

**CITY COUNCIL AGENDA REPORT**

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August 20, 2013  
Community Development  
Planning Division

**TITLE: PUD-97, PONDEROSA HOMES – CONSIDER INTRODUCTION OF AN ORDINANCE APPROVING: (1) THE REZONING OF AN APPROXIMATELY 2.1-ACRE SITE AT 4202 STANLEY BLVD FROM C-F (FREEWAY INTERCHANGE COMMERCIAL) DISTRICT TO PUD-MDR/OS-PH&S/WO (PLANNED UNIT DEVELOPMENT – MEDIUM DENSITY RESIDENTIAL/OPEN SPACE – PUBLIC HEALTH AND SAFETY/WILDLAND OVERLAY) DISTRICT; AND (2) A PUD DEVELOPMENT PLAN TO RETAIN OR DEMOLISH THE EXISTING RESIDENCE, TO REMOVE THE 32 MOBILE HOME SPACES AND RELATED ACCESSORY STRUCTURES, AND TO CONSTRUCT 12 TO 14 DETACHED SINGLE-FAMILY HOMES**

**SUMMARY**

Ponderosa Homes proposes to construct 12 homes and retain the existing home on the project site. The Planning Commission was not satisfied with the applicant's proposal to separate the responsibility for future improvement of the existing house and its designated lot from the 12-lot subdivision and voted 4-0 against approval of the project. The applicant is now requesting Council approval of their project. Staff is recommending the City Council consider and take action on one of the following two options: 1) approve the project as proposed but require the applicant to paint the existing home, put on a new roof, landscape the yard, and pursue General Plan and Specific Plan amendments to allow limited, commercial personal services and/or office use of the existing house; or 2) demolish the existing home and construct 14 detached single-family homes.

**PLANNING COMMISSION ACTION**

Recommend denial of the PUD rezoning and development plan application.

**RECOMMENDATION**

1. Find that there are no new or changed circumstances or information which require additional CEQA review of the project;
2. Find that the proposed PUD rezoning and development plan are consistent with the General Plan and Downtown Specific Plan;
3. Make the PUD findings for the proposed development plan as stated in the July 10, 2013, Planning Commission staff report (Attachment 6); and
4. Introduce the draft ordinance approving PUD-97, PUD rezoning of an approximately 2.1-acre site at 4202 Stanley Blvd from C-F (Freeway Interchange

Commercial) District to PUD-MDR/OS-PH&SWO (Planned Unit Development – Medium Density Residential/Open Space – Public Health and Safety/Wildland Overlay) District; and (2) a PUD Development Plan to retain the existing residence, to remove the 32 mobile home spaces and related accessory structures, and to construct 12 detached single-family homes, subject to the Conditions of Approval in Exhibit A, Attachment 1.

## **FINANCIAL STATEMENT**

The proposed development would have a negligible financial impact on the City. Increases in property and sales taxes would be used to provide services, such as police, fire, etc., for the increased demand generated by the new residences. The applicant would also pay development impact fees (e.g., public facilities fee, traffic fees, water/sewer connection fees, etc.) that are used to pay for the cost of new City facilities and infrastructure necessitated by development.

## **BACKGROUND**

The proposed development is located in the Downtown Specific Plan (DTSP) Area and was considered as one of the potential high-density residential sites during the City's General Plan Housing Element update. Staff notes that it was ultimately not selected for rezoning as a high-density site. The Specific and General Plan land use designations for the subject site are Medium Density Residential.

The Planning Commission reviewed the applicant's preliminary review proposal to demolish the existing residence that faces Stanley Boulevard and construct a 14-unit development at a public workshop hearing held on November 28, 2013. After the Planning Commission reviewed the application, took public testimony and provided feedback, the applicant revised the plan and submitted a formal PUD application.

The Planning Commission reviewed the applicant's formal proposal to retain the existing house that faces Stanley Boulevard and construct 12 detached single-family homes at its public hearing held on July 10, 2013. After reviewing the application and hearing public testimony from the applicant and their architect, the Planning Commission found that it couldn't support the application without having a plan or proposed improvements to the existing house and its designated lot and unanimously recommended denial of the proposal.

For a detailed description of the discussion at the Planning Commission meetings, please see the attached Planning Commission staff report and minutes (Attachments 5 and 6 and Exhibit C in Attachment 6).

Since the July 10, 2013, Planning Commission hearing, the applicant and staff collaborated on two possible alternatives to the project.

Option 1: Retain the existing home and in addition to residential use, allow limited, commercial personal services and/or office uses (e.g., law office, counseling services, consulting services, beauty salon, etc.) to occur within the home, and invest a minimum of \$30,000.00 in building and site improvements (i.e., new roof, paint and landscaping).

Staff notes that the currently proposed rezoning only addresses residential use and the Downtown Specific Plan and General Plan Medium Density land use designations only allow residential use. Should the applicant wish to include uses that are not residential, the applicant and/or responsible party would need to apply for a separate rezoning application in addition to Specific and General Plan amendments to change the land use designations. Staff supports these potential changes to the allowed land uses on the site.

