and full buildout of the EDZ during the PM peak hour would worsen conditions at this intersection from LOS D to LOS E. (Impact 4.D-2c)</p>	<p>Stoneridge Drive (Queue Spillback). The addition of vehicle trips generated by Phase I and full buildout of the EDZ would result in vehicle queue spillback from Stoneridge Drive onto adjacent intersections and the freeway mainline. (Impact 4.D-2d)</p>	<p>4.D-1c</p>	<p>Same as above for Mitigation Measure 4.D-1c</p>	<p>Less than Significant</p>
<p>3. Vehicle queue spillback from the I-680 northbound off-ramp and southbound off-ramp onto the freeway mainline.</p> <p>4. Vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive.</p>	<p>Johnson Drive and Park and Ride Lot Intersection. The addition of vehicle trips generated by Phase I of the EDZ and other near-term projects during the PM peak hour would worsen the side street movement at this intersection to LOS E; under full buildout conditions, this condition would worsen to LOS F. (Impact 4.D-2e)</p>	<p>4.D-1c; 4.D-1d</p>	<p>Same as above for Mitigation Measures 4.D-1c and 4.D-1d</p>	<p>Significant and Unavoidable due to substantial uncertainty about Caltrans approval for I-680 improvement (#4 in Mitigation Measure 4.D-1d) and interdependency between #1, #2, #3, and #4. Funding: City's TIF</p>
<p>Johnson Drive and Park and Ride Lot Intersection. The addition of vehicle trips generated by Phase I of the EDZ and other near-term projects during the PM peak hour would worsen the side street movement at this intersection to LOS E; under full buildout conditions, this condition would worsen to LOS F. (Impact 4.D-2e)</p>	<p>Johnson Drive and Park and Ride Lot Intersection. The addition of vehicle trips generated by Phase I of the EDZ and other near-term projects during the PM peak hour would worsen the side street movement at this intersection to LOS E; under full buildout conditions, this condition would worsen to LOS F. (Impact 4.D-2e)</p>	<p>4.D-1c</p>	<p>Same as above for Mitigation Measure 4.D-1c</p>	<p>Significant and Unavoidable Funding: City's TIF</p>

**TABLE 2 (continued)
SUMMARY OF SIGNIFICANT AND UNAVOIDABLE TRANSPORTATION AND TRAFFIC IMPACTS**

Impact	Location Affected	Mitigation Measure	Physical Improvement	Level of Impact After Mitigation
Impact 4.D-3: Development facilitated by the proposed EDZ would affect levels of service at the local study intersections under Far-term (Cumulative) plus Project conditions.	Commerce Drive at Johnson Drive Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the PM peak hour would worsen the side street movement at this intersection to LOS F; this condition would be further worsened with full EDZ buildout conditions. (Impact 4.D-3a)	4.D-1a	Same as above for Mitigation Measure 4.D-1a	Less than Significant
	Johnson Drive at Owens Drive (North) Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the Saturday peak hour would degrade the service level at this intersection from LOS C to LOS E. Conditions would be exacerbated with full EDZ buildout conditions. (Impact 4.D-3b)	4.D-1b	Same as above for Mitigation Measure 4.D-1b	Less than Significant
	Johnson Drive at Stoneridge Drive Intersection. The addition of vehicle trips generated by full buildout of the EDZ during the PM peak hour would worsen conditions at this intersection from LOS D to LOS E. (Impact 4.D-3c)	4.D-1c	Same as above for Mitigation Measure 4.D-1c	Less than Significant
	Stoneridge Drive (Queue Spillback). The addition of vehicle trips generated by Phase I and full buildout of the EDZ would result in vehicle queue spillback from Stoneridge Drive onto adjacent intersections and the freeway mainline. (Impact 4.D-3d): 1. Vehicle queue spillback from the I-680 northbound off-ramp and southbound off-ramp onto the freeway mainline. 2. Vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive.	4.D-1c; 4.D-1d	Same as above for Mitigation Measures 4.D-1c and 4.D-1d	Significant and Unavoidable due to substantial uncertainty regarding Caltrans approval for I-680 improvement (#4 in Mitigation Measure 4.D-1d) and interdependency between #1, #2, #3, and #4. Funding: City's TIF
Johnson Drive and Park and Ride Lot Intersection. The addition of vehicle trips generated by Phase I of the EDZ and other near-term projects during the PM peak hour would worsen the side street movement at this intersection to LOS E; under full buildout conditions, this condition would worsen to LOS F. (Impact 4.D-3e)	4.D-1c	Same as above for Mitigation Measure 4.D-1c	Significant and Unavoidable Funding: City's TIF	
Hopyard Road at Owens Drive Intersection. The addition of vehicle trips generated by Phase I of the EDZ during the PM peak hour would reduce LOS D conditions to LOS E. Full buildout of the EDZ would further worsen conditions. (Impact 4.D-3f)	Improvements identified in General Plan for this intersection	1. Modify westbound approach: 2 left turn, 1 through-right shared, 1 right turn 2. Un-split eastbound/westbound signal operation	Less than Significant	

**TABLE 2 (continued)
SUMMARY OF SIGNIFICANT AND UNAVOIDABLE TRANSPORTATION AND TRAFFIC IMPACTS**

Impact	Location Affected	Mitigation Measure	Physical Improvement	Level of Impact After Mitigation
<p>Impact 4.D-5: Development facilitated by the proposed EDZ would affect levels of service for freeway ramps at merge/diverge areas within I-680 under Existing plus Project conditions.</p>	<ul style="list-style-type: none"> • Northbound I-680 On-ramp from the eastbound Stoneridge Drive merge (PM Peak Hour) • Northbound I-680 On-ramp from the westbound Stoneridge Drive merge (PM Peak Hour) • Southbound I-680 On-ramp from the eastbound Stoneridge Drive merge (AM Peak Hour, PM Peak Hour) • Southbound I-680 Off-ramp to Stoneridge Drive (AM Peak Hour) 	<p align="center">4.D-2</p>	<p>Freeway congestion-relieving improvements including: second phase of I-680/I-580 interchange improvements, widening of State Route 84, and other planned roadway system modifications.</p>	<p>Significant and Unavoidable due to substantial uncertainty about Caltrans approval for I-680, I-580 improvements. Funding: Other funding (i.e., not the City's TIF)</p>
<p>Impact 4.D-7: Development facilitated by the proposed EDZ would affect levels of service for freeway ramps at merge/diverge areas within I-680 under Far-term (Cumulative) plus Project conditions.</p>	<ul style="list-style-type: none"> • Northbound I-680 On-ramp from the eastbound Stoneridge Drive merge (AM Peak Hour, PM Peak Hour) • Northbound I-680 On-ramp from the westbound Stoneridge Drive merge (AM Peak Hour, PM Peak Hour) • Southbound I-680 On-ramp from the eastbound Stoneridge Drive merge (AM Peak Hour) • Southbound I-680 On-ramp from the westbound Stoneridge Drive merge (AM Peak Hour, PM Peak Hour) • Southbound I-680 Off-ramp to Stoneridge Drive (AM Peak Hour) 	<p align="center">4.D-2</p>	<p>Freeway congestion-relieving improvements including: second phase of I-680/I-580 interchange improvements, widening of State Route 84, and other planned roadway system modifications.</p>	<p>Significant and Unavoidable due to substantial uncertainty about Caltrans approval for I-680, I-580 improvements. Funding: Other funding (i.e., not the City's TIF)</p>

Impact 4.D-1

Development facilitated by the proposed Zone would affect levels of service at the local study intersections under Existing plus Project conditions (for vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive during PM peak hours).

The SEIR evaluates the impact of the proposed Zone related to the potential to add traffic to local study intersections to the point at which they would operate unacceptably under Existing plus Project conditions.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will not be reduced to less than significant.

1. Implementation of the proposed Zone would result in vehicle queue spillback that would impede through traffic on Stoneridge Drive and block access to driveways along Johnson Drive during PM peak hours.
2. Implementation of Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.D-1; as discussed in the SEIR, even with implementation of these mitigation measures, this impact would not be reduced to a less-than-significant level because the improvement described in part 4 of Mitigation Measure 4.D-1d is within Caltrans right-of-way and requires substantial Caltrans design review and oversight, and is not under the control of the City. Therefore, because the timing of Mitigation Measure 4.D-1d is not certain at this time, the measure is not legally feasible, though the measure is physically feasible. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are interdependent (i.e., all of these measures must be implemented to reduce the impact to Stoneridge Drive [queue spillback] to less than significant). These mitigation measures are hereby incorporated by reference and described below.

Mitigation Measure 4.D-1a: Commerce Drive at Johnson Drive Intersection. Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall install or require the developer in Phase I to install a traffic signal and construct a southbound left-turn lane to Commerce Drive at the Commerce Drive and Johnson Drive intersection. A funding mechanism for this improvement shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM peak-

hour trips.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

Mitigation Measure 4.D-1b: Johnson Drive at Owens Drive (North) Intersection. Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall install or require the developer in Phase I to install a traffic signal at the Johnson Drive at Owens Drive (North) intersection. A funding mechanism for this improvement shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM peak-hour trips.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

Mitigation Measure 4.D-1c: Johnson Drive at Stoneridge Drive Intersection. Implement the following improvements:

1. Construct a third eastbound left-turn lane from Stoneridge Drive to Johnson Drive in conjunction with an additional northbound receiving lane on Johnson Drive (north side of intersection).
2. Construct an additional southbound right-turn lane on Johnson Drive.
3. Rebuild Johnson Drive as a six lane facility with three or four southbound lanes and three northbound receiving lanes for a minimum of 700 feet north of Stoneridge Drive. This improvement would require widening of Johnson Drive north of Stoneridge Drive by up to 36 feet and widening of Johnson Drive south of Stoneridge Drive a commensurate amount to align travel movements through the intersection.

Site(s) affected: All sites within the proposed Zone (Full Buildout not including Phase I).

Mitigation Measure 4.D-1d: Stoneridge Drive Queue Spillback (Stoneridge Drive and Johnson Drive Improvements). Implement the following improvements:

1. Modify the Stoneridge Drive at Northbound I-680 off-ramp to provide a northbound right-turn overlap phase.
2. Construct a second southbound left-turn lane from Johnson Drive to Stoneridge Drive.
3. Extend the existing westbound right-turn pocket at the Johnson Drive and Stoneridge Drive intersection approximately 800 feet east by widening Stoneridge Drive and convert the resulting lane into a through-right-shared lane. Install lane markings in the curb lane and adjacent lane indicating I-680 Northbound Only to reduce lane changes between Johnson Drive and the northbound on-ramp.

4. Construct a second on-ramp lane to northbound I-680 from the westbound Stoneridge Drive approach. The two lane on-ramp should be merged to one lane prior to the freeway merge area. The lane drop will occur over a distance of at least 800 feet, and will require reconstruction and widening of the bridge at this on-ramp from one to two lanes, with the merge occurring after the bridge. (Note: This improvement is within Caltrans right-of-way and requires Caltrans design review and oversight.)

A funding mechanism for these improvements shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM or Saturday peak-hour trips.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-20 to 4.D-38.)

Impact 4.D-2

Development facilitated by the proposed Zone would affect levels of service at the local study intersections under Near-term plus Project conditions (for vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive during PM peak hours, and for the Johnson Drive and Park and Ride Lot Intersection).

The SEIR evaluates the impact of the proposed Zone related to the potential to add traffic to local study intersections to the point at which they would operate unacceptably under Near-term plus Project conditions.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will not be reduced to less than significant.

1. Implementation of the proposed Zone would result in vehicle queue spillback that would impede through traffic on Stoneridge Drive and block access to driveways along Johnson Drive during PM peak hours, and for the Johnson Drive and Park and Ride Lot Intersection.
2. Implementation of Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the

severity of Impact 4.D-2; as discussed in the SEIR, even with implementation of these mitigation measures, this impact would not be reduced to a less-than-significant level because the improvement described in part 4 of Mitigation Measure 4.D-1d is within Caltrans right-of-way and requires substantial Caltrans design review and oversight, and is not under the control of the City. Therefore, because the timing of Mitigation Measure 4.D-1d is not certain at this time, the measure is not legally feasible, though the measure is physically feasible. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are interdependent (i.e., all of these measures must be implemented to reduce the impact to Stoneridge Drive [queue spillback] to less than significant). These mitigation measures are hereby incorporated by reference and described above under Impact 4.D-1.

(Draft SEIR, pp. 4.D-38 to 4.D-44.)

Impact 4.D-3

Development facilitated by the proposed Zone would affect levels of service at the local study intersections under Far-term (Cumulative) plus Project conditions (vehicle queue spillback impeding through traffic on Stoneridge Drive and blocking access to driveways along Johnson Drive during PM peak hours; and the Johnson Drive and Park and Ride Lot Intersection).

The SEIR evaluates the impact of the proposed Zone related to the potential to add traffic to local study intersections to the point at which they would operate unacceptably under Far-term (Cumulative) plus Project conditions.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measures indicate that the impact will not be reduced to less than significant.

1. Implementation of the proposed Zone would result in vehicle queue spillback that would impede through traffic on Stoneridge Drive and block access to driveways along Johnson Drive during PM peak hours, and for the Johnson Drive and Park and Ride Lot Intersection.
2. Implementation of Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d set

forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.D-3; as discussed in the SEIR, even with implementation of these mitigation measures, this impact would not be reduced to a less-than-significant level because the improvement described in part 4 of Mitigation Measure 4.D-1d is within Caltrans right-of-way and requires substantial Caltrans design review and oversight, and is not under the control of the City. Therefore, because the timing of Mitigation Measure 4.D-1d is not certain at this time, the measure is not legally feasible, though the measure is physically feasible. Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are interdependent (i.e., all of these measures must be implemented to reduce the impact to Stoneridge Drive [queue spillback] to less than significant). These mitigation measures are hereby incorporated by reference and described above under Impact 4.D-1.

(Draft SEIR, pp. 4.D-44 to 4.D-50.)

Impact 4.D-5

Development facilitated by the proposed Zone would affect levels of service for freeway ramps at merge/diverge areas within I-680 under Existing plus Project conditions.

The SEIR evaluates the impact of the proposed Zone related to levels of service for freeway ramps at merge/diverge areas within I-680.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measure 4.D-2 is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will not be reduced to less than significant.

1. The addition of traffic that would be generated by the Zone under Phase I and full buildout would further degrade operations of already deficient freeway segments and would either result in or worsen LOS F conditions at the I-680 northbound and southbound ramp merge/diverge areas at Stoneridge Drive.
2. Implementation of Mitigation Measure 4.D-2 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.D-5; as discussed in the SEIR, even with implementation of this mitigation measure, this impact would not be reduced to a less-than-significant level because the improvement described in Mitigation Measure 4.D-2 is within Caltrans right-of-way and requires substantial Caltrans design review and oversight, and is not under the control of the City. Therefore, because the timing of Mitigation Measure 4.D-2 is not certain at this time, the measure is not legally feasible, though the measure is physically feasible. This mitigation measure is hereby incorporated by reference and described below.

Mitigation Measure 4.D-2: I-680 Northbound and Southbound Ramp Merge/Diverge Areas at Stoneridge Drive. Construct improvements, such as the second phase of I-680/I-580 interchange improvements, widening of State Route 84, and other planned roadway system modifications that would relieve freeway congestion in the study area where feasible.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-52 to 4.D-53.)

Impact 4.D-7

Development facilitated by the proposed Zone would affect levels of service for freeway ramps at merge/diverge areas within I-680 under Far-term (Cumulative) plus Project conditions.

The SEIR evaluates the impact of the proposed Zone related to levels of service for freeway ramps at merge/diverge areas within I-680.

Significance Before Mitigation: Significant

Significance After Mitigation: Significant and Unavoidable

Finding: Changes have been incorporated into the proposed Zone that would substantially lessen this impact, however, the changes would not reduce this impact to a less-than-significant level. Mitigation Measure 4.D-2 is incorporated into the proposed Zone.

Facts in Support of Finding: The following facts and mitigation measure indicate that the impact will not be reduced to less than significant.

1. The addition of traffic that would be generated by the Zone under Phase I and full buildout would further degrade operations of already deficient freeway segments and would either result in or worsen LOS F conditions at the I-680 northbound and southbound ramp merge/diverge areas at Stoneridge Drive.
2. Implementation of Mitigation Measure 4.D-2 set forth in Table 6-1 of the Final SEIR and listed in the MMRP will reduce the severity of Impact 4.D-7; as discussed in the SEIR, even with implementation of this mitigation measure, this impact would not be reduced to a less-than-significant level because the improvement described in Mitigation Measure 4.D-2 is within Caltrans right-of-way and requires substantial Caltrans design review and oversight, and is not under the control of the City. Therefore, because the timing of Mitigation Measure 4.D-2 is not certain at this time, the measure is not legally feasible, though the measure is physically feasible. This mitigation measure is hereby incorporated by reference and described above under Impact 4.D-5.

Site(s) affected: All sites within the proposed Zone (Phase I and Full Buildout).

(Draft SEIR, pp. 4.D-55 to 4.D-56.)

L. Alternatives

CEQA Guidelines §15126(a) requires that an EIR describe a reasonable range of alternatives that would obtain most of the basic project objectives but would avoid or substantially lessen any of the significant environmental effects of the project, and that the EIR evaluate the comparative merits of the alternatives. Case law indicates that the lead agency has the discretion to determine how many alternatives constitute a reasonable range (*Citizens of Goleta Valley v. Board of Supervisors* [1990] 52 Cal.3d 553, 56); and that an EIR need not present alternatives that are incompatible with fundamental project objectives (*Save San Francisco Bay Association v. San Francisco Bay Conservation & Development Commission* [1992] 10 Cal.App. 4th 908). CEQA Guidelines §15126.6(f) states that the range of alternatives required in an EIR is governed by a “rule of reason” that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice.

Additionally, CEQA Guidelines §15126.6(a) provides that an EIR need not consider alternatives that are infeasible. CEQA Guidelines §15126.6(f)(1) provides that among the factors that may be taken into account when addressing the feasibility of alternative are “site suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries, and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site.”

Where a lead agency has determined that, even after the adoption of all feasible mitigation measures, a project will still cause one or more significant environmental effects that cannot be substantially lessened or avoided, the agency, prior to approving the project as mitigated, must first determine whether, with respect to such impacts, there remain any project alternatives that are both environmentally superior and feasible within the meaning of CEQA. Although an EIR must evaluate this range of potentially feasible alternatives, an alternative may ultimately be deemed by the lead agency to be “infeasible” if it fails to fully promote the lead agency’s underlying goals and objectives with respect to the project.

Under CEQA Guidelines §15126.6, the alternatives to be discussed in detail in an EIR should be able to “feasibly attain most of the basic objectives of the project[.]” The objectives of the proposed Zone described above provided the framework for defining possible alternatives. The alternatives included and evaluated in the SEIR meet those basic objectives.

The significant impacts of the proposed Zone are related to the intensity of development. Thus, project alternatives, except the required No Project Alternative, include development programs that are lower in intensity than the proposed Zone.

The City finds that a good faith effort was made to evaluate all feasible alternatives in the EIR that are reasonable alternatives to the proposed Zone, and that could feasibly obtain the basic objectives of the Zone. As a result, the scope of alternatives analyzed in the EIR is not unduly limited or narrow. The City also finds that all reasonable alternatives were reviewed, analyzed, and discussed in the review process of the EIR.

Alternative 1: No Project Alternative

Alternative 1, the No Project Alternative, would result in development consistent

with the City's existing General Plan and zoning land use designations for the area of the proposed Zone. The No Project Alternative assumes adoption of the proposed Zone would not occur within the area of the proposed Zone. This alternative assumes that the same types of uses that exist in area of the proposed Zone would continue to operate, and also assumes that some new development in the area would take place and would be similar to existing uses, with more office and commercial/retail uses developed in the area within the next 10 years, especially on Parcels 6, 9, and 10, and with some new uses replacing existing uses. Under this alternative, it is assumed that partial development of Parcels 6, 9, and 10 with office and retail uses would take place within the same buildout period for these parcels as described for the proposed Zone.

Under the No Project Alternative, the area of the proposed Zone would be developed with some general retail uses but mostly office uses, with approximately 383,000 square feet of new building area, including 338,000 square feet of office uses and 45,000 square feet of general retail uses. No club retail or hotel uses are assumed under this alternative.

The No Project Alternative would not meet most of the basic objectives of the proposed Zone. However, the No Project Alternative could, with the establishment of new office space, promote the development of locally and regionally accessible uses. The No Project Alternative would also avoid significant air quality impacts of the proposed Zone: namely, operational air emissions of both PM10 and NOx would be less than significant (i.e., below the BAAQMD significance thresholds) under this alternative. This alternative would also generate fewer total traffic trips than the proposed Zone, which would result in fewer or lower impacts to LOS at adjacent intersections; however, the volume of traffic trips to the area of the proposed Zone that would be generated by this alternative would likely result in impacts related to spillback, and further degrade operations of freeway ramps at merge/diverge areas that are already operating at unacceptable levels.

Finding: The City Council finds that, while it provides an advantage from an environmental standpoint over the proposed Zone, the No Project Alternative is infeasible in that it would accomplish none of the City's basic objectives, as discussed below.

1. *City Objective 1: Provide a consistent framework for the City's review and approval of new uses and projects in the area of the proposed Zone, encouraging investment in and adding value to these properties.* The No Project Alternative would not include the adoption of the proposed Zone and would therefore not provide a specific framework for the City's review and approval of new uses and projects within the area. Without this framework, development within the area of the Zone would likely proceed in an incremental fashion, and result in a low likelihood that multiple tenant commitments to the area would be made. As a result, transportation improvement costs required by the City for improvements to serve new uses within the Zone would likely fall on several developers, possibly acting independently, making it less likely for projects and associated transportation improvements to be financially feasible within the area. Therefore, the No Project Alternative would not encourage investment in the area of the Zone nor serve to add value to these properties, and would not accomplish City Objective 1.

2. *City Objective 2: Maximize the benefits of the location of the area of the proposed Zone as an infill site located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses in the area of the proposed Zone.* The No Project Alternative does not include adoption of the proposed Zone; as discussed above, without adoption of the Zone, development within the area would likely proceed in an incremental fashion, and result in a low likelihood that multiple tenant commitments to the area would be made. Without the adoption of the Zone, therefore, the mix and amount of uses that would likely be developed under the No Project Alternative would not serve to maximize the unique benefits of the location of the area as stated in City Objective 2, and this objective would not be met.
3. *City Objective 3: Encourage the development of a diverse mix of uses in the City that would promote long-term economic growth by generating substantial new revenues for the City.* The City has conducted multiple economic and fiscal analyses which indicate that, with adoption of the Zone, the mix of uses anticipated to be developed within the area of the Zone would yield a substantial level of fiscal and economic benefits, including up to \$2.3 million in new City General Fund revenues annually (on full buildout) and up to approximately \$383,975 annually in property taxes, as well as approximately \$277,440 in annual revenue to the Pleasanton Unified School District (see also the fiscal and economic analysis prepared for the Final SEIR [Appendix A] as well as the Supplemental Comparative Analysis). The No Project Alternative does not include the adoption of the Zone and development within the area under this alternative would, as discussed above, occur in an incremental fashion; as a result, the No Project Alternative would not encourage the development of a diverse mix of uses that would promote long-term economic growth in the area of the Zone, and would not generate a substantial level of new revenues. Therefore, this alternative would not meet City Objective 3.

Alternative 2: Reduced Retail

Alternative 2, Reduced Retail, would include some of the same uses as the proposed Zone, including general retail and a hotel use, but would not include club retail uses. Under this alternative, the Zone would be adopted, and Parcels 6, 9, and 10 would be developed in an initial phase that would take place within the same buildout period for these parcels as described for the proposed Zone. Existing uses on other parcels within the area of the proposed Zone would continue to operate.

Under this alternative, the area of the proposed Zone would be developed with approximately 259,500 square feet of new building area, including 171,500 square feet of general retail uses and 88,000 square feet of hotel uses. Under this alternative, it is assumed that development of the hotel uses would take place first and development of general retail uses would take place over a longer timeframe.

The Reduced Retail Alternative would avoid significant air quality impacts of the proposed Zone: under this alternative, annual operational air emissions of PM10 would be less

than 15 tons per year, and annual operational air emissions of NOx would be less than 10 tons per year and therefore these emission levels would be less than significant, per the thresholds established by the BAAQMD. This alternative would also generate fewer total traffic trips than the proposed Zone, which could result in fewer or lower impacts to LOS at adjacent intersections; however, the volume of traffic trips to the area of the proposed Zone that would be generated by this alternative would further degrade operations of freeway ramps at merge/diverge areas that are already operating at unacceptable levels, and this alternative would likely result in impacts related to spillback. Other environmental resources would experience less than significant impacts, similar to the proposed Zone.

Finding: The City Council finds that, while the Reduced Retail Alternative would reduce all impacts to air quality that would be significant and unavoidable under the proposed Zone to a less-than-significant level, other impacts to transportation and traffic would remain significant and unavoidable with this alternative. The City further finds that, while it provides an advantage from an environmental standpoint over the proposed Zone, the Reduced Retail Alternative is infeasible in that it would not accomplish the City's basic objectives for the proposed Zone to a satisfactory extent: the substantial benefits articulated by the City in its objectives would not be likely to be provided under this alternative, as discussed below.

4. *City Objective 1: Provide a consistent framework for the City's review and approval of new uses and projects in the area of the proposed Zone, encouraging investment in and adding value to these properties.* While the Reduced Retail Alternative would include the adoption of a version of the proposed Zone and would therefore provide a framework for the City's review and approval of new uses and projects, no large retail anchor is assumed under the Reduced Retail Alternative as it is for the proposed Zone. As discussed in the Supplemental Comparative Analysis prepared for the Zone in August, 2016, an alternate development scenario that does not include a large retail anchor, like the Reduced Retail Alternative, would find it more difficult to secure multiple tenant commitments to the area of the proposed Zone sufficient to secure project financing. As a result, transportation improvement costs required by the City would likely fall on several developers, possibly acting independently, making it less likely for projects and associated transportation improvements to be financially feasible within the area of the Zone. These factors would work against City Objective 1, in that they could result in a failure to encourage investment in the properties within the area of the Zone, and a related failure to develop transportation infrastructure necessary for new retail uses.
5. *City Objective 2: Maximize the benefits of the location of the area of the proposed Zone as an infill site located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses in the area of the proposed Zone.* With its large club retail use, the proposed Zone would provide a use that is both locally and regionally accessible, suited to the location of the area of the Zone near both the I-680 and the I-580. The Zone would also provide a diversity of uses, including general retail and hotel as well as the club retail use. The Reduced Retail Alternative

would provide less diversity of uses, and no club retail use, as well as a lower area of total new gross building space; therefore, the mix and amount of uses that would be provided under the Reduced Retail Alternative would not serve to “maximize” the unique benefits of the location of the area of the Zone as stated in City Objective 2, especially in comparison to the proposed Zone.

6. *City Objective 3: Encourage the development of a diverse mix of uses in the City that would promote long-term economic growth by generating substantial new revenues for the City.* The City has conducted multiple economic and fiscal analyses which indicate that, with adoption of the Zone, the mix of uses anticipated to be developed within the area of the Zone would yield a substantial level of fiscal and economic benefits, including up to \$2.3 million in new City General Fund revenues annually (on full buildout) and up to approximately \$383,975 annually in property taxes, as well as approximately \$277,440 in annual revenue to the Pleasanton Unified School District (see also the fiscal and economic analysis prepared for the Final SEIR [Appendix A] as well as the Supplemental Comparative Analysis). Because it does not include a large retail anchor, includes a lower total area of new uses, and lacks the stability that a large retail anchor could provide (as discussed above under City Objective 1), the Reduced Retail Alternative would be much less likely to promote long-term economic growth to the same extent as the Zone, and would not generate the same, substantial level of new revenues as the Zone, making the full achievement of City Objective 3 less likely.

Alternative 3, Partial Buildout (Phase I Only)

Alternative 3, Partial Buildout (Phase I Only), would include some of the same uses as the proposed Zone, including general retail, club retail, and a hotel use, but would not include general retail uses to the same extent.

Under this alternative, the Zone would be adopted, and only the uses anticipated for Phase I of the Zone would be developed, with no other development taking place within the Zone. Parcels 6, 9, and 10 would be developed in an initial phase that would take place within the same buildout period for these parcels as described for the proposed Zone. Under this alternative, existing uses on other parcels within the area of the proposed Zone would continue to operate.

This alternative includes approximately 259,500 square feet of new building area, including 148,000 square feet of club retail uses, 23,500 square feet of general retail uses, and 88,000 square feet of hotel uses. Under this alternative, it is assumed that development of the hotel uses would take place first and development of general retail uses would take place over a longer timeframe.

The Partial Buildout Alternative would avoid significant air quality impacts of the proposed Zone: under this alternative, annual operational air emissions of PM10 would be less than 15 tons per year, and annual operational air emissions of NOx would be less than 10 tons per year and therefore these emission levels would be less than significant, per the thresholds established by the BAAQMD. This alternative would also generate fewer total traffic trips than the proposed Zone, which could result in fewer or lower impacts to LOS at adjacent intersections; however, the volume of traffic trips to the area of the proposed Zone that would be generated by

this alternative would further degrade operations of freeway ramps at merge/diverge areas that are already operating at unacceptable levels, and this alternative would likely result in impacts related to spillback. Other environmental resources would experience less than significant impacts, similar to the proposed Zone.

Finding: The City Council finds that, while the Partial Buildout Alternative would reduce all impacts to air quality that would be significant and unavoidable under the proposed Zone to a less-than-significant level, other impacts to transportation and traffic would remain significant and unavoidable with this alternative. The City further finds that, while it provides an advantage from an environmental standpoint over the proposed Zone, the Partial Buildout Alternative is infeasible in that it would not accomplish the City's basic objectives for the proposed Zone to a satisfactory extent: the substantial benefits articulated by the City in its objectives would not be likely to be provided under this alternative, as discussed below.

1. *City Objective 1: Provide a consistent framework for the City's review and approval of new uses and projects in the area of the proposed Zone, encouraging investment in and adding value to these properties.* Like the Reduced Retail Alternative, the Partial Buildout Alternative would include the adoption of a version of the proposed Zone and would therefore provide a framework for the City's review and approval of new uses and projects. In addition, the Partial Buildout Alternative would include the club retail use and therefore a large retail anchor, unlike the Reduced Retail Alternative. However, like the Reduced Retail Alternative, the Partial Buildout Alternative would limit the total area of uses developed within the area of the Zone to approximately 259,500 square feet; investment in properties within the area of the Zone would therefore occur to a lesser extent than would occur under development of the Zone, which would work against City Objective 1.
2. *City Objective 2: Maximize the benefits of the location of the area of the proposed Zone as an infill site located along transportation corridors and near transit by encouraging the development of both locally and regionally accessible uses in the area of the proposed Zone.* Although it would include a club retail use suited to the location of the area of the Zone near both the I-680 and the I-580, the Partial Buildout Alternative would include a much lower total area of general retail use, and a lower area of total new gross building space; therefore, the mix and amount of uses that would be provided under the Partial Buildout Alternative would, like the Reduced Retail Alternative, not serve to "maximize" the unique benefits of the location of the area of the Zone as stated in City Objective 2, especially in comparison to the proposed Zone.
3. *City Objective 3: Encourage the development of a diverse mix of uses in the City that would promote long-term economic growth by generating substantial new revenues for the City.* A comparison of the fiscal benefits of a development program largely similar to the proposed Zone with an alternate development program with the same characteristics as the Partial Buildout Alternative was prepared for the area of the proposed Zone in 2015 (see Appendix C of the Draft SEIR, Johnson Drive EDZ Land Use Study

and Fiscal Impact Analysis, for this comparison, and note that further fiscal analyses have refined the results of this study). This analysis indicated that a scenario identical to the Partial Buildout Alternative would yield only about 74 percent of the total annual general fund revenues that is currently estimated would be generated under the proposed Zone, as well as only 69 percent of the annual revenue that would be provided under the proposed Zone to the Pleasanton Unified School District. (The City's most recent economic and fiscal analyses indicate that the mix of uses proposed within the Zone would yield a substantial level of fiscal and economic benefits, including up to \$2.3 million in new City General Fund revenues annually [on full buildout], as well as approximately \$277,440 in annual revenue to the Pleasanton Unified School District). This general comparison indicates that, because it includes a lower volume of uses, the Partial Buildout Alternative would be less likely to promote long-term economic growth to the same extent as the Zone, and would not generate substantial new revenues in comparison to the Zone, making the full achievement of City Objective 3 less likely.

Environmentally Superior Alternative

CEQA Guidelines §15126.6(e)(2) indicates that an EIR must identify the Environmentally Superior Alternative from the range of alternatives evaluated in the EIR. If the No Project Alternative is identified as the Environmentally Superior Alternative, then the EIR shall also identify an Environmentally Superior Alternative among the other alternatives. The Environmentally Superior Alternative is the alternative that would result in the fewest and/or least severe (lowest level) environmental impacts.

Alternative 2, Reduced Retail, would be the environmentally superior alternative because it represents lower levels of PM10 and NOx emissions than the Partial Buildout Alternative (a difference of approximately 3.5 and 3.9 tons per year, respectively) and a lower number of traffic trips that would be generated (a difference of approximately 1,970 weekday daily trips). This alternative would not directly result in the significant and unavoidable air quality impacts that would occur under implementation of the proposed Zone. Other significant and unavoidable traffic and transportation impacts that would occur with implementation of the proposed Zone would remain under this alternative. The Reduced Retail Alternative meets most of the basic objectives of the proposed Zone, namely, it would result in the adoption of a consistent framework for the City's review and approval of new uses in the area of the proposed Zone, and would promote the development of locally and regionally accessible uses.

M. Growth-Inducing Effects

A project may be growth-inducing if it directly or indirectly fosters economic or population growth or additional housing, removes obstacles to growth, taxes community service facilities, or encourages or facilitates other activities that cause significant environmental effects. (CEQA Guidelines §15126[g].)

Under CEQA, induced growth is not considered necessarily detrimental or beneficial. Induced growth is considered a significant impact only if it directly or indirectly affects the ability of agencies to provide needed public services, or if it can be demonstrated that the

potential growth could significantly affect the environment in some other way.

Chapter 6, Section A of the Draft SEIR provides an analysis of growth-inducing effects of the proposed Zone, as required by CEQA Guidelines §15126.2(d). With the exception of the potential development of a minor amount of senior housing, the proposed Zone would not directly induce substantial population growth. As discussed in the SEIR, population growth that could be induced as a consequence of new employees working with the area of the Zone moving to the City would not be substantial; therefore, the proposed Zone is not likely to induce substantial indirect population growth. In addition, the area of the proposed Zone is currently served by water, sanitary sewer, stormwater, and other roadway and utility infrastructure, and any needed upgrades to these systems would not be likely to be of a scale that would induce substantial population growth. Improvements to local roadways and I-680 would be undertaken to accommodate the proposed Zone, and would likewise not be likely to stimulate substantial further growth in the area.

Accordingly, the City Council finds that the proposed Zone effects related to indirectly facilitating population growth would be minor, and that the Project's benefits substantially outweigh the eight significant and unavoidable impacts as demonstrated below in the Statement of Overriding Considerations.

II. STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Public Resources Code §21081 and CEQA Guidelines §15093, the City Council has balanced the economic, legal, social, technological, and other benefits of the proposed Zone against the Zone's eight significant and unavoidable impacts and has adopted all feasible mitigation measures. The City Council has also examined three potentially feasible alternatives to the proposed Zone, neither of which are feasible in that they would not accomplish the City's basic objectives for the proposed Zone to a satisfactory extent (the substantial benefits articulated by the City in its objectives would not be likely to be provided under the alternatives). The City has adopted mitigation measures that reduce, to the extent feasible, the significant environmental effects of the Project.

The City Council hereby adopts and makes the following Statement of Overriding Considerations regarding the significant and unavoidable impacts of the proposed Zone and the anticipated economic, legal, social, technological, and other benefits of the Zone.

A. Significant and Unavoidable Impacts

Based on information contained in the record and in the SEIR, the City Council has determined that the proposed Zone would result in significant and unavoidable impacts to: (1) air quality due to emissions of NOx and PM10 that would result from operation of uses that would be developed within the area of the proposed Zone, and that would exceed BAAQMD significance thresholds; and (2) traffic and transportation due to the possibility of substantial increases in traffic to local study intersections under Existing plus Project conditions, Near-term plus Project conditions, and Far-term (Cumulative) plus Project conditions; and to freeway ramps at merge/diverge areas under Existing plus Project conditions and Far-term (Cumulative) plus Project conditions.

Table 2 presented under I.K.2, above, illustrates the impacts to Transportation and

Traffic that would be significant and unavoidable; which physical locations (e.g., specific intersections or freeway on-ramps) would be affected; to what extent mitigation measures would reduce the level of impact; which impacts would remain significant and unavoidable after mitigation; and which impacts would be significant and unavoidable due to substantial uncertainty regarding Caltrans' discretionary review of the improvements contained in the measure. As discussed previously, Mitigation Measure 4.D-1d is infeasible due to substantial uncertainty regarding Caltrans' review and approval of the improvement described in the measure, and Mitigation Measures 4.D-1a, 4.D-1b, 4.D-1c, and 4.D-1d are interdependent (i.e., all of these measures must be implemented to reduce the impact to Stoneridge Drive [queue spillback] to less than significant).

(Draft SEIR, pp. 4.B-18 to 4.B-21, 4.B-21 to 4.B-23, 4.B-24 to 4.B-25; 4.D-20 to 4.D-38, 4.D-38 to 4.D-44, 4.D-44 to 4.D-50, 4.D-52 to 4.D-53, 4.D-55 to 4.D-56.)

B. Finding

The City Council has considered all potentially feasible mitigation measures to substantially lessen or avoid the proposed Zone's significant and unavoidable impacts. Where feasible, mitigation measures have been adopted as part of the proposed Zone. The imposition of these measures will reduce the identified impacts, but not in all cases to a less-than-significant level. The City Council finds that it is not feasible to fully mitigate these impacts.

The City Council has also considered all potentially feasible alternatives to the proposed Zone. The City Council finds that there are no feasible alternatives that would reduce all of the above significant and unavoidable impacts to a less-than-significant level.

The impacts of the proposed Zone discussed above therefore remain significant and unavoidable.

C. Overriding Considerations

After review of the entire administrative record, including, but not limited to, the Final SEIR, the staff report, and the oral and written testimony and evidence presented at public hearings, the City Council finds that specific economic, legal, social, technological and other anticipated benefits of the proposed Zone outweigh the significant and unavoidable impacts, and therefore justify the approval of the proposed Zone notwithstanding the identified significant and unavoidable impacts. (Pub. Res. Code, §21081; CEQA Guidelines §15093.) The benefits are addressed in detail in Section II.D below.

The City Council specifically adopts and makes this Statement of Overriding Considerations that the proposed Zone has eliminated or substantially lessened all significant effects on the environment where feasible (including the incorporation of feasible mitigation measures), and finds that the remaining significant unavoidable impacts of the Zone, which are described above in Section II.A, are acceptable because the benefits of the proposed Zone set forth below in Section II.D outweigh them. The City Council finds that each of the overriding considerations expressed as benefits and set forth below in Section II.D constitutes a separate and independent grounds for such a finding. Any one of the reasons for approval cited below is sufficient to justify approval of the proposed Zone. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the City Council will stand by its determination

that each individual reason is sufficient by itself. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section II, and in the documents found in the Record of Proceedings, as defined in Section I.D.

D. Benefits of the Proposed Zone

The City Council has considered the SEIR, the public record of proceedings on the proposed Zone and other written materials presented to and prepared by the City, as well as oral and written testimony received, and does hereby determine that implementation of the Zone as specifically provided in the project documents would result in the following substantial public benefits:

1. *The Proposed Zone Would Provide Substantial Economic and Fiscal Benefits to the City of Pleasanton*

Implementation of the proposed Zone would result in substantial economic and fiscal benefits to the City, including a considerable new volume of taxable sales, increased property values, and employment of up to 678 full time employees as well as temporary construction workers. The fiscal impact analysis prepared on behalf of the City for the effects of the Zone indicates that, on a worst-case basis, businesses anticipated to be established within the Zone are anticipated to generate a projected \$1.4 to \$1.7 million annual contribution to the City's General Fund at the completion of the first phase (which includes the club retail and hotel uses). This net revenue estimate increases to \$2.1 to \$2.3 million annually upon full buildout of the Zone. At full buildout these net fiscal revenues represent an annual contribution equivalent to approximately 2.1 percent to 2.3 percent of the City's General Fund expenditures. (Note these revenue estimates do not include any City contributions to the traffic improvements required by the Zone.) The City's General Fund is the primary funding source for the construction, operation and maintenance of a number of essential City services, programs and facilities, including fire and police services, recreation programs, library services, and administrative functions, among other services.

In addition, property taxes generated from the Zone would provide approximately \$277,440 in annual revenue to the Pleasanton Unified School District (PUSD) and approximately \$30,440 in annual revenue to other schools. The Zone would also generate one-time supplemental taxes of approximately \$42,725 to the PUSD and \$4,690 to other schools.

The fiscal impact analysis also assessed the impact of development within the Zone on businesses in the City, including the downtown area. The analysis indicates that impacts generated by the Zone on the market area's existing retail environment would be limited. The economic analysis concluded that Phase I sales in the Zone (i.e., the sales resulting from a club retail use and a limited amount of general retail uses) could result in a decrease in annual sales by existing market retailers of approximately \$26.7 million, or 0.9 percent of the market area's existing \$3 billion in annual retail sales, which is considered to be a nominal impact. Based upon these findings, the analysis concluded that implementation of the Zone would not cause or contribute to urban decay.

2. *The Proposed Zone Would Enhance Pleasanton's Diversified Economic Base Through Business Expansion, Consistent with General Plan Economic and Fiscal Element Policy 1*

Policy 1 of the City's General Plan Economic and Fiscal Element is to "Enhance Pleasanton's diversified economic base through an aggressive business retention and expansion program." Approval of the proposed Zone is key to facilitating the "aggressive" business expansion envisioned by this policy. Without the approval of the Zone, the area would be likely to develop on a parcel by parcel basis, and not benefit from a consistent framework for the City's review and approval of new uses and projects in the EDZ area, resulting in a piecemeal, incremental approach to development, typical of most small-scale non-residential development.

The proposed Zone would facilitate the redevelopment of land to a higher and better use by creating a plan for development rather than an incremental approach. An incremental approach would not likely provide the economies of scale (or degree of funding) necessary to provide needed infrastructure improvements as the need arises, nor would it facilitate development of a major retail anchor. An incremental approach would therefore not likely yield the scale of business expansion that the proposed Zone would.

In addition, the proposed Zone contains design guidelines that will ensure a high quality development that furthers the mission of the City's economic development goals and policies, by providing assurance of high quality design and access to major transportation corridors that larger retailers are attracted to.

E. Determination and Adoption of Statement of Overriding Considerations

The City Council has weighed the economic, legal, social, technological, and other benefits of the proposed Zone, as set forth above in Section II.D, against the significant unavoidable impacts of the proposed Zone identified in the SEIR (and discussed above in Section II.A).

The City Council hereby determines that those benefits outweigh the risks and adverse environmental impacts of the proposed Zone, and further determines that the proposed Zone's significant unavoidable impacts are acceptable.

Accordingly, the City Council adopts the Statement of Overriding Considerations, recognizing that significant unavoidable impacts will result from implementation of the proposed Zone. Having:

1. Adopted all feasible mitigation measures, as stated herein and discussed in the SEIR;
2. Rejected alternatives to the proposed Zone, as stated herein and discussed in the SEIR; and
3. Recognized the significant unavoidable impacts of the proposed Zone,

the City Council hereby finds that each of the separate benefits of the proposed Zone, as stated herein, is determined to be unto itself an overriding consideration, independent of other benefits,

that warrants approval of the proposed Zone and outweighs and overrides its significant unavoidable impacts, and thereby justifies the approval of the proposed Zone (and its associated General Plan amendment and rezonings).

Exhibit B



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MEMORANDUM

Date: June 5, 2017

To: Eric Luchini, City of Pleasanton Community Development Department,
Planning Division

CC: Project File

From: Christy Herron, CEQA Project Manager

**Subject: Review of Final Supplemental Environmental Impact Report
For the Johnson Drive Economic Development Zone**

The City of Pleasanton (City) is moving forward with the Final Supplemental Environmental Impact Report (Final SEIR, or SEIR) for the Johnson Drive Economic Development Zone (EDZ, proposed EDZ, or project). The SEIR was prepared pursuant to the California Environmental Quality Act (CEQA) (Pub. Res. Code §21000 *et seq.*) and the state *CEQA Guidelines* (14 Cal. Code Regs. §15000 *et seq.*). More than a year has elapsed since the Final SEIR was published in March 2016. ESA has, at the City's request, reviewed the Final SEIR to determine whether new information has arisen that could trigger its recirculation prior to the City's consideration of it for certification. Briefly, it has not. The reasons for this conclusion are provided below.

A. CEQA Requires Recirculation in Limited Circumstances

Recirculation of a Draft EIR prior to certification is required only when "significant new information is added to the EIR after public notice is given of the availability of the Draft EIR for public review under Section 15087 but before certification" (Pub. Res. Code §21092.1; CEQA Guidelines §15088.5). The term "information" can refer to "changes in the environmental setting as well as additional data or other information" (CEQA Guidelines §15088.5). "Significant new information" is defined as a disclosure showing that:

1. A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented;

2. A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance;
3. A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the environmental impacts of the project, but the project's proponents decline to adopt it; or
4. The draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

By comparison, recirculation is not required when new information merely amplifies, clarifies, or makes insignificant modifications to an adequate EIR (CEQA Guidelines §15088.5(b)).

B. No Significant New Information has Arisen Since Publication of the Final SEIR

As discussed below, no information has arisen since the publication of the Final SEIR that meets the definition of "significant new information" as defined in *CEQA Guidelines* Section 15088.5(a).

No significant new information has been added to the Project Description

The City has confirmed that the proposed EDZ, including the anticipated land development program, has not changed from its description in Chapter 3.0, Project Description, of the EIR.

No significant new information has been added to the Environmental Setting

Descriptions of existing physical conditions in the area of the EDZ are presented and described in the SEIR Setting sections for each of the four main environmental topics – namely, Aesthetics, Air Quality, Noise, and Traffic and Transportation – as well as all other environmental topics discussed in the document. The discussions of the environmental setting are based on actual physical conditions as they existed on the date of publication of the Notice of Preparation for the Draft SEIR (NOP), August 25, 2014 – this date established the baseline for the SEIR.

A visit to the area of the EDZ conducted on April 16, 2017 indicated no substantial changes to the physical conditions as described in the SEIR have taken place within the area of the proposed EDZ. The City has confirmed this conclusion.

No significant new information has been added to the Regulatory Setting

Although some changes have taken place, no substantial changes to the regulations, rules, and plans as described in the SEIR Regulatory Setting discussions have occurred that would result in significant new information, as discussed below. Specific examples include:

City of Pleasanton General Plan and Municipal Codes. The City has not updated the General Plan or municipal codes cited in the SEIR.

City of Pleasanton Climate Action Plan. The City has not updated its Climate Action Plan.

Bay Area Air Quality Management District Clean Air Plan. The most recent revision to the BAAQMD Clean Air Plan was adopted in April 2017; the SEIR includes a discussion of the previous version of the Clean Air Plan that was adopted in 2010. The revised plan does not constitute significant new information because the CEQA significance criteria previously recommended by the BAAQMD have not changed, and, therefore, the conclusions addressing air quality impacts in the Draft SEIR (which conservatively assumed significant and unavoidable impacts related to air emissions from operation of new uses within the area of the proposed EDZ) are not likely to change, nor are any new potentially significant impacts likely to be identified.

Assembly Bill 52 (Native Americans: California Environmental Quality Act). In September 2014, the California Legislature passed Assembly Bill (AB) 52, which added provisions to the Public Resources Code regarding the evaluation of impacts on tribal cultural resources under CEQA, and consultation requirements with California Native American tribes. In particular, AB 52 now requires lead agencies to analyze project impacts on “tribal cultural resources” separately from archaeological resources (Pub. Res. C §§21074, 21083.09). AB 52 also requires lead agencies to engage in additional consultation procedures with respect to California Native American tribes (Pub. Res. Code §§21080.3.1, 21080.3.2, 21082.3). On June 3, 2016, the California Natural Resources Agency released a revised proposal to update Appendix G of the CEQA *Guidelines* related to tribal cultural resources.

Notably, AB 52’s provisions only apply to EIRs that have a NOP filed on or after July 1, 2015. Because the NOP for the proposed EDZ SEIR was published prior to this date, the EDZ was determined to be not subject to AB 52 requirements. Regardless of the applicability of AB 52’s provisions, the SEIR was reviewed with regards to potential impacts to Native American resources. As described in the SEIR, surveys that took place within the area of the proposed EDZ and in the vicinity found no significant cultural resources. In addition, the City submitted a sacred lands search request to the Native American Heritage Commission (NAHC) on September 5, 2014. A response was received on September 16, 2014, and confirmed that a records search of NAHC’s sacred lands file did not indicate the presence of Native American cultural resources in the area of the EDZ or in the vicinity. Therefore, regardless of the applicability of AB 52 to the proposed EDZ, the SEIR indicates that there would be no significant impacts to tribal cultural resources.

No significant new information has been added regarding the Approach to Analysis (Methodology)

No substantial changes to analytical methodologies as described in the SEIR have taken place that would result in significant new information, as discussed below. Specifically:

Alameda Countywide Travel Demand Model. The SEIR analysis used the City's travel demand model for cumulative projections, and the city's model uses Alameda County's Countywide Travel Demand Model as its basis. Neither the City's travel demand model nor the Countywide Travel Demand Model has been updated since 2014.

Senate Bill 743 and Analysis of Vehicle Miles Traveled. Although analysis of traffic impacts related to an increase in Vehicle Miles Traveled (VMT) is not yet required under CEQA, it is widely believed that the adoption of Senate Bill 743 will require this analysis in the near future. Regardless, the SEIR included a VMT analysis partly in response to the adoption of SB 743, and disclosed the results. The VMT analysis used three different vehicle trip accounting methods and the results from all three indicated an increase in VMT per capita.

No significant new information has been added that changes Impact Conclusions or Recommended Mitigation Measures

Because no changes to the EDZ have been proposed and no substantial changes to setting, regulatory setting, or analytical methodologies have taken place, no changes to any of the impact conclusions or proposed mitigation measures are required.

The analysis of cumulative impacts in the SEIR relied on cumulative scenarios included in the City's travel demand model, General Plan and regional projections, and planned development within the vicinity of the area of the proposed EDZ. As discussed above, there have been no substantial changes to the City's travel demand model and no updates to the General Plan. In addition, no new regional projections have been finalized by the regional planning agencies (Association of Bay Area Governments and Metropolitan Transportation Commission). The City has also confirmed that no additional projects have been proposed within 1,000 feet of the area of the proposed JDEZ that would result in impacts not already considered in the SEIR. Therefore, no changes to any of the cumulative impact conclusions or proposed mitigation measures addressing cumulative impacts are required.

No significant new information has been added relating to Alternatives

The City has confirmed that no new feasible alternatives that are considerably different from the alternatives assessed in the SEIR and that would lessen the environmental impacts of the proposed EDZ have been identified.

C. Additional Comments Submitted on the Final EIR After the Public Review Period

“Significant new information” may include public comments submitted after the close of the public comment period on the Draft SEIR, if the information identifies a new significant impact, or a substantially more severe impact, or a new feasible alternative (that is considerably different from those alternatives analyzed in the Draft SEIR) or new mitigation measures. The City has confirmed that no comments including significant new information have been submitted since the close of the public review period for the Draft SEIR.

D. Conclusions

Based on ESA’s review and as discussed in this memo, no significant new information has arisen since publication of the Final SEIR. Recirculation is not required under these circumstances.

CHAPTER 6

Mitigation Monitoring and Reporting Program (Revised October 2017)

6.1 Introduction

When approving projects with Environmental Impact Reports (EIRs) that identify significant impacts, the California Environmental Quality Act (CEQA) requires public agencies to adopt monitoring and reporting programs or conditions of project approval to mitigate or avoid the identified significant effects (Public Resources Code Section 21081.6(a)(1)). A public agency adopting measures to mitigate or avoid the significant impacts of a proposed project is required to ensure that the measures are fully enforceable, through permit conditions, agreements, or other means (Public Resources Code Section 21081.6(b)). The mitigation measures required by a public agency to reduce or avoid significant project impacts not incorporated into the design or program for the project may be made conditions of project approval as set forth in a Mitigation Monitoring and Reporting Program (MMRP). The program must be designed to ensure project compliance with mitigation measures during project implementation.

The MMRP includes the mitigation measures identified in the SEIR required to address the significant impacts associated with the proposed EDZ. The required mitigation measures are summarized in this program; the full text of the impact analysis and mitigation measures is presented in the Draft SEIR in Chapter 2, Summary, except as revised in this Final SEIR.

The MMRP was initially included in the March 2016 Final SEIR. Minor revisions to the MMRP are included in this version and shown as additions in double-underline text or deletions in strikeout text.

6.2 Format

The MMRP is organized in a table format (see **Table 6-1**), keyed to each significant impact and each SEIR mitigation measure. Only mitigation measures adopted to address significant impacts are included in this program. Each mitigation measure is set out in full, followed by a tabular summary of monitoring requirements. The column headings in the tables are defined as follows:

- **Mitigation Measures adopted as Conditions of Approval:** This column presents the mitigation measure identified in the SEIR.

- **Site(s) Affected:** The mitigation measures are, in some cases, site specific. This column identifies which specific sites would need to adhere to the mitigation measure, or if the measure addresses all sites.
- **Implementation Procedures:** This column identifies the procedures associated with implementation of the migration measure.
- **Monitoring Responsibility:** This column contains an assignment of responsibility for the monitoring and reporting tasks.
- **Monitoring and Reporting Action:** This column refers the outcome from implementing the mitigation measure.
- **Mitigation Schedule:** The general schedule for conducting each mitigation task, identifying where appropriate both the timing and the frequency of the action.
- **Verification of Compliance:** This column may be used by the lead agency to document the person who verified the implementation of the mitigation measure and the date on which this verification occurred.

6.3 Enforcement

If the EDZ is approved, the MMRP would be incorporated as a condition of such approval. Therefore, all mitigation measures for significant impacts must be carried out in order to fulfill the requirements of approval. A number of the mitigation measures would be implemented during the course of the development review process. These measures would be checked on plans, in reports, and in the field prior to construction. Most of the remaining mitigation measures would be implemented during the construction or EDZ implementation phase.

**TABLE 6-1
MITIGATION MONITORING AND REPORTING PROGRAM**

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
4.A. Aesthetics None required.						
4.B. Air Quality Mitigation Measure 4.B-1: All developers of sites within the EDZ area shall ensure that construction plans include a requirement that the BAAQMD Best Management Practices for fugitive dust control be implemented. All developers of sites within the EDZ area are required to implement the following for all construction activities within the EDZ area, to reduce fugitive dust emissions that would be generated primarily during soil movement, grading, and demolition activities, but also during vehicle and equipment movement on unpaved construction sites: 1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day. 2. All haul trucks transporting soil, sand, or other loose material off-site shall be covered. 3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. 4. All vehicle speeds on unpaved roads shall be limited to 15 miles per hour. 5. All streets, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used. 6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of CCR). Clear signage shall be provided for construction workers at all access points. 7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation. 8. A publicly visible sign shall be posted with the telephone number and person to contact at the City of Pleasanton Planning Division regarding dust complaints. This person shall respond and take corrective action within 48 hours. BAAQMD's phone number shall also be visible to ensure compliance with applicable regulations.	All	Site developer shall include BAAQMD BMPs in construction plan.	Site developer Community Development Department	Verify inclusion of BMPs in applicable construction plans and specifications; field inspections during construction. Inspect site during construction to ensure compliance with project construction plans.	Prior to issuance of grading or building permit, whichever is first. Field inspections during construction.	Verified by: Date:

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
4.B. Air Quality (cont.)						
<p>Mitigation Measure 4.B-2: All developers of sites within the EDZ area that are located within 1,000 feet of sensitive receptors including church, school, senior housing, or recreational uses (i.e., Valley Bible Church and Love & Care Preschool, Club Sport, or other recreational uses) shall ensure that construction contract specifications include a requirement that all off-road diesel-powered construction equipment used during the construction activities within the EDZ area be equipped with engines that meet or exceed either U.S. Environmental Protection Agency or California Air Resources Board Tier 2 off-road emission standards, and are fitted with Level 3 Verified Diesel Emissions Control (VDEC), which would reduce diesel particulate emissions by at least 85 percent; or ensure that off-road diesel-powered construction equipment engines meet interim or final Tier 4 emission standards.</p>	<p>All sites located within 1,000 feet of sensitive receptors such as church, school, senior housing, recreational, or other sensitive uses</p>	<p>Site developer shall prepare construction plans that adhere to all specifications in this measure.</p>	<p>Site developer Community Development Department</p>	<p>Review and approve construction plans. Inspect site during construction to ensure compliance with project construction plans.</p>	<p>Prior to the issuance of grading or building permits, whichever is first. Field inspections during construction.</p>	<p>Verified by: Date:</p>
<p>Mitigation Measure 4.B-3: All developers of sites within the EDZ area shall implement Transportation Demand Management (TDM) measures, such as establishment of commute trip reduction program(s) with employers to discourage single-occupancy vehicle trips and encourage alternative modes of transportation such as car-pooling, taking transit, walking, and biking. Developers of sites within the EDZ shall also evaluate increasing transit accessibility to the EDZ, potentially including the use of a BART shuttle. The voluntary commute trip reduction program(s) may include, but would not be limited to, a ride-sharing program for which 50 percent or greater of site employees are eligible, carpooling encouragement, preferential carpool parking, a transportation coordinator, and ride-matching assistance. Specifically, TDM measures shall incorporate the following components to be required in the Development Agreements for individual projects, as appropriate to proposed land uses to be developed:</p> <ul style="list-style-type: none"> Require commute based trip reduction programs for all businesses of more than 20 on-site employees that may include transit subsidies, parking cash out incentives, and carpool parking preferences; Provide preferred parking spaces and recharging stations for electric vehicles; Require businesses to provide bicycle facility amenities such as showers and lockers; Require electrical hook-ups for diesel trucks at loading docks; Require any new backup diesel generators to meet CARB's Tier 4 emission standards; 	<p>All</p>	<p>Business operator shall include TDM measures in business plan and/or application for occupancy permit or use permit.</p>	<p>Business operator Community Development Department</p>	<p>Verify inclusion of TDM measures in applicable occupancy permit or use permit.</p>	<p>Prior to issuance of occupancy permit or use permit.</p>	<p>Verified by: Date:</p>
4.B. Air Quality (cont.)						
<ul style="list-style-type: none"> Prohibit all vehicles including commercial motor vehicles with gross vehicular weight ratings of less than 10,000 pounds from idling for more than 2 minutes; and Require truck fleets based in the area of the proposed EDZ to meet 						

Mitigation Measures	Sites(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>CARB's highest engine tier available at the time the building permits are issued.</p> <p>Mitigation Measure 4.B-4: If a new sensitive residential use, such as senior housing or a child-care or healthcare facility, is proposed within the EDZ area and within 300 feet of a fuel station or within 1,000 feet of warehouse loading docks or Highway I-680, the developer of this use shall prepare a health risk assessment report to be reviewed and approved by the City. The health risk assessment shall demonstrate that the increased cancer risks for the proposed sensitive use would be below the BAAQMD permitting limit of 10 in one million (per its Policy and Procedure Manual, the BAAQMD would deny an Authority to Construct or a Permit to Operate for any new or modified source of TACs that exceeds a cancer risk of 10 in one million or a chronic or acute hazard index of 1.0); or, should the health risk assessment determine that lifetime cancer risk would exceed 10 in one million, the developer shall install in the sensitive use an enhanced ventilation filtration system such that the resultant lifetime increased cancer risk is less than 10 in one million. No sensitive use shall be approved within the EDZ where the health risk assessment determines that lifetime cancer risk from the freeway and from uses in the EDZ would exceed 10 in one million.</p>	<p>All sites that include a sensitive use such as, but not limited to, a senior housing facility, child-care or healthcare facility, within 300 to 1,000 feet of a source of TACs.</p>	<p>Site developer shall hire a qualified air quality consultant to prepare a HRA.</p>	<p>Community Development Department</p>	<p>Approve air quality consultant selection. Review verification from air quality consultant.</p>	<p>Approve consultant selection, and review verification from air consultant, prior to approval of individual development permit. Verify inclusion of approved measures.</p>	<p>Verified by: Date:</p>
<p>4.C. Noise</p> <p>Mitigation Measure 4.C-1a: To address nuisance impacts of construction activities within the EDZ area, all developers of sites within the EDZ area shall ensure that construction contractors implement the following:</p> <ul style="list-style-type: none"> • Signs shall be posted at all construction site entrances to the property upon commencement of construction, for the purposes of informing all contractors/subcontractors, their employees, agents, material haulers, and all other persons at the applicable construction sites, of the basic requirements of Mitigation Measures 4.C-1a and 4.C-1b. • Signs shall be posted at the construction sites that include permitted construction days and hours, a day and evening contact number for the job site, and a contact number in the event of problems. • An onsite complaint and enforcement manager shall respond to and track complaints and questions related to noise. 	<p>All</p>	<p>Site developer shall incorporate the specifications of this measure into project grading and construction plans.</p>	<p>Site developer Community Development Department Engineering Department</p>	<p>Engineering Department: Review and approve project specifications and grading and construction plans for inclusion of this measure into specifications. Community Development Department: Inspect site during construction to ensure compliance with project construction plans.</p>	<p>Prior to issuance of building or grading permit, whichever is first. Field inspections during construction.</p>	<p>Verified by: Date:</p>
<p>4.C. Noise (cont.)</p> <p>Measure 4.C-1b: To reduce daytime noise impacts due to construction within the EDZ area, all project developers shall require construction contractors working within 55 feet of the construction site property boundary to implement the following measures:</p> <ul style="list-style-type: none"> • Equipment and trucks used for construction shall use the best available noise control techniques (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically-attenuating shields or shrouds). 	<p>All</p>	<p>Site developer shall incorporate the specifications of this measure into project grading and construction plans.</p>	<p>Site developer Community Development Department Engineering Department</p>	<p>Engineering Department: Review and approve project specifications and grading and construction plans for inclusion of this measure into specifications. Community Development Department</p>	<p>Prior to issuance of building or grading permit, whichever is first. Field inspections during construction.</p>	<p>Verified by: Date:</p>

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<ul style="list-style-type: none"> Impact tools (e.g., jack hammers, pavement breakers, and rock drills) used for construction shall be hydraulically or electrically powered where feasible to avoid noise associated with compressed air exhaust from pneumatically powered tools. Where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used; this muffler can lower noise levels from the exhaust by up to about 10 dBA. External jackets on the tools themselves shall be used where feasible; this could achieve a reduction of 5 dBA. Quieter procedures, such as use of drills rather than impact tools, shall be used unless deemed not feasible by a geotechnical investigation. 	All	<p>Site developer shall prepare an acoustical assessment that adheres to all specifications of this measure.</p> <p>If noise thresholds in the General Plan and/or Municipal Code are exceeded, reasonable and feasible mitigation shall be required to reduce levels to City standards.</p>	Community Development Department	<p>Department: Inspect site during construction to ensure compliance with project construction plans.</p>	Prior to the approval of the development of senior housing projects.	Verified by: Date:
<p>Mitigation Measure 4.C-1c: Prior to the approval of the development of senior housing projects within the EDZ area, the City shall require site-specific acoustical assessments to determine exposure to existing and approved noise sources, impact, and mitigation regarding non-transportation sources. Noise exposure shall be mitigated to satisfy the applicable City Municipal Code criterion using appropriate housing site design.</p>	All sites within the EDZ proposed for senior housing	<p>Developer/s of new senior housing shall ensure noise disclosures and noise complaint procedures be disseminated to residents of the senior housing.</p>	Community Development Department	<p>Review and approve acoustical assessment and interior measures. Verify approved measures on construction plans.</p> <p>Inspect site during construction to ensure compliance with project construction plans.</p>	Prior to and after the approval of the development of senior housing projects.	Verified by: Date:
<p>Mitigation Measure 4.C-1d: For all senior housing proposed for development within the EDZ area, the City shall require noise disclosures and noise complaint procedures for new residents of these developments, which will include 1) a disclosure of potential noise sources in the project vicinity; and 2) the establishment of procedures and a contact phone number for a site manager the residents can call to address any noise complaints.</p>	All sites within the EDZ proposed for senior housing	<p>Developer/s of new senior housing shall ensure noise disclosures and noise complaint procedures be disseminated to residents of the senior housing.</p>	Community Development Department	<p>Review and approve noise disclosures and noise complaint procedures prior to developer/s disseminating to senior housing residents.</p> <p>Inspect site after occupancy to ensure compliance.</p>	Prior to and after the approval of the development of senior housing projects.	Verified by: Date:

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
4.D. Transportation and Traffic						
Mitigation Measure 4.D-1a: Commerce Drive at Johnson Drive Intersection. Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall install or require the developer in Phase I to install a traffic signal and construct a southbound left-turn lane to Commerce Drive at the Commerce Drive and Johnson Drive intersection. A funding mechanism for this improvement shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM peak-hour trips.	All (Phase I and Full Buildout)	Site developer shall contribute fair-share funds for traffic impact fees or construct the improvement. Community Development Department shall ensure the implementation of improvements and determine funding mechanism.	Site developer Community Development Department	Develop the funding mechanism, the calculation of, and receipt of payment.	Prior to granting certificate of occupancy.	Verified by: Date:
Mitigation Measure 4.D-1b: Johnson Drive at Owens Drive (North) Intersection. Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall install or require the developer in Phase I to install a traffic signal at the Johnson Drive at Owens Drive (North) intersection. A funding mechanism for this improvement shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM peak-hour trips.	All (Phase I and Full Buildout)	The site developer shall contribute fair-share funds for traffic impact fees or construct the improvement. Community Development Department shall ensure the implementation of improvements and determine funding mechanism.	Site developer Community Development Department	Develop the funding mechanism, the calculation of, and receipt of payment.	Prior to granting certificate of occupancy.	Verified by: Date:
Mitigation Measure 4.D-1c: Johnson Drive at Stoneridge Drive Intersection. Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall ensure the implementation of the following improvements: 1. Construct a third eastbound left-turn lane from Stoneridge Drive to Johnson Drive in conjunction with an additional northbound receiving lane on Johnson Drive (north side of intersection). 2. Construct an additional southbound right-turn lane on Johnson Drive. 3. Rebuild Johnson Drive as a six lane facility with three or four southbound lanes and three northbound receiving lanes for a minimum of 700 feet north of Stoneridge Drive. This improvement would require widening of Johnson Drive north of Stoneridge Drive by up to 36 feet and widening of Johnson Drive south of Stoneridge Drive a commensurate amount to align travel movements through the intersection.	Full Buildout not including Phase I	The site developer shall contribute fair-share funds for traffic impact fees or construct the improvement. Community Development Department shall ensure the implementation of improvements and determine funding mechanism.	Site developer Community Development Department	Develop the funding mechanism, the calculation of, and receipt of payment.	Prior to granting certificate of occupancy.	Verified by: Date:

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
4.D. Transportation and Traffic (cont.)						
A funding mechanism for these improvements shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM peak-hour trips.						
<p>Mitigation Measure 4.D-1d: Stoneridge Drive Queue Spillback (Stoneridge Drive and Johnson Drive Improvements). Prior to the granting of a certificate of occupancy for the first use in Phase I that would generate 100 or more PM or Saturday peak-hour trips, the City shall ensure the implementation of the following improvements:</p> <ol style="list-style-type: none"> 1. Modify the Stoneridge Drive at Northbound I-680 off-ramp to provide a northbound right-turn overlap phase. 2. Construct a second southbound left-turn lane from Johnson Drive to Stoneridge Drive. 3. Extend the existing westbound right-turn pocket at the Johnson Drive and Stoneridge Drive intersection approximately 800 feet east by widening Stoneridge Drive and convert the resulting lane into a through-right-shared lane. Install lane markings in the curb lane and adjacent lane indicating I-680 Northbound Only to reduce lane changes between Johnson Drive and the northbound on-ramp. 4. Construct a second on-ramp lane to northbound I-680 from the westbound Stoneridge Drive approach. The two lane on-ramp should be merged to one lane prior to the freeway merge area. The lane drop will occur over a distance of at least 800 feet, and will require reconstruction and widening of the bridge at this on-ramp from one to two lanes, with the merge occurring after the bridge. (Note: This improvement is within Caltrans right-of-way and requires Caltrans design review and oversight. <p>A funding mechanism for these improvements shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM or Saturday peak-hour trips.</p>	All (Phase I and Full Buildout)	The site developer shall contribute fair-share funds for traffic impact fees or construct the improvement. Community Development Department shall ensure the implementation of improvements and determine funding mechanism.	Site developer Community Development Department	Develop the funding mechanism, the calculation of, and receipt of payment.	Prior to granting certificate of occupancy.	Verified by: Date:
<p>Mitigation Measure 4.D-2: I-680 Northbound and Southbound Ramp Merge/Diverge Areas at Stoneridge Drive. Construct improvements, such as the second phase of I-680/I-580 interchange improvements, widening of State Route 84, and other planned roadway system modifications that would relieve freeway congestion in the study area where feasible.</p> <p>A funding mechanism for these improvements shall be approved by the City prior to the issuance of the first building permit for a Phase I use that would generate 100 or more PM or Saturday peak-hour trips.</p>	All (Phase I and Full Buildout)	The site developer shall contribute fair-share funds for traffic impact fees. Community Development Department shall ensure the implementation of improvements.	Site developer Community Development Department	Calculation and receipt of payment.	Prior to issuance of building permits.	Verified by: Date:
4.D. Transportation and Traffic (cont.)						
<p>Mitigation Measure 4.D-3: Johnson Drive Improvements. The City will review design plans for club retail and other traffic-intensive uses that would be developed as part of Phase I and buildout of the EDZ to</p>	All (Phase I and Full Buildout)	The site developer shall contribute fair-share funds for traffic impact	Site developer Community Development	Calculation and receipt of payment.	Prior to issuance of building permits.	Verified by: Date:

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>determine needed improvements to accommodate additional traffic on Johnson Drive. If at the conclusion of this review the City determines that additional improvements to Johnson Drive are required, one or more of the following improvements shall be implemented:</p> <ol style="list-style-type: none"> If a club retail use is proposed for Parcel 6, signalize one or more entrances at Parcel 6, and widen Johnson Drive at this location, to accommodate a southbound left-turn pocket and a northbound right-turn pocket. Widen Johnson Drive to provide up to two vehicle travel lanes in each direction from Stoneridge Drive to the main entries of sites with traffic-intensive uses (such as club retail). Implement other improvements as needed at major driveways (signal control, provision of left-turn or right-turn pockets) to provide additional capacity. Final design of all improvements along Johnson Drive shall maintain or enhance existing bicycles, transit, and pedestrian facilities, and shall ensure bicycle and pedestrian facilities and access to the Alamo Canal Trail at the signalized crossing at Commerce Circle and any other signalized locations on Johnson Drive. 		<p>fees or construct the improvement. Community Development Department shall ensure the implementation of improvements.</p>	Department			
<p>Mitigation Measure 4.D-4: Retention of Bicycle Lanes on Stoneridge Drive. Final design of all improvements along Stoneridge Drive shall maintain or enhance existing bicycles and pedestrian facilities.</p>	All (Phase I and Full Buildout)	Community Development Department shall ensure implementation.	Site developer Community Development Department Engineering Department	Engineering Department. Review and approve project specifications and grading and construction plans for inclusion of this measure into specifications.	Prior to issuance of building permits.	Verified by: Date:
4.E-1. Biological Resources						
<p>(2012 SEIR) Modified Mitigation Measure 4.C-1a: Pre-construction Breeding Bird Surveys. The City shall ensure that prior to development of all potential sites for rezoning (Sites 1-4, 6-11, 13, 14, and 16-21) and each phase of project activities that have the potential to result in impacts on breeding birds (e.g., tree removal or demolition of buildings or bridges), the project applicant shall take the following steps to avoid direct losses of nests, eggs, and nestlings and indirect impacts to avian breeding success:</p>	1-4, 6-11, 13, 14, 16-21	Site developer shall prepare construction plans that incorporate pre-construction surveys and buffer zones. If required, avoidance procedures shall be implemented.	Site developer Community Development Department	Review and approve a qualified biologist. Review pre-construction survey reports. If active nests are found, inspect construction site to confirm buffer zones.	No more than 14 days before start or restart of construction during the months of February through August.	Verified by: Date:
4.E-1. Biological Resources (cont.)						
<ul style="list-style-type: none"> If grading or construction activities occur only during the non-breeding season, between August 31 and February 1, no surveys will be required. Pruning and removal of trees and other landscaped vegetation, including grading of grasslands, should occur whenever feasible, outside the breeding season (February 1 through August 31). During the breeding bird season (February 1 through August 31) a qualified biologist will survey project sites for nesting raptors and 		Site developer shall hire a qualified biologist and the site developer's contractor(s) shall engage the qualified biologist to conduct pre-construction surveys as described.				