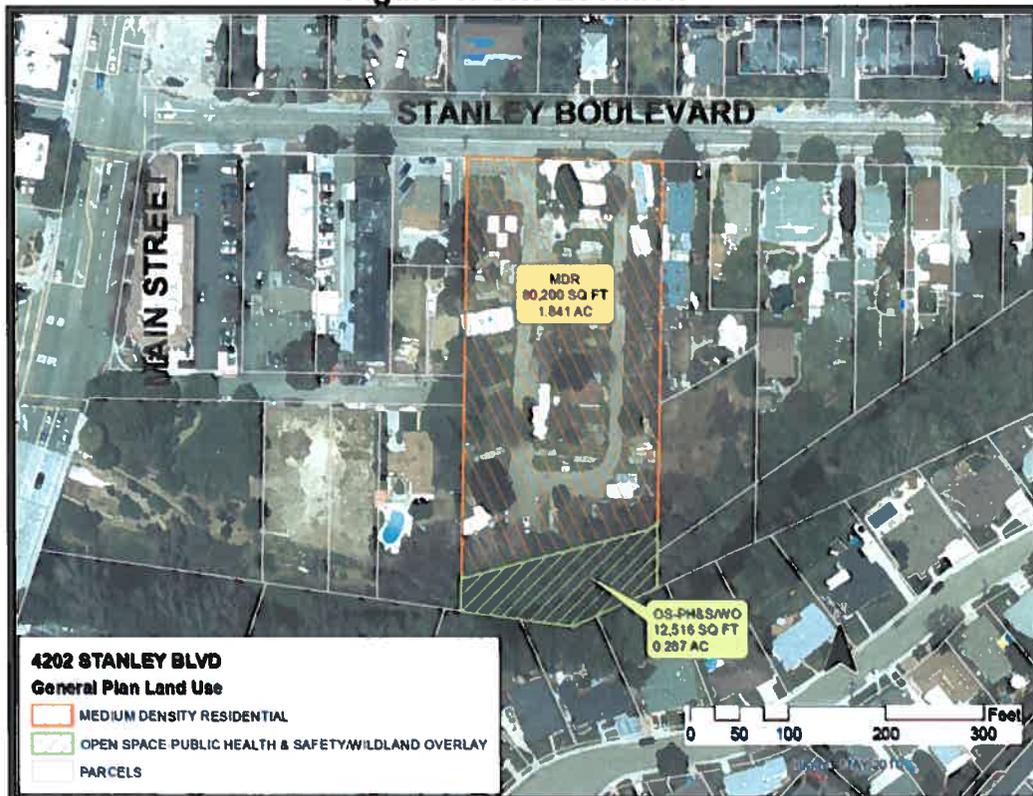
Option 2: Demolish the existing residence and construct 14 detached single-family homes.

Staff is presenting the two options to the City Council for its review and action. These two options are discussed in more detail throughout this report.

### SITE DESCRIPTION

The subject site is approximately 2.1-acres (80,200 square-feet) in size and is located on the south side of Stanley Boulevard. The lot is relatively flat with the exception of the rear portion of the lot, approximately 12,516 square-feet (0.287-acres), which has a moderate to steep downward terrain into the Arroyo del Valle. The Arroyo del Valle portion has a General Plan Land Use designation of Open Space Public Health and Safety with Wildland Overlay and, therefore, is undevelopable. Please refer to Figure 1 below.

**Figure 1: Site Location**



The site contains 32 mobile home spaces, with several of the spaces containing mobile homes, and/or hook-ups, a caretaker's home (facing Stanley Boulevard) that was illegally converted to a duplex and two accessory structures. One of the accessory structures is used for storage and the other contains a laundry facility and an illegal dwelling unit. There are 39 trees on-site, the majority of which are located along the property lines, 18 of the 39 trees are heritage sized trees.

The property is bordered on the east by a single-family home and vacant lot, the south by single-family homes, and the west by a chiropractor's office and single-family homes. The recently approved 13-lot, single-family home development (located at 4171 Stanley Boulevard) and Window-ology are located directly north of the subject site, on the other side of Stanley Boulevard.

## **PROJECT DESCRIPTION**

### **Rezoning**

The proposed rezoning from the present C-F (Freeway Interchange Commercial) District to the PUD-MDR/OS-PH&S/WO (Planned Unit Development – Medium Density Residential/Open Space – Public Health and Safety/Wildland Overlay) District will make the residential zoning consistent with the General Plan and Downtown Specific Plan Land Use Designations.

However, allowing limited, commercial personal services and/or office uses as proposed in Option 1 would require General and Specific Plan land use amendments in addition to rezoning Lot 13 to accommodate such uses on-site given that the proposed zoning and current General and Specific Plan Land Use Designations are residential. Should the applicant wish to pursue allowing limited, commercial, office and/or personal services uses to occur on Lot 13, Ponderosa or the property owner would be responsible for filing a separate General Plan, Specific Plan and rezoning application that would return to the Planning Commission for a recommendation to the City Council after action on this PUD is taken.