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>passerine birds not more than 14 days prior to any ground-disturbing activity or vegetation removal. Surveys will include all line-of-sight trees within 500 feet (for raptors) and all vegetation within 250 feet for all other species.</p> <ul style="list-style-type: none"> Based on the results of the surveys, avoidance procedures will be adopted, if necessary, on a case-by-case basis. These may include construction buffer areas (up to several hundred feet in the case of raptors) or seasonal avoidance. Bird nests initiated during construction are presumed to be unaffected by project activities, and no buffer would be necessary except to avoid direct destruction of a nest or mortality of nestlings. If pre-construction surveys indicate that nests are inactive or potential habitat is unoccupied during the construction period, no further mitigation is required if work is initiated within 14 days of the survey. Trees and shrubs that have been determined to be unoccupied by nesting or other special-status birds may be pruned or removed within 14 days of the pre-construction survey. Should activities be delayed beyond 14 days, pre-construction surveys shall be repeated prior to the start of work. 						
<p>4.E-1. Biological Resources (cont.)</p>						
<p>Mitigation Measure 4.E-1: Pre-Construction Bat Surveys. Conditions of approval for building and grading permits issued for demolition and construction on sites within the EDZ area shall include a requirement for pre-construction special-status bat surveys when large trees constituting suitable habitat for roosting bats (e.g. trees with cavities or trees with bark that could be used for roosting such as eucalyptus and redwood) are to be removed or underutilized or vacant buildings are to be demolished.</p> <ul style="list-style-type: none"> Surveys shall be conducted by a qualified biologist prior to any tree removal or building demolition. Removal of trees and structures shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 31) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible. 	<p>All sites where buildings shall be demolished or large trees constituting suitable habitat for roosting bats shall be removed.</p>	<p>Site developer shall prepare construction plans that incorporate pre-construction surveys and buffer zones. If required, avoidance procedures shall be implemented.</p> <p>Site developer shall hire a qualified biologist and the site developer's contractor(s) shall engage the qualified biologist to conduct pre-construction surveys as described.</p>	<p>Site developer Engineering Department</p>	<p>Verify inclusion of condition on construction plans. If large trees are to be removed or if vacant buildings are to be demolished, review and approve qualified biologist, pre-construction survey reports, and a construction plan that includes bat avoidance.</p> <p>Inspect construction site to confirm buffer zones, if required.</p>	<p>Prior to issuance of grading or building permit, whichever is sooner.</p> <p>Inspect site during construction to ensure compliance with project construction plans.</p>	<p>Verified by: Date:</p>
<ul style="list-style-type: none"> If removal of trees and structures during the periods when bats are active is not feasible and active bat roosts being used for maternity or hibernation purposes are found on or in the immediate vicinity of the site where tree and structure removal is planned, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist. A 100-foot no disturbance buffer is a typical protective buffer distance; however, buffer width may be modified by the qualified biologist depending on existing screening around the roost site (such as dense vegetation or a building) as well as the type of construction activity which would occur around the roost site. The qualified biologist shall be present during tree and structure 						

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>removal if potential bat roosting habitat or active bat roosts are present. Trees and structures with active roosts shall be removed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50°F.</p> <ul style="list-style-type: none"> Removal of trees with potential bat roosting habitat or active bat roost sites shall follow a two-step removal process: <ol style="list-style-type: none"> On the first day of tree removal and under supervision of the qualified biologist, branches and limbs not containing cavities or fissures in which bats could roost, shall be cut only using chainsaws. On the following day and under the supervision of the qualified biologist, the remainder of the tree may be removed, either using chainsaws or other equipment (e.g. excavator or backhoe). 						
<p>4.E-1. Biological Resources (cont.)</p> <p>Removal of structures containing or suspected to contain potential bat roosting habitat or active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.</p>	Proposed bridge expansion and replacement site	Site developer shall hire a wetland ecologist as described in the measure to conduct wetland delineation.	Site developer Caltrans San Francisco Regional Water Quality Control Board (RWQCB) U.S. Army Corps of Engineers (USACE) Community Development Department	Community Development Department: Review and approval of wetland ecologist. RWQCB/USACE: Review, verify wetland delineation. Community Development Department/Caltrans: Review and approval of construction plan. Community Development Department/Caltrans: Inspect site during construction to ensure compliance with project construction plans.	Prior to issuance of grading or building permit, whichever is first.	Verified by: Date:
<p>Mitigation Measure 4.E-2: Wetland Delineation. In coordination with the City, a qualified wetland ecologist shall conduct a wetland delineation of the proposed bridge expansion and replacement site to identify potential waters of the United States (U.S.) (including wetlands) or waters of the state which may be present. If no waters of the U.S. or waters of the state are identified onsite, no further action is required. Should waters of the U.S. or waters of the state be determined present within the site, features shall be mapped and documented in a report for submission to the appropriate jurisdictional agencies retaining authority over the identified features.</p> <p>Mitigation Measure 4.E-3: Wetland Avoidance and Protection. Access roads, work areas, and infrastructure shall be sited to avoid and minimize direct and indirect impacts to wetlands and waters. Where work will occur within and/or adjacent to federal and state jurisdictional wetlands and waters, protection measures shall be applied to minimize the footprint of overall impacts and protect these features. These measures shall include the following:</p> <ul style="list-style-type: none"> A protective barrier (such as silt fencing) shall be erected around the work area (s) to minimize disturbance to wetland or water features and isolate adjacent to wetland or water features from construction activities to reduce the potential for incidental fill, erosion, or other disturbance beyond what is necessary for bridge expansion and replacement. Signage shall be installed on the fencing to identify sensitive habitat areas and restrict construction activities. No equipment mobilization, grading, clearing, or storage of 	All sites within and adjacent to identified wetlands	Site developer shall prepare construction plans that identify wetlands and buffer zones. If required, avoidance and/or protection measures shall be implemented.	Site developer Community Development Department	Review and approve project specifications and grading and construction plans for inclusion of this measure in specifications. Inspect site during construction to ensure compliance with project construction plans.	Prior to issuance of grading or building permit, whichever is first. Field inspections during construction.	Verified by: Date:

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>equipment or machinery, or similar activity shall occur at the site until a representative of the City has inspected and approved the wetland protection fencing, and</p> <ul style="list-style-type: none"> The City shall ensure that the temporary fencing is continuously maintained until all construction activities are completed. <p>A fencing material meeting the requirements of both water quality protection and wildlife exclusion shall be used.</p>						
4.E-1. Biological Resources (cont.)						
<p>Mitigation Measure 4.E-4: Compensation for Impacts to Wetlands and Other Waters. Where jurisdictional wetlands and other waters cannot be avoided, to offset temporary and permanent impacts that would occur as a result of the bridge expansion and replacement, restoration and compensatory mitigation shall be provided through the following mechanisms:</p> <ul style="list-style-type: none"> Prior to construction, the City or Caltrans shall obtain relevant permits and authorizations from the U.S. Army Corps of Engineers (USACE), California Department of Fish and Wildlife (CDFW), and the San Francisco Bay Regional Water Quality Control Board (RWQCB); Consistent with the terms and conditions of these permits and authorizations, the City or Caltrans shall compensate for the unavoidable loss of wetlands and other waters at a minimum of a 1:1 ratio; and Compensation may be provided by one or more of the following methods: 1) on-site creation or habitat restoration, 2) off-site habitat creation, restoration and/or enhancement, or 3) payment to an approved wetland mitigation bank. <p>Mitigation bank credits, if available, shall be obtained prior to the start of construction. On-site or off-site creation/restoration/enhancement plans must be prepared by a qualified biologist prior to construction and approved by the permitting agencies. Implementation of creation/restoration/enhancement activities by the permittee shall occur prior to impacts, whenever possible, to avoid temporal loss. On-site or off-site creation/restoration/enhancement sites shall be monitored by the City for at least five (5) years to ensure their success.</p>	All	<p>City or Caltrans shall obtain relevant permits as listed.</p> <p>City or Caltrans shall complete wetlands compensation.</p>	<p>Site developer Caltrans San Francisco Regional Water Quality Control Board (RWQCB) U.S. Army Corps of Engineers (USACE) California Department of Fish and Wildlife (CDFW) Community Development Department</p>	<p>RWQCB/USACE: Review, verify wetland delineation.</p> <p>Community Development Department/Caltrans: Review and approval of construction plan.</p> <p>Community Development Department/Caltrans: Inspect site during construction to ensure compliance with project construction plans.</p>	<p>Prior to issuance of grading or building permit, whichever is first.</p>	<p>Verified by: Date:</p>
4.E-2. Cultural Resources						
<p>Mitigation Measure 4.E-5: Archeological Resources. If prehistoric or historic-period archaeological resources are encountered during ground disturbing activities for a project under construction within the EDZ, the construction contractor shall halt all activities within 50 feet of the discovery, and the construction contractor shall notify the City. Prehistoric archaeological materials might include obsidian and chert flaked-stone tools (e.g., projectile points, knives, scrapers) or toolmaking debris, culturally darkened soil ("midden") containing heat-affected rocks, artifacts, or shellfish remains; stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); and battered stone tools, such as hammerstones and pitted stones. Historic-period materials might include</p>	All	<p>Site developer shall hire a qualified archeologist to prepare an archaeological mitigation program as described.</p>	<p>Site developer Community Development Department</p>	<p>Review and approval of archaeologist. Review and approval of the construction plan that includes archaeological mitigation.</p> <p>Inspect site during construction.</p>	<p>Prior to issuance of grading permit. Field inspections during construction.</p>	<p>Verified by: Date:</p>

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
<p>stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse. The project developer</p>						
<p>4.E-2. Cultural Resources (cont.)</p> <p>shall ensure that a Secretary of the Interior-qualified archaeologist will inspect the findings within 24 hours of discovery. If the archaeologist determines that construction activities could damage a historical resource or a unique archaeological resource (as defined pursuant to the CEQA Guidelines), mitigation will be implemented in accordance with Public Resources Code (PRC) Section 21083.2 and Section 15126.4 of the CEQA Guidelines, with a preference for preservation in place. Consistent with Section 15126.4(b)(3), this may be accomplished through planning construction to avoid the resource; incorporating the resource within open space; capping and covering the resource; or deeding the site into a permanent conservation easement. If avoidance is not feasible, a qualified archaeologist will prepare and implement a detailed treatment plan in consultation with the City. Treatment of unique archaeological resources shall follow the applicable requirements of PRC Section 21083.2. Treatment for most resources would consist of (but would not be not limited to) sample excavation, artifact collection, site documentation, and historical research, with the aim to target the recovery of important scientific data contained in the portion(s) of the significant resource to be impacted by project construction. The treatment plan will include provisions for analysis of data in a regional context, reporting of results within a timely manner, curation of artifacts and data at an approved facility, and dissemination of reports to local and state repositories, libraries, and interested professionals.</p>	All	<p>Site developer shall train workers and monitor their activities.</p> <p>Site developer shall halt work and hire a paleontologist if materials are discovered.</p> <p>Paleontologist shall conduct independent review and prepare treatment plan, if necessary, and file any required reports with the appropriate State agencies.</p> <p>Site developer shall implement treatment plan.</p>	Site developer Community Development Department	If resources are encountered, verify work is suspended as required, review and approve paleontologist and paleontologist's recommendations. Inspect site during construction to ensure compliance with project construction plans.	During construction.	Verified by: Date:
<p>(2012 SEIR) Mitigation Measure 4.D-3: In the event that paleontological resources are encountered during the course of development, all construction activity must temporarily cease in the affected area(s) until the uncovered fossils are properly assessed by a qualified paleontologist and subsequent recommendations for appropriate documentation and conservation are evaluated by the Lead Agency. Excavation or disturbance may continue in other areas of the site that are not reasonably suspected to overlie adjacent or additional paleontological resources.</p>						

Mitigation Measures	Site(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
4.E-2. Cultural Resources (cont.)						
Mitigation Measure 4.E-6: Human Remains. In the event that human remains are discovered during ground disturbing activities for a project under construction within the EDZ, the construction contractor shall stop work immediately. No disposition of such human remains shall take place, other than in accordance with the procedures and requirements set forth in California Health and Safety Code Section 7050.5 and Public Resources Section 5097.98. Per these code provisions, the project developer shall ensure appropriate notification of the County Coroner and the Native American Heritage Commission, who in turn must notify the persons believed to be most likely descended from the deceased Native American for appropriate disposition of the remains.	All	Site developer shall train workers and monitor their activities. Site developer shall halt work and notify the County Coroner, if necessary, if appropriate, Coroner shall notify NAHC. NAHC shall notify Most Likely Descendant. This measure shall be printed on all construction documents, contracts, and project plans.	Site developer Community Development Department	Verify mitigation measure on construction plans. Inspect site during construction to ensure compliance with project construction plans.	Prior to issuance of a grading and building permit. Field inspections during construction.	Verified by: Date:
4.E-3. Greenhouse Gases						
None required.						
4.E-4. Geology and Soils						
None required.						
4.E-5. Hazards and Hazardous Materials						
Mitigation Measure 4.E-7: Soil and Groundwater Plan. For proposed development on all sites within the EDZ undergoing or requiring remediation of contaminated soil or groundwater, and prior to issuance of a building or grading permit, the project developer shall demonstrate that its construction specifications include implementation of a Soil and Groundwater Plan (SGP) prepared by a qualified environmental specialist (geologist or engineer) and reviewed and approved by the agency or agencies with oversight over cleanup (San Francisco Regional Water Quality Control Board [RWQCB] and/or State Department of Toxic Substances Control [DTSC]). The SGP shall describe requirements for excavation, stockpiling, and transport of soil and disturbance of groundwater. The SGP shall also include a contingency plan to respond to the discovery of previously unknown contamination. In addition, all construction activities shall require written approval by either RWQCB or DTSC prior to commencement. The SGP shall be present on site at all times as ensured by the construction lead, and readily available to site workers and City staff as needed.	All sites within the EDZ area undergoing or requiring remediation of contaminated soil or groundwater	Site developer shall prepare a Soil and Groundwater Plan that adheres to all specifications of this measure, unless this measure has already been achieved.	Site developer RWQCB and/or State Department of Toxic Substances Control (DTSC) Community Development Department Engineering Department for verification.	RWQCB and or/ DTSC - Review and approve environmental specialist (geologist or engineer). Verify approved measures on construction plans. Engineering Department: Verification and inspection of site during construction to ensure compliance with project construction plans.	Prior to issuance of a grading and building permit. Field inspections during construction.	Verified by: Date:
4.E-5. Hazards and Hazardous Materials						
Mitigation Measure 4.E-8: Soil Vapor Barriers. For proposed development on all sites within the EDZ undergoing or requiring remediation of contaminated soil or groundwater, where residual	All sites within the EDZ area determined by	Site developer shall install vapor barriers that adhere to all	Site developer RWQCB and/or	RWQCB and or/ DTSC - Review and approve building	Prior to issuance of a grading and	Verified by: Date:

Mitigation Measures	Sites(s) Affected	Implementation Procedures	Monitoring Responsibility	Monitoring and Reporting Action	Monitoring Schedule	Verification of Compliance
contamination includes volatile components (such as the chlorinated solvent TCE), and prior to issuance of a building or grading permit, the project developer shall demonstrate to the City either that the building plans include vapor barriers reviewed and approved by San Francisco Regional Water Quality Control Board (RWQCB) or State Department of Toxic Substances Control (DTSC) to be installed beneath foundations for the prevention of soil vapor intrusion, or that RWQCB or DTSC has determined that installation of vapor barriers is not necessary.	the RWQCB or DTSC to require the installation of vapor barriers in buildings	specifications of this measure, unless this measure has already been achieved.	DTSC Community Development Department Engineering Department for verification.	plans. Engineering Department Verification.	building permit.	
4.E-6. Hydrology and Water Quality						
None required.						
4.E-7. Land Use and Planning						
None required.						
4.E-8. Population and Housing						
None required.						
4.E-9. Public Services and Utility Systems						
Mitigation Measure 4.E-9: For any project proposed for development within the EDZ, prior to the recordation of a Final Map, the issuance of a grading permit, the issuance of a building permit, or utility extension approval, whichever is sooner, the project developer shall submit written verification from the Alameda County Flood Control and Water Conservation District Zone 7 (Zone 7) or the City's Utility Planning Division that water is available for the project. This approval does not guarantee the availability of sufficient water capacity to serve the project.	All	Site developer shall provide written verification from the Alameda County Flood Control and Water Conservation District Zone 7 (Zone 7) or the City's Utility Planning Division that water is available for the project.	Site developer Community Development Department for verification.	Community Development Department for verification.	Prior to the recordation of a Final Map, the issuance of a grading permit, the issuance of a building permit, or utility extension approval, whichever is first.	Verified by: Date:
4.E-10. Recreation						
None required.						

RESOLUTION NO. 17-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON ADOPTING AN AMENDMENT TO THE GENERAL PLAN, AS FILED UNDER CASE P14-0852, REGARDING A CHANGE IN LAND USE DESIGNATION FOR 12 PARCELS AT 7106 THROUGH 7315 JOHNSON DRIVE AND 7035 AND 7080 COMMERCE CIRCLE, COMPRISING APPROXIMATELY 40 ACRES KNOWN AS THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ), FROM BUSINESS PARK AND GENERAL AND LIMITED INDUSTRIAL TO RETAIL/HIGHWAY/SERVICE COMMERCIAL, BUSINESS AND PROFESSIONAL OFFICES

WHEREAS, The City of Pleasanton has applied for a General Plan Amendment to change the Land Use Designation on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices (the "Project"); and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, agenda reports, relevant exhibits, and recommendations of City staff concerning the proposed General Plan Amendment; and

WHEREAS, the Planning Commission at its regular meeting on October 11, 2017 adopted Resolution PC-2017-20, determining that the proposed General Plan Amendment is appropriate for the Project and recommending to the City Council that P14-0852 be approved; and

WHEREAS, at its duly noticed public meeting of November 7, 2017, the City Council considered all public testimony, agenda reports, relevant exhibits, and recommendations of City staff and the Planning Commission concerning the proposed General Plan Amendment; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a Supplemental Environmental Impact Report (SEIR) was prepared and recommended for certification for the Project; and

WHEREAS, the City Council finds that the proposed General Plan Amendment is consistent with the Goals and Policies of the Pleasanton General Plan.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE, AND ORDER THE FOLLOWING:

SECTION 1. The City Council adopts an amendment to the Land Use Element of the Pleasanton General Plan 2005-2025, as set forth in Exhibit A, attached hereto and made part of this resolution by reference.

SECTION 2. This resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on November 7, 2017.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on 7th day of November, 2017 by the following vote:

Ayes:

Noes:

Absent:

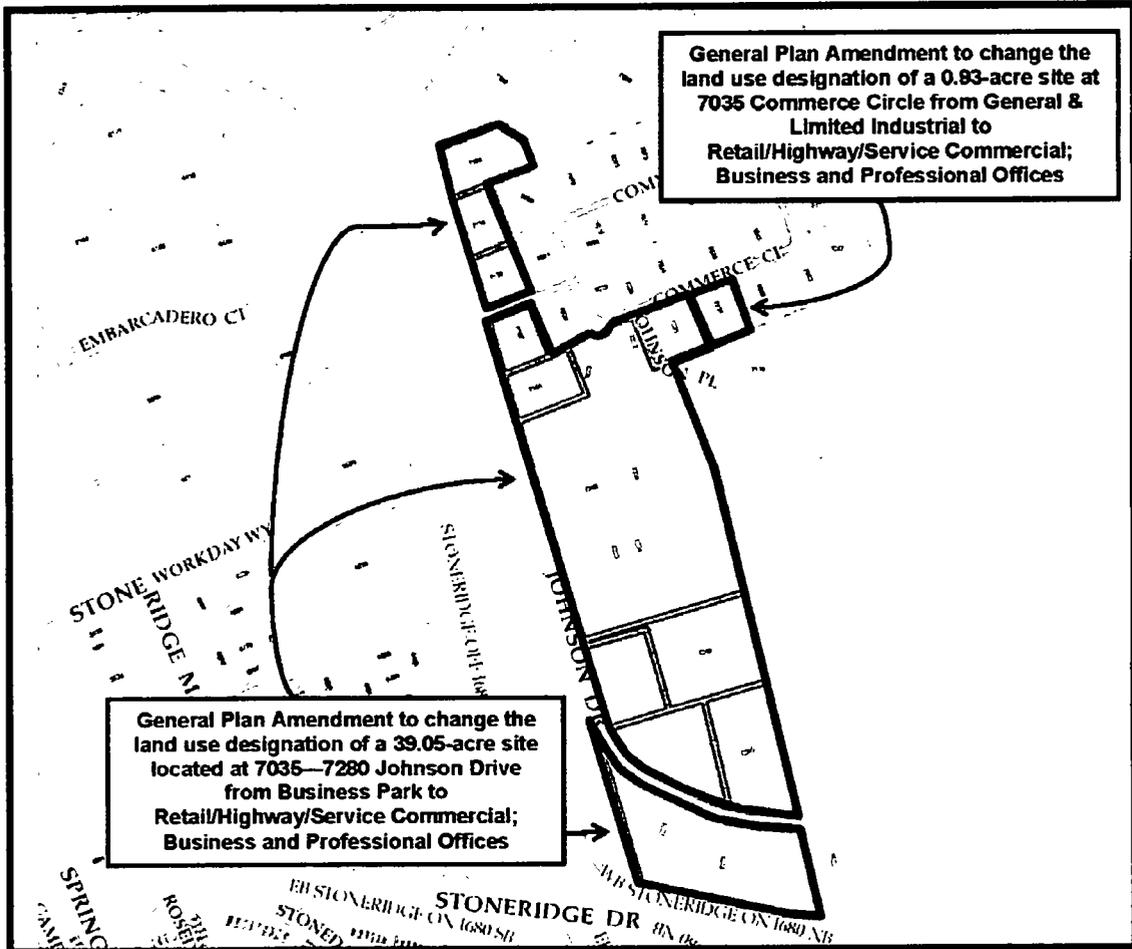
Abstain:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Dan Sodergren, City Attorney

Exhibit A, Draft General Plan Amendment Map



**CITY OF PLEASANTON
PLANNING DIVISION**

General Plan Amendment

DRAWN BY: K. Granucci	APPROVED BY:	DATE: November 7, 2017
SCALE: 1" = Appx. 6,500'	DIRECTOR of COMMUNITY DEVELOPMENT	SEC. NO.: P14-0852

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLEASANTON
APPROVING A PLANNED UNIT DEVELOPMENT (PUD) REZONING FOR
THE APPLICATION OF THE CITY OF PLEASANTON FOR
THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ)
AS FILED UNDER CASE PUD-105**

WHEREAS, The City of Pleasanton has applied for a Planned Unit Development (PUD) Rezoning to rezone 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C (the "Project"); and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, agenda reports, relevant exhibits, and recommendations of the City staff concerning the proposed PUD Rezoning; and

WHEREAS, the Planning Commission at its regular meeting on October 11, 2017 adopted Resolution No. PC-2017-21, determining that the proposed Rezoning is appropriate for the Project and recommending to the City Council that PUD-105 be approved; and

WHEREAS, at its duly noticed public meeting of November 7, 2017, the City Council considered all public testimony, agenda reports, relevant exhibits, and recommendations of the City staff concerning the proposed PUD Rezoning; and

WHEREAS, the City Council finds that the proposed PUD Rezoning is consistent with the City's General Plan and purposes of the PUD Ordinance as set forth in the agenda report and pursuant to the California Environmental Quality Act (CEQA), a Supplemental Environmental Impact Report (SEIR) was prepared and certified for the Project.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON
DOES HEREBY ORDAIN AS FOLLOWS:**

SECTION 1. Approves Case PUD-105, the application for a Planned Unit Development (PUD) Rezoning to rezone 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C, subject to the conditions as shown in Exhibit A, the Draft Development Standards and Design Guidelines dated March 2017 as shown in Exhibit

B, the map attached in Exhibit C, all of which are attached hereto and made part of this ordinance by this reference.

SECTION 2. The Zoning Map of the City of Pleasanton, dated April 18, 1960, on file with the City Clerk, designating and dividing the City into zoning districts, is hereby amended by Zoning Unit Map No. 502, attached hereto as Exhibit C, dated November 7, 2017, and incorporated herein by this reference.

SECTION 3. A summary of this ordinance shall be published once within fifteen (15) days after its adoption in the "Valley Times", a newspaper of general circulation published in the City of Pleasanton, and the complete ordinance shall be posted for fifteen (15) days in the City Clerk's Office within fifteen (15) days of its adoption.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Pleasanton on November 7, 2017 by the following vote:

Ayes:
Noes:
Absent:
Abstain:

And adopted at a regular meeting of the City Council of the City of Pleasanton on December 5, 2017, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Jerry Thorne, Mayor

ATTEST:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Dan Sodergren, City Attorney

PUD-105
Exhibit A, Draft Conditions of Approval
7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle
Johnson Drive Economic Development Zone
October 11, 2017

PROJECT SPECIFIC CONDITIONS OF APPROVAL

Planning Division

1. All mitigation measures listed within the Draft and Final Supplemental Environmental Impact Report (DSEIR/FSEIR) prepared for the project and the Mitigation Monitoring and Reporting Program dated September 14, 2015 and March 21, 2016, respectively, and on file with the Planning Division are hereby incorporated as conditions of approval for the project and shall be adhered to and/or fully complied with to the satisfaction of the Community Development Department prior to final inspection.
2. The permitted and conditionally permitted uses for the Johnson Drive Economic Development Zone shall include:

Uses	Allowed Uses
Art galleries and artists' supplies stores	P
Automobile dealerships or similar as determined by CDD	P
Bars and brew pubs or microbreweries, as defined in PMC Chapter 18.08	C
Churches and similar religious and meeting facilities in existing structures	C
Existing or approved uses established prior to the adoption of this Planned Unit Development*	P
Existing or approved public schools, private schools, and childcare centers, not including schools which only provide tutorial services*	P
Existing or approved senior care/assisted living facilities, including nursing homes*	P
Copying and related duplicating services and printing/publishing services using only computers, copy machines, etc., not including lithographing, engraving, or such similar reproduction services	P
Food market including supermarkets, convenience markets, and specialty stores but not including liquor stores	P
Garden centers, including plant nurseries	P
Gymnasiums and health clubs with less than 50,000 square feet.	C
Hardware stores and home improvement stores/centers	P
Hotels and motels	P
Laboratories, commercial, testing, research, experimental or other, including pilot plants	P (requires approval of CDD);

	otherwise G
Laundries and dry cleaners where service is provided	C
Massage establishments where four or more massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	G
Massage establishments where three or fewer massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	P
Meeting halls	C
Membership warehouse club including gas and tire service	P
Offices, including, but not limited to medical, business, professional, and administrative offices	C
Personal Services including, but not limited to Beauty Shops, Massage, Nails Salons and other similar uses as determined by the Director of Community Development	P
Photographic studios and/or supply stores	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-thrus or drive-ins, except drive-thru coffee uses	P
Retail not including drive-thrus or drive-ins or firearm sales	P
Retail including drive-thrus or drive-ins or firearm sales	C
Schools and colleges, including trade, business, Heritage, music and art schools, but not including general purpose or nursery schools	C
Theaters and auditoriums	P-C
Tutoring with no more than 20 students at the facility at any one time are permitted uses subject to the following conditions	P
Tutoring with more than 20 students at the facility at any one time are permitted uses subject to the following conditions	C

*Permitted industrial uses, consistent with the uses permitted and conditionally permitted in the I-P and I-G zoning districts as of January 1, 2017, shall be allowed on parcels a minimum of 5 gross acres in area where existing light industrial uses, as determined by the Director of Community Development, already exist.

3. Unless otherwise specified in the conditions of approval, the site development standards and design guidelines of the project shall be those of the Johnson Drive Economic Development Zone, Exhibit C, dated "March 2017," on file with the Planning Division. These development standards and design guidelines shall only be applicable to "new or vacant land" and/or "replacement of existing development" within the Economic Development Zone. These development standards and design guidelines shall not be applicable to pre-existing development within the Economic Development Zone, including pre-existing development within the Economic Development Zone made non-conforming as a result of Economic Development Zone improvements within the public right of way. Said pre-existing development shall be considered consistent with the site development standards and design guidelines of the Economic Development Zone until such time said development is proposed for replacement, at which time, the site development standards and design guidelines of the Economic Development Zone shall apply. At the discretion of the Director of Community Development, replacement development shall be permitted to follow site development standards of pre-existing development on the same parcel within the Economic Development Zone. These determinations shall be made on a case-by-case basis. A Design Review application shall be required for all new, replacement, and expansions of existing development.
4. No signage is part of this approval. A master sign program shall be developed for each individual development site/project within the project area. All signage shall be complementary to the site layout and building architecture. All master sign programs or individual signage plans, including freeway pylon signs, require City approval as part of a Sign Design Review application process on a project by project basis. Corporate branding and colors specific to the tenant are permitted.

END

EXHIBIT B
Johnson Drive Economic Development Zone (JDEDZ)
DRAFT Development Standards and Design Guidelines
March 2017

Site Development Standards

MINIMUM YARDS			MAX. FLOOR AREA RATIO	MAX. HEIGHT*	CLASS I ACCESSORY STRUCTURES**		
Front	One Side/ Both Sides	Rear			Max. Height	Min. Side Yard	Min. Rear Yard
35 feet	10 feet/20 feet	15 feet	30%	Office – 80 feet Hotel – 65 feet Retail – 40 feet	40 feet	10 feet	15 feet

*Measured as defined by Pleasanton Municipal Code (PMC)

**Does not apply to trash enclosures

Note: These standards would only be applicable to “new on vacant land” and/or “replacement of existing development” within the Economic Development Zone. These standards would not be applicable to pre-existing development within the Economic Development Zone, including pre-existing development within the Economic Development Zone made non-conforming as a result of Economic Development Zone improvements within the public right of way. Said pre-existing development would be considered consistent with the site development standards of the Economic Development Zone until such time said development is proposed for replacement, at which time, the site development standards and design guidelines of the Economic Development Zone shall apply. At the discretion of the Director of Community Development, replacement development may be permitted to follow site development standards of pre-existing development on the same parcel within the Economic Development Zone. These determinations will be made on a case-by-case basis.

Purpose and Vision

The purpose of these guidelines is to provide urban design guidance at the planning application stage in order to assess, promote and achieve appropriate development for all uses including large format retail stores, hotels, and other commercial uses within the Economic Development Zone. The specific site context and conditions will also be reviewed in conjunction with these Design Guidelines. Through the implementation of these Design Guidelines, the vision for the Economic Development Zone includes:

- Creating a redevelopment area that provides business opportunities and employment.
- Ensuring development consistency throughout the project area.
- Encouraging visual continuity of the architecture in terms of mass, scale, materials, and color relative to adjacent development.

- Achieving interesting, high-quality architectural design for all development, including large format retail buildings.
- Enhancing landscaping, public open space, and environmental performance.
- Creating comfortable and attractive pedestrian environments (e.g., visual interest at the street level, comfortable open space areas, and attractive pedestrian connections from parking areas to buildings).
- Promoting development patterns that allow for future intensification.

Site Design and Spatial Characteristics

- When appropriate, site and building planning may be undertaken in a manner that allows phased development of the site over time.
- When multiple structures are planned as part of a single ownership or project, they should be designed in a unified architectural and spatial manner for the site.
- The siting and orientation of each building shall be considered as it relates to its specific parcel (buildings are encouraged, but are not necessarily required as determined by the Director of Community Development, to be sited toward the street frontages of project area parcels to the greatest extent possible), its effect on adjacent parcels, and, as it occurs, the massing of adjacent buildings.
- To the greatest extent possible and based on the type of use, appropriate building scale shall be used to maintain a comfortable pedestrian environment.
- Building entries should be located so that they are easily identifiable.
- Each project should provide a well-defined entry sequence for pedestrian and vehicular uses from the street to the building.
- Pedestrian pathways shall be in conformance with current Americans with Disabilities Act (ADA) standards.
- The placement of shopping cart corrals should consider the pedestrian path of travel from the parking field to the corral, and from the corral to the front of the subject stores.
- Open space within each building site is encouraged. Uses within setbacks are limited to berms (front setback areas along Johnson Drive shall include a 35-foot wide bermed landscape area for the full site frontage), driveway crossings (shared driveways shall be encouraged between project area parcels), landscaping, public and private utilities, drainage and slopes, sidewalks, irrigation, and permitted signs.

Vehicular Access and Circulation

- A fundamental development objective for all sites is the safe and efficient movement of vehicles and pedestrians. Vehicular access to any site must be carefully designed in relationship to vertical and horizontal curves, sight distances, median cuts, other driveways, and other common traffic engineering criteria so that efficient, smooth flow of traffic is provided.
- Sites should be designed to minimize conflicts between automobiles and pedestrians and create a clearly organized system of entrances, driveways, and parking lots, while still providing adequate and convenient parking spaces. These requirements should minimize paved areas and curb cuts. Parking lots and driveways should be designed to avoid conflict with vehicular traffic in the street.

Pedestrian/Bicycle Access and Circulation

- Site and building design must accommodate pedestrian circulation onsite from parking areas to plazas, open space, pedestrian pathways, and to adjoining buildings. Existing and proposed pedestrian and/or bicycle circulation systems and easements must be integrated into site design. Pedestrian systems should be physically separated from vehicular circulation as much as possible. Minimizing the areas where the two systems cross or are physically adjacent reduces traffic hazards and makes the pedestrian system more efficient, pleasant, and visually attractive.
- Intersections where pedestrian routes cross vehicular circulation are critical areas and should be clearly marked for visual identification by both motorists and pedestrians. Sidewalks shall be located along all perimeter streets and designed to meet City standards. At least one sidewalk connection between the building and the perimeter street is required. Large parking areas must have sidewalk connections to the building entries or ground plaza areas.
- Pedestrian pathways should be designated from transit stops on Johnson Drive to primary site pedestrian circulation.
- At intersections where new traffic signals may be installed, pedestrian actuation should be provided.
- Both recreational and commuter bicycle accessibility to and within the project area is required.
- Should Johnson Drive be widened to accommodate vehicle traffic, bicycle lanes should be maintained on the roadway, and given the increase in traffic volumes, provision of buffered bicycle lanes should be considered. At new signalized intersections on Class II bicycle routes, bicycle detection should be incorporated into the final design of the intersection and traffic signals.

Grading, Excavation, and Drainage

- The design objectives for parcel grading are to create smooth slope transitions between adjacent parcels and proposed improvements, eliminate abrupt or unnatural landforms, and promote positive surface drainage. Proposed grading schemes will be examined during the individual design review process on a project by project basis.
- Off-site grading shall not be permitted. Each site must meet existing grade conditions at property and/or lease lines.
- Concentrated drainage across walkways and other pedestrian areas is not permitted. Drainage across driveway entries is to be avoided.
- Where feasible, integrate storm water treatment features into on-site open space.

Utility, Solar, Electrical, and Mechanical Equipment

- All ground, building, or roof-mounted electric, gas, mechanical units, and similar devices must be properly located to avoid unsightliness or potential safety problems, and must be properly screened. Such equipment should be located and screened in a manner compatible with the design of the building and site improvements.
- No heating, air conditioning, electrical, or other equipment may be installed on the roof of any building or structure unless screened with materials compatible with the predominant exterior building material. All ground equipment should be located a minimum of 25 feet from all public streets, 5 feet from any sidewalk, and shall be screened accordingly.
- No transformer, electric, gas, meter of any type or other apparatus shall be located on any power pole or hung on the outside of any building, except where specially approved by the City. The screening of all exterior mounted equipment should be compatible with the exterior building materials.
- Utility layouts and connection points are part of the design review process. All permanent utility lines shall be installed underground. No overhead wiring is permitted.
- Passive heating and cooling design features (e.g., shading devices to reduce sun exposure) and building design that can accommodate solar collectors and other alternative energy systems are required.

Services, Delivery, Trash, and Outdoor Equipment or Storage Areas

- Loading and service dock areas should be located to the rear or sides of a building, away from the main building entrance, or related high visibility areas. Preferably, service, loading, emergency generator, and trash areas should be enclosed within the building. External facilities must be enclosed and screened with landscaping to minimize views from adjoining streets, buildings, or open space, and designed and constructed with the same design theme and of the same materials as the adjoining building. Such facilities may not be placed adjacent to or facing adjoining streets.
- Any adverse visual impacts on any other site shall be mitigated by the use of screening and/or landscaping to the extent necessary and appropriate to reduce those impacts to the satisfaction of the Director of Community Development.
- Each project must accommodate loading and servicing activity. All loading and service areas shall be clearly signed and conform to City standards. Loading areas shall be designed to accommodate backing and maneuvering onsite, not from a public street, and when occupied shall not prohibit onsite vehicular circulation.
- Trash enclosures and/or other waste storage facilities may be allowed, with City approval of both the design and location, provided that such facilities are screened from view and protected from wind by architectural or landscape features. All trash enclosures and waste containers must be covered and waste containers shall be stored within the trash enclosures at all times except when being unloaded. All trash enclosures and waste storage facilities shall be designed to meet City standards.
- Pedestrian trash and recycling receptacles shall be placed in strategic locations for effective litter control. Where possible, they should be grouped with other site furnishings and placed adjacent to pedestrian pathways. All trash and recycling receptacles shall be located on paved surfaces in locations where they do not conflict with landscape maintenance.
- No materials, supplies, equipment, service vehicles, finished or semi-finished products, raw materials, or articles of similar nature may be stored or permitted to remain outside of buildings or be visible from adjacent properties or adjoining streets.

Parking

- All private driveways, parking areas, and loading areas will be paved in accordance with City standards. Parking areas must be paved with asphalt, concrete, masonry pavers, or similar material approved by the City. Surface parking areas shall not be permitted closer than 10 feet from side or an average of 15 feet (5-foot minimum) from rear property lines. Where parking areas will be contiguous and accessible to parking on adjacent lot(s), the parking may extend to the property line if part of a unified project. Visual screening must be provided for parking areas that can be

viewed from adjacent development sites or from off-site public spaces such as streets, plazas, and walkways. All parking area layouts for the project area shall comply with City parking development standards.

- Parking areas should be designed to:
 - Provide safe and convenient movement of motor vehicles
 - Limit vehicular/pedestrian conflicts
 - Limit paved areas
 - Provide for screening of paved areas
 - Soften the visual impact of parking areas by providing interior planting
- Where opportunities exist for shared parking between users with staggered peak parking demands, owners and developers shall make every possible effort to take advantage of this opportunity to reduce the total number of parking spaces within each site or parcel. Where shared parking is intended, the analysis of parking criteria shall be submitted to the City as part of the design review process.
- Compact car parking requirements shall conform to City requirements. Up to 40 percent of the required off-street parking spaces may be compact.
- Parking structures are allowed but must be architecturally compatible with proposed buildings and the material finish must be the same as, or architecturally complimentary to, the exterior of buildings on the site. Placement of parking structures along site frontages is discouraged.
- Accessible parking spaces and location shall conform to the latest Americans with Disabilities Act (ADA) requirements in addition to the City's accessible parking space requirements. In case of conflict, the more restrictive provisions shall govern.
- Each project shall provide motorcycle parking to the satisfaction of the Director of Community Development. Motorcycle parking should be consolidated and segregated from automobile parking and must have concrete pavement surfaces to support motorcycle kickstands. Motorcycle stalls should be a minimum of 4 feet by 8 feet and clearly marked.
- Bicycle parking is required for each project to the satisfaction of the Director of Community Development. Appropriate bike rack hardware shall be provided for each stall and approved by the City prior to installation. Bicycle parking shall be located near building entries.
- Alternative vehicle parking is required for each project to the satisfaction of the Director of Community Development. Alternative vehicle parking shall be designed to meet City standards.

- Dimensional requirements for parking spaces and maneuvering areas shall be in conformance with City standards. A 90-degree parking angle is encouraged for ease of circulation. Parking areas located behind buildings are encouraged, but not necessarily required. Parking areas shall incorporate internal landscaped islands, pedestrian pathways, perimeter landscape islands, and screening. The design of the site shall discourage large expanses of parking uninterrupted by landscaping or buildings. Painted lines must designate all parking spaces.

Site Furnishings

- Site furnishings encompass a wide variety of individual elements, including lamp posts, pedestrian trash and recycling receptacles, and benches. Site furnishings shall be constructed of materials that are durable and easy to maintain and blend or complement the exterior colors of the surrounding buildings. Site furnishing shall be reviewed by the City as part of the design review process on a project by project basis.

Artwork

- Public art (refers to works of art in any media that have been planned and executed, both in size and materials, with the specific intention of being sited or staged in the public domain, usually outside and accessible to all), outdoor sculptures, and special architectural and landscape features are encouraged in the development of individual sites and parcels. Such pieces and features help establish strong visual identities for individual facilities and greatly enhance the special character of the project area in general. Artwork shall be approved by the City prior to installation.

Vending Machines

- All vending machines must be placed completely inside buildings.

Architecture

Visual Interest of Façade

Facades with a high level of visual interest from both auto and pedestrian viewpoints are encouraged. The exterior character of all buildings should enhance pedestrian activity in their immediate vicinities.

- To the greatest extent possible, create visual interest through the use of horizontal and vertical articulation, including plane changes, varying roof/parapet heights, recessed entries and windows, score lines, awnings, and varied materials, textures, and colors.
- Design walkways that encourage pedestrian use. Avoid locating walkways where users will be subjected to harsh glare from building materials or subjected to harsh environmental conditions.
- Design ground floor exteriors of buildings to be “pedestrian-friendly.” Specific criteria include the following:

- Decorative wall surfaces and landscape materials between sidewalks and buildings are encouraged.
- Muted, modular materials, such as brick and stone, are particularly desirable.
- Windows that reveal indoor amenities and activities are encouraged.
- To the greatest extent possible, large expanses of blank walls or mirror glass shall be prohibited.
- Covered walks or arcades are encouraged.
- Each building should have a discernible base, a clear pattern of openings and/or surface features, a well-defined entry, and a clearly defined top roofline element.
- All buildings shall include a minimum of three primary exterior materials.

Noise Mitigation

Buildings along Johnson Drive should be designed to minimize the effect of road noise on buildings and plazas.

- Consider buffering major outdoor areas, such as balconies, terraces, and plazas, with design elements such as earth berms and evergreen plantings.
- Use wall materials with significant sound transmission ratings.
- Sound walls adjacent to the street are prohibited.

Massing, Scale, Form, and Details

Buildings should relate to the area and each other in their massing and forms. Larger masses should be located at the centers of building compositions, with smaller forms stepping outwards and down.

- Consider breaking very large buildings into modules or sub-parts to reduce perceived scale.
- Vary the height of the roof to identify distinct elements.

Building Profile

Design buildings to step back and step down to help break up mass. Use landscape materials to reinforce tiered building forms. "Stepped down approaches" are especially appropriate for breaking up larger structures in excess of 100,000 square feet or those over two stories in height.

- Express the position of each floor in the external skin design, using the following techniques:
 - Terracing, articulated structural elements, or changing building materials.
 - Belt courses, or other horizontal trim bands, of contrasting colors and/or materials.

Pedestrian Scale

Buildings should appear to be designed at a pedestrian scale. In general, this means using familiar forms and elements that can be interpreted in human dimensions.

- On buildings over 50,000 square feet and more than two stories high, do not use wall planes more than 24 feet high without incorporating meaningful techniques to break up the perceived building mass.
- Express facade components in ways that help establish building scale. Encourage compositions that emphasize floor lines or express rhythms and patterns of windows, columns, and other architectural features.

Entrances

Primary pedestrian entrances should be easily identifiable and attractive to pedestrians.

- Design main entrances to be clearly identifiable as seen from primary driveways and drop-offs.
 - Entrances should be designed as contrasting areas on a building's façade.
- Use building entranceways as transitions from buildings to the ground plane. Specific criteria include:
 - Walls, terraces, grading, and plant materials should be incorporated.
 - Terraces or porticos can be used to define and extend entrances.
- Design secondary entrances to connect to pedestrian circulation systems. These entrances should be visible from parking areas. They may also be more subdued.

Color and Materials Palette

Visual continuity in major building materials is desired throughout the project area.

- Use wall materials that are muted in color and have texture. Specific criteria include the following:
 - Natural matte textures and earth tone colors are encouraged. Textured, colored concrete may also be considered.
 - The use of fine textured materials, such as brick, cast stone, tile, and textured block are encouraged. Horizontally textured concrete, stucco and dark metal panels or glass spandrel panels may be suitable if used at a scale visually related to pedestrians.
 - Wood is not appropriate as a primary building material.
- Reserve the use of strongly contrasting materials and colors for accents, such as building entrances, railings, stairs, etc. Avoid an excessive variety of façade materials.
- If glass is proposed at pedestrian levels, use clear or lightly tinted low-e glass (glazing), particularly at pedestrian levels where transparency between indoor and outdoor spaces is desirable.
- Select building materials that will age with grace. Avoid light colored materials that may streak, fade, stain, generate glare, or detract from the natural setting.
- Glass with reflective, metallic coatings that increase glare is discouraged.
- Site-cast concrete should provide effective articulation.
- Large expanses of stucco visible from public areas are discouraged.

Human Scale Materials

Building materials manufactured in units measurable in human proportions should be used whenever possible. Materials such as brick, tile, concrete masonry units, and modular stone help people interpret the size of a building. Perceiving the scale of a building is important in terms of a pedestrian's ability to relate comfortably to it. Avoid over-scaling materials.

- Use building materials that are familiar in their dimensions and can be repeated in understandable modules.
- Combine building materials in modules that can be visually measured. Consider the following specific criteria:

- Cast or scored concrete that gives a sense of proportion may be appropriate, as well as conventional modular materials, such as brick or stone. Avoid large, featureless surfaces.
- Large, uninterrupted surface areas should have a change in articulation through the use of pattern, texture, material, openings, or change in plane.

Colors

Building colors should blend in with the natural surroundings.

- Study the landscape for cues. A predominance of earth tone colors that relate to the surrounding area, such as light, neutral tans, and browns is encouraged.
- Use darker colors at the base of walls and lighter colors for the tops of walls.
- Use darker colors or earth tones (neutral browns, darker buffs, tans, ochres) for expanses of walls, with brighter accents or white for trim.
- Use neutral roof colors between light and dark, avoiding white or reflective materials unless located behind a parapet. Cool roof materials are encouraged.

Landscape

To the greatest extent possible, water conservation measures shall be incorporated into the design. All landscaping plans shall comply with the State/City's Model Water Efficient Landscape Ordinance and Bay Friendly Guidelines. All landscaping plans and materials require City approval as part of the design review process on a project by project basis.

Visual Buffers

Visual buffers should be created along property lines and where utility, service, garbage and/or loading areas are sited to provide thorough screening. The plant material should be a combination of evergreen trees and large-growing shrubs. A minimum of 50 percent of the screening material shall be evergreen trees. Exceptions may be approved by the Director of Community Development.

Landscape Setbacks

A 35-foot wide bermed landscape setback is required on all parcels within the project area along Johnson Drive. The minimum height of the berm shall be determined by the Director of Community Development. Uses permitted within landscape setbacks are berms, driveways crossings, landscaping, public and private utilities, drainage and slopes, site furnishings, sidewalks, trails, irrigation, and permitted signs. Provide a minimum five-foot wide planting strip along building walls visible from the public right of way. This area may be reduced where there are pedestrian plazas or storefront uses.

Plant Palette

The plant palette shall predominantly feature species native to California that are drought tolerant and can withstand recycled water.

Parcel Entry Drives

The landscape emphasis at the entry drives is to be based on intended use. Visitor and primary entrances are to receive the greatest emphasis with respect to landscape treatment. The plant material selection should provide a variety of layering by size, seasonal interest, texture and color.

Parking Area Requirements

- Landscape islands, a minimum of five feet in width, are to be provided internal to parking areas and as endcaps to all parking rows.
- Parking lot trees, minimum 24-inch box size shall be required at a minimum ratio of one tree for every eight parking spaces. View corridors are permitted through orchard-style planting provided the minimum overall tree quantity requirements are maintained.
- Shrubs selected for parking lot screening, including spaces and maneuvering drives, shall be a minimum 15-gallon size at planting.

Lighting

All lighting shall be complementary to the site layout and building architecture, and shall be designed to avoid glare on surrounding parcels and uses. All lighting plans shall comply with City standards and applicants shall submit a lighting location site plan that includes limited conflicts with proposed tree planting locations, fixture details and specifications, and a photometric plan. All lighting plans and materials require City approval as part of the design review process on a project by project basis.

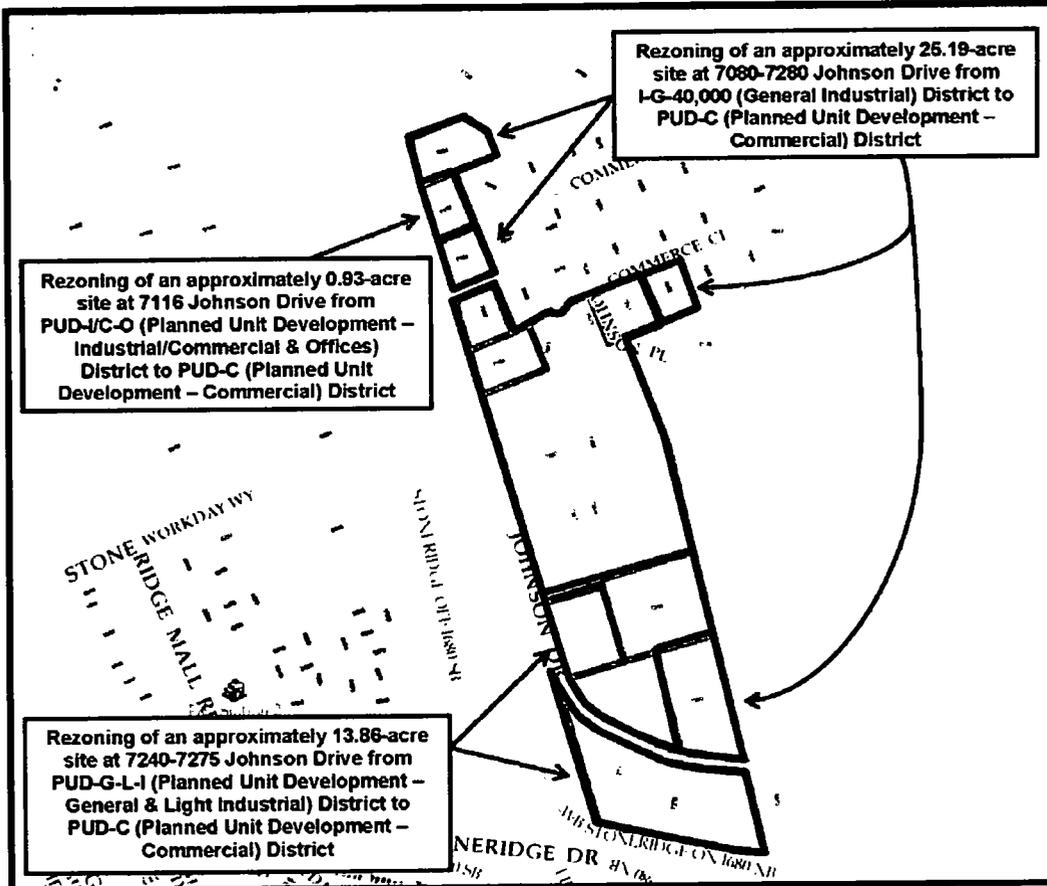
Signage

As appropriate, a master sign program shall be developed for each individual development site/project within the project area. All signage shall be complementary to the site layout and building architecture. All master sign programs or individual signage plans, including freeway pylon signs, require City approval as part of a sign design review process on a project by project basis. Corporate branding and colors specific to the tenant are permitted.

Exceptions

Exceptions to these Design Guidelines may be granted by the decision making body if it can be determined that the proposed project is substantially compliant with the PUD-C District and these Development Standards and Design Guidelines.

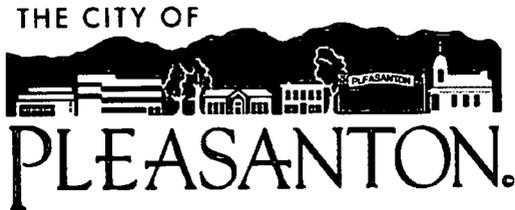
Exhibit C



**CITY OF PLEASANTON
PLANNING DIVISION**

Ordinance No. _____
Zoning Unit Map No. 502

DRAWN BY: K. Granucci	APPROVED BY:	DATE: November 7, 2017
SCALE: 1" = Appx. 6,500'	DIRECTOR of COMMUNITY DEVELOPMENT	SEC. NO.: PUD-105



Economic Vitality Committee Minutes

October 5, 2017

7:30 a.m.

**Pleasanton Library Community Meeting Room
400 Old Bernal Avenue**

CALL TO ORDER

Meeting called to order at 7:35 am by EVC Chair Barbara Steinfeld.

ROLL CALL

Committee members present were Barbara Steinfeld, Will Doerlich, Christina Nystrom Mantha, Kristen Hayes Kuse, Ellen Pensky McGraw, Steve Baker, PUSD Trustee Jamie Hintzke, Olivia Sanwong, Council member Arne Olson, Chiman Lee, Sylvia Tian, Angel Moore and Betsy Edwards. Committee members not in attendance were Kareen Knowles, Janet Yarbrough, Scott Raty, Shareef Mahdavi and Esther Yu. Guests in attendance were Angela Ramirez Homes, Tony Perino and Brad Hirst. City staff present were Director of Community Development Gerry Beaudin, Permit Center Manager Melinda Denis, Planning Manager Adam Weinstein, Associate Planner Eric Luchini, Traffic Engineer Mike Tassano, Management Analyst Sean Welch, Director of Finance Tina Olson, Director of Engineering Steve Kirkpatrick, Office Assistant Shawn Harris and Director of Economic Development Pamela Ott.

PUBLIC COMMENT

Angela Ramirez Homes, a consultant for Costco, offered that she is at the meeting to answer questions and noted several comments: Costco has a purchase option on the prospective property within the Economic Development Zone; Costco will be making parking investments at each of its Tri-Valley locations; the Pleasanton Costco will include a gas station; the square footage of the proposed Costco will be larger than the Danville store and smaller than the Livermore store.

Nearon Enterprises' president Tony Perino, as a property owner within the Economic Development Zone, offered his availability to confirm the uses of the parcels and support for the EDZ. He confirmed that Nearon intended to sell the properties for the proposed Costco and hotel(s) projects.

UPDATE, DISCUSSION AND INPUT REGARDING JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE

Director of Community Development Gerry Beaudin offered an overview of the Johnson Drive Economic Development project, including the recent direction by the City Council relative to the financing of required transportation improvements associated with the Economic Development Zone (EDZ). He reported that after the EVC's review, the project will move

forward in Planning Commission and then City Council consideration during October through December.

Director of Economic Development Pamela Ott shared how the EDZ concept is related to the City's Economic Development Strategic Plan:

- B1. Collaborate with Planning and other city departments to update land use and zoning policies to reflect current business needs.
- B2. Identify potential development and redevelopment sites to provide updated space, contemporary worker housing, and amenities.
- C7. Identify potential opportunity sites in the City for hotel expansion or development.

Associate Planner Eric Luchini gave an overview of JDEDZ timeline and key events to date:

2013 – Clorox vacates campus along Johnson Drive

April 2014 – City initiates Johnson Drive Economic Development Zone

May 2014 to March 2016 – CEQA and Public Process

- DSEIR released & public comment period
- Neighborhood and community workshops
- City releases FSEIR for public comment

April 2016 – Joint City Council/Planning Commission Work Session

Limit the size of the buildings to 50000 square feet or less

July 2016 through November 2016 – Initiative Process

- City Council directs staff to stop work on the JDEDZ pending results of initiative
- Initiative defeated by voters

January 2017 to September 2017

- City staff re-engages work on JDEDZ project activities

Mid-October through December 2017 – Public Review and Approval

Eric Luchini showed a map of the JDEDZ area to provide context for its location within the city, and then reviewed the goals and objectives of the EDZ and well as anticipated phasing:

- Economic Vitality
 - Transform the area into a thriving commercial corridor
 - Create opportunities for new land uses and services
 - Streamline the Development Review Process/CEQA Review
- Infrastructure Improvements
 - Enhance the traffic and transportation network
- Financial Stability
 - Generate new tax revenue to support City services and programs-sales taxes, property taxes & hotel tax
- JDEDZ Phasing
 - Phase I: Parcels 6, 9, and 10, with approximately 285,000 square feet of new uses including Club retail, general retail, and hotel(s). This would trigger all the needed transportation improvements.

Eric Luchini further offered a list of other potential uses within the JDEDZ (below), noting that existing or approved uses established prior to the adoption of this Planned Unit Development (PUD) would be permitted:

Automobile dealerships or similar as determined by CDD	P
Bars and brew pubs or microbreweries, as defined in PMC Chapter 18.08	C
Churches and similar religious and meeting facilities in existing structures	C
Existing or approved uses established prior to the adoption of this Planned Unit Development	P
Gymnasiums and health clubs with less than 50,000 square feet.	C
Hardware stores and home improvement stores/centers	P
Hotels and motels	P
Membership warehouse club including gas and tire service	P
Offices, including, but not limited to medical, business, professional, and administrative offices	C
Recreation and sport facilities, indoor	C
Restaurants and soda fountains not including drive-thrus or drive-ins, except drive-thru coffee uses	P
Retail not including drive-thrus or drive-ins or firearm sales	P
Retail including drive-thrus or drive-ins or firearm sales	C
Schools and colleges, including trade, business, Heritage, music and art schools, but not including general purpose or nursery schools	C
Theaters and auditoriums	P

City staff indicated interest in feedback from the EVC regarding two policy questions:

- Are the overall objectives and land uses contemplated for the JDEDZ appropriate for this location?
- Does the JDEDZ meet the key objectives of the ED strategic Plan?

Chair Barbara Steinfeld asked if there were additional comments from the public attendees; none were made.

Committee member discussion points and comments included:

- What uses wouldn't be allowed if the JDEDZ is approved?
 - Examples included uses not on the list of permitted/conditionally permitted uses.
 - Staff noted the intent is to enhance existing uses already in that area, and promote economic development
- What is the environmental impact of the gas station?
 - Planning Manager Adam Weinstein referenced the CEQA review that had been conducted earlier in the planning process noting the study's conclusion that there was significant impact to regional air quality as there is with all projects of this scale. He shared this doesn't take into consideration potentially shorter trips to Costco from Pleasantont.
- Will there be ample parking at this site?
 - The conceptual plan shows there is good on-site circulation and parking for vehicles, as well as sufficient roadway capacity.

- Has the City considered how this will impact local businesses?
 - The City commissioned an economic impact analysis that addresses how local businesses will be impacted – the analysis showed no significant impact except for some diminished revenues to grocery stores and gas stations which will be absorbed over the coming few years with the anticipated increase in residential/employee population
 - Costco is not free to sell as much gas as it wants and is regulated by Bay Area Air Quality Management District (BAAQMD) in that regard
 - Angela Ramirez Homes stated that Costco customers have requested gas at this store as people are driving to the Livermore store just for gas, and that the number of pumps is based on anticipated demand
 - The economic impact analysis conducted for Pleasanton, as well as input from other cities that have a Costco, indicates that generally local businesses are supportive of Costco as it brings increased visibility for business and relatively inexpensive consumer goods
- Are there concerns about security in light of the recent robberies at other Costco stores?
 - Pleasanton Police Department staff indicates that for any use, including hotel and retail, there may be an incremental change in the number of service calls received, but this incremental change is not expected to be substantial
 - Also, there will be a new police substation as part of the nearby Workday project
- What type hotels are interested?
 - The two interested hotels are both select service, all-suite hotels and will likely focus on the business traveler
- Will the Park & Ride lot at Stoneridge and Johnson drives be expanded?
 - There is no room to expand that lot but City staff is working with other partners (e.g., Stoneridge Shopping Center, ACE, etc.) to expand park and ride options in the city.
- How was the shape/boundary of the EDZ determined?
 - As this was a pilot economic development zone, the intent was to first focus on Johnson Drive; properties like the DoubleTree weren't included as that hotel use is already what we want to see in that area, and then an additional property (9A on the map) was added as it was purchased by Nearon Enterprises
 - City staff initially spoke with all the affected property owners who expressed interest
- Will mitigations be required on several parcels?
 - The environmental impact report considered air quality, transportation/traffic, noise, biological resources, cultural resources, hazards and hazardous materials, and public services and utilities as those areas that required mitigation (but only transportation/traffic and air quality impacts would be considered significant and unavoidable). Regarding transportation mitigations, the City can fully implement all of these itself except the widening of the I-680 onramp as that is in CalTrans jurisdiction.
- What are the traffic mitigations needed and how will those be paid for?
 - City Traffic Engineer Mike Tassano shared that \$21.47 million was projected to install all the needed transportation improvements, which includes traffic signals on Johnson Drive at Commerce Circle and at Stoneridge Drive, widening of Johnson Drive, and an additional lane on Stoneridge near Johnson Drive which is currently in the City's General Plan.

- These traffic improvements will be more than needed for Phase I of the EDZ as they will be constructed to accommodate 100% of the trips at full build-out of the EDZ
- How do we respond to comments that the City is giving up money for Costco?
 - Finance Director Tina Olson responded the City is not 'giving up money' but is collecting funds through sales tax revenues and an advance from Costco that will help pay for transportation improvement costs required up front. This will be used along with regional transportation fees that have been collected from other developments to add the needed improvements.
 - A transportation fee will also be assessed on future development within the EDZ as payment toward Costco's advancing of funds
 - Angela Ramirez Holmes commented that Costco is expected to bring less than half of the EDZ's traffic –about 44% - but is paying more than 44% of the transportation improvement costs.
- If Costco is putting forward the money and sales tax revenues will be used to pay Costco back over time, is all of the sales tax going to Costco?
 - Tina Olson explain that it will be a 60% (City) /40% (Costco) split, wherein approximately \$600,000 will go to the City initially as Costco is reimbursed over a maximum of 25 years
- Has there been discussion about the job creation that will come from the EDZ?
 - Planning Manager Adam Weinstein noted the analysis showed a long-term net increase of 780 workers in the EDZ; Angela Ramirez Holmes offered that Costco by itself will create about 250 jobs
 - Construction jobs created within in the zone are additive to these estimates
 - City staff should create a talking point similar to “The project created X jobs over X time” to demonstrate value of the project
- If the EDZ is approved when will the traffic improvements be done?
 - Mike Tassano: when the Sunol interchange is complete, then the Stoneridge Drive onramp will be done
 - Another improvement will be a second southbound turn on to Owens Drive from Hopyard Road near the new Chick-fil-A
 - Mike Tassano: the City is also ensuring that bicyclists are accommodated in the improvements as part of the City's Complete Streets program
- What is the timeframe for the project, particularly Costco?
 - Staff anticipates the process of working with CalTrans through the design of the I-680 onramp will take up to two years, followed by construction of the improvement over another 1-2 years, so estimating Costco will open in approximately 2020-2021; Angela Ramirez Holmes noted the city manager would like to see an earlier opening date
 - It was also noted that during the Council's transportation improvements financing discussion there was interest in allowing the installation of the improvements to happen simultaneously with construction of the Costco building
- It would be beneficial to have an easy-to-understand FAQs to give the community an awareness of the construction.
 - In addition, or incorporated into the FAQs, could be a flier that is translated into other languages so all residents can be informed

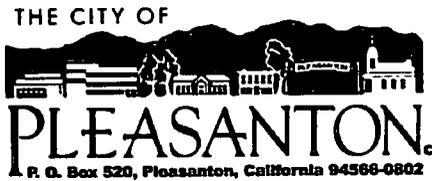
Chair Barbara Steinfeld asked if, and how, how the committee would want to offer support for the EDZ. It was moved and seconded that the EVC recommend to the City Council support for

the JDEDZ as it meets the objectives of the City's Economic Development Strategic Plan; motion is passed by a vote of 13-0-0. The EVC also offered its support and recommendation of materials and outreach that help to make the project easy to understand by the community.

Angela Ramirez Holmes reported that there are 6,500 Costco businesses memberships assigned to Pleasanton along with 23,163 Pleasanton households that have Costco memberships; this is an 89% penetration rate among residents.

MEETING ADJOURNED

The meeting was adjourned at 8:49 am.



**PLANNING COMMISSION
MEETING MINUTES**

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

DRAFT

Wednesday, October 11, 2017

CALL TO ORDER

The Planning Commission Meeting of October 11, 2017, was called to order at 7:00 p.m. by Chair Balch.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Balch, and he then asked for a moment of silence in light of the many issues facing the country to date. He read into the record a letter from the Livermore Pleasanton Fire Department regarding deployment of personnel to the Napa/Sonoma fires.

1. ROLL CALL

Staff Members Present: Gerry Beaudin, Director of Community Development; Adam Weinstein, Planning Manager; Julie Harryman, Assistant City Attorney; Tina Olson, Director of Finance; Mike Tassano, City Traffic Engineer; Eric Luchini, Associate Planner; and Kendall Granucci, Recording Secretary

Commissioners Present: Commissioners Nancy Allen, Justin Brown, David Nagler, Greg O'Connor, Herb Ritter, and Chair Jack Balch

Commissioners Absent: None

2. APPROVAL OF MINUTES

a. August 23, 2017

Chair Balch requested the following correction:

- Page 4, 3rd paragraph; "Chair Balch challenged the FAR comments based on the premise that it should be denied only based on FAR or not."

Commissioner Ritter to approve the Minutes of the August 23, 2017 meeting, as amended.
Commissioner Allen seconded the motion.

ROLL CALL VOTE:

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

The Minutes of the August 23, 2017 meeting were approved, as amended.

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

There were no revisions to the agenda, but Mr. Beaudin noted that the appellant for Item 6a has submitted a letter withdrawing their appeal and the Commission could choose to hear or not hear the item. Chair Balch confirmed there were no speakers and no action was taken.

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 on the Consent Calendar.

6. PUBLIC HEARING AND OTHER MATTERS

a. P17-0327, Gary Sears

Appeal of the Zoning Administrator's approval of an application for a Conditional Use Permit to operate a large family daycare for a maximum of 12 children within the existing residence located at 2875 Garden Creek Circle. Zoning for the property is PUD-MDR (Planned Unit Development – Medium Density Residential) District.

This item is withdrawn from the agenda.

b. P14-0852 and PUD-105, City of Pleasanton

Consider certifying the Final Supplemental Environmental Impact Report (FSEIR) and consider applications on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone (JDEDZ) for: (1) approval of a General

Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C District.

Recusal:

Chair Balch recused himself and left the Chamber.

Eric Luchini presented the Agenda Report.

Vice Chair Nagler asked staff to report out on the questions posed by the Commission prior to the meeting.

Mr. Luchini presented the Memo dated October 11, 2017.

Commissioner Allen asked with regard to the CalTrans work mitigation if the additional on-ramp will be required prior to occupancy of Costco.

Mr. Luchini confirmed this is correct, per Council direction all traffic mitigation improvements need to be in place prior to the opening of Costco.

Vice Chair Nagler asked staff to clarify that the traffic impact cannot be fully mitigated because no one controls Caltrans. If the City can guarantee the improvements will be done, the impact in fact be effectively mitigated.

Mr. Luchini confirmed.