### **Proposed Development Plans**

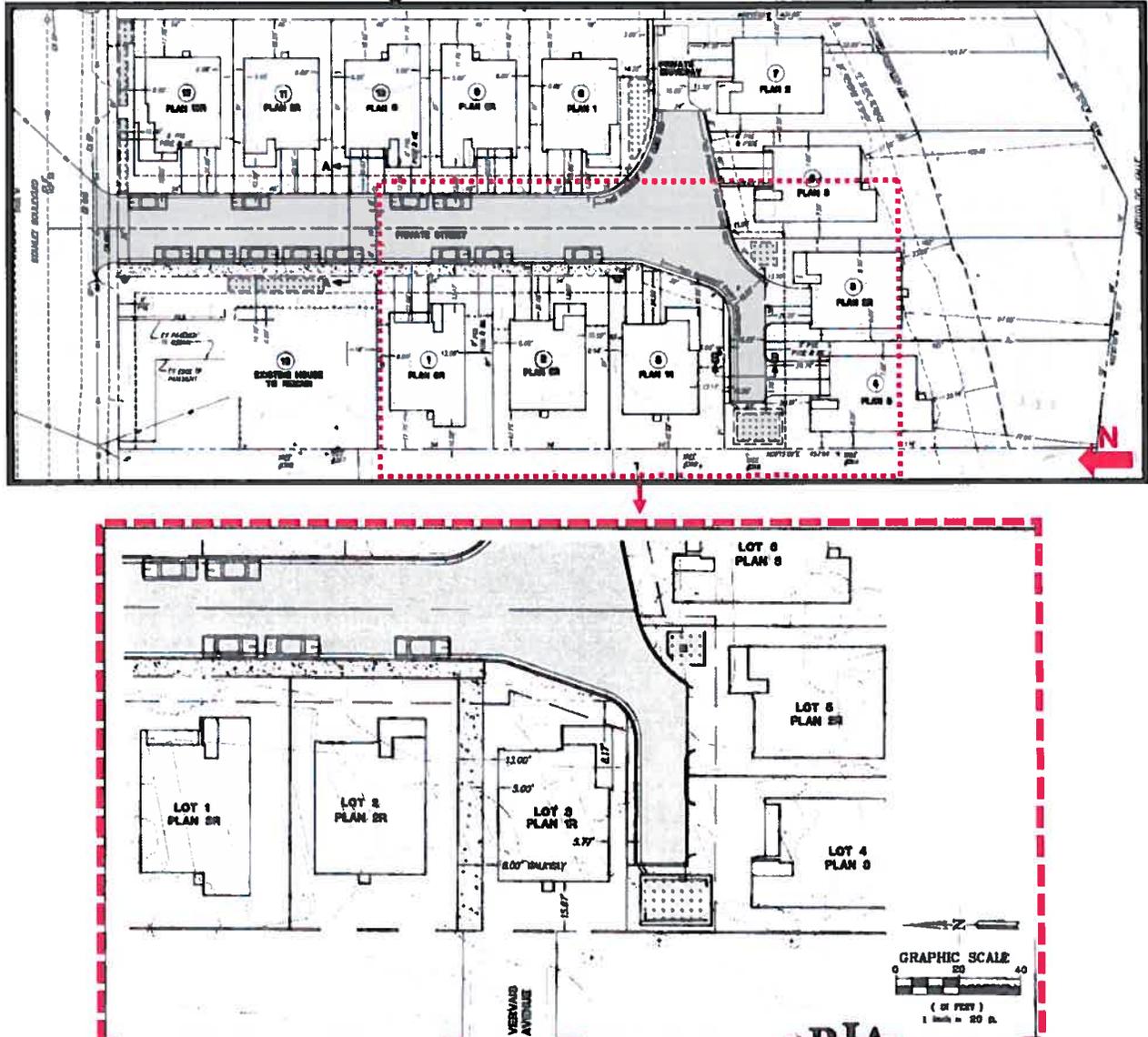
Figure 2 and Figure 3, shown on page 5 and 6, are, respectively, the 13-unit development plan (Option 1) and the proposed 14-unit development plan (Option 2).

#### *Option 1*

Since the July 10, 2013, Planning Commission meeting, Ponderosa has provided a revision to the 13-lot development site plan that indicates the location of a private, pedestrian pathway that will connect to Vervais Avenue. The private, pedestrian pathway will be 6-feet wide and gated at Vervais Avenue for exclusive use of the residents within the development. The building footprint for Lot 3 has been moved farther south to accommodate the pedestrian pathway. The house on Lot 3 will have a minimum setback of 5-feet from the north side property line and a minimum of 5-feet, 6-inches from the south side property line. Staff notes that the full site plan in Figure 2

does not show the location of the pedestrian pathway. Staff has included an enlarged section of the site plan that indicates the location of the pedestrian pathway.

**Figure 2: 13-Unit Development Site Plan with Enlarged View of the Pedestrian Pathway**



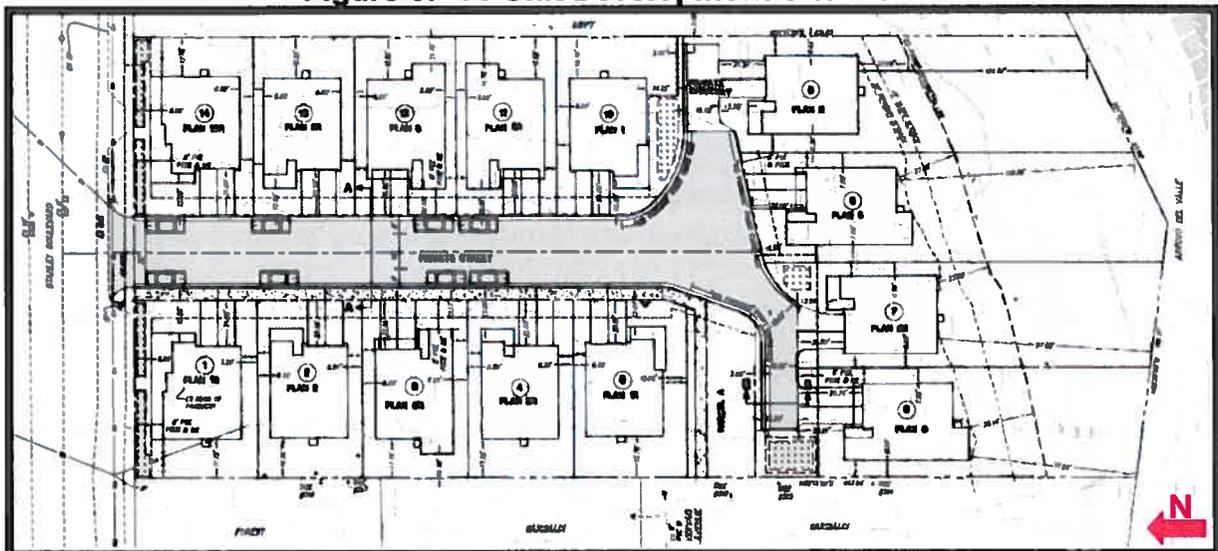
**Option 2**

The 14-unit proposal removes the existing house that faces Stanley Boulevard and proposes 14 new single-family homes that will include an approximately 2,613 square-foot landscaped lot (Parcel A shown on Exhibit B.1 in Attachment 4) that contains a private, pedestrian pathway. Key changes between the 13-unit proposal and 14-unit proposal include the following:

1. The existing house would be demolished (Lot 13 shown on Exhibit B in Attachment 3) and two additional single-family lots are proposed (Lots 1 and 2 shown on Exhibit B.1 in Attachment 4).

2. Five on-street guest parking spaces along the west side of the new private street have been removed to accommodate the driveways of the two new lots. However, Ponderosa is agreeable to having a portion of Parcel A, as shown below in Figure 3, and in Exhibit B.1 of Attachment 4, be used to provide two additional off-street parking spaces.
3. The bio retention area shown on Lot 13 of Exhibit B in Attachment 3 has been relocated from the east side of the lot to the north side of Lot 1 shown in Exhibit B.1 of Attachment 4; and
4. Four trees, two of which are considered heritage sized trees, that were previously proposed to be retained on Lot 13, three Tree of Heaven's and one Japanese Privet tree, shown on Exhibit B in Attachment 3, will be removed to accommodate the development of Lots 1 and 2 shown below in Figure 3 and in Exhibit B.1 of Attachment 4.

**Figure 3: 14-Unit Development Site Plan**



### Building Design

Ponderosa is proposing “Craftsman” and “Cottage” architecture designs that have three proposed house plan types that will be mixed throughout the development. Staff notes that there are not separate plan types or architecture designs for each option; Options 1 and 2 would use the same architecture designs and/or plan types. Information on building designs and plan types can be found in the attached July 10, 2013, Planning Commission staff report (Attachment 6). The *Lot Standards* for each option, beginning on page 7 and continuing to page 8, indicates the Plan designation (i.e., Plan 1, Plan 2, etc.) that corresponds with each lot.

## Lot Standards

### *Option 1*

Table 1, below, lists the lot sizes, the model proposed on each lot, the house size, and the proposed floor area ratios for the 13-unit development plan. Net lot areas for the new 12 lots will range from 3,715 square feet to 5,821 square feet. The existing house will have a lot size of 9,878 square feet in area.

**Table 1: Lot Specific Standards**

LOT	GROSS LOT SIZE (1)	NET LOT SIZE (2)	HOUSE MODEL (3)	HOUSE MODEL MAX HEIGHT (4)	HOUSE SIZE (5)	FAR (6)	MIN FRONT SETBACK (PORCH/HOUSE/DWY)	MIN REAR SETBACK	MIN SIDE SETBACK
1	4,360	4,360	PLAN 2 OR 3	32'	2,226-2,624	51 OR 60%	5'/11'/20'	10'	5'
2	4,360	4,360	PLAN 2 OR 3	32'	2,226-2,624	51 OR 60%	5'/11'/20'	10'	5'
3	4,358	4,358	PLAN 1	32'	2,261	52%	5'/11'/20'	10'	5'
4	8,330	5,821	PLAN 2 OR 3	32'	2,226-2,624	38 OR 45%	5'/11'/20'	10'	5'
5	8,046	4,750	PLAN 2 OR 3	32'	2,226-2,624	47 OR 55%	5'/11'/20'	10'	5'
6	9,136	4,931	PLAN 2 OR 3	32'	2,226-2,624	45 OR 53%	5'/11'/20'	10'	5'
7	9,898	5,589	PLAN 2 OR 3	32'	2,226-2,624	40 OR 47%	5'/11'/20'	10'	5'
8	4,450	4,450	PLAN 1	32'	2,261	51%	5'/11'/20'	10'	5'
9	3,715	3,715	PLAN 2 OR 3	32'	2,226-2,624	60 OR 71%	5'/11'/20'	10'	5'
10	3,715	3,715	PLAN 2 OR 3	32'	2,226-2,624	60 OR 71%	5'/11'/20'	10'	5'
11	3,755	3,755	PLAN 2 OR 3	32'	2,226-2,624	60 OR 70%	5'/11'/20'	10'	5'
12	4,401	4,401	PLAN 1S	32'	2,182	50%	5'/11'/20'	10'	5'
13	9,878	9,878	EXISTING HOUSE	N/A	< 2,000	< 20%	10'/49'/49'	14'	N/A

- 1) The gross lot size includes the area within the Open Space-Public Health and Safety/Wildland Overlay area.
- 2) Net lot sizes do not include areas with the Open Space-Public Health and Safety/Wildland Overlay area.
- 6) FAR is calculated using net lot area.

### *Option 2*

Table 2, located on page 8, lists the lot sizes, the model proposed on each lot, the house size, and the proposed floor area ratios for the 14-unit development plan. Net lot areas and FAR for the proposed 14 lots are the same as those noted in Option 1.