Commissioner Brown said given Council direction to staff that hotels could open before traffic mitigation is completed for Costco he asked what the 44 second queue length will be in the short term.

City Traffic Engineer Mike Tassano said hotels generate one-tenth of the P.M. traffic as Costco. He said, one of the more critical movements would be the left turn. When using the left turn going towards Costco coming off of Stoneridge Drive, it is about 10 trips per cycle. This would extend it out of the pocket and therefore the left turn lane is needed. Mr. Tassano explained, the hotel adds 1-2 vehicles and the City can fit those in the existing left turn pocket. For the right turn, it will add a couple more vehicles to the already very long queue of vehicles. In the P.M. peak, almost everybody is in the right lane and drivers can bypass this traffic by staying in the middle lane.

Commissioner Brown confirmed with Mr. Luchini that because the traffic impact fee details are not yet worked out, it is not factored into the 20 ½ year payback period.

Vice Chair Nagler commented that the Council made a specific recommendation that if sales tax sharing was not adequate to payback the amount that had been advanced then at the end of the period if there was any balance left over this would be Costco's loss and the loan to the City would be forgiven.

Mr. Beaudin clarified that the payback period varies based on how much sales tax is generated. It is a 60/40 split and it could be 20 years, 12 years or sooner and he wanted to clarify this point. It is not a loan but an advancement of funds and funding infrastructure improvements. The sales tax pays back for that improvement made to the public infrastructure.

Vice Chair Nagler asked if the maximum number of years the advance would be repaid was 20 years.

Mr. Beaudin clarified it is a maximum of 25 years.

Commissioner Ritter referred to existing businesses and change of use, if FedEx moved out and UPS wanted to move in, he asked if they would be able to move into the space based on the grandfather clause or would this be a change of use?

Mr. Luchini stated this would be a change of use and most likely would have to follow the new listed uses; however, in this instance, it would be at the discretion of the director to look at some sort of substantial compliance. If it is a short or very long period of time they vacated out of the building it may make sense to allow this, and he asked for Mr. Beaudin to comment.

Mr. Beaudin said to be clear, because Commissioner Ritter used this specific example, there is a footnote put into the use table because there was interest in being able to maintain those uses and have conforming industrial uses. Anywhere in the EDZ, grandfathered uses allow changing like for like. He explained, this particular site will have additional flexibility with industrial uses the way the footnote is written.

Commissioner Ritter asked if this also applied to the AT&T site.

Mr. Beaudin said no; that site is not large enough to meet the criteria.

Commissioner Allen stated her questions are related to use. She asked what criteria were used for defining the uses seen here, knowing the objective is to increase the economic vitality of this area. As an example, a massage parlor with less than three people is permitted versus greater than three people is not permitted.

Mr. Luchini said early on, Nearon came to staff and had some ideas about some of the uses they would like to see. Staff took a code based approach and looked at some of the Freeway-Commercial and Central-Commercial Districts list of uses at that time. Through negotiation, staff and Nearon eliminated those they thought would not add vitality in the area; however, certain personal services were left in to balance out things, trying to specify the list of uses they thought they could draw interest for, what the City was willing to accept from the zoning perspective, and meeting the goals and objectives of the EDZ at the time.

Commissioner Allen said given the goal to create additional land uses to promote vitality and tax revenue, there were some uses that seemed like they could be big and end up utilizing the space that would not generate much tax revenue. She asked how they were chosen, specifically massage parlors; however, these are small. The other one shown as permitted versus conditional would be a theater or auditorium and potentially large sports facilities where they may not get much retail revenue. These two struck her where someone could get the land and the City would not be accomplishing the purpose it has.

Mr. Weinstein said the focus on the EDZ on Club-Retail generates quite a bit of sales tax revenue, as well as hotels which generate TOT revenue. Beyond the Costco and hotel parcels are parcels of varying sizes and shapes and it was felt there may be complementary uses or uses that would work on the smaller parcels, hence the theater, massage parlors or sports facilities.

Commissioner Allen questioned whether uses would be allowed or need to go through the CUP process.

Mr. Weinstein clarified that theaters and auditoriums currently are on the uses list as permitted uses, but this could be changed to require they return for a CUP. The rationale was that impacts of auditoriums usually do not require specialized conditions of approval. If the Commission wishes to change this it can, but right now those uses listed are permitted uses.

Commissioner Brown referred to the senior care/assisted living being permitted because the EIR said this was not advisable given the heightened sensitivity, and he asked why this was permitted.

Mr. Weinstein stated there is a diverse set of uses on the chart, and the specific rationale for this was focused on minimizing traffic impacts of the area. Also, the EIR identifies mitigation measures to address site-specific issues for senior facilities.

THE PUBLIC HEARING WAS OPENED

Jennifer Murillo, Costco, thanked the Commission and staff for making time for the project, availed herself to questions as to their intentions and restated their commitment to the community and to the project. She spoke of the area as one of the top performing in the country and said it makes sense to add another warehouse in Pleasanton.

This Costco will add 250 new jobs with great wages and benefits, generate millions in tax revenue to the City, provide funding for traffic improvements, re-purpose the industrial site encouraging economic revitalization, reduce miles traveled for residents, and keep sales tax in the City. She spoke of Costco's outreach and hosts to open houses and is committed to the community. They intend to purchase the property and thanked the City for the opportunity to expand in Pleasanton.

Vice Chair Nagler asked if Costco is acceptable to the fact that the warehouse could be built but not begin operations until the entire traffic mitigation effort is complete.

Ms. Murillo said they understand the situation and said they are not going to build the building and would most likely delay construction until traffic improvements are completed.

Don Cape, Tharaldson Hospitality Hotels, said they continue to work with Nearon throughout the process and have been anticipating the vision coming to fruition and want to move rapidly provided negotiations are fruitful. He spoke about their experience. They are excited to operate in Pleasanton and he spoke about traffic and hotel room generation of trips per day and said he was available for questions.

Commissioner Brown asked what the typical project length in terms of completion.

Mr. Cape replied it is 12 to 14 months once they break ground.

Stefani Katz voiced her support for the EDZ and to move ahead with Costco. She spoke about her desire to spend her tax dollars in Pleasanton and not Livermore and asked for the Commission's approval to move forward.

John Sensiba voiced his and the community's support for the EDZ. He commended staff on their work, is excited for the economic stimulation and cited the lack of speakers as an expression of trust in staff's competency and in the Commission's ability to discern the facts.

THE PUBLIC HEARING WAS CLOSED

Vice Chair Nagler suggested the Commission address each action item and began with the FSEIR. He invited comments on the five areas contained in the EIR: (1) economic impacts; (2) traffic; (3) air; (4) water and (5) potential impact on neighbors.

Commissioner Brown said there are some significant impacts which have been worked out and the public recognizes these and still favors large big box retail which is the primary driver of traffic and trip generation, and he would accept those as well.

Commissioner Allen stated she also accepts those. The two areas that cannot be mitigated include transportation, given the City does not control Caltrans. However, the City designed a process whereby the City is really controlling it because they will not be building Costco in terms of having it operational until the City is assured they have the right mitigation in place, which is the Caltrans improvement. On air quality, she reconciled that given the data seen tonight and previously whereby any large project such as this by virtue of its size and the number of cars utilizing it will have a significant impact and this is a lot less than some of the projects that have been built locally. They are also bundling many things together in a win/win way and she therefore supports the EIR.

Commissioner O'Connor echoed Commissioner Allen's comments and added that Pleasanton is part of an air basin and wherever this is built would have the same impact. It is more of a regional impact and he also supports the EIR.

Commissioner Ritter agreed with fellow Commissioners. He restated Costco's comment that Pleasanton residents drive to Livermore and San Ramon approximately 3 to 5 million miles a year and so this helps air quality as well as traffic.

Vice Chair Nagler echoed the previous comments. He asked to address the recommendation regarding the General Plan Amendment (GPA) and the land use designation of the project.

Commissioner Ritter said the City does not amend the General Plan very often and this is a great example of a good reason to make a change. It adds community benefit and generates great revenue to support City amenities and he supported it.

Commissioner O'Connor agreed that the City does not amend its General Plan often. This is a 40 acre project and is repurposing under-utilized property, and what is being taken away is industrial use with several other sites able to accommodate industrial uses. He did not see industrial land dwindle away, but in this specific location he thinks the project will be a vibrant retail area that will bring more dollars to the City that helps with all of the City's services, and voiced support for recommendation of the GPA.

Commissioner Brown agreed with comments and said the light industrial designation here does not make a lot of sense for a gateway of two freeways. He thinks it is under-utilized and the GPA to reclassify it makes a lot of sense and will drive up tax revenue opportunities and also better use. Anytime a change is made to land use it is for the benefit of the City and he believes this is, therefore he voiced his support for the GPA.

Commissioner Allen said she was also in favor of the GPA, and echoed comments regarding not taking amendments lightly and this is a smart and strategic reason for amending the General Plan. It maximizes under-utilized property to maximize City revenues and more importantly to serve the community because the community wants more services locally within Pleasanton. It also provides revenues to reinvest in the City and it makes sense.

Vice Chair Nagler said a General Plan is a policy statement by a community of what they want their community to look like and how it should be utilized. This idea of taking this land and reallocating it to this use was a very creative one initially and it has been exceedingly well-vetted, and almost 63 percent of the people said they want the GPA to move forward. Therefore, he thinks the GPA is completely appropriate.

Lastly, Vice Chair Nagler referred to the recommendation for the creation of a PUD that would include a rezone of the area to a commercial PUD district. Specifically, the two primary areas the Commission should adequately address in its recommendation are: (1) the potential uses, permitted or conditional; and (2) the architectural design guidelines to ensure they are adequate, particularly given the uses that are permitted do not necessarily have to return to the Commission.

Commissioner Allen referred to uses and noted that this is valuable property and its uses should be maximized as well as tax revenue. She was interested in uses that do that. Staff stated they wanted some uses that were not high intensity such as senior housing because it would balance high traffic with lower traffic. Therefore, she questioned what the right combination of these is and if they have Costco and hotels, she questioned how much more traffic could the City put on this land to still meet the standards staff has assumed here while still maintaining acceptable LOS. If she were not worried about traffic, she would propose changing a few of the uses that are non-tax or revenue generating to conditional versus permitted. She would like to leave more room for higher intensity uses that would generate more revenue. Therefore, she would take senior care, perhaps the auditoriums and the small massage parlors and make them conditional and not permitted. She also did not see some of the personal services like beauty salons and she would like to add those to the list because if

there are hotels, this would be a corollary use unless the hotel has their own. But, what she did not want to do is put high intensity traffic uses here if this exceeded the traffic standards.

Mr. Beaudin said the analysis, assumptions and infrastructure improvements built into the EIR are that the buildout of the area will be primarily retail. Staff therefore is anticipating high trip generating uses in the area. Therefore, they fully anticipate having capacity for full buildout of this area with whatever uses they want to include, and staff is suggesting that some uses be less impactful overall.

Commissioner Ritter said he believes Commissioner Allen is worried about having something not fully vetted.

Commissioner Allen said it is two-fold; she is worried about that but she also wants to create more of a hurdle. She really wants for this to be more retail and generate tax revenue which was the goal of the EDZ. If they end up with nursing homes and theaters, they end up being back to where they are today.

Commissioner Ritter said a business owner will review the list and if they cannot make money with a particular business function, they will find another use, and he did not necessarily want to over-regulate by eliminating things on the list. It will still go through staff and if conditioned, it will come to the Commission. Commissioner Allen agreed this is what she is asking for; that uses be conditional and be included.

Commissioner Brown supported comments of Commissioner Allen and thinks the Commission should consider changing some of the permitted uses to conditional.

Commissioner O'Connor asked for staff's opinion on all of the non-Costco and non-hotel space if it were all built out as non-retail. He asked what percent of tax revenue staff anticipates coming from other uses if it was all retail.

Mr. Beaudin stated the City has a significant amount of financial analysis that has been done and said the idea was to create a wide range of uses like they would in a commercial center or in an area of the community that has a full range of services. Some of the housing components are further afield, so he understands the permitted versus conditional discussion which is great, and some of the proposed uses come from the fact that the goal for retail has to be evaluated against the size of the parcels that are in the zone. He deferred to Tina Olson who may have this percentage.

Tina Olson, Director of Finance, said it is about another \$1.2 million for the Phase 2 which is total tax revenue. This includes property taxes and sales taxes, or equivalent to a little less than what the City expects from Costco in total.

Commissioner O'Connor said property tax could be fixed and would not pertain to the use, and Ms. Olson said it would just pertain to the initial cost for them to purchase the land and construction costs for the building. Commissioner O'Connor asked if Ms. Olson could separate out the sales tax revenue from the property taxes.

Ms. Olson said she was unsure, but the sales tax was a sizeable amount relative to the property taxes. What they assumed for the remaining buildout was primarily retail, meaning it would be more than half or something over \$600,000.

Vice Chair Nagler stated therefore, uses like a nursing home would not contribute as much, and Ms. Olson confirmed.

Commissioner Ritter said if permitted, it would come to staff and the Commission would still receive a notice and the Commission could request it come to the Commission. Therefore, everything could feasibly come to the Commission regardless.

Mr. Beaudin said it could, but with a permitted use the intent of the code is that the Zoning Administrator has the ability to approve the project. With the noticing, there may be a hearing but there also may not be. The Commission is informed of all of those decisions as well as Council, so there is the ability to call out decisions but when it is a permitted use the idea is that it happens at the staff level.

Commissioner O'Connor asked if staff was thinking about providing service for some of the surrounding neighbors to get some variety here.

Mr. Beaudin said it could be but also the fact there will be existing buildings that people may want to reuse and they may be able to upcycle them in their existing condition and put in tenants that might not otherwise come to this area but might be interested because it is an area well served by the infrastructure and has the opportunity to add multiple services all in one area and creating some efficiencies. Staff expects there to be the opportunity for additional and new retail but some people will also want to continue using the existing footprint and this gives them some additional uses they may not currently have access to today.

Vice Chair Nagler said a movie theater would not generate sales tax. It may be in the strategic design of this area that restaurants are in part attractive because of the flow each night of people attending the movie theater, so it is limited to say that the economic development has to have a direct link to tax revenue as opposed to the overall utilization of the center or retail.

Commissioner Allen agreed and said if she were to put some of the uses on a continuum, she would put that closest to the strong side in that it could create a lot of good energy, versus putting the senior homes on the weaker side of fitting in a spot here.

Vice Chair Nagler suggested eliminating some of the uses and the two he would suggest are nursing homes and laboratories.

Commissioner O'Connor noted that for these two items it states "existing or approved", such as public schools, senior care, etc., and he did not think someone new would be able to ask for that use.

Mr. Beaudin stated staff supports removal of those uses from the EDZ. He noted Clorox has grandfathered provisions so they would be allowed to be maintained, but staff is not expecting them to want to expand or use additional sites for their uses, given they have left the area.

Vice Chair Nagler said Commissioner Allen's idea of beauty salons could be added which he thinks makes sense as a permitted use. He also asked how many categories are related to schools, tutoring, and that activity in part for Commissioner Allen's point that there are no sales tax revenues and it does not add to a vibrant retail area, but it could be a way to help the other retail establishments.

Commissioner Brown summarized the request as removing senior care and laboratories, adding personal services as permitted and to change the schools and tutoring to be conditional.

Commissioner Ritter said he still thinks if someone came to the City and wanted a particular use they would have to work with staff and then come to the Commission. He did not necessarily want to limit the opportunity but wanted to make sure it is vetted properly.

Commissioner Brown said he would like to fast-track for the retail uses. He wants a slower track for those non-retail uses, and he worries about a requirement on the Planning Commission or City Council to pull an item that has been approved by the Zoning Administrator in time before the appeal period or its time expires, and this is why he thinks making it conditional forces that non-retail use gets reviewed.

Commissioner Ritter agreed and said he would rather make them conditional than remove them from the Zoning Administrator's approval.

Vice Chair Nagler said the EDZ is in part a vision and it is appropriate for the City to declare its vision for this. As has been stated, the intent is to reallocate the use of this strategically placed land not for residences but for traffic coming and going vibrantly in retail, and it strikes him that a nursing home does not comport with that.

Commissioner Ritter said on the flip side, there is a brand new nursing home on Stoneridge and Foothill and there is a lack of nursing homes in the City. If the City eliminated that and wanted retail on that corner, the nursing home would have never located there. This is why he would rather not limit the list, but did not mind making them a CUP.

Vice Chair Nagler suggested waiting to determine whether there is a majority when answering the question.

Commissioner O'Connor asked if the massage parlors should be made all conditional.

Vice Chair Nagler summarized the ideas put forward:

1. To eliminate senior care assisted living facilities.
2. To change the smaller massage parlors to conditional as opposed to permitted.
3. To change the theaters and auditoriums from permitted to conditional.
4. To eliminate the laboratory commercial testing research as a use.
5. To add personal services such as beauty salons as permitted.
6. To change tutoring/schools of no more than 20 students from permitted to conditional.

Mr. Weinstein restated the request of the Commission for clarification:

1. To eliminate nursing homes and laboratories from the uses list completely.
2. To make small massage parlors conditionally permitted.
3. To make theaters and auditoriums conditionally permitted.
4. To add personal services as a permitted use.
5. To make tutoring conditionally permitted.

Vice Chair Nagler asked, if permitted uses would come before the Commission for architectural review.

Mr. Weinstein clarified that as currently proposed, a proposal for a Costco club retail use for a new building would come to staff for review for conformance with the design guidelines and staff would approve it. It would not come to the Planning Commission which deviates a bit from a standard design review process in that it would be at the staff level. He explained that the difference is that most projects that go through the design review process in front of the Planning Commission do not have very detailed design guidelines so the expectation is that because staff has these very detailed guidelines staff can ensure a high-quality design and the Planning Commission and other decision makers would know what the City is getting, given the level of prescription in the design guidelines. However, this is not to say the process can't be modified.

Commissioners stated they concurred with this process.

Commissioner Allen referred to club retail being permitted which she is supportive. For the record, if Costco was to go out of business someone else she asked if another club retailer could come in if it was a permitted use and take over that spot.

Mr. Beaudin said this is correct. The City regulates the use and not the user so any potential use that met the same characteristics as described in the definition of club retail could come forward such as Sam's Club.

Commissioner O'Connor asked if the cost-sharing of the sales tax would cease for a new retailer.

Mr. Beaudin said correct; the City's term sheet is with Costco.

Vice Chair Nagler asked if there were questions relating to design guidelines, and there were none.

Commissioner Allen referred to landscaping and said she considers this to be very important for the public.

Mr. Weinstein said the key landscape component of the design guidelines was the 35-foot wide landscape setback for all parcels fronting Johnson Drive. This is a nice large setback that could allow for good tree planting, a berm, and add a lot of greenery to Johnson Drive. He said, there are also provisions for landscape buffers around things like utility boxes, garbage, loading areas, etc. and the other important component was the plant palette. Because this is a freeway-fronting parcel, they want to be sure that the plant species are appropriate to the area.

Lastly, Mr. Weinstein commented, there are ratios of trees per parking spaces which are not currently prescribed in the City's Municipal Code. It is outlined in the design guidelines at a ratio of 1 tree for every 8 spaces to create an orchard style parking lot.

Mr. Luchini added that this ratio is consistent with the Hacienda Design Guidelines. Commissioner Brown confirmed the minimum tree size is 24-inch box.

Commissioner Ritter asked that pedestrian pathways be smooth and not have the riveted pavers which the Livermore Costco has.

Commissioner Brown asked that there be sufficient sidewalk capacity fronting the building prior to getting to parking, similar to the west side of the building in Livermore.

**Commissioner O'Connor moved to approve Cases P14-0852 and PUD-105 per staff's recommendation, with amendments to the Use Table.
Commissioner Allen seconded the motion.**

ROLL CALL VOTE:

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

Resolutions PC-2017-23, PC-2017-24, and PC-2017-25 approving Cases P14-0852 and PUD-105 were entered and adopted as motioned.

7. MATTERS INITIATED BY COMMISSION MEMBERS

Commissioner Allen said a number of new laws were passed relating to affordable housing and she asked how this would impact the City.

Mr. Beaudin stated staff will be reviewing all recent changes and will bring this back for discussion at a future meeting.

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

a. Reports from Meetings Attended (e.g., Committee, Task Force, etc.)

Commissioner Ritter and Mr. Beaudin provided comments regarding operational and notification processes for the Bicycle, Pedestrian and Trails Committee.

Commissioner Brown reported out on the October 10, 2017 Downtown Specific Plan Update Task Force Meeting.

b. Future Planning Calendar

Mr. Weinstein reported out on the upcoming agenda items.

c. Actions of the City Council

No items were discussed or actions taken.

d. Actions of the Zoning Administrator

No items were discussed or actions taken.

e. Matters for Commission's Information

9. ADJOURNMENT

Vice Chair Nagler adjourned the meeting at 8:57 p.m.

Respectfully submitted,

Kendall Granucci
Recording Secretary

PLANNING COMMISSION CITY OF PLEASANTON

ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. PC-2017-23

RESOLUTION RECOMMENDING CERTIFICATION OF A SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT (SEIR) FOR THE APPLICATION OF THE CITY OF PLEASANTON FOR THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ) AS FILED UNDER CASE P14-0852 AND PUD-105

WHEREAS, The City of Pleasanton has applied for applications on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone for: (1) approval of a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C District (the "Project"); and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a SEIR was prepared for the Project; and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, relevant exhibits, and recommendations of City staff concerning the proposed SEIR, General Plan Amendment and PUD Rezoning; and

WHEREAS, the Planning Commission at its regular meeting on October 11, 2017, reviewed the potential Project impacts in accordance with the applicable state and local guidelines governing the preparation of the SEIR and determined that the SEIR is appropriate for the Project and recommended to the City Council that the SEIR for the Project be certified.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF PLEASANTON RESOLVES THE FOLLOWING:

Recommends certification of the SEIR for the City of Pleasanton for applications on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone for: (1) approval of a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C District.

THIS RESOLUTION ADOPTED BY THE PLANNING COMMISSION OF THE CITY OF PLEASANTON ON THE 11TH DAY OF OCTOBER 2017 BY THE FOLLOWING VOTE:

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

ATTEST:

Adam Weinstein
Secretary, Planning Commission

David Nagler
Vice Chair

APPROVED AS TO FORM:

Julie Harryman
Assistant City Attorney

PLANNING COMMISSION CITY OF PLEASANTON

ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. PC-2017-24

RESOLUTION RECOMMENDING APPROVAL OF A GENERAL PLAN AMENDMENT
FOR THE APPLICATION OF THE CITY OF PLEASANTON FOR THE
JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ)
AS FILED UNDER CASE P14-0852

WHEREAS, The City of Pleasanton has applied for a General Plan Amendment to change the Land Use Designation on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices (the "Project"); and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, relevant exhibits, and recommendations of City staff concerning the proposed General Plan Amendment; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a Supplemental Environmental Impact Report (SEIR) was prepared and recommended for certification for the Project; and

WHEREAS, the Planning Commission finds that the proposed General Plan Amendment is consistent with the Goals and Policies of the Pleasanton General Plan.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF PLEASANTON RESOLVES THE FOLLOWING:

Section 1. Recommends approval of the application of The City of Pleasanton for a General Plan Amendment to change the Land Use Designation on 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices as shown on the attached map (Exhibit A) .

Resolution No. PC-2017-24
Page Two

Section 2. This resolution shall become effective immediately upon its passage and adoption.

THIS RESOLUTION ADOPTED BY THE PLANNING COMMISSION OF THE CITY OF PLEASANTON ON THE 11TH DAY OF OCTOBER 2017 BY THE FOLLOWING VOTE:

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

ATTEST:

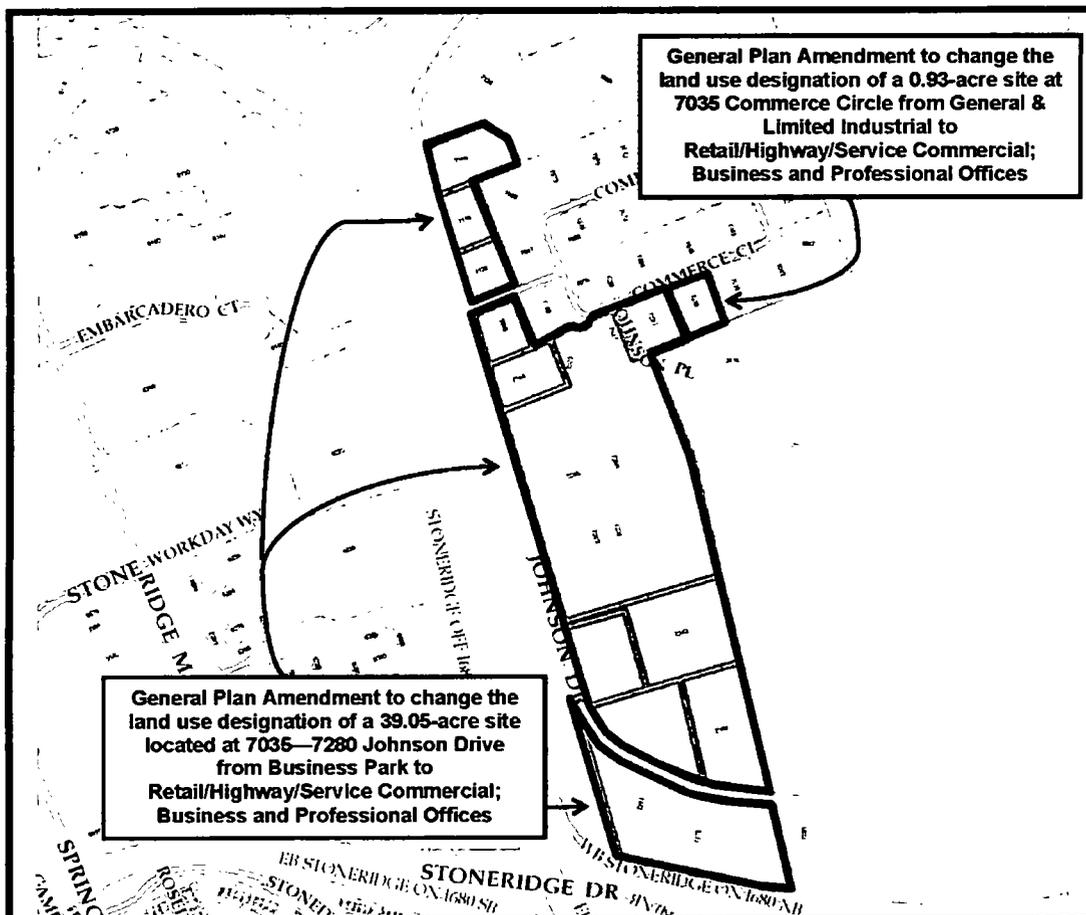
Adam Weinstein
Secretary, Planning Commission

Jack Balch
Chair

APPROVED AS TO FORM:

Julie Harryman
Assistant City Attorney

Exhibit A



**CITY OF PLEASANTON
PLANNING DIVISION**

General Plan Amendment

DRAWN BY: K. Granucci	APPROVED BY:	DATE: October 11, 2017
SCALE: 1" = Appx. 6,500'	DIRECTOR of COMMUNITY DEVELOPMENT	SEC. NO.: P14-0852

PLANNING COMMISSION CITY OF PLEASANTON

ALAMEDA COUNTY, CALIFORNIA

RESOLUTION NO. PC-2017-25

RESOLUTION RECOMMENDING APPROVAL OF A PLANNED UNIT DEVELOPMENT (PUD) REZONING FOR THE APPLICATION OF THE CITY OF PLEASANTON FOR THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE (JDEDZ) AS FILED UNDER CASE PUD-105

WHEREAS, The City of Pleasanton has applied for a Planned Unit Development (PUD) Rezoning to rezone 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C (the "Project"); and

WHEREAS, at its duly noticed public meeting of October 11, 2017, the Planning Commission considered all public testimony, relevant exhibits, and recommendations of the City staff concerning the proposed PUD Rezoning; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a Supplemental Environmental Impact Report (SEIR) was prepared and recommended for certification for the Project.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF PLEASANTON RESOLVES THE FOLLOWING:

Section 1. Recommends approval of Case PUD-105, the application of the City of Pleasanton for a Planned Unit Development (PUD) Rezoning to rezone 12 parcels at 7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle, comprising approximately 40 acres known as the Johnson Drive Economic Development Zone, from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development-Industrial/Commercial-Office (PUD-I/C-O) District, and General Industrial (I-G-40,000) District to PUD-C, subject to the attached conditions (Exhibit A) and the attached map (Exhibit B).

Section 2. This resolution shall become effective immediately upon its passage and adoption.

Resolution No. PC-2017-25
Page Two

THIS RESOLUTION ADOPTED BY THE PLANNING COMMISSION OF THE CITY OF PLEASANTON ON THE 11TH DAY OF OCTOBER 2017 BY THE FOLLOWING VOTE:

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

ATTEST:

Adam Weinstein
Secretary, Planning Commission

Jack Balch
Chair

APPROVED AS TO FORM:

Julie Harryman
Assistant City Attorney

PUD-105
Exhibit A, Draft Conditions of Approval
7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle
Johnson Drive Economic Development Zone
October 11, 2017

PROJECT SPECIFIC CONDITIONS OF APPROVAL

Planning Division

1. All mitigation measures listed within the Draft and Final Supplemental Environmental Impact Report (DSEIR/FSEIR) prepared for the project and the Mitigation Monitoring and Reporting Program dated September 14, 2015 and March 21, 2016, respectively, and on file with the Planning Division are hereby incorporated as conditions of approval for the project and shall be adhered to and/or fully complied with to the satisfaction of the Community Development Department prior to final inspection.

2. The permitted and conditionally permitted uses for the Johnson Drive Economic Development Zone shall include:

Uses	Allowed Uses
Art galleries and artists' supplies stores	P
Automobile dealerships or similar as determined by CDD	P
Bars and brew pubs or microbreweries, as defined in PMC Chapter 18.08	C
Churches and similar religious and meeting facilities in existing structures	C
Existing or approved uses established prior to the adoption of this Planned Unit Development*	P
Existing or approved public schools, private schools, and childcare centers, not including schools which only provide tutorial services*	P
Existing or approved senior care/assisted living facilities, including nursing homes*	P
Copying and related duplicating services and printing/publishing services using only computers, copy machines, etc., not including lithographing, engraving, or such similar reproduction services	P
Food market including supermarkets, convenience markets, and specialty stores but not including liquor stores	P
Garden centers, including plant nurseries	P
Gymnasiums and health clubs with less than 50,000 square feet.	C
Hardware stores and home improvement stores/centers	P
Hotels and motels	P
Laboratories, commercial, testing, research, experimental or other, including pilot plants	P (requires approval of CDD);

	otherwise-C
Laundries and dry cleaners where service is provided	C
Massage establishments where four or more massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	G
Massage establishments where three or fewer massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	P
Meeting halls	C
Membership warehouse club including gas and tire service	P
Offices, including, but not limited to medical, business, professional, and administrative offices	C
Personal Services including, but not limited to Beauty Shops, Massage, Nails Salons and other similar uses as determined by the Director of Community Development	P
Photographic studios and/or supply stores	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-thrus or drive-ins, except drive-thru coffee uses	P
Retail not including drive-thrus or drive-ins or firearm sales	P
Retail including drive-thrus or drive-ins or firearm sales	C
Schools and colleges, including trade, business, Heritage, music and art schools, but not including general purpose or nursery schools	C
Theaters and auditoriums	P-C
Tutoring with no more than 20 students at the facility at any one time are permitted uses subject to the following conditions	P
Tutoring with more than 20 students at the facility at any one time are permitted uses subject to the following conditions	C

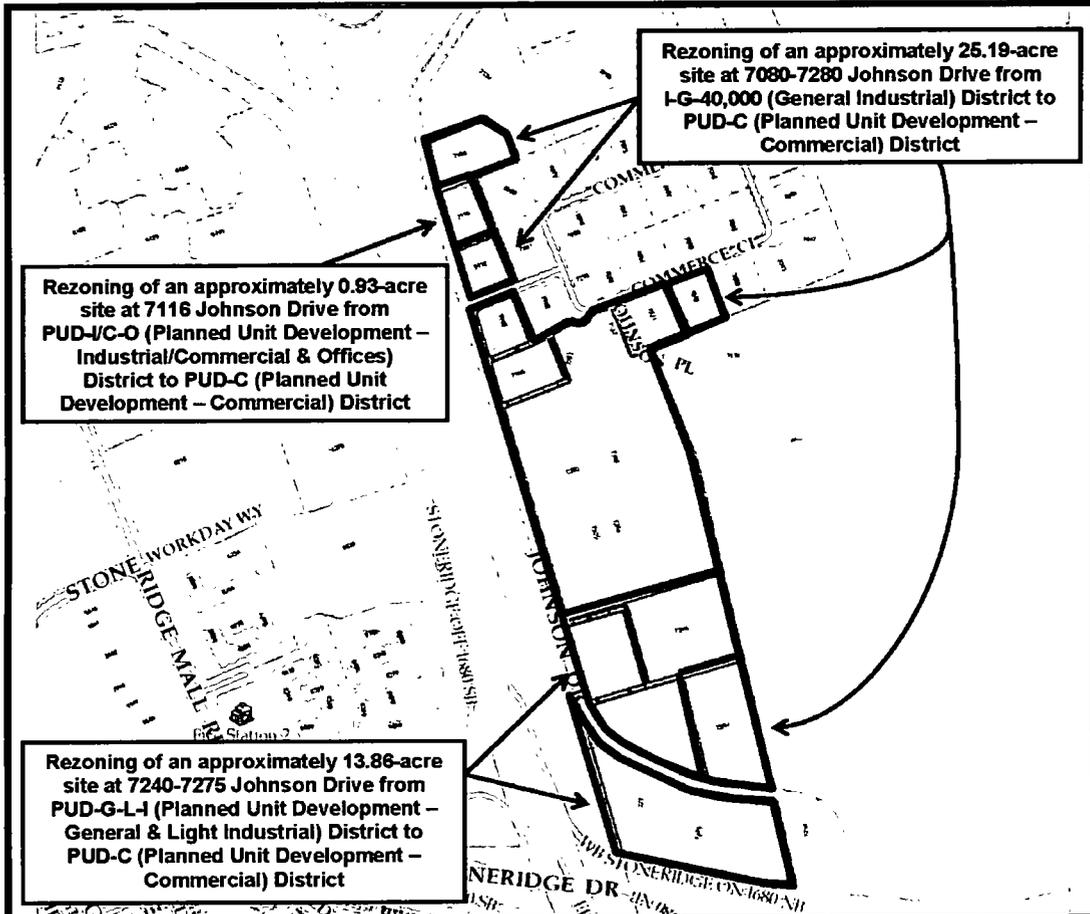
*Permitted industrial uses, consistent with the uses permitted and conditionally permitted in the I-P and I-G zoning districts as of January 1, 2017, shall be allowed on parcels a minimum of 5 gross acres in area where existing light industrial uses, as determined by the Director of Community Development, already exist.