**Please refer to page 8 for Table 2**

**Table 2: Lot Specific Standards**

LOT	GROSS LOT SIZE (1)	NET LOT SIZE (2)	HOUSE MODEL (3)	HOUSE MODEL MAX HEIGHT (4)	HOUSE SIZE (5)	FAR (6)	MIN FRONT SETBACK (PORCH/ HOUSE/DWY)	MIN REAR SETBACK	MIN SIDE SETBACK
1	4,522	4,522	PLAN 1S	32'	2,182	49%	5'/11'/20'	10'	5'
2	3,876	3,876	PLAN 2 OR 3	32'	2,226-2,624	57 OR 68%	5'/11'/20'	10'	5'
3	3,876	3,876	PLAN 2 OR 3	32'	2,226-2,624	57 OR 68%	5'/11'/20'	10'	5'
4	3,876	3,876	PLAN 2 OR 3	32'	2,226-2,624	57 OR 68%	5'/11'/20'	10'	5'
5	4,197	4,197	PLAN 1	32'	2,261	54%	5'/11'/20'	10'	5'
6	8,330	5,821	PLAN 2 OR 3	32'	2,226-2,624	38 OR 45%	5'/11'/20'	10'	5'
7	8,046	4,750	PLAN 2 OR 3	32'	2,226-2,624	47 OR 55%	5'/11'/20'	10'	5'
8	9,136	4,931	PLAN 2 OR 3	32'	2,226-2,624	45 OR 53%	5'/11'/20'	10'	5'
9	9,898	5,599	PLAN 2 OR 3	32'	2,226-2,624	40 OR 47%	5'/11'/20'	10'	5'
10	4,450	4,450	PLAN 1	32'	2,261	51%	5'/11'/20'	10'	5'
11	3,715	3,715	PLAN 2 OR 3	32'	2,226-2,624	60 OR 71%	5'/11'/20'	10'	5'
12	3,715	3,715	PLAN 2 OR 3	32'	2,226-2,624	60 OR 71%	5'/11'/20'	10'	5'
13	3,755	3,755	PLAN 2 OR 3	32'	2,226-2,624	60 OR 70%	5'/11'/20'	10'	5'
14	4,401	4,401	PLAN 1S	32'	2,182	50%	5'/11'/20'	10'	5'

- 1) The gross lot size includes the area within the Open Space-Public Health and Safety/Wildland Overlay area.
- 2) Net lot sizes do not include areas with the Open Space-Public Health and Safety/Wildland Overlay area.
- 6) FAR is calculated using net lot area.

Staff notes that the 14-unit development has comparable lot sizes and proposed FARs to the 13-unit development.

Staff notes that additional information regarding accessory structures can be found in the July 10, 2013, Planning Commission staff report (Attachment 6) and that the standards created for Option 1 would apply to Option 2. However, the applicant has since requested to allow pools within the development, which was not addressed in the Planning Commission staff report, therefore, staff has amended the development standards in the conditions of approval to address pools and hot tubs within the development.

### Open Space and Amenities

#### *Option 1*

Since the July 10, 2013, Planning Commission meeting, Ponderosa has revised the plan to include a private pedestrian pathway that would be located between Lots 2 and 3 (please refer to Figure 2 on page 5 of this report). Given the natural constraints of the subject site (i.e., steep-slope towards the Arroyo del Valle), retaining the existing home, and providing more separation between the new homes, Ponderosa has not provided an open space amenity within the development.

### *Option 2*

Option 2 proposes the private pedestrian pathway to be located on the south side of Lot 5 (please refer to Exhibit B.1 in Attachment 4) and include an approximately 2,613 square-foot landscaped lot (Parcel A). As previously mentioned, the applicant is agreeable to modify the eastern portion of Parcel A to accommodate two off-street guest parking spaces.

The pedestrian walkway for both options would provide access to Vervais Avenue and the Arroyo Green at Main, located on the south side of Vervais Avenue. The Arroyo Green at Main is an undeveloped park and is one of the eight park sites in the Master Plan for the Downtown Parks and Trails System (MPDPTS). The MPDPTS recommends the development of Arroyo Green at Main into a park suitable for a variety of uses (e.g., access to the Arroyo, picnic areas, etc.). Staff notes that the timeline for developing the park is uncertain, but the installation of the pedestrian walkway will provide residents within the development with direct access to this future park.

Furthermore, the Community Trails Master Plan, the Pleasanton Pedestrian and Bicycle Master Plan, and the Master Plan for the Downtown Parks and Trails System recommend installing a public trail along the rear of the subject property, near the creek. No matter the option selected by Council, the applicant will be dedicating an easement to the City along the rear of the subject site for the potential public trail that the City would construct on the southernmost portion of the property. With the easement for the City's potential trail along the Arroyo del Valle, retention of the caretaker's house in Option 1 or small planted area on Parcel A in Option 2, the applicant will be providing public amenities in-lieu of a traditional open space area.

### Private Street

A 32-foot wide (curb-to-curb) private street will provide access to the development from Stanley Boulevard.

### *Option 1*

The private street will have one internal sidewalk along a portion of Lot 3 that continues to the northern end of Lot 13, ending at Stanley Boulevard. Option 1 would provide 12 on-street guest parking spaces. No parking will be allowed on the southern end of the street to ensure appropriate fire turnaround clearance.

### *Option 2*

The private street will have one internal sidewalk that begins on the east side of Lot 1 and extends to the private, pedestrian pathway located on the south side of Lot 5. Option 2 would provide 10 off-street guest parking spaces, including the two spaces that would be incorporated into Parcel A.

Homeowners Association: No matter which option is selected by Council, the applicant will create a homeowners association to own and maintain the development's common areas including private streets and guest parking areas, common utilities, and the pedestrian pathway. The homeowners will maintain their private lots including homes, yards, and driveways. The homeowners association will not be responsible for the

maintenance of the trail along the Arroyo del Valle. Staff has included a condition that the applicant will be required to establish a Homeowners Association.