3. Unless otherwise specified in the conditions of approval, the site development standards and design guidelines of the project shall be those of the Johnson Drive Economic Development Zone, Exhibit C, dated "March 2017," on file with the Planning Division. These development standards and design guidelines shall only be applicable to "new or vacant land" and/or "replacement of existing development" within the Economic Development Zone. These development standards and design guidelines shall not be applicable to pre-existing development within the Economic Development Zone, including pre-existing development within the Economic Development Zone made non-conforming as a result of Economic Development Zone improvements within the public right of way. Said pre-existing development shall be considered consistent with the site development standards and design guidelines of the Economic Development Zone until such time said development is proposed for replacement, at which time, the site development standards and design guidelines of the Economic Development Zone shall apply. At the discretion of the Director of Community Development, replacement development shall be permitted to follow site development standards of pre-existing development on the same parcel within the Economic Development Zone. These determinations shall be made on a case-by-case basis. A Design Review application shall be required for all new, replacement, and expansions of existing development.

4. No signage is part of this approval. A master sign program shall be developed for each individual development site/project within the project area. All signage shall be complementary to the site layout and building architecture. All master sign programs or individual signage plans, including freeway pylon signs, require City approval as part of a Sign Design Review application process on a project by project basis. Corporate branding and colors specific to the tenant are permitted.

END

Exhibit B



Rezoning of an approximately 25.19-acre site at 7080-7280 Johnson Drive from I-G-40,000 (General Industrial) District to PUD-C (Planned Unit Development – Commercial) District

Rezoning of an approximately 0.93-acre site at 7116 Johnson Drive from PUD-IC-O (Planned Unit Development – Industrial/Commercial & Offices) District to PUD-C (Planned Unit Development – Commercial) District

Rezoning of an approximately 13.86-acre site at 7240-7275 Johnson Drive from PUD-G-L-I (Planned Unit Development – General & Light Industrial) District to PUD-C (Planned Unit Development – Commercial) District

**CITY OF PLEASANTON
PLANNING DIVISION**

Ordinance No. _____
Zoning Unit Map No. _____

DRAWN BY: K. Granucci	APPROVED BY:	DATE: October 11, 2017
SCALE: 1" = Appx. 6,500'	DIRECTOR of COMMUNITY DEVELOPMENT	SEC. NO.: PUD-105

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 *BR*

From: Bob Russo
Sent: Thursday, October 05, 2017 1:48 PM
To: Eric Luchini
Subject: I want Costco

I want Costco in Pleasanton!!!

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Shalini
Sent: Thursday, October 05, 2017 1:55 PM
To: Eric Luchini
Subject: No on MM

It's a yes

Sent from my iPhone

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Merry Sedlak
Sent: Thursday, October 05, 2017 2:35 PM
To: Eric Luchini
Subject: Costco

Please add my name for the passage of whatever it takes to get Costco to Pleasanton! Thank you.

Merry Sedlak
 Los Rios Court
Pleasanton

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Jenny Dolder
Sent: Thursday, October 05, 2017 2:37 PM
To: Eric Luchini
Subject: Yes to Costco!

Hello!

I'm really hoping that the city plans to move forward with the plans to build a Costco here in Pleasanton. We shop there all the time and would be amazing to have it close by.

Thanks!
Jen Dolder
 East Angela Street, 94566

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Angela
Sent: Thursday, October 05, 2017 2:38 PM
To: Eric Luchini
Subject: We want Costco

My family and I voted No on MM, and we urge you to honor our community decision to approve the plan to have Costco built at Johnson Drive.

Thanks,
The Siegert Family

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Warren Gaisser
Sent: Thursday, October 05, 2017 2:42 PM
To: Eric Luchini
Subject: Costco

Let's move ahead with what the voters of Pleasanton already approved and get this Costco built.
Please vote yes on the Economic Development Zone that includes the construction of this Costco.

Thank you!
Warren Gaisser

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: [REDACTED]
Sent: Thursday, October 05, 2017 3:07 PM
To: Eric Luchini
Subject: Please Support the People that voted No on MM

Dear People of the City of Pleasanton
Hope you can stand up for the people of Pleasanton that want to have a Pleasanton Costco.

Thank You
Patrick Jarnagin
[REDACTED] Adams Way
Pleasanton CA 94566
[REDACTED]

Voting should count

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Carol Raimondi
Sent: Thursday, October 05, 2017 3:21 PM
To: Eric Luchini
Subject: Yes on Costco

As 33 year residents, we want a yes vote for Costco in Pleasanton.

Carol and Jay Raimondi
--
Sent from Gmail Mobile

Date Distributed: 10/10/17 

From: Nick Salinas
Sent: Thursday, October 05, 2017 3:36 PM
To: Eric Luchini
Cc: [REDACTED]
Subject: Re: Pleasanton Costco Update

Please vote YES! We want Costco in Pleasanton!

On Thursday, October 5, 2017, 1:44:21 PM PDT, NO on Measure MM wrote:

An Update about Plans for a Pleasanton Costco

Since last year's election defeating Measure MM and declaring that "We Want Costco!," plans have continued for the ordinance to create the Economic Development Zone. A financing plan for the infrastructure improvements has been worked out with Costco and received unanimous support from the City Council last month.

We need your help to get the final approvals! The final two steps are votes at the Planning Commission and the City Council on the Economic Development Zone, which includes Costco.

The Planning Commission meets on Wednesday, October 11 at 7pm at City Hall, 200 Old Bernal Avenue. The agenda and staff report can be found [here](#). We hope that you will attend and voice your support in person. However, we urge you to send an email today to the Planning Commission indicating your support for them to vote YES on the staff recommendation. One email can be sent to eluchini@cityofpleasantonca.gov and it will be distributed to the entire Planning Commission.

We appreciate your support of the Economic Development Zone that includes Costco. Please reply to let us know if you plan to attend or send an email to the Planning Commission, as we are tracking supporters.

Thank you!

**NO on
MM
We Want Costco!**

NO on Measure MM, 4560 Eull Court, Pleasanton, CA 94566

[SafeUnsubscribe™ nicksalinas@yahoo.com](mailto:nicksalinas@yahoo.com)

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Sent by noonmeasuremm@gmail.com in collaboration with

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Mary Jane Guttmann
Sent: Thursday, October 05, 2017 3:38 PM
To: Eric Luchini
Subject: No on Measure M

I urge you to vote yes on the staffing recommendation for the Pleasanton Costco.

Mary Jane Guttmann
[REDACTED] Monaco Drive
Pleasanton, CA. 94566
[REDACTED]

Sent from my iPad

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Cora Fuentes
Sent: Thursday, October 05, 2017 4:56 PM
To: Eric Luchini
Subject: Costco

We want Costco

Sent from my iPhone

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Vincent Kenny
Sent: Thursday, October 05, 2017 6:32 PM
To: Eric Luchini
Subject: Vote Yes on staff recommendation

Hello,

We would like to vote Yes on the staff recommendation to have a Costco in Pleasanton. It will save quite some time driving to Livermore every week.

Thanks
Vincent

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: [REDACTED]
Sent: Thursday, October 05, 2017 6:56 PM
To: Eric Luchini
Subject: We Want Costco Now

Other than the rich guy with the limo's and a few folks that are opposed to everything including sunny days, please waste no more time and money in your deliberations and get this project rolling. The potential tax revenue is leaving Pleasanton every day and is going to Livermore and Dublin. If you believe in global warming, how much gas and pollution is generated by people in Pleasanton driving to Dublin and Livermore to go to Costco? If you believe you are being paid to service the community's needs and desires, make it happen. This is getting embarrassing. Thanks.

Peter C. Balas
Heather Hill Ventures, LLC
PO Box [REDACTED]
Pleasanton, CA 94588
Tel: [REDACTED]
Fax: [REDACTED]

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 *EL*

From: Henry Jones
Sent: Thursday, October 05, 2017 8:42 PM
To: Eric Luchini
Subject: Costco

My wife Naomi and I(Henry) are all for Costco and the associated development. The development is in the right place and it's in a section of town that can handle the traffic. We would love to have access to a Costco that is in Pleasanton so that we don't have to drive to Danville or Livermore plus our tax dollars are spent in the city that we have lived in since 1988.

Henry F Jones
[REDACTED] Navalle Ct
Pleasanton, CA 94566
[REDACTED]

SUPPLEMENTAL MATERIAL

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Date Distributed: 10/10/17 

From: Anand Kumar Sankaran
Sent: Friday, October 06, 2017 7:11 AM
To: Eric Luchini
Subject: YES on staff recommendation for Costco

I live in  Gyles Place Pleasanton.

This is my vote in favor of Costco.

Sent from my iPhone

SUPPLEMENTAL MATERIAL

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Date Distributed: 10/10/17 

From: Bob Kahn
Sent: Friday, October 06, 2017 8:45 AM
To: Eric Luchini
Subject: Johnson Drive Economic Development Zone

As a 31+ year resident of Pleasanton (a great place to live and shop), I wholeheartedly support the staff recommendations to bring Costco and hotels to the land on Johnson Drive. I believe this will be a huge benefit for both the people of Pleasanton and the tax base.

Robert Kahn

Calle de la Mesa

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Date Distributed: 10/10/17 

From: Larry Lindsey
Sent: Friday, October 06, 2017 9:14 AM
To: Eric Luchini
Subject: Costco

As a former planning commission member I am in full support of the development and financing plan for Johnson Dr and Costco coming to Pleasanton. I urge the planning commission of give the plan your full support so that we can move forward with this development.

Larry Lindsey
Planning Commission member and chair from 1981 to 1989

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Date Distributed: 10/10/17 

From: Deanna Mitchell
Sent: Friday, October 06, 2017 9:38 AM
To: Eric Luchini
Subject: Vote yes on Costco.

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: [REDACTED]
Sent: Friday, October 06, 2017 10:40 AM
To: Eric Luchini
Subject: Costco

We voted to bring Costco to Pleasanton, and we certainly hope that you will vote on all measures to allow the Costco building projects to be approved. Not only would Costco make it more convenient for our shopping, it would be good for the city. LaVere and Karelyn Adams

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Gary Schellenberg
Sent: Friday, October 06, 2017 5:40 PM
To: Eric Luchini
Subject: I want Costco

Please do everything you can to bring Costco to our city. The site selected for this is perfect.

Gary Schellenberg
 Blackbird Drive
Pleasanton
Sent from my iPhone

From: [REDACTED]
Sent: Saturday, October 07, 2017 11:03 AM
To: Eric Luchini
Subject: Stand up for the voters

Date Distributed: 10/10/17 

NO on

MM

We Want Costco!

Date Distributed: 10/10/17 

From: Eric Helmgren
Sent: Monday, October 09, 2017 11:37 AM
To: Eric Luchini
Subject: Re: JDEDZ

Hi Eric,

Being a parent with an active child I am unable to attend the meeting.

I do want to put in my families two cents however. We, like the majority of Pleasantonians that voted are in favor of having Costco come to town.

We voted for Costco knowing and understanding that there are improvements needed for the infrastructure that is the cities responsibility.

Make the improvements and get the Costco built.

Thank you,
Eric Helmgren
 Black Ave

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Date Distributed: 10/10/17 

From: Gary Kinsman
Sent: Monday, October 09, 2017 1:32 PM
To: Eric Luchini
Subject: Johnson Drive

Regarding further planning of projects, we have found the amount of handicapped parking completely insufficient at places like Stoneridge Mall, Costco and downtown. With the baby boom's increased need of handicapped parking spaces, it's time to rethink the city's requirements for handicapped parking spaces.

Gary Kinsman
 Paseo Robles
Pleasanton 94566

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/10/17 

From: Michael Sharnet
Sent: Monday, October 09, 2017 2:38 PM
To: Eric Luchini
Subject: Johnson Drive EDZ

Hello,

I want to be sure my voice is heard about the proposed JDEDZ.

I want a smooth and quick development of this area as approved by the voters in 2016 and by the City Council last month.

This includes allowing businesses of any size including Costco and hotels. Pleasanton deserves expanded business options and tax revenue sources.

Again, I remind the planning commission that the voters of Pleasanton overwhelmingly voted No on MM to approve the development of this area and not set a silly limit on the size of business allowed in this area. Please do not disappoint us.

Thank you,

Michael Sharnet
 Alvord Way
Pleasanton CA 94588

Date Distributed: 10/10/17 

From: paulette kenyon
Sent: Monday, October 09, 2017 10:51 PM
To: Eric Luchini
Subject: development of Johnson Dr.

I'm a resident of Val Vista and I've been opposed to this project from the get-go. Having gone on the Nextdoor App, I notice there are others who aren't exactly warm to the prospect of us having tons more traffic and fumes in the air close to and in our neighborhood from the negative affects of having a Costco right next door to us. The air over here in Val Vista is already not good. We have to breathe the fumes from the sewage plant. All they really do over there is mask the odor. What is in the air is still in the air – we just can't smell it as much. Also, we live right next to the freeway with already lots of cars and exhaust fumes. With all those cars going on and off at Stoneridge – it will generate even more exhaust fumes for us to breathe. Not to mention all the traffic now and the negative affects on the creek behind the park. Right now, we depend upon that creek for a little getaway walking trail for us and our dogs or riding bikes. It's nice to see some wildlife down there.

Of course, our section of the creek was the last that section Zone 7 got around to working on. Now that the weather is perfect for walking, the trail is closed for repairs. A Costco down the street will dump all kinds of garbage into the creek – not to mention having a gas station there – which will also send fumes into the air for us to breathe. It will attract all kinds of strangers and dangerous sorts into the local park....I think it's an awful idea to have a Costco here. I don't think the busy working people in my neighborhood have had an ample opportunity to realistically access the negative affects of having all that development right down the street from us.

Who cares about having yet another Costco this close by? Costco doesn't really carry what I would classify as necessity items. They give people relatively good prices on bulk and other doodads. Most of us shop in a myriad of other ways for our staples. If Costco went out of business, most of us wouldn't gnash our teeth and tear out our hair. IE, it's not that important. You say it will generate jobs – lots of businesses can generate jobs and not have the taxpayers footing the bill for it.

I'm very disappointed in this city council. Nothing good has happened since you all got into office. Pleasanton is getting worse – not better. It's crowded and the air stinks and whoever is in charge of caring for the plants and shrubbery and trees are doing a really lousy job. The people in Val Vista should be getting mad at you for yet another dirty project that you are trying to shove off on our neighborhood. Why is this neighborhood the only one who gets impacted by these wretched projects? Besides Shadow Cliffs, of course – which you've really destroyed by building all around it.

Over here in Val Vista, we already have to put up with a million cars coming over here for soccer all the time – our big trade-off for not housing all the buses and getting a park instead. We couldn't just get a park. It had to be a soccer park inviting half the world over here. Now, in addition to that, we have to put up with a million more cars from Costco? I haven't been able to breathe hardly at all over the past 5-10 years or so; and, I wouldn't doubt if it had something to do with all the extra cars on the freeway and cars coming in for soccer. Maybe some of it is from that Clorox plant over there... I don't know. If there is a Costco too, how many more Val Vista residents will become ill with lung and breathing problems. There's only so much people can put up with before the tipping point. We already have too much stuff in the air over here already. Give us a break! Build this thing in Vintage Hills or some place where the people aren't unduly exposed to mountains of chemicals and exhaust already - as we are in Val Vista being next to sewage, Clorox, the freeway.... I'm hoping to move someday soon; but, until I do, I think it's disgraceful the way this city treats this neighborhood. We seem to be the dumping ground for all your dirty projects!

Kindest Regards,
Paulette Kenyon



Date Distributed: 10/11/17 - 9

10 October 2017

Mr. Eric Luchini
Associate Planner
City of Pleasanton
Community Development Department
Planning Division
P.O Box 520 / 200 Old Bernal Avenue
Pleasanton, CA 94566-0802
eluchini@cityofpleasantonca.gov

RE: Commentary Pertaining to PUD-105 Johnson Drive Economic Development Zone

Dear Mr. Luchini:

As owner of the property situated at 7240 Johnson Drive, Pleasanton, CA (the AT&T WC), AT&T has closely followed the environmental analysis, and rezoning program initiated by the City of Pleasanton for those properties situated at 7106 thru 7315 Johnson Drive. Collectively, said properties (with others on Commerce Circle) comprise the Johnson Drive Economic Development Zone (JDEDZ) study area.

It is my understanding that the Pleasanton Planning Commission will review and consider, at its regular meeting on 11 October 2017, certifying the Final Supplemental Environmental Impact Report, approving a General Plan Amendment to Retail/Highway/Service Commercial; Business and Professional Offices and approving a Rezoning to PUD-C, for the JDEDZ study area, inclusive of the AT&T WC.

At this time, for benefit of record, I would like to articulate the understanding of AT&T, as it pertains to the foregoing action(s) to be taken by the Pleasanton Planning Commission:

1. The Planning Commission action is a recommendation, for consideration by the Pleasanton City Council at a future public hearing. A determination by the City Council is required before any action(s) become binding and effective.
2. The attached letter, submitted on 20 November 2015, remains valid and represents the current concerns and commentary of AT&T. The AT&T WC remains a vital element of AT&T's ability to render telecommunication services to the Pleasanton area.
3. Pursuant to conversations with the Planning Staff, AT&T understands that if the rezoning to PUD-C is approved, the AT&T WC, as an existing use established prior to the new PUD designation (and exceeding 5 acres), would be considered a permitted use (per the table of permitted uses, also known as Exhibit A, as attached).

4. AT&T also understands that Staff at the same time also considers the WC (as well as the Fed Ex Property) to be a legal non-conforming use. To my knowledge, it is typically not possible for a land use to fall under both designations (permitted and legal non-conforming). I understand that Staff is further reviewing this matter and we look forward to receiving clarification.
5. Pursuant to the uncertainty inherent in item #4, the intent, spirit and objective of the PUD-C District is to protect existing uses, allow an "undefined" ability to expand and/or modify operations, and to continue the operation of existing uses, without compromise to their functionality. We anticipate that an interpretation of item #4, will reflect the foregoing.
6. It is our understanding, pursuant to discussions with Planning Staff, that the AT&T WC could be "reasonably" expanded or "modified", pursuant to a determination by the Planning Director, appealable to the Planning Commission. Said expansion or modification may require compliance with the new design guidelines and conditions, which are being implemented as part of the PUD-C designation. Because specific expansion and/or modification parameters are not defined, we can only surmise that a reasonable proposal would be positively received, in accord with the intent of the PUD-C District being to protect and allow existing uses to remain and operate, without compromise to their functionality (response to AT&T letter 62 in the Draft EIR).
7. It is also our understanding, that consolidation of the AT&T WC onto the rear of the existing property, as part of a future redevelopment or recycling of the property, with a use or uses permitted under the PUD-C designation on the frontage of the parcel, would be possible and deemed viable under the PUD-C designation. Such a development scenario would be intended to retain a screened version of the AT&T WC, while redeveloping the balance of the property in a manner consistent with the goals and objectives of the PUD-C.

In closing, pursuant to the foregoing, AT&T remains supportive of the efforts being undertaken by the City of Pleasanton. If any of the concepts outlined herein are not valid assumptions, please contact me immediately. Please feel free to contact me directly at (925) 277-6705, or our zoning consultant, Stephen Slater at (818) 625-9013, should you have questions or desire additional information.

Sincerely,



Chris Chandlee CCIM, MCR
Regional Manager – Transactions
AT&T Services Corporate Real Estate – Western Region



ATT Services, Inc.
Corporate Plaza Estate
5001 Executive Parkway
Room 4000P
San Ramon, CA 94583

20 November 2015

Mr. Eric Luchini
Associate Planner
City of Pleasanton
Planning Division
P.O. Box 520 / 200 Old Bernal Avenue
Pleasanton, CA 94566-0802

RE: Response to the Draft Supplemental Environmental Impact Report (SEIR) for P14-0852/PUD-105,
Johnson Drive Economic Development Zone (JDEDZ)

Dear Mr. Luchini:

As you know, AT&T is the owner of that certain real property situated at 7240 Johnson Drive (the AT&T Work Center or WC). Said property is a critical component of the AT&T telecommunication network, which provides vital services to business, institutional and residential customers throughout the Pleasanton area. With approximately 120 employees, the WC provides Pleasanton with not only locally sourced service, but also direct economic benefits from the presence of the workforce.

More particularly, the WC provides vital installation, maintenance, repair, construction, engineering, delivery, supply chain, fleet, business and technology operations services. In addition, the WC operates 365 days a year, 24/7. Repair and maintenance for emergency situations are sourced from this facility. It is extremely important to emphasize that the complexity and importance of a WC is not inherently visible or apparent, from casual observation.

Pursuant to the foregoing, AT&T is supportive of the City of Pleasanton's (the City or the City's) efforts to grow the economy of Pleasanton, in a managed and reasonable manner. Economic growth is clearly to the benefit of not only the City and the region, but to AT&T as well. However, in this instance, the promotion of growth, through a City initiated Rezone and General Plan Amendment, of eleven particular properties, one of which being the WC, has the clear potential to result in detrimental economic circumstances for those particular properties and their respective owners. While AT&T is concerned about the implications faced by neighboring property owners, this letter will focus on the WC property specifically.

As a regulated entity, AT&T is obligated by the State of California to operate in an efficient and cost effective manner. A change in zoning and general plan designation, which does not acknowledge (permit conditionally or by right) the existing legally established WC operation is a threat to the efficient and cost effective operation of the WC, with particular emphasis on limiting AT&T's ability to respond to the demands of future business requirements from this location.

62-1

Luchini
p. 2

After carefully reviewing the various city memorandums and documents, the subject SEIR and the Pleasanton Municipal Code (in particular section 18.120 – Nonconforming Uses), AT&T requests to be placed on record, with respect to public commentary pertaining to the JDEDZ and Draft SEIR, as follows:

- 1. The SEIR fails to consider the complexity and operational value of the WC, as related to the multitude of services being provided from the site, all of which are geographically and spatially located to maximize service efficiencies. The WC is fully utilized, the parking area fronting Johnson Drive is required to accommodate employee parking (approximately 120 employees) and fleet vehicles (at this time, 156 vehicles are assigned to the site). Any disruption to operations at the site would be extremely costly to AT&T.
- 2. It is our interpretation that the proposed rezoning of the WC from PUD-G&LI to PUD-C, pursuant to the proposed list of permitted and conditional uses (a WC is not listed), and the General Plan amendment of the WC from Business Park to Retail, Highway and Service Commercial, Business and Professional Offices, will effectively render the WC a use which is not permitted, thereby forcing it to become a legal non-conforming use, subject to section 18.120 of the Pleasanton Municipal Code.

62-2

The SEIR fails to discuss the resultant creation of legal non-conformities within the JDEDZ, the economic disparity that, over time would be created by the presence of properties that are not permitted to expand and grow (with only repair and maintenance allowed) and most importantly, the incremental premium that would be required to relocate, buyout or move a specific and unique use, such as a WC.

62-3

A Work Center is extremely costly to move or relocate, alternative sites are scarce and movement creates efficiency losses, forcing the operator to incur the cost burdens of an alternative site, thereby increasing the cost of service to the customer. The analysis and site selection process alone, associated with movement of a WC is of material consideration. Before the subject site could recycle under the intentions of the JDEDZ, these cost premiums would be incurred, lowering the economic benefit of the JDEDZ accordingly. The economic modeling done under the SEIR did not account for the foregoing considerations and thus the economic benefits derived are inaccurate.

- 3. By effectively making the WC a legal non-conforming use, the JDEDZ essentially eliminates the opportunity for AT&T and abutting owners to look at land planning and development alternatives wherein major parcels could be reconfigured through lot line adjustments or similar subdivision actions, enabling certain existing uses to remain and be strategically incorporated into a superior land development configuration. The SEIR fails to identify this scenario as a viable development alternative or option.
- 4. No longer the "telephone company" of the past, the AT&T WC is essentially at the center of a dynamic, fluid and flexible modern network. For example, in the event of a disaster, network traffic and personnel may shift to this facility, enabling AT&T to maximize its response efficiency, through customized resource allocation. The DEIR does not evaluate or consider this

62-4

62-5

Luchini
p. 3

characteristic of the WC and this type of flexibility could be lost as a legal non-conforming use. Even in the traditional "Public Services and Utilities" section, the DEIR does not mention or analyze telecommunication infrastructure, which today has become just as important as the traditional utilities (water, power, gas).

↑
62-5
cont.

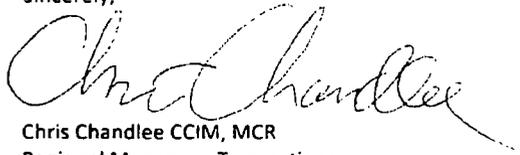
Additional Comments:

1. AT&T seeks to retain for its WC certain expansion and improvement rights, similar to those existing now, under the existing Zoning and General Plan designations, in order to remain functionally operational, pursuant to AT&T's regulated obligation to render cost effective and efficient services to its customers.
2. From an economic standpoint, AT&T would only move or relocate a WC under a situation where an acceptable replacement site can be located, acquired, developed and fully implemented, with equivalent or better operational efficiencies, and the absence of any cost premiums or operational penalties to AT&T customers. Due to the scarcity of alternative locations in the area, voluntary relocation is highly unlikely.
3. Pursuant to the foregoing, before the Zone Change or General Plan Amendment becomes effective, AT&T would like to work with the City of Pleasanton to establish a Memorandum of Understanding (MOU) or similar agreement, that could be incorporated into the JDEDZ, to address the aforementioned comments. Ideally, AT&T would like to create a flexible operating agreement that would enable reasonable functionality of the WC (as a legal non-conformity but with added flexibility beyond the scope of PMC 18.120), up to a future point in time when the WC recycles, moves or discontinues operation. This approach will yield maximum benefit to both AT&T and the City of Pleasanton.

↑
62-6

In closing, please rest assured that AT&T sees itself as a valuable and important member of the Pleasanton community. We remain committed to working closely with you to advance the efforts of the City in a mutually beneficial manner. Please contact me directly at [REDACTED] or contact our zoning consultant, Stephen Slater at [REDACTED] should you have questions or desire additional information.

Sincerely,



Chris Chandlee CCIM, MCR
Regional Manager – Transactions
AT&T Services Corporate Real Estate – Western Region

Cc: Robert Damaschino – AT&T Services Corporate Real Estate – Director Western Region
Stephen Slater, Blu Croix Ltd.

Letter 62 Response – AT&T

62-1 through 62-6:

The comment expresses concern about the impact of a change in zoning and general plan designation, for the AT&T WC property specifically and the impact to existing legally established WC operations. With regards to the impact on existing businesses within the area of the proposed EDZ, the EDZ is being developed to ensure that these property owners will be able to continue leasing and operating existing businesses for as long as desired.

Protecting existing businesses is a primary goal of the proposed EDZ, and existing land uses are “grandfathered” in as part of the overall proposal. The City is currently exploring ways to allow for some degree of expansion or replacement of existing businesses that do not conform to the uses desired as part of the EDZ, while still retaining the EDZ’s redevelopment and growth potential. Therefore, the EDZ is not expected to have an adverse economic effect on the WC or otherwise compromise the function of the WC.

**EXHIBIT A
DRAFT CONDITIONS OF APPROVAL**

**P14-0852 and PUD-105
7106 through 7315 Johnson Drive and 7035 and 7080 Commerce Circle
Johnson Drive Economic Development Zone (JDEDZ)
October 11, 2017**

PROJECT SPECIFIC CONDITIONS

Planning Division

1. All mitigation measures listed within the Draft and Final Supplemental Environmental Impact Report (DSEIR/FSEIR) prepared for the project and the Mitigation Monitoring and Reporting Program dated September 14, 2015 and March 21, 2016, respectively, and on file with the Planning Division are hereby incorporated as conditions of approval for the project and shall be adhered to and/or fully complied with to the satisfaction of the Community Development Department prior to final inspection.
2. The permitted and conditionally permitted uses for the Johnson Drive Economic Development Zone shall include:

Uses	Allowed Uses
Art galleries and artists' supplies stores	P
Automobile dealerships or similar as determined by CDD	P
Bars and brew pubs or microbreweries, as defined in PMC Chapter 18.08	C
Churches and similar religious and meeting facilities in existing structures	C
Existing or approved uses established prior to the adoption of this Planned Unit Development*	P
Existing or approved public schools, private schools, and childcare centers, not including schools which only provide tutorial services*	P
Existing or approved senior care/assisted living facilities, including nursing homes*	P
Copying and related duplicating services and printing/publishing services using only computers, copy machines, etc., not including lithographing, engraving, or such similar reproduction services	P
Food market including supermarkets, convenience markets, and specialty stores but not including liquor stores	P
Garden centers, including plant nurseries	P
Gymnasiums and health clubs with less than 50,000 square feet.	C
Hardware stores and home improvement stores/centers	P
Hotels and motels	P
Laboratories, commercial, testing, research, experimental or other, including pilot plants	P (requires approval of CDD);

	otherwise C
Laundries and dry cleaners where service is provided	C
Massage establishments where four or more massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	C
Massage establishments where three or fewer massage technicians provide massage services at any one time. Massage establishments within gymnasiums and health clubs shall meet the requirements of Chapter 6.24	P
Meeting halls	C
Membership warehouse club including gas and tire service	P
Offices, including, but not limited to medical, business, professional, and administrative offices	C
Photographic studios and/or supply stores	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-thrus or drive-ins, except drive-thru coffee uses	P
Retail not including drive-thrus or drive-ins or firearm sales	P
Retail including drive-thrus or drive-ins or firearm sales	C
Schools and colleges, including trade, business, Heritage, music and art schools, but not including general purpose or nursery schools	C
Theaters and auditoriums	P
Tutoring with no more than 20 students at the facility at any one time are permitted uses subject to the following conditions	P
Tutoring with more than 20 students at the facility at any one time are permitted uses subject to the following conditions	C

*Permitted industrial uses, consistent with the uses permitted and conditionally permitted in the I-P and I-G zoning districts as of January 1, 2017, shall be allowed on parcels a minimum of 5 gross acres in area where existing light industrial uses, as determined by the Director of Community Development, already exist.

3. Unless otherwise specified in the conditions of approval, the site development standards and design guidelines of the project shall be those of the Johnson Drive Economic Development Zone, Exhibit C, dated "March 2017," on file with the Planning Division. These development standards and design guidelines shall only be applicable to "new or vacant land" and/or "replacement of existing development" within the Economic Development Zone. These development standards and design guidelines shall not be applicable to pre-existing development within the Economic Development Zone, including pre-existing development within the Economic Development Zone made non-conforming as a result of Economic Development Zone improvements within the public right of way. Said pre-existing development shall be considered consistent with the site development standards and design guidelines of the Economic Development

Zone until such time said development is proposed for replacement, at which time, the site development standards and design guidelines of the Economic Development Zone shall apply. At the discretion of the Director of Community Development, replacement development shall be permitted to follow site development standards of pre-existing development on the same parcel within the Economic Development Zone. These determinations shall be made on a case-by-case basis. A Design Review application shall be required for all new, replacement, and expansions of existing development.

4. No signage is part of this approval. A master sign program shall be developed for each individual development site/project within the project area. All signage shall be complementary to the site layout and building architecture. All master sign programs or individual signage plans, including freeway pylon signs, require City approval as part of a Sign Design Review application process on a project by project basis. Corporate branding and colors specific to the tenant are permitted.

<END>



Date Distributed: 10/11/17 -

Date: October 10, 2017

To: City of Pleasanton Planning Commission

From: Nearon Enterprises

Re: Statement from Nearon Enterprises to the Planning Commission for its October 11 Meeting Related to the Johnson Drive Economic Development Zone

Dear Planning Commission members:

I am writing to you on behalf of Nearon Enterprises, the current primary property owner within the area designated for the JDEDZ.

We have reviewed the staff report and their recommendations for the October 11, 2017 meeting.

We ask the Planning Commission to vote in support of (1) certifying the Final Supplemental EIR, (2) approving the General Plan Amendment, and (3) approving the PUD to rezone the project site.

While some of the following information may be repetitive, here is a quick summary of Nearon's involvement with the Property and the JDEDZ to date:

- We acquired a vacated campus from Clorox in June 2013, totaling nine parcels and 11 buildings. Two buildings were leased back by Clorox.
- We invested over \$2.5 million on the deconstruction of the buildings, and donated almost 900,000 pounds of property, valued at over \$2.0 million to Habitat for Humanity, Bay Area School Districts and The Oakland Zoo. The excess gravel is now being used for the local highway projects.
- We invested over \$1.5 million towards environmental remediation, with 90% of the property, including 100% of the Costco and Hotel sites, having received a clean bill of health (i.e., a No Further Action letter) from the RWQCB.
- Through the terms of the Reimbursement Agreement approved by the City Council in April 2014, we have contributed \$436,000 as reimbursement for expenses related to the EIR, along with a multitude of other studies tied to the EDZ.

- To maintain Costco willing to move forward with the Pleasanton site, we agreed to sell Costco our 15.6-acre Main Campus parcel, instead of entering a long-term ground lease. While this modification of the terms yields a lower overall financial return to Nearon, it was necessary to facilitate the funding of the transportation improvements.
- We are in earnest negotiations to sell two parcels totaling five acres with a reputable Hotel developer to build two Marriott-flag hotels. If the JDEDZ phasing allows it, they intend to proceed with development immediately upon the EDZ's approval.
- Upon completion of the anticipated land sales to Costco and the Hotel developer, coupled with two prior sales of buildings along Commerce Circle, Nearon will own one, approximately 14,000 SF building on less than 1 acre of the 40 acres within the JDEDZ.

We are encouraged by the progress made in recent months, and continue to support the overall purpose and goals of the JDEDZ. While our role has evolved during this four-year planning and study process, and will result in our company only owning property amounting to less than 5% of the JDEDZ, our dedication to the improvement of this region along Johnson Drive remains strong.

Best Regards,



Tony Perino, President of Nearon Enterprises

Date Distributed: 10/11/17 - [Signature]

From: Nancy Kent
Sent: Tuesday, October 10, 2017 2:09 PM
To: Eric Luchini
Subject: Johnson Drive/Costco

Pleasanton Planning Commission,

As a 35 year Pleasanton resident and busy mom, I believe that having a Costco in Pleasanton will save both time and money. The residents voted for Costco, and we are ready for it to be built. Please vote in support of the Johnson Drive EDZ/Costco plan. Let's start building!

Thank you,
Nancy Kent

Date Distributed: 10/11/17 - 

From: Karl Hageman
Sent: Tuesday, October 10, 2017 2:46 PM
To: Eric Luchini
Subject: My thoughts

My feelings are simple. The people already voted their desire when they defeated road blocks to stop Costco. I see no reason to doubt or challenge their directions. So, let it be.

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - 

From: Conrad Castaneda
Sent: Tuesday, October 10, 2017 2:55 PM
To: Eric Luchini
Subject: Costco
Importance: High

Hello,

Please accept this email as my request for the Costco activities to move forward.

We voted for it, please make it happen!