Staff notes that Ponderosa has submitted a minor subdivision map that proposes to subdivide Lot 13 in Option 1, the existing home that faces Stanley Boulevard, from the 13-unit development. Should the Council decide to have the applicant retain the existing house, Ponderosa would pursue the minor subdivision application and, if approved, Lot 13 would not be a part of the established homeowners association. To ensure that the landscaping and other site improvements for Lot 13 are maintained, a condition of approval has been added that requires the applicant and/or responsible party to enter into a Landscape Maintenance Agreement with the City for Lot 13, should the minor subdivision application be approved. Staff notes that a minor subdivision application is processed at staff level with the City Council being notified on the Zoning Administrator Action Report.

Existing Trees

*Option 1*

Ponderosa is proposing to remove 29 of the 39 trees on-site, 18 of which are heritage-sized trees (as defined by the Municipal Code) to accommodate the proposed development. Of the 18 heritage-sized trees, 12 have a rating of three, four or five out of five.

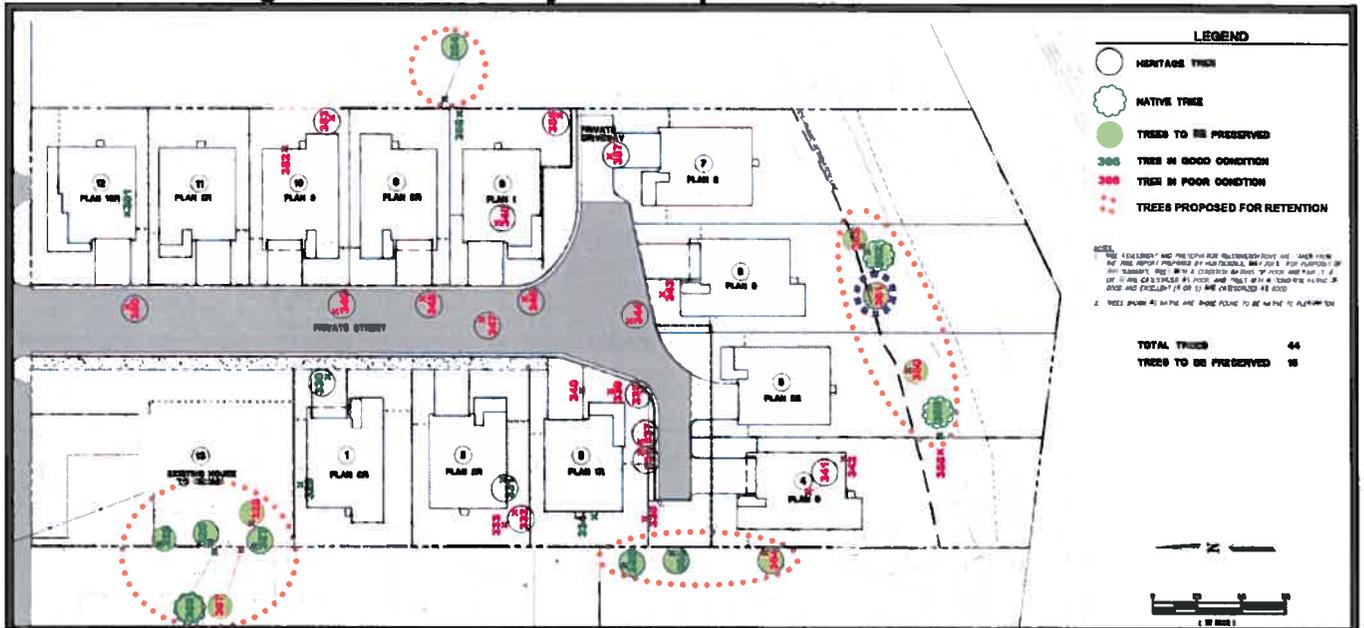
*Option 2*

In addition to the 29 trees noted in Option 1, Ponderosa is proposing to remove the four trees, two of which are heritage sized trees, which were slated for retention with the existing house to accommodate the development of the new single-family homes.

The tree report is attached as Exhibit E in Attachment 6 for the Council's consideration. Please refer to Figure 4 below for the location of the trees to be removed. Those trees shown on Lot 13 in Figure 4, shown on page 11, will be removed should Option 2 be approved.

**Please refer to page 11 for Figure 4**

**Figure 4: Tree Survey with Proposed Tree Removal**

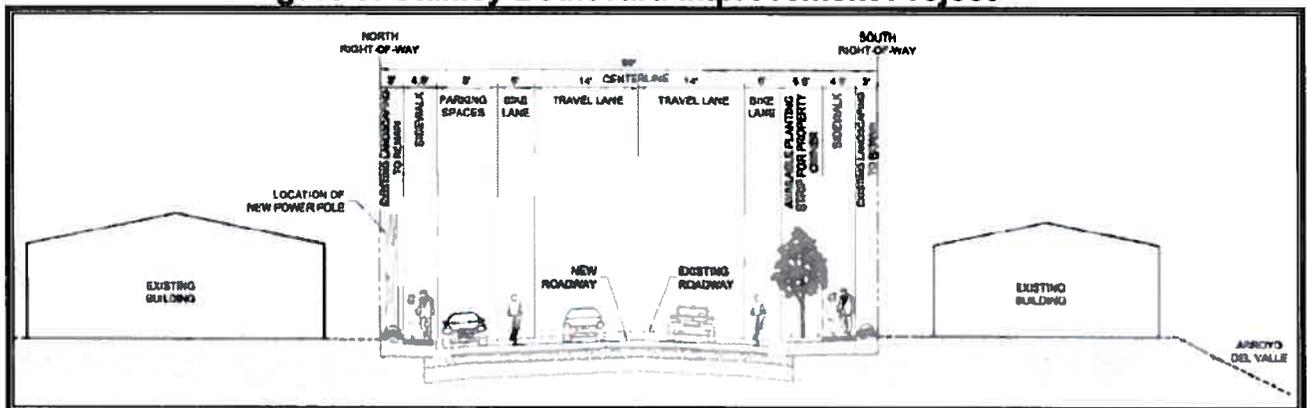


**Green Building:** As required by the City's Green Building Ordinance, the proposed project is required to qualify for at least 50 points on BuildItGreen's GreenPoint Rated Single-Family Checklist. The applicant has proposed to incorporate green building measures into the project that allow each home to qualify for 80-90 points. Staff has included the Single-Family GreenPoint checklist in Exhibit F of Attachment 6 for the Council's review.

**STANLEY BOULEVARD IMPROVEMENT PROJECT**

As one of the Capital Improvement Projects (CIP) approved by the City Council, the Stanley Boulevard widening project is scheduled to begin in the Spring of 2016. It would include eliminating the on-street parking to allow for a bike lane, landscaping strip, and sidewalk in front of the subject property (see Figure 5 below).

**Figure 5: Stanley Boulevard Improvement Project**



Ponderosa may choose to construct frontage improvements prior to the Stanley Boulevard improvements. Should that occur, Ponderosa will be required to pay a pro-rata share of the City's CIP to reconstruct Stanley Boulevard along the project frontage. Reconstruction along the project frontage by the City would only be required if Ponderosa's improvements gave the appearance of piecemealing - not having a continuous tie-in with Stanley Boulevard. If it can be demonstrated to the satisfaction of the City Engineer at the time Stanley Boulevard CIP project is completed that the street improvements that Ponderosa constructed as a part of the project are consistent in appearance and quality with the balance of the CIP project, the pro-rata share will be refunded or adjusted.

### **PLANNING COMMISSION ACTION**

The Planning Commission held a public hearing on July 10, 2013, to review the 13-unit development plan and the applicant's response to the Planning Commission comments of the November 28, 2012, work session. Detailed information on this meeting is provided by Exhibit C in Attachment 6, excerpts of the Planning Commission minutes. The applicants and their architect were the only ones that spoke at the Planning Commission hearing.

Staff notes that Pam Hardy, Ponderosa representative, expressed her desire to modify some of the proposed conditions of approval to allow more flexibility regarding pools, easements, raised mullions on the windows, Title 24 requirements, the pedestrian pathway, and requiring a range of Green Building points instead of a "final" number. Mrs. Hardy also noted Ponderosa's objection to staff's requirement of retaining the two Ash trees on the east property boundary. Staff notes that the proposed conditions of approval that were discussed at the Planning Commission hearing have been modified to allow more flexibility for the applicant.

After receiving the applicants' public testimony, the Planning Commission determined that they could not support the development plan since Ponderosa was not willing to make improvements to Lot 13 as they considered the existing home that faces Stanley Boulevard to be a "gateway" to the new development. Chair Pearce voiced her concerns regarding the project being presented for formal review before the Historic Preservation Task Force finished its work and said that she may have been able to support the project if the applicant had included a plan for the existing house. Commissioner Ritter noted that the applicant can develop a "beautiful entrance to this whole property" if they included the existing house and its designated lot into the entry. He noted that the lot and existing home should be integrated with the development and he could not support this project without knowing what would be proposed. He was also concerned that the applicant could not guarantee improvements given their proposal to separate the lot from their development. Commissioner Allen noted that she would be more open and amendable to supporting this project if she saw a plan where the house was upgraded (i.e., new roof and paint). Commissioner O'Conner noted that the Commission informed the applicant during the work session that something needed to be done with the home and felt that it is an amenity and it added "draw" to the development.

Chair Pearce summarized the Commissioners thoughts and noted that the Commission was concerned about the plan, "or lack thereof," for the house, and the concern about, not only the house's location to the street but with regard to this project and its gateway aspect. Therefore, the Planning Commission recommend denial of the application on a 4-0 vote (Commissioners Olson and Posson were absent).

## **DISCUSSION**

Since the July 10, 2013, Planning Commission meeting, staff and the applicant have agreed upon two options to present to the City Council for review and action. Option 1 is similar to what was presented to Planning Commission; however, Ponderosa has incorporated a private, pedestrian pathway and instead of allowing residential uses, limited commercial personal services and/or office uses would be allowed to occur within the existing house on Lot 13. Option 1, as a residential project, has been designed in conformity with the General Plan and Downtown Specific Plan. Should the Council decide to approve Option 1, the Council would not be approving a change the Downtown Specific Plan and/or General Plan Land Use designations and the applicant and/or property owner, would later have to apply for a: 1) PUD modification to amend the zoning to allow limited, commercial personal services and/or office uses; and 2) Downtown Specific Plan and General Plan amendments to change the Land Use designation from residential to a special limited, commercial personal services/office designation. Until such an application is filed and approved by the City Council, Lot 13's use would remain residential. Furthermore, since the existing house contains one illegal unit on the second-floor, action on Option 1 would legalize Lot 13 as two units.

Ponderosa has also agreed to invest a minimum of \$30,000 in landscaping the lot, and re-roofing and painting the existing home instead of paying that amount into the Bernal Sports Park fund. To ensure the work is completed by the applicant, staff has recommended a condition of approval that requires Ponderosa to complete the landscaping and building improvements prior to occupancy of the project homes.