Best Regards,
Conrad Castaneda
 Muirwood Drive
Pleasanton, CA 94588

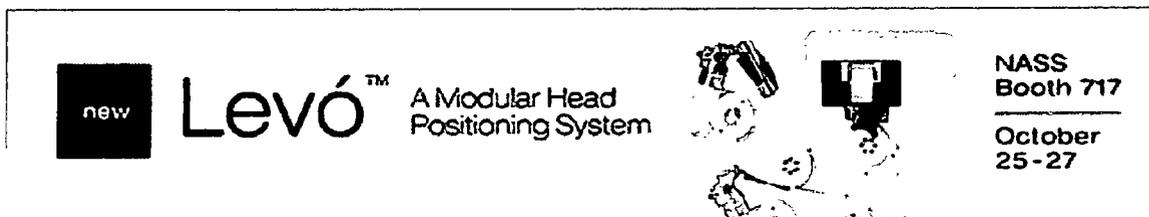
Conrad Castaneda, CPIM, C.P.M.
NPI Materials Specialist



E: ccastaneda@mizuhosi.com

O: (510) 429-1500 ext. 267

www.mizuhosi.com



The advertisement features a black square with the word "new" in white. To its right is the word "Levó" in a large, bold, sans-serif font, followed by a trademark symbol. Below "Levó" is the text "A Modular Head Positioning System". To the right of this text is a technical drawing of a robotic head assembly. Further right is a photograph of a person's head wearing a similar device. On the far right, the text "NASS Booth 717" is displayed above "October 25-27".

This communication and any attachments may be privileged or confidential. If you are not the intended recipient, you have received this in error and any review, distribution or copying this communication is strictly prohibited. In such an event, please notify me immediately by reply email and immediately delete this message and all attachments.

Date Distributed: 10/11/17 - g

From: Janette Armknecht
Sent: Tuesday, October 10, 2017 2:59 PM
To: Eric Luchini
Subject: Costco

I urge you to proceed with plans to enable us to have the Costco store in Pleasanton.
Tired of all our tax dollars going elsewhere.

Janette Armknecht
Pleasanton

Sent from my iPhone

Date Distributed: 10/11/17 - 

From: cruisensummer
Sent: Tuesday, October 10, 2017 3:11 PM
To: Eric Luchini
Subject: Costco

We are definitely in need of Costco in Pleasanton. Can't wait for it to be built. WE WANT COSTCO!

Sent from my Verizon, Samsung Galaxy smartphone

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - (9)

From: cruisensummer
Sent: Tuesday, October 10, 2017 3:11 PM
To: Eric Luchini
Subject: Costco

We are definitely in need of Costco in Pleasanton. Can't wait for it to be built. WE WANT COSTCO!

Sent from my Verizon, Samsung Galaxy smartphone

Date Distributed: 10/11/17 - (g)

From: Les Duman
Sent: Tuesday, October 10, 2017 3:22 PM
To: Eric Luchini
Subject: EDZ and Costco. In favor of.

Hello,

I strongly encourage the Pleasanton Planning Commission to vote YES to the EDZ and YES to Costco. While zero-growth proponents mean well, we all need to understand that the only way that our highly desirable and rated city can remain so is by strategically planning for future revenues so that our City agencies can continue maintaining and improving our community for its citizens. As a 32 year resident and as a 27 year local business owner, I have assessed that the current proposed actions regarding the EDZ and Costco should proceed as planned.

Please note: My business is not in any way connected to Costco or any other entity connected to the EDZ . My support is strictly because it makes sense.

Thank you for your consideration.

Les Duman

Duman Associates

Duman Associates Custom Components and Marketing, Inc.
7567 Olive Drive
Pleasanton, CA 94588
Office: 925-426-6808 Mobile: 510-305-6396
les@dumanassociates.com

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
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Date Distributed: 10/11/17 - 6

From: Ken Hamm
Sent: Tuesday, October 10, 2017 3:28 PM
To: Eric Luchini
Subject: Costco

To the City Council of Pleasanton,
We voted for Costco, so please get it done.
Kenneth Hamm
[redacted] Harpers Ferry Ct.
Pleasanton, CA 94588

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - 9

From: jeff - Manito
Sent: Tuesday, October 10, 2017 3:28 PM
To: Eric Luchini
Subject: EDZ and Costco

I will not be able to attend the planning commission meeting on Wednesday but I did want to voice my support for the EDZ and Costco on Johnson Drive.
Thank you.

Jeff Perko (Pleasanton Resident with a business in Pleasanton)
Manito Construction, Inc.
Pleasanton, CA 94566
T: [REDACTED]
F: [REDACTED]
M: [REDACTED]

Date Distributed: 10/11/17 - 

From: Pamela Hardy Alpert
Sent: Tuesday, October 10, 2017 4:01 PM
To: Eric Luchini
Cc: Gerry Beaudin
Subject: Costco Support

Dear Mr Luchini,
Please convey to the planning commission my support for approval of the application related to the Johnson Drive economic development zone. We are particularly supportive of the Costco development proposal within the zone. The development of this important infill site is much needed and will provide traffic improvements along with an improved freeway frontage aesthetics and increased revenue for the city.
We are 27 year residents of Pleasanton. Please make this email part of the public record and distribute it to the Planning Commission. Thank you.

Pamela Hardy Alpert
Donahue Drive
Pleasanton, Ca

Sent from my iPhone



Date Distributed: 10/11/17 - g

From: stefani Katz
Sent: Tuesday, October 10, 2017 4:11 PM
To: Eric Luchini
Subject: Costco Report

I am writing to support the EDZ report and the approval of a new Costco store in Pleasanton. I have been a customer of Costco for over 20 years. I currently go to the Livermore store at least once a week, buying my fruit, meat and other food stuffs on a weekly basis. In addition, I find many things for my house and yard there. I would be thrilled to have the chance to spend this money within our City limits. In fact, I voted for Costco and thought that the issue was decided already in the election. So please support the zoning to allow this new Costco store to be built.

Thank you,
Stefani Katz
 Oak Brook Court
Pleasanton, CA 94588

Date Distributed: 10/11/17 - 

From: Alejandro Alvarado
Sent: Tuesday, October 10, 2017 5:15 PM
To: Eric Luchini
Subject: Yes to COSTCO in Pleasanton

Hi,
I will unfortunately not be able to cast my vote in person, but I am a resident of Pleasanton, and I honestly thought the issue was settle in the last election :-).
In any case I am in support of Costco establishing a store in Johnson Drive

My Information for reference
Alejandro Alvarado
Tel

Many thanks

Date Distributed: 10/11/17 - 

From: Susan Misencik
Sent: Tuesday, October 10, 2017 5:22 PM
To: Eric Luchini
Subject: Vote YES for Pleasanton COSTCO
Importance: High

As a long-time resident of Pleasanton, I prefer to frequent businesses within our city. COSTCO would be a wonderful addition to our shopping choices, as well as a good source of tax revenue and job opportunities. I voted in favor of having COSTCO come to Pleasanton and, along with many other residents, we were successful in getting the measure passed. **I hope that you will vote YES to the EDZ and YES to COSTCO.**

Susan Misencik | Office Manager



6700 Koll Center Parkway | Suite 110 | Pleasanton, CA 94566
D 925.484.6240 | O 925.484.5245 ext. 200
smisencik@idarchitecture.com | www.idarchitecture.com

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Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - 

From: David Mitchell
Sent: Tuesday, October 10, 2017 7:04 PM
To: Eric Luchini
Subject:

I support Costco.

Dave Mtchell
Pleasanton

Date Distributed: 10/11/17 - (S)

From: Olivia Baeza
Sent: Tuesday, October 10, 2017 7:29 PM
To: Eric Luchini
Subject: Yes vote. to Costco Pleasanton!

I lived in Pleasanton for 25 years now and I believe Costco would be such a benefit for our city. We love Costco and we need a Costco so we don't have to drive to the other over crowded Costco's in Danville and Livermore plus we need more lower gasoline prices! We need a Costco gas station! So, Yes to EDZ and YES to Costco!!!!

Thank you
Olivia & Richard Baeza
Pleasanton residents since 1992

Sent from my iPhone

Date Distributed: 10/11/17 - g

From: Shalini
Sent: Tuesday, October 10, 2017 7:50 PM
To: Eric Luchini
Subject: YES to Costco

Will not be able to come in person but it is a YES to Costco I am a resident of Pleasanton

Sent from my iPhone

Date Distributed: 10/11/17 - [Signature]

From: Rajeev Singh
Sent: Tuesday, October 10, 2017 8:28 PM
To: Eric Luchini
Subject: Yes to EDZ and Yes to Costco

Hi:

I am Rajeev Singh, a resident of Pleasanton, this email is to affirm my support for Costco

--
/Rajeev

SUPPLEMENTAL MATERIAL

Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - 

From: Mark Manuel
Sent: Tuesday, October 10, 2017 8:30 PM
To: Eric Luchini
Subject: Yes on Costco and EDZ

Please mark me down as a yes for Costco in Pleasanton and on EDZ.

Please feel free to contact me regarding my vote.

Thanks,
Mark

Sent from my iPad

Date Distributed: 10/11/17 - 

From: asokan achikanath
Sent: Tuesday, October 10, 2017 9:44 PM
To: Eric Luchini
Subject: Yes to EDZ and Yes to costco pleasanton

I am suppprting costco on pleasanton.

Yes to EDZ and Yes to costco.

Thanks
Asokan Achikanath Cherakara
 Carducci dr
Pleasanton CA 94588

Sent via the Samsung Galaxy S7, an AT&T 4G LTE smartphone

Date Distributed: 10/11/17 - 

From: Vicki LaBarge
Sent: Tuesday, October 10, 2017 10:40 PM
To: Eric Luchini
Subject: Costco

Dear Planning Commissioners,

The citizens of Pleasanton voiced their opinion at the polls and voted in favor of Costco. Please approve the plans and move forward with a Costco in our town.

Respectfully,

Vicki LaBarge

Sent from my iPhone

SUPPLEMENTAL MATERIAL
Provided to the Planning Commission
After Distribution of Packet

Date Distributed: 10/11/17 - @

From: maria mejia
Sent: Tuesday, October 10, 2017 10:54 PM
To: Eric Luchini
Subject: Yes on costco

I vote Yes on costco

Sent from my iPhone

Date Distributed: 10/11/17 - 

From: cindy swetavage
Sent: Wednesday, October 11, 2017 4:24 AM
To: Eric Luchini
Subject: Yes to Costco

I think Costco would be a great addition to Pleasanton, especially with the tax revenue it will generate. If it doesn't go here, it will go in another town and we will still be affected by the traffic.

Thank you

Cindy

Date Distributed: 10/11/17 - 

From: [REDACTED]
Sent: Wednesday, October 11, 2017 9:23 AM
To: Eric Luchini
Subject: Please Stand up for the voters of Pleasanton

Pleasanton needs a Costco.

**NO on
MM
We Want Costco!**

Date Distributed: 10/11/17 - 9

Attachments: CE JDEDZ Review 2017.pdf; Matt Sullivan DSIER Corn
Analysis.pdf

From: Matt Sullivan
Sent: Wednesday, October 11, 2017 9:24 AM
To: Kendall Granucci; Eric Luchini
Cc: Nelson Fialho; Dan Sodergren
Subject: 10/11/17 Planning Commission Comments

Dear Planning Commission and Staff,

The following are my comments on the Johnson Drive EDZ proposal on your agenda tonight:

1. Economic Impact Analysis. The City's complete failure to include an economic impact/urban decay analysis in the Draft SEIR rendered that document "basically and fundamentally inadequate" under CEQA. The City was therefore required to circulate its EIA - which appeared for the first time in Appendix A of the Final SEIR - for public review and comment per Sec. 15088.5 of the CEQA Guidelines. In addition, the EIA appears to be fundamentally flawed for the reasons laid out in the Civic Economics critique (which was submitted to the City Council in September and attached here for your convenience). In sum, the City's analysis of the JDEDZ economic and urban decay impacts is legally deficient under CEQA.
2. Air Quality/Health Risks from Toxic Air Contaminants. The Final SEIR's proposed mitigation measures 4.B-4, which requires a health risk assessment only if a new sensitive residential use is proposed within the EDZ area, is inadequate. The City should evaluate potential health risks to existing sensitive receptors in the Val Vista neighborhood now, both individually and cumulatively, from exposure to diesel particulates (DPM) not just from direct project operations, but from diesel vehicle traffic traveling to and from the project site. If there is an existing ambient cancer risk that exceeds applicable thresholds, then the project's cumulative health risk is likely to be significant and require mitigation. Without this analysis, the SEIR's analysis of health impacts is inadequate under CEQA.
3. Traffic. The Final SEIR's responses to my and others submitted comments on traffic impacts are inadequate and the SEIR fails to adequately disclose all potentially significant traffic impacts. I have attached my comments to the SEIR for your convenience, but I trust you have already read them in your review of the SEIR.
4. Funding for Infrastructure Improvements. The improper and potentially illegal diversion of TIF funds to pay for direct project mitigation conflicts with both General Plan polices and the rational of allowed use of the TIF as articulated in the 1998 TIF report. The project should pay for their direct transportation mitigations PLUS pay into the TIF for citywide circulation improvements. Costco is not being held to the same standard that all other developers in Pleasanton are. I have attached my analyses for these conclusions.
5. Project Approval Process. The so-called "streamlined" process for project approval is both undemocratic and inconsistent with past city practice. Large projects with significant impacts such as big box stores and hotels should be considered through a PUD process and subject to voter referendum, not staff level approvals without public notification or a hearing. The staff has implemented this strategy to undermine public opposition and the ability to overturn bad decisions by Council Council's as guaranteed to the public by the state constitution.

The Planning Commission is legally responsible to make recommendations consistent with the city's General Plan and CEQA. Since this project is clearly in violation of both your only recourse is to reject this proposal, send it back to City Staff, and start over.

Thank you

--

Matt Sullivan
Pleasanton Resident
cell [REDACTED]

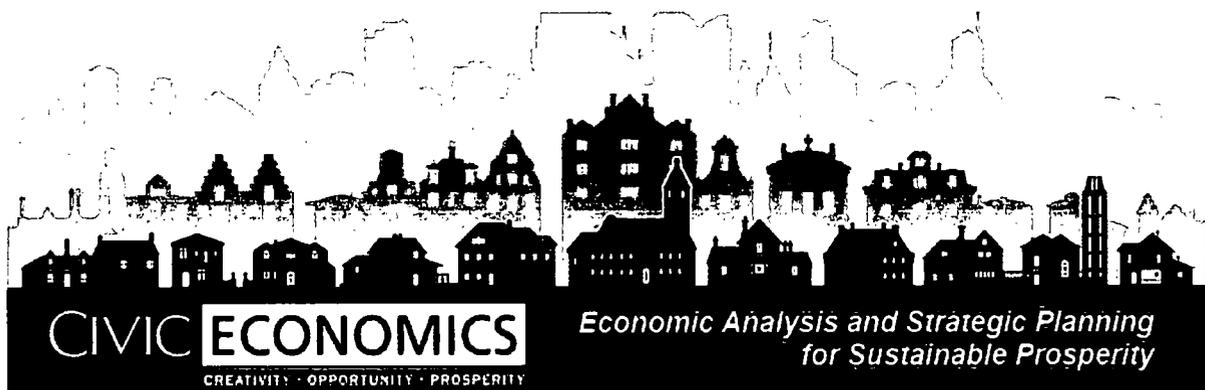
REVIEW OF THE JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE

PREPARED FOR PLEASANTON CITIZENS
FOR RESPONSIBLE GROWTH

SEPTEMBER 2017

Civic Economics
www.CivicEconomics.com

For more information, contact:
Dan Houston, Partner
dhouston@CivicEconomics.com
512.853.9044



INTRODUCTION

Civic Economics was retained by Pleasanton Citizens for Responsible Growth to provide an outside review of various aspects of the proposed Johnson Drive Economic Development Zone. Our work involved a review of existing documents prepared by or for the City of Pleasanton analyzing the likely economic activity and impact associated with the JDEDZ. Our work focused on the inclusion of a Costco store because (a) it is the primary driver of sales in the project, (b) its sales is the source of revenues to repay a portion of the infrastructure investment, and (c) its presence is the reason for most of that infrastructure need.

The JDEDZ is made up of several parcels of land along Johnson Drive, near the junction of Interstates 590 and 680. Vehicle access to the site is currently sized for its former uses, including an R&D facility for Clorox, but the key feature of the proposed development is a Costco warehouse store of 148,000 square feet located well into the site. Thus, the JDEDZ calls for infrastructure improvements needed make the site suitable for large format retail, costing an estimated \$21.5 million.

The city has proposed to fund these improvements through a mixed package including the following:

- Existing TIF funds of \$6.4 million would enhance onramps at Stoneridge Drive and I 680. According to the city's Capital Improvement Program budget for 2017/18, these funds will only be expended if the rest of the JDEDZ project comes together. Otherwise, it will be redirected to other projects the city has deemed necessary.
- Costco is said to be contributing \$6.8 million in cash. Some of that is in the form of donated right of way on Costco land to facilitate access to Costco. Another \$3.7 million of that is the amount Costco would be required to contribute to the TIF pool independent of the JDEDZ project.
- Finally, another \$6.8 million is proposed as a loan from Costco to the city, to be repaid over up to 25 years by rebating 40% of the sales tax revenue from the store until the principal and interest (at 1.5% per year) is repaid. Additional amounts may be added to this loan at no interest for right of way acquisition.

Costco operates in the warehouse club sector of general merchandise retailing. It has 506-and-counting US locations and more than 200 international locations. The chain has a heavy presence in California, with 122 stores including Danville (8.4 miles from the JDEDZ site) and Livermore (7.3 miles).

Civic Economics Analysis

Our key findings are as follows:

I: Costco Sales Forecasts

Both city consultants, Century Urban (conducted in 2015) and ALH (2016), overestimate likely Costco sales based on a mix of outdated data and optimistic forecasting.

II: Sales Tax Revenue Sharing Repayment

As a result, the city's anticipated ability to make Sales Tax Sharing payments is in doubt, and its expectation of surplus sales tax revenues is inflated.

III: Other Funding Sources for JDEDZ

Of the other public funding sources for JDEDZ development, as much as \$10.1 million in TIF funding is diverted from other pressing city transportation needs.

IV: Impact on Pleasanton Retail Market

ALH understates the impact of the JDEDZ on the Pleasanton retail market by (a) overestimating the size and growth of that retail market and (b) ignoring ongoing trends in the retail industry.

In sum, the current JDEDZ proposal asks the City of Pleasanton to invest substantial public funds in a costly, long-term, speculative venture in a rapidly changing industry, and to do so based on erroneously optimistic forecasts of costs and benefits. City Council and the citizens of Pleasanton must demand better information before making such a momentous investment and developing this key tract of land.

I: COSTCO SALES FORECASTS

Civic Economics first undertook to analyze the assumptions underlying the proposed payment schedule by revisiting forecasts of sales and sales tax revenues associated with the Costco. In this section, we do not evaluate whether sales and thus sales tax revenues are truly new to Pleasanton; that is discussed in Section III.

It appears the City of Pleasanton has twice contracted for outside assistance in studying the finances of the JDEDZ proposal:

Figure 1

JDEDZ COSTCO SALES ESTIMATES BY CITY CONSULTANTS (2015 Dollars, Millions)							
Consultant	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Century Urban	\$ 135.0	\$ 155.3	\$ 170.8	\$ 184.4	\$ 193.7	\$ 201.4	-
<i>Annual Growth</i>		15%	10%	8%	5%	4%	
ALH Econ.	\$ 170.4	\$ 175.5	\$ 180.8	\$ 186.2	\$ 191.8	\$ 197.5	\$ 203.5
<i>Annual Growth</i>		3%	3%	3%	3%	3%	3%

Sources:

For Century Urban: <http://www.cityofpleasantonca.gov/civica/filebank/blobdload.aspx?BlobID=30733>

For ALH Econ: <http://admin.cityofpleasantonca.gov/civica/filebank/blobdload.aspx?BlobID=27508>

Century Urban

Century Urban was retained to provide an analysis of the extent to which Costco (or the site developer Nearon) would be able to absorb the costs required to make the site ready for such intensive uses, which entailed creating a sales forecast.

Civic Economics has not been able to review the full Century Urban report, only its projections of Costco sales. The firm appears to have conducted its analysis when the most recent Costco annual report covered fiscal year 2014. Century Urban forecast that a Pleasanton store would generate first year sales 25% greater than the companywide average for stores opened in 2014. That produced an estimate of \$135 million in the first year of operation. For subsequent years, annual sales increases appear to have been based on the optimistic assumption that slowing comparable store sales trends for Costco were an aberration. However, those trends have instead solidified in the years since.

Analysis

Costco stores consistently show a similar curve in same-store sales: the first year is well below company averages, subsequent years enjoy sizeable gains, and growth in out years flattens. This curve makes sense in the warehouse club market as area residents gradually purchase memberships and change shopping habits in early years, with a pronounced flattening in later years. The tables in Figure 2, drawn from Costco's own reporting, show this curve clearly.

Century Urban based its starting point on Costco's own reporting of first year sales across the company in 2014, as shown in the chart above. While the general shape of that curve remains, what has changed since 2014 is magnitude. While yearly gains in excess of 10% were once

common through year five, the whole curve has flattened substantially in recent years. In the current environment, a reasonable analyst would forecast far lower annual gains for a Pleasanton Costco than did Century Urban.

ALH Urban & Regional Economics

ALH completed an economic impact study of the JDEDZ in March 2016, and it is this study that provides the inputs for the payment schedule above. ALH forecast that the Pleasanton Costco would generate sales equal to the corporate average sales per square foot for US stores, producing a first-year total of \$170.4 million. ALH further forecast that sales would increase at a pace of 3% per year for at least the full 25 years of the agreement.

Analysis

The ALH impact study presents sales forecasts for a Pleasanton Costco that shows little connection to the data provided by Costco itself in its annual reports, instead building the analysis on a square footage basis.

ALH first assumes a Pleasanton store would come out of the gate achieving companywide average sales, an assumption that is clearly not supported by Costco data. Then, ALH forecasts a never-ending string of 3% annual sales gains, again without reference to what Costco stores achieve elsewhere.

A methodology based on the allocation and performance of square footage is not unusual for clients seeking a broad sense of the possibilities, and in this case the analysis proves highly useful in our subsequent analyses. However, in the case of Costco and in the high stakes game of repaying municipal debt, a more rigorous look at the retailer in question and the data it makes public would reveal the danger of this approach.

A More Realistic Costco Sales Forecast

Costco Annual Reports provide a helpful set of “Financial Highlights” charts each year, including a table entitled “Average Sales Per Warehouse” depicting the average performance of company stores by year opened and year of operation. Civic Economics has collected several years of these figures and calculated annual sales change on the following page. From these tables (Figure 2), we can begin to develop a forecast for a Pleasanton Costco.

Costco stores currently achieves average sales per store of \$159 million; in the US, that figure rises to \$171 million. However, as discussed above, individual store sales exhibit a characteristically slow start before ramping up and ultimately leveling off for the long haul. Indeed, company wide sales in 2016 were flat relative to 2015.

Year 1 Sales

Century Urban chose what seemed a reasonable and data-supported approach to forecasting first year sales of a Pleasanton Costco, which we have adopted here. They began with the company average first year store sales (\$108 million in 2014) and added a generous adjustment of 25% on the assumption that the prosperous and expensive Bay Area market generates higher than normal sales, an assumption with which we agree. Using updated numbers from the 2016 Annual Report, we would estimate then that a Pleasanton Costco would achieve **first year**

Figure 2

COSTCO COMPARABLE STORE SALES BY YEAR OF OPERATION
\$ Millions

Average sales by year opened

Year Opened	2008	2009	2010	2011	2012	2013	2014	2015	2016
2016									\$ 87
2015								\$ 83	\$ 85
2014							\$ 108	\$ 109	\$ 115
2013						\$ 99	\$ 109	\$ 113	\$ 116
2012					\$ 105	\$ 115	\$ 124	\$ 128	\$ 130
2011				\$ 103	\$ 120	\$ 130	\$ 136	\$ 139	\$ 139
2010			\$ 94	\$ 106	\$ 122	\$ 135	\$ 144	\$ 148	\$ 151
2009		\$ 100	\$ 107	\$ 130	\$ 146	\$ 155	\$ 157	\$ 157	\$ 155
2008	\$ 86	\$ 83	\$ 99	\$ 116	\$ 128	\$ 136	\$ 144	\$ 146	\$ 147
2007	\$ 88	\$ 92	\$ 103	\$ 116	\$ 127	\$ 136	\$ 143		
2006	\$ 118	\$ 114	\$ 122	\$ 127	\$ 136	\$ 145	\$ 152		

Average sales by year of operation

Year Opened	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
2016	\$ 87								
2015	\$ 83	\$ 85							
2014	\$ 108	\$ 109	\$ 115						
2013	\$ 99	\$ 109	\$ 113	\$ 116					
2012	\$ 105	\$ 115	\$ 124	\$ 128	\$ 130				
2011	\$ 103	\$ 120	\$ 130	\$ 136	\$ 139	\$ 139			
2010	\$ 94	\$ 106	\$ 122	\$ 135	\$ 144	\$ 148	\$ 151		
2009	\$ 100	\$ 107	\$ 130	\$ 146	\$ 155	\$ 157	\$ 157	\$ 155	
2008	\$ 86	\$ 83	\$ 99	\$ 116	\$ 128	\$ 136	\$ 144	\$ 146	\$ 147
2007	\$ 76	\$ 88	\$ 92	\$ 103	\$ 116	\$ 127	\$ 136	\$ 143	
2006	\$ 92	\$ 101	\$ 118	\$ 114	\$ 122	\$ 127	\$ 136	\$ 145	\$ 152

Change by year of operation

Year Opened	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
2016								
2015	2.41%							
2014	0.93%	5.50%						
2013	10.10%	3.67%	2.65%					
2012	9.52%	7.83%	3.23%	1.56%				
2011	16.50%	8.33%	4.62%	2.21%	0.00%			
2010	12.77%	15.09%	10.66%	6.67%	2.78%	2.03%		
2009	7.00%	21.50%	12.31%	6.16%	1.29%	0.00%	-1.27%	
2008	-3.49%	19.28%	17.17%	10.34%	6.25%	5.88%	1.39%	0.68%
2007	15.79%	4.55%	11.96%	12.62%	9.48%	7.09%	5.15%	
2006	9.78%	16.83%	-3.39%	7.02%	4.10%	7.09%	6.62%	4.83%
3 year rolling average growth	4.48%	5.67%	3.50%	3.48%	1.36%	2.64%	1.75%	

Source: Costco Annual Reports, 2014, 2016

sales of \$108.75 million dollars (\$87 million company average plus a Bay Area adjustment of 25%).

Figure 3

Growth Rates

We next turn our attention to projecting sales growth in a Pleasanton Costco. As we have seen, Century Urban derived its forecast for growth from an optimistic reading of the then-current company data, anticipating a quick return to previously high growth rates, while ALH instead applied a seemingly arbitrary annual increase of 3% infinitely into the future.

We would propose that a more realistic forecast can be derived from the Costco data for comparable store sales over time, much as Century Urban did but using more current information from the 2016 Annual Report. In order to hew to the data we know to be reflective of reality, we have applied a three-year rolling average to growth rates through year eight of the store operation. That produces growth rates tightly in line with recent Costco performance as shown in Figure 2.

For the early years, we would note, we project growth rates higher than ALH. For our years, we have incorporated a growth rate of 0.5%, which is consistent with recent flattening Costco trends. Of course, predicting economic trends 25 years into the future is a highly speculative and dubious proposition. Where public debt is concerned, it might be seen as irresponsible to rely on optimistic forecasts out of line with current trends.

A MORE REALISTIC FORECAST
3 Year Rolling Average Growth

Year	Growth Rate	Total Sales (\$ Millions)
1		\$ 108.8
2	4.5%	\$ 113.6
3	5.7%	\$ 120.1
4	3.5%	\$ 124.3
5	3.5%	\$ 128.6
6	1.4%	\$ 130.3
7	2.6%	\$ 133.8
8	0.1%	\$ 134.4
9	0.5%	\$ 135.1
10	0.5%	\$ 135.8
11	0.5%	\$ 136.5
12	0.5%	\$ 137.1
13	0.5%	\$ 137.8
14	0.5%	\$ 138.5
15	0.5%	\$ 139.2
16	0.5%	\$ 139.9
17	0.5%	\$ 140.6
18	0.5%	\$ 141.3
19	0.5%	\$ 142.0
20	0.5%	\$ 142.7
21	0.5%	\$ 143.4
22	0.5%	\$ 144.2
23	0.5%	\$ 144.9
24	0.5%	\$ 145.6
25	0.5%	\$ 146.3

Figure 3 depicts the resulting forecast of Costco sales through 25 years.

The ALH Economic Impact Analysis report makes no mention of the rise of online retail and how it might impact Costco in particular. Rather, it assumes Costco will claim its share of the market and grow healthily into eternity. Costco's own data suggests that competitive factors, certainly including the internet, are impacting comparable store sales. And this is not the only portion of its study in which ALH ignored the impact of online retail; Section IV of this report addresses the impact of that oversight on forecasts of local market demand.

II: SALES TAX REVENUE SHARING REPAYMENT

The next step is to determine if these sales forecasts produce sufficient revenue to meet the obligations the City of Pleasanton is assuming in the JDEDZ Sales Tax Sharing Agreement with Costco.

The city and Costco have proposed to enter into a Sales Tax Sharing Agreement designed to repay Costco's \$6.8 million upfront investment in infrastructure necessary to the development of the store plus 1.5% annual interest with a maximum term of 25 years. The agreement proposes to return to Costco up to 40% of the sales tax revenue associated with taxable revenue at the store, and does not include other retail facilities within the JDEDZ.

Taxable Sales

Civic Economics has not had the time to conduct its own assessment of Costco to estimate the proportion of total sales that will be subject to the city's 1% sales tax. Fortunately, ALH Econ did conduct such an analysis. We have no reason to believe that the mix of customers or of goods sold has changed in significant ways since ALH conducted its study, and thus have here adopted those analyses for the limited purpose of projecting sales tax revenues.

Figure 4

A MORE REALISTIC FORECAST			
Sales and Taxable Sales			
Year	Growth Rate	Total Sales	Taxable Sales
1		\$ 108,750,000	\$ 58,725,000
2	4.48%	\$ 113,620,758	\$ 61,355,209
3	5.67%	\$ 120,059,419	\$ 64,832,086
4	3.50%	\$ 124,259,921	\$ 67,100,357
5	3.48%	\$ 128,582,116	\$ 69,434,343
6	1.36%	\$ 130,325,732	\$ 70,375,895
7	2.64%	\$ 133,761,718	\$ 72,231,328
8	0.50%	\$ 134,430,527	\$ 72,592,484
9	0.50%	\$ 135,102,679	\$ 72,955,447
10	0.50%	\$ 135,778,193	\$ 73,320,224
11	0.50%	\$ 136,457,084	\$ 73,686,825
12	0.50%	\$ 137,139,369	\$ 74,055,259
13	0.50%	\$ 137,825,066	\$ 74,425,536
14	0.50%	\$ 138,514,191	\$ 74,797,663
15	0.50%	\$ 139,206,762	\$ 75,171,652
16	0.50%	\$ 139,902,796	\$ 75,547,510
17	0.50%	\$ 140,602,310	\$ 75,925,247
18	0.50%	\$ 141,305,322	\$ 76,304,874
19	0.50%	\$ 142,011,848	\$ 76,686,398
20	0.50%	\$ 142,721,907	\$ 77,069,830
21	0.50%	\$ 143,435,517	\$ 77,455,179
22	0.50%	\$ 144,152,695	\$ 77,842,455
23	0.50%	\$ 144,873,458	\$ 78,231,667
24	0.50%	\$ 145,597,825	\$ 78,622,826
25	0.50%	\$ 146,325,814	\$ 79,015,940

First, Costco is different from ordinary retailers in that many of its business members purchase goods from Costco for resale, and are thus exempt from paying sales taxes on those purchases. ALH estimated that 12% of all revenue at the Pleasanton Costco would likely fall under an exemption from sales tax collection.

Secondly, Costco sells a broad selection of goods. Pharmacy and food are generally exempt from sales tax and gasoline is subject to its own tax regime. ALH estimated that 54.36% of all sales at a Pleasanton Costco would be subject to city sales tax.

From that figure and the realistic sales forecasts developed in Section I, Civic Economics is able to project sales tax revenues from the Costco (Figure 4).

Repayment Schedule

Finally, we move on to evaluating whether these revenues are sufficient to meet the repayment schedule outlined in the proposed Sales Tax Sharing Agreement with Costco.

The City of Pleasanton is currently working under the assumption that the following table represents a reasonable forecast for how this agreement will work:

Attachment 3: Costco Sales Tax Share Analysis

Amount **6,800,000**
Interest Rate **1.50%**
Maximum Term **25**

Fiscal Year	Year	Regular Payment Schedule			Total Projected Costco Sales Tax Revenues	Prepayment Schedule (Based on Projected Costco Sales Tax Revenues)			City Allocation - 60% of Sales Tax
		Principal	Interest	Total		Principal	Interest	Total - 40% of Sales Tax	
2019/20	1	\$226,191	\$102,000	\$328,191	\$926,709	\$268,684	\$102,000	\$370,684	\$556,025
2020/21	2	229,584	98,607	328,191	954,510	283,834	97,970	381,804	572,708
2021/22	3	233,028	95,163	328,191	983,146	299,546	93,712	393,258	589,887
2022/23	4	236,524	91,668	328,191	1,012,640	315,837	89,219	405,056	607,584
2023/24	5	240,071	88,120	328,191	1,043,019	332,726	84,481	417,208	625,811
2024/25	6	243,672	84,519	328,191	1,074,310	350,233	79,491	429,724	644,586
2025/26	7	247,328	80,864	328,191	1,106,539	368,379	74,237	442,616	663,923
2026/27	8	251,037	77,154	328,191	1,139,735	387,183	68,711	455,894	683,841
2027/28	9	254,803	73,388	328,191	1,173,927	406,667	62,904	469,571	704,356
2028/29	10	258,625	69,566	328,191	1,209,145	426,854	56,804	483,658	725,487
2029/30	11	262,504	65,687	328,191	1,245,419	447,767	50,401	498,168	747,252
2030/31	12	266,442	61,749	328,191	1,282,782	469,428	43,684	513,113	769,669
2031/32	13	270,439	57,753	328,191	1,321,265	491,863	36,643	528,506	792,759
2032/33	14	274,495	53,696	328,191	1,360,903	515,096	29,265	544,361	816,542
2033/34	15	278,613	49,579	328,191	1,401,731	539,154	21,539	560,692	841,038
2034/35	16	282,792	45,400	328,191	1,443,782	564,062	13,451	577,513	866,269
2035/36	17	287,034	41,158	328,191	1,487,096	332,686	4,990	337,677	1,149,419
2036/37	18	291,339	36,852	328,191	1,531,709				1,531,709
2037/38	19	295,709	32,482	328,191	1,577,660				1,577,660
2038/39	20	300,145	28,047	328,191	1,624,990				1,624,990
2039/40	21	304,647	23,544	328,191	1,673,740				1,673,740
2040/41	22	309,217	18,975	328,191	1,723,952				1,723,952
2041/42	23	313,855	14,336	328,191	1,775,670				1,775,670
2042/43	24	318,563	9,629	328,191	1,828,940				1,828,940
2043/44	25	323,341	4,850	328,191	1,883,809				1,883,809
Totals		\$6,800,000	\$1,404,787	\$8,204,787	\$33,787,128	\$6,800,000	\$1,009,502	\$7,809,502	\$25,977,626

Based on the rosy estimates provided by its consultants, built from a mix of outdated information and arbitrary assumptions, the City of Pleasanton is anticipating a relatively painless repayment of its obligations under the agreement. Indeed, the proposed schedule shows payments finishing up within 17 years, freeing the city to enjoy millions in new revenue from the Costco store.

However, a realistic analysis paints a more challenging picture:

Figure 5

SALES TAX SHARING AGREEMENT REPAYMENT SCHEDULE
Based Upon A More Realistic Forecast

TERMS OF AGREEMENT	Amount	\$	6,800,000	Repayment	City Share
Interest Rate			1.50% annually	40%	60%
Term			25 years		

Year	Starting Balance	40% Sharing	Principal	Interest	60% to City
1	\$ 6,800,000	\$ 234,900	\$ 132,900	\$ 102,000	\$ 352,350
2	\$ 6,667,100	\$ 245,421	\$ 145,414	\$ 100,007	\$ 368,131
3	\$ 6,521,686	\$ 259,328	\$ 161,503	\$ 97,825	\$ 388,993
4	\$ 6,360,183	\$ 268,401	\$ 172,999	\$ 95,403	\$ 402,602
5	\$ 6,187,184	\$ 277,737	\$ 184,930	\$ 92,808	\$ 416,606
6	\$ 6,002,254	\$ 281,504	\$ 191,470	\$ 90,034	\$ 422,255
7	\$ 5,810,785	\$ 288,925	\$ 201,764	\$ 87,162	\$ 433,388
8	\$ 5,609,021	\$ 290,370	\$ 206,235	\$ 84,135	\$ 435,555
9	\$ 5,402,786	\$ 291,822	\$ 210,780	\$ 81,042	\$ 437,733
10	\$ 5,192,006	\$ 293,281	\$ 215,401	\$ 77,880	\$ 439,921
11	\$ 4,976,606	\$ 294,747	\$ 220,098	\$ 74,649	\$ 442,121
12	\$ 4,756,507	\$ 296,221	\$ 224,873	\$ 71,348	\$ 444,332
13	\$ 4,531,634	\$ 297,702	\$ 229,728	\$ 67,975	\$ 446,553
14	\$ 4,301,906	\$ 299,191	\$ 234,662	\$ 64,529	\$ 448,786
15	\$ 4,067,244	\$ 300,687	\$ 239,678	\$ 61,009	\$ 451,030
16	\$ 3,827,566	\$ 302,190	\$ 244,777	\$ 57,413	\$ 453,285
17	\$ 3,582,790	\$ 303,701	\$ 249,959	\$ 53,742	\$ 455,551
18	\$ 3,332,831	\$ 305,219	\$ 255,227	\$ 49,992	\$ 457,829
19	\$ 3,077,604	\$ 306,746	\$ 260,582	\$ 46,164	\$ 460,118
20	\$ 2,817,022	\$ 308,279	\$ 266,024	\$ 42,255	\$ 462,419
21	\$ 2,550,998	\$ 309,821	\$ 271,556	\$ 38,265	\$ 464,731
22	\$ 2,279,442	\$ 311,370	\$ 277,178	\$ 34,192	\$ 467,055
23	\$ 2,002,264	\$ 312,927	\$ 282,893	\$ 30,034	\$ 469,390
24	\$ 1,719,371	\$ 314,491	\$ 288,701	\$ 25,791	\$ 471,737
25	\$ 1,430,671	\$ 316,064	\$ 294,604	\$ 21,460	\$ 474,096
Total	\$ 1,136,067	\$ 7,311,045	\$ 5,663,933	\$ 1,647,112	\$ 10,966,567

unpaid balance

Rather than finishing repayment after 17 years, we estimate that the city could be left with an unreimbursed balance of \$1.1 million after 25 years. And, rather than having retained a total of \$25 million in Costco sales taxes over 25 years, the city will have retained just \$11 million, an average of less than \$450,000 per year over the life of the agreement. The agreement we have seen calls for supplemental funds to be applied to this debt as additional projects are initiated in the JDEDZ, but we have seen no accounting or estimate of their value.

Moreover, that doesn't begin to address the real shortfall here, as Section IV reviews the broader impact on the Pleasanton retail market and thus on real sales tax gains due to the JDEDZ.

Staff Statement Regarding NET Sales Tax Revenues

Worth noting here is a meaningful statement contained on page 12 of the City Council Agenda Report for August 29, in which a footnotes states:

ALH ECON's sales tax estimates take into account leakage from other stores in Pleasanton. In other words, the \$926,709 in estimated Sales Tax revenues in the first year of the Costco store being operational on Johnson Dive (sic) would be new revenues to the city.

In fact, the ALH Economic Impact Study forecasts a total of \$92.65 million in taxable sales at Costco (yielding the sales tax mentioned above) without regard to market impacts. Indeed, this Agenda Report includes a copy of ALH's Exhibit 57, which estimates net sales taxes from Phase I of the EDZ at \$841,369.

Regardless, the proposed tax sharing agreement is based upon all taxable sales at Costco without reference to the findings of any market study estimating changes in the local retail market. And, as Civic Economics Section IV discussion demonstrates, ALH has overstated the ability of the Pleasanton retail market to absorb Costco sales without impacting other businesses.

III: OTHER PROJECT FINANCING

In addition to the Sales Tax Sharing Agreement analyzed above, the JDEDZ relies on additional funding sources. Two of those are noteworthy here as they impact the availability of capital improvement funds for transportation projects elsewhere in the city, the Traffic Impact Fee.

Since 1998, the City of Pleasanton has maintained a TIF fund for transportation needs throughout the city. The guiding document for the program was updated in 2010. The proposed funding for the Costco component of the JDEDZ calls on TIF for two distinct pools of money:

1. \$6.4 million from existing TIF funds for Stoneridge Drive and I-680 onramp improvements
2. \$3.7 million from Costco's project-specific TIF payment

We will briefly discuss each of these sources separately.

Stoneridge Drive and I-680 Onramp Improvements: \$6.4 million

The primary access point to the Costco will be on Johnson Drive north from Stoneridge Drive. The project calls for an expansion of a curved portion of Johnson Drive to seven lanes to accommodate customers and suppliers to the Costco site. The alternative for Costco access is a much longer stretch of Johnson Drive to the north and east, using Owens Drive and Clorox Way to access Hopyard Road, a major thoroughfare. To facilitate anticipated Costco traffic from the south, the project calls for widening Stoneridge to feed both the new Johnson Drive lanes and a new second onramp lane to northbound I-680.

The city proposes to fund this improvement (both the Stoneridge widening and the second onramp lane it will feed) using existing TIF funds, generated by other developments through the years. However, the appropriateness of this allocation of TIF money is problematic.

First, the current **Traffic Impact Fee and Nexus Report** (2010, TJKM Transportation Consultants), does not appear to include the Stoneridge onramp in the TIF spending plan. It includes a widening of Stoneridge over I-680 (estimated at \$4.65 million in 2010) and a modest reworking of the Stoneridge-Johnson intersection (\$0.4 million).

Interestingly, the 1998 iteration of the TIF "Development Fee Project List" did include an estimated \$8 million expenditure for I-680 onramps from Stoneridge, but this line item was apparently discarded in the 2010 update.

Second, the current **Capital Improvement Program** for the city (2017/18 – 2020/21) does include a \$6.4 million item specifically for the JDEDZ described as "Stoneridge Drive and I-680 Northbound Widening." That project is included in a list and discussion of "City Council CIP Priority Projects." The text there is clear in stating that, "in the event the JDEDZ is not approved the reserve would return to fund balance to be reprogrammed for other General Plan eligible projects." In other words, should the Costco and JDEDZ not go forward, there would be no need for the onramp expansion through at least FY 2020/21.

Civic Economics is in no position to opine on the legality of this proposed expenditure and recommends that interested citizens review the matter with local counsel. However, legality aside, this \$6.4 million would be made available for other needed transportation projects

throughout the city if the Costco siting didn't require that expenditure to make the JDEDZ site feasible.

Costco TIF Charges: \$3.7 million

The second pool of TIF related funds dedicated to the Costco project comes from TIF fees levied on the Costco project itself. Fees on specific projects are governed by legislation and extensive case law; in the present case, Civic Economics accepts the city's assertion that \$3.7 million is an appropriate TIF for the Costco project.

According to the city's original technical report on the fee, the purpose of local TIF funds in California is "to assure that all future development contributes its fair share towards the cost of traffic improvements necessary for build-out of the General Plan ... [T]he proposed traffic fee will require that each new development pay its fair share through fees needed for City-wide traffic improvements will still requiring that individual development projects construct those improvements which are directly related to their project."

In the present case, Costco will be assessed a TIF in the amount of \$3.7 million, but instead of going into the TIF fund to mitigate Costco's share of traffic growth off-site, that money will be spent closer to the site, arguably including improvements that are directly related to the project.

Civic Economics is in no position to opine on the legality of this proposed expenditure and recommends that interested citizens review the matter with local counsel. However, legality aside, this \$3.7 million might well be available for other needed transportation projects throughout the city if project-related costs were identified more conservatively or if the Costco were constructed at a site with fewer infrastructure needs.

Combined TIF Diversion: \$10.1 million

Combined, these two expenditures of TIF funds, \$6.4 million from the existing fund paid into by all the other developments that preceded the Costco and \$3.7 million from the Costco project itself, combine to divert millions of dollars from previously transportation improvement projects throughout the City of Pleasanton. Instead, this \$10.1 million will be expended in making the JDEDZ site a viable one for the Costco.

IV: IMPACT ON PLEASANTON RETAIL MARKET

This final review seeks to place the proposed JDEDZ retail developments in the context of the Pleasanton retail market. We focus, as above, on the Costco store, as it is the driver of most of retail sales at the site and of the need to invest substantially in transportation infrastructure to serve the site.

The city previously commissioned ALH Urban & Regional Economics prepare an Economic Impact Study of the JDEDZ, which included a market study component. Given the tight time frame of our work, Civic Economics has limited this phase to a review of the ALH study to ascertain whether its methodology and findings are sound with respect to this specific project.

ALH forecasts that Costco and other JDEDZ retailers will not substantially impact other Pleasanton retailers, concluding that the development is almost entirely additive to the local market and thus to municipal sales tax collections. This conclusion leads to the finding that the proposal will not contribute to urban decay, as defined in California law. However, two aspects of that analysis strike us as problematic: (1) It overestimates household consumer demand today and into the future by including irrelevant segments in the analysis and (2) it ignores current retail trends.

Consumer Demand Estimates are Overstated

ALH systematically overestimates household demand for relevant retail goods.

ALH builds its local market analysis on the assumption that Pleasanton residents spend 25% of household income on retail goods, a figure derived from three sources: the Census Bureau's Consumer Expenditure Survey for spending patterns, the California Board of Equalization for sales tax information, and the Association of Bay Area Governments for population forecasts.

The analysis is straightforward and reasonable on the surface. The goal was to estimate the current demand for retail goods impacted by the JDEDZ project, using current household income and retail spending, then carry that estimate into the future to model the local retail economy through the life of the JDEDZ project.

The ALH analysis, though, includes two categories of spending that we contend should have been excluded from the dataset: motor vehicle sales and eating and drinking establishments. Removing those categories reduces the predicted share of household income spent on relevant retail sectors from ALH's 25% to 19.1%. That, in turn, reduces ALH's projected population-driven increase in local retail demand through 2028 from \$222.8 million to \$172.2 million (Figure 6).

As a result of this overstatement of current and future market demand, the ALH report thus overstates the ability of the Pleasanton retail market to absorb sales from Costco and other retailers in the JDEDZ without harmful impact. Moreover, as discussed below, holding even this lower share of income static ignores recent retail trends, compounding the overstatement through the years.

Figure 6

HOUSEHOLD AND MARKET DEMAND CALCULATIONS

Civic Economics removes vehicle purchases, restaurants and bars from dataset.

Per Household Demand	ALH	Civic Economics
Motor Vehicle and Parts Dealers	\$5,048	\$471
Home Furnishings and Appliance Stores	\$1,887	\$1,930
Building Materials and Garden Equipment Stores	\$2,204	\$2,254
Food and Beverage Stores	\$6,260	\$6,403
Gasoline Stations	\$4,222	\$4,318
Clothing and Clothing Accessories Stores	\$2,593	\$2,652
General Merchandise Stores	\$5,092	\$5,208
Food Services and Drinking Places	\$4,662	\$0
Other Retail Group	\$4,590	\$4,695
Total	\$36,558	\$27,930
HH Demand as a Share of Income	25%	19.1%
Increase in Households, 2015-2028	6095	

Market Area Demand Growth, 2015-2028	ALH	Civic Economics
<i>Leaving household demand constant as a share of income</i>		
Motor Vehicle and Parts Dealers	\$30,770,182	\$2,868,045
Home Furnishings and Appliance Stores	\$11,500,843	\$11,763,232
Building Materials and Garden Equipment Stores	\$13,432,983	\$13,739,355
Food and Beverage Stores	\$38,152,384	\$39,023,758
Gasoline Stations	\$25,734,700	\$26,319,218
Clothing and Clothing Accessories Stores	\$15,803,657	\$16,164,314
General Merchandise Stores	\$31,036,468	\$31,742,648
Food Services and Drinking Places	\$28,412,138	\$0
Other Retail Group	\$27,976,200	\$28,613,266
Total	\$222,819,555	\$170,233,835

Sources: ALH Economic Impact Analysis, Bureau of Economic Analysis

Motor vehicle sales are the most problematic inclusion here. A more typical approach to analyzing retail activity is to separate motor vehicle parts stores, which function like traditional retailers and may be included in the JDEDZ, from those selling vehicles, which do not and will not. In this case, the inclusion of vehicle sales in the analysis also serves to dilute the apparent impact of the JDEDZ retailers. The ALH study counted \$5,048 in annual vehicle purchase expenditures as retail; the auto parts retail segment constitutes just \$471 of that amount.

Eating and Drinking Establishments are also included in the retail segment for estimating household consumer demand. Costco stores, of course, include limited on-site food services

(estimated by ALH at just \$681,000 per year). Including the category in a study of retail again serves to dilute the apparent impact of Costco.

In future years, the JDEDZ is likely to include any number of eating and drinking establishments. This category, however, is generally analyzed separately from conventional retail with very good reason: food and beverage service is a service, not a retail sector, and operates in a market very different from storefront retail.

As depicted in the Figure *Figure 7*

7, restaurants have far outperformed retailers in recent years, while brick and mortar retailers have lost ground as a share of overall retail and even relative to population growth. As a result, mixing restaurants and bars into a retail dataset masks negative trends impacting retail stores.

Because the food and beverage sector is growing, it is of little concern that the JDEDZ might introduce additional restaurant

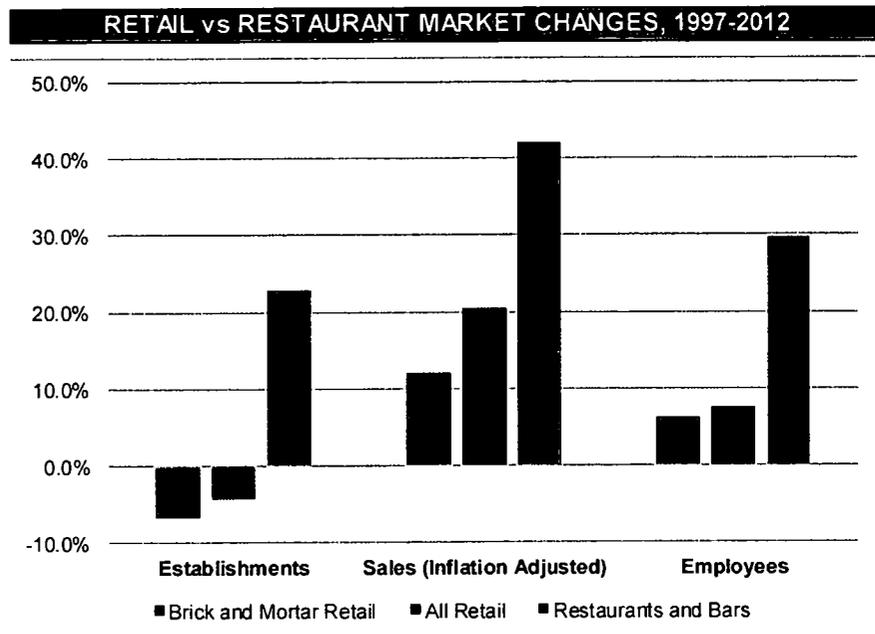
locations. And, as with smaller retail locations, restaurants could be developed in the EDZ without the expenditure of millions in infrastructure improvements.

Future Demand Projections Ignore Current Retail Trends

Having established an inflated retail demand estimate of 25% of household income, ALH carries that forward among all new households projected in the market area. Beyond the overstatement of household retail demand demonstrated above, Civic Economics questions the projection that any rate of household retail demand will be flat into the future, at least in regard to storefront retail demand.

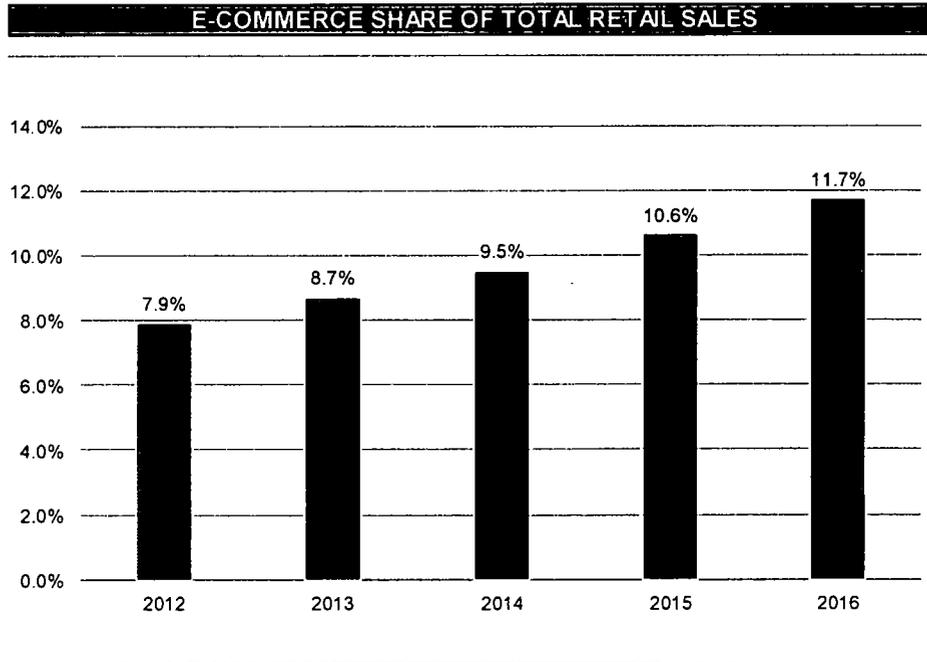
The ALH Economic Impact Study makes no reference to the rise of online retailing and its impact on the market for bricks and mortar retailers, ignoring the most discussed and studied aspect of retail economics of the last few years.

Online retail is made up of non-store retailers like Amazon, as well as the online efforts of traditional retailers like Macy's and Home Depot. These sales generate little demand for local retail square footage, which is what the ALH study seeks to forecast. As Figure 8 reveals, forecasts of the market for local storefront retail must account for the ever-increasing diversion of sales from shops to distribution centers.



Source: US Census Bureau, Economic Census

Figure 8



Source: Internet Retailer analysis of U.S. Commerce Department figures that factors out the sales of goods not normally purchased online such as automobiles, fuel, and sales in restaurants and bars.

This trend shows no sign of abating, and it requires a rethinking of the retail square footage that any given amount of demand will support. While new stores and shopping centers will certainly thrive in the coming years, the quantity and location of those spaces is in flux. Retailers and shopping center developers are acutely aware of this reality, and Pleasanton should be, as well.

Having established that household demand should be based on 19.1% of income rather than 25%, and that holding constant even that lower share demand share is unrealistic, it is clear that a thorough analysis of market demand in Pleasanton might change the finding of the ALH report that Costco and the rest of the JDEDZ retail mix will have negligible impact on the Pleasanton market.

It is worth noting that California does require merchants to collect and remit the municipal share of sales tax for reported online sales to Pleasanton residents, but that still misses a substantial (if currently unknowable) share of sales (made by small merchants either on their own sites or through a marketplace such as Amazon or EBay).

CONCLUSION

Civic Economics was asked to conduct an expedited review of materials produced by and for the City of Pleasanton analyzing the impacts of the proposed JDEDZ. Our work focused on the inclusion of a Costco store because (a) it is the primary driver of sales in the project, (b) its sales is the source of revenues to repay a portion of the infrastructure investment, and (c) its presence is the reason for most of that infrastructure need.

We focused our review on three documents: an economic impact analysis prepared by ALH, a staff memo entitled City Council Agenda Report dated August 29 and prepared by the Community Development Planning Division, and a PDF of a PowerPoint presentation from that same meeting. We also referred to Costco annual reports from 2014 and 2016 and data from the Census Bureau and the Bureau of Economic Analysis.

Much to our surprise, we identified a number of problematic analyses in these reports, which together lead to a substantial overstatement of the benefits and understatement of the costs of the JDEDZ project.

I: Costco Sales Forecasts

Both city consultants, Century Urban and ALH, overestimate likely Costco sales based on a mix of outdated data and optimistic forecasting.

II: Sales Tax Revenue Sharing Repayment

As a result, the city's anticipated ability to make planned Sales Tax Sharing payments is in doubt, and its expectation of surplus sales tax revenues is inflated.

III: Other Funding Sources for JDEDZ

Of the other public funding sources for JDEDZ development, at least \$6.4 million and as much as \$10.1 million in TIF funding is diverted from other city transportation needs.

IV: Impact on Pleasanton Retail Market

ALH understates the impact of the JDEDZ on the Pleasanton retail market by (a) overestimating the size and growth of that retail market and (b) ignoring real trends in the retail industry.

In short, the current JDEDZ proposal asks the City of Pleasanton to invest substantial public funds in a costly, long-term, speculative venture in a rapidly changing industry, and to do so based on erroneously optimistic forecasts of costs and benefits. City Council and the citizens of Pleasanton must demand better information before making such a momentous investment.

ABOUT CIVIC ECONOMICS



Civic Economics, established by Matt Cunningham and Dan Houston in 2002, provides a data-driven approach to business and community initiatives with a wide range of goals. We are noted for the innovative application of industry-standard tools and the development of proprietary methodologies that provide credible guidance and evidence to our clients, often addressing novel situations.

Our practice is thematically and geographically broad, but we have developed substantial depth in economic impact analysis, as well as the economics of local and regional retail, land use planning, and gaming.

From offices in Chicago and Tulsa, Civic Economics serves all of North America, from Florida to Alaska and California to Maine, with occasional forays across the border and overseas. We have served some of the wealthiest enclaves in America and some of the poorest, and our clients run from small nonprofits to large corporations and state governments.

Civic Economics provides our clients with credible analyses of current issues, expressed in a clear and concise fashion, to provide relevant information to the public and policymakers. For further information about the firm, its people, and its practice, we invite you to visit CivicEconomics.com.

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**Draft Supplemental Environmental Impact Report
P14-0852 and PUD-105, Johnson Drive Economic Development Zone**

Comments submitted by:

Matt Sullivan

Resident of Pleasanton

11/21/15

1. Mitigation Measure 4.D-1c: Will the project applicant(s) fund these improvements in full at the time of project construction? If the city plans on funding these improvements, provide a pro-forma analysis of the costs and benefits to Pleasanton taxpayers for funding the incentives.
2. Mitigation Measure 4.D-1d: Will the project applicant(s) fund these improvements in full at the time of project construction? The removal of wetlands in the Alamo Canal may result in significant delays to obtain necessary permits. Since this mitigation will be under the jurisdiction of Caltrans, how will the city manage this process to ensure timely completion? Will this mitigation measure be constructed prior to construction of the EDZ? If the city plans on funding these improvements, provide a pro-forma analysis of the costs and benefits to Pleasanton taxpayers for funding the incentives.
3. What is the future impact of the proposed WB I-580 to SB I-680 flyover to Mitigation Measure 4.D-1d? Will the mitigations preclude or make more costly the flyover based on the newly constructed bridges?
4. Mitigation Measure 4.D-2: What is the status and timing of these regional improvements? If the regional improvements are not made in the near future after the project is constructed, the impacts will not be mitigated and the community will suffer the traffic impacts until there are.
5. The Pleasanton General Plan Vision Statement stipulates that "Pleasanton is committed to sustainable community principles and will meet the needs of the current generation without compromising the ability of future generations to meet their needs." The General Plan goes on to say "A sustainable city draws from the environment only those resources that are necessary and that can be used or recycled perpetually, or returned to the environment in a form that nature can use to generate more resources. Sustainability includes long-term fiscal health for the City as well as conserving natural resources, reducing energy usage, and emitting fewer air pollutants." The General Plan contains many Goals and Programs related to sustainability, including a sampling below:

Land Use Element, Goal 1: Create a land use pattern that promotes resource sustainability and environmental quality.

Circulation Element, Policy 15: Reduce the total number of average daily traffic trips throughout the city.

Air Quality Element, Goal 2: Promote sustainable development and planning to minimize additional air emissions.

Air Quality Element, Program 2.1: Implement programs from the Land Use Element to provide mixed-use developments, locate high-density uses near transit facilities, and provide neighborhood-serving retail uses convenient to residential neighborhoods. These programs would reduce vehicle trips and vehicle miles traveled, thus reducing air-pollutant emissions.

The DSEIR Impact 4.B-3 indicates that the operation of new uses within the proposed EDZ area would conflict, even after mitigation, with or obstruct implementation of the Bay Area 2010 Clean Air Plan, and this impact would be significant and unavoidable.

Given the traffic, air quality, and land use impacts of this project identified in the DSEIR, the EDZ clearly does not meet the standards of Sustainable Development as articulated in the General Plan. Please explain why the DSEIR did not find that the project does not comply with these very important policies to promote Sustainable Development in the City of Pleasanton.

6. Numerous studies have demonstrated the negative economic impacts that big box stores have on local economies and local communities, especially when tax or other incentives are provided to developers and big box store operators. One study that demonstrates this can be found here: <https://ilsr.org/dark-store-tax-tactic-makes-big-box-stores-terrible-deal-for-cities/>. These impacts can cause existing, locally owned retail outlets to go out of business due to loss of sales resulting in damage and “urban decay” to the community from closing stores and vacant or underutilized properties. Business in downtown Pleasanton are especially vulnerable to this effect.

The Fiscal Impact Analysis included in the DSEIR is inadequate. This analysis relies of “rule of thumb” and general factors from like uses to determine revenue that would be provided from the project to the city. A full, comprehensive economic and fiscal analysis, prepared by an independent qualified firm, should be prepared for this project and include, at a minimum, evaluation of the following criteria:

- A complete market forecast of the proposed uses of the EDZ based on project-specific criteria without reliance on “rule of thumb” and general factors
- Full pro-forma analysis of the Big Box, hotel, and other retail/office uses comparing revenue, costs, and profit realized from the project. This should include a pro-forma analysis of developer costs and profit
- A full evaluation of project infrastructure costs, including freeway improvements and how those costs affect the profitability of the proposed project uses if funded by the developer or individual uses.
- A fiscal evaluation of revenue benefits for the city based on the above analysis
- A full evaluation of ay incentives provided by the city for this project including funding of infrastructure improvements or sales and property tax reductions and discounts. This would include an analysis of how these incentives effect city gained revenue from this project over a 30-year span

- The effect that the project would have on sales loss to existing, similar businesses in Pleasanton. This should include downtown and other areas of Pleasanton
 - A forecast of existing business closures and the resulting “urban decay” caused by the EDZ
 - Losses of wages and benefits to workers at existing businesses that are displaced by the new businesses in the EDZ
 - An analysis of profits leaving the community from the new corporate businesses as compared to existing businesses
7. The analysis of the project's compliance with the Pleasanton Climate Action Plan (CAP) is flawed and inadequate. The DSEIR anticipates future, yet to be implemented state policies from AB=32 to allow Pleasanton to meet its GHG emissions reductions targets as outlined in the CAP. Relying on the potential future reductions is speculative at best and cannot be accurately quantified. The DSEIR should evaluate the forecasted GHG emissions from this project against a baseline of the existing zoning as well as the DSEIR project alternatives. This would provide an accurate impact of the project related to achieving the emissions reductions targets of the CAP.

**Johnson Drive EDZ
Use of TIF for Traffic Impact Mitigation
Prepared by Matt Sullivan
9/8/17**

The city is proposing to use the TIF fund to mitigate the “direct” roadway improvements needed for the JDEZ project. They are proposing to utilize \$6.4 million from the existing fund for the new I-680 NB onramp lane from Stoneridge Drive, and a \$3.7 million TIF payment from Costco to offset Johnson Drive direct roadway improvements.

Analysis of this proposal follows.

1998 TIF Study (attached):

From page 1:

“Recognizing these changes, the proposed traffic fee will require that each new development pay its fair share through *fees for needed City-wide traffic improvements*, while still requiring that individual development projects *construct those improvements which are directly related to their project.*”

From page 3:

“Those street improvements which are directly adjacent or related to serving a specific new development are designated as “*Direct Development*”, and are not included in the proposed fee. These *costs are assigned directly to the specific development responsible for its construction.*”

The current city proposal is to use the *fees* to offset *direct* improvements. Per this statement the development should pay both fees and fund the direct improvements.

From the 2006 General Plan Circulation Element, Policy 1:

Program 1.1: Require new developments to pay for their fair share of planned roadway improvement costs.

Program 1.2: Update the Traffic Development Fee study consistent with improvements needed to implement the General Plan circulation system.

This again indicates that the development should pay their share of direct improvement costs, and contribute to a fee for city-wide circulation improvements.

2010 TIF Nexus Study (attached)

From the Introduction:

“This report provides an updated Traffic Impact Fee (TIF) study for the City of Pleasanton. It provides the list of proposed projects and the technical basis for establishing the required nexus between anticipated future development in the City of Pleasanton and the need for local transportation facilities. The specific tasks performed in preparing this analysis and their results are summarized below. The City’s TIF program was established in 1998. The TIF program is updated periodically to respond to changing conditions and to assure that traffic impact fees support the transportation improvements necessary to accommodate new development.”

From Purpose of Study:

“The purpose of this study is to update the City’s current TIF and to demonstrate a reasonable relationship between the calculated fee amount and the development land uses on which the fees are imposed, as required by AB 1600. The bill requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval for a development project:

- Identify the purpose of the fee
- *Identify the uses to which the fee will be applied*
- Establish a reasonable relationship between the fee’s use and the type of development on which the fee is assessed
- Establish a relationship between the need for the facility and the type of development project on which the fee is assessed
- Establish a reasonable relationship between the fee amount and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.”

TIF funds can only be applied to projects listed in the nexus study. The Stoneridge NB I-680 lane is not listed in the 2010 study as an eligible project. It was included in the 1998 study, but a new nexus study was performed for 2010 which indicates it no longer qualifies. There is no mechanism for “rolling over” previously identified projects, except for Existing Deficiencies which are listed on page 3.

Conclusion

The city is proposing to use TIF funds that are intended for *needed City-wide traffic improvements* to fund *improvements which are directly related to their project*. This is an illegitimate use of TIF funds essentially diverting public money from needed city-wide projects to mitigate direct project impacts.

Italics mine.

Date Distributed: 10/11/17 - 

From: DAVID FRANKENBERGER
Sent: Wednesday, October 11, 2017 12:39 PM
To: Eric Luchini
Subject: Costco in Pleasanton

Hi All,

As a Costco member for as long as they have been in business I am very much in favor of having a store in P-town. Love the idea of having the revenues coming here and of course it would help us senior citizens to avoid the freeway driving.

I have been a resident here since 1981.

Regards,

Dave Frankenberger

Date Distributed: 10/11/17 - 

From: [REDACTED]
Sent: Wednesday, October 11, 2017 2:53 PM
To: Steve Otto; Jenny Soo; Kendall Granucci
Subject: Johnson Drive comment...

Dear Planning Commission and Staff,

Thank You for allowing comment...

Perhaps, this may only be comment, and would never pass the test...but I must believe alternative information for a sustainable future is worthwhile. A little background...when I was 11-12 years old, I watched I-680 being constructed almost everyday. My entry point was just West of the new/semi-new Safeway. The highway was being poured at least a foot thick, more if my memory is good. A few of my friends were the kids who opened the celebration... racing from Bernal Ave...South, to almost Sunol Blvd. We were the first traffic, causing "minor" congestion...when there were no cars. Fast forward to October 11, 2017 and 135,000 + cars and trucks daily. Road maintenance sucks on I-680. You understand why I am writing...I know.

21st century technology is required for Johnson Drive(JDEDZ) and Pleasanton's future sustainability. So...for the lack of a better word, I will, perhaps, share my own thoughts, Transitional Congestion. Johnson Drive is a pilot/experiment/trial...to support quality of life services, not just someone's retirement. Sustainability,flexibility and any other form you could recommend would be a worthwhile support mechanism. I know your minds,creativeness and professional senses are up to the task. Although, I could go on forever...with many points to ensure a Transitional Congestion support mechanism. The #1 area that continues to devour my thoughts, is, In-Ground Parking Space Sensing Technology with application to support residents,business,regional and traveling pass-by. Although, this is one of many areas of concern I have...along with safety of all our citizens of Pleasanton...this would be a start. People require choice...!!! The details are actually easy. The environmental component being reviewed tonight, IMO, without the ability to immediately impact this project, if necessary, to create flexibility, existing infrastructure mitigation measures are not current and lack depth...creating a self interest style of development.

Anyhow, "Thank You" for your time.

Respectfully,
Pete Miller

Date Distributed: 10/11/17 - 

From: Barbara Karo
Sent: Wednesday, October 11, 2017 4:56 PM
To: Eric Luchini
Subject: YES TO COSTCO

I can't make the meeting tonight but I want my voice heard! I voted for Costco last November and I STILL want Costco in Pleasanton!!!

Barbara Karo
Sent from my iPhone

RESOLUTION NO. 17-____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON
NOTICING ITS INTENT TO ADOPT A
JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE TRANSPORTATION FEE**

WHEREAS, the City of Pleasanton ("City") has identified the approximately forty acres comprised of the twelve parcels located at 7106-7315 Johnson Drive and 7035 and 7080 Commerce Circle as the Johnson Drive Economic Development Zone ("JDEDZ"); and

WHEREAS, to implement the JDEDZ, the City has applied for applications for: (1) approval of a General Plan Amendment to change the land use designation of the project site from Business Park (Industrial/Commercial and Office) and General and Limited Industrial to Retail/Highway/ Service Commercial; Business and Professional Offices; and (2) approval of a Planned Unit Development (PUD) Rezoning to rezone the project site from Planned Unit Development-General and Light Industrial (PUD-G&LI) District, Planned Unit Development Industrial/Commercial-Office (PUD I/C O) District, and General Industrial (I-G-40,000) District to PUD-C District; and

WHEREAS, in order to mitigate the traffic impacts of new development in the JDEDZ, the City intends on adopting a JDEDZ Transportation Fee, which would be imposed on new development in the JDEDZ.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

City staff is directed to present to the City Council for its consideration a JDEDZ Transportation Fee.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regulation meeting held on November 7, 2017.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on 7th day of November, 2017 by the following vote:

Ayes:
Noes:
Absent:
Abstain:

APPROVED AS TO FORM:

Karen Diaz, City Clerk

Dan Sodergren, City Attorney

Exhibit A
(Placeholder)