Option 2 would allow Ponderosa to demolish the existing house and construct 14 new single-family homes. This option also has a private, pedestrian pathway in addition to providing an area adjacent to the pathway that will accommodate two additional off-street parking spaces and a small common landscaped area. The house designs and development standards would be the same as those proposed in Option 1. Option 2 has been designed to be in conformance with the General Plan and Downtown Specific Plan Land Use designations. The City's standard condition of approval for the Bernal Sports Park would apply to Option 2 (\$2,500/new unit). Should the City Council select Option 2, staff has included draft conditions of approval in Attachment 2 for consideration.

The architectural style is the same for both Options, therefore, staff believes that the design of the homes are appropriate for Downtown and the homes will be an attractive addition to the Stanley Boulevard area. A detailed analysis and discussion of the 13-unit proposal is included in the attached Planning Commission staff report (Attachment 6) including: General Plan and Downtown Specific Plan conformity, zoning and uses, site design, retention of the existing dwelling, cultural resources, traffic and circulation,

parking, grading, drainage, utilities, tree removal, noise and vibration, Green Building, architecture and design, house sizes and FAR, site development standards, common and private open space, landscaping and fencing, and Climate Action Plan.

Since the Council would not be taking action on rezoning to allow limited, commercial personal services and/or office uses or amending the Downtown Specific Plan and General Plan Land Use designations, Option 2 only differs in the number of new units, therefore, the analysis in the Planning Commission staff report, regarding General Plan and Downtown Specific Plan conformity, zoning and uses, site design, traffic and circulation, grading, drainage, utilities, noise and vibration, Green Building, architecture and design, house sizes and FAR, site development standards, common and private open space, landscaping and fencing, and Climate Action Plan are applicable to Option 2.

Staff notes that Option 2 would be providing two less guest parking spaces than what Option 1; however, the residential driveways will be at least 21-feet long and able to accommodate two parked vehicles with the garage door in a closed position. Adding each unit's driveway apron parking will increase the assigned and guest parking total to four parking spaces per unit in addition to the 10 guest parking spaces provided within the development for Option 2. Furthermore, Ponderosa's Noise Assessment Study in Exhibit K of Attachment 6 addressed the construction of 15 new residential units, therefore, Option 2 would be conditioned to adhere to the applicable recommendations listed in the noise study.

Given that Option 2 does not involve retaining the existing home, staff believes that the City Council should approve Option 1. While the property is not specifically listed in the General Plan or Downtown Specific Plan as an historic resource, the General Plan, Downtown Specific Plan, and Downtown Design Guidelines contain policies regarding the City's preservation goals. The General Plan has a policy which states:

*Preserve and rehabilitate those cultural and historic resources which are significant to Pleasanton because of their age, appearance, or history.*

The Downtown Specific Plan states:

*Future residential development should generally provide for the preservation and rehabilitation of existing on-site frontage homes which exceed 50 years in age or which otherwise substantially contribute to the "small town" character of the neighborhood in terms of architecture and scale. Exceptions may be permitted to: (1) relocate such homes to other appropriate Downtown locations for permanent preservation and rehabilitation; or (2) demolish and replace such homes which are specifically found by the City to demonstrate minimal redeeming historic and/or architectural significance.*

The Downtown Design Guidelines indicate that demolition of buildings over 50 years of age is generally discouraged and that remodeling is encouraged over replacement.

Although the Historic Architecture Evaluation Report (Exhibit G in Attachment 6) states that the existing house does not meet the criteria of a historic resource or place, given the Downtown Specific Plan polices and the Downtown Design Guidelines, staff recommends that the house be retained as provided for in Option 1.

### **PUD FINDINGS**

Please refer to the attached, July 10, 2013, Planning Commission Staff Report (Attachment 6), pages 28-30, for a discussion of the considerations needed to approve the proposed PUD development plan. Staff notes that the PUD considerations would apply to Option 2 as well.

### **PUBLIC NOTICE**

Notice of this application was sent to all property owners within 1,000 feet of the subject property. At the time this report was published, staff had received one email of support from Brad Hirst regarding this application. Please refer to Attachment 7 for Mr. Hirst's email. Public comments received after publication of the notice will be forwarded to the City Council as they are received.

### **ENVIRONMENTAL ASSESSMENT**

In 2012, the City Council certified a Supplemental Environmental Impact Report (SEIR) and adopted the CEQA (California Environmental Quality Act) Findings and a Statement of Overriding Considerations for the Housing Element update and Climate Action Plan General Plan Amendment and Rezonings. This SEIR was a supplement to the EIR prepared for the Pleasanton 2005-2025 General Plan which was certified in July 2009. The subject property was one of the 21 potential housing sites analyzed in the SEIR. A total of 54 multi-family housing units were analyzed in the SEIR for this site.

The California Environmental Quality Act specifies that residential development projects, such as this site, that are proposed pursuant to the requirements of an adopted SEIR that has been prepared and certified are exempt from additional environmental review provided: 1) there are no substantial changes to the project or to the circumstances under which the project is being undertaken that involve new significant environmental effects or that substantially increase the severity of previously identified effects; or 2) that new information of substantial importance which was not known at the time the previous EIR was certified shows the project will have one or more significant effects not discussed in the EIR. Although the subject site was removed as a potential multi-family housing site, the SEIR analyzed development for 54 multi-family units. The project density currently proposed, in Options 1 and 2, are significantly lower than analyzed in the SEIR and, therefore, staff does not believe that there are any changes in the project, circumstances, or new information causing new significant environmental effects. The applicant has provided site specific studies (e.g., noise, riparian, cultural resources, geological, etc.) to address development mitigations and staff has added conditions of approval to address additional mitigation measures that are specific to this site that were discussed in the SEIR and the Mitigation Monitoring and Reporting Program. Thus, staff recommends this project be reviewed without any additional CEQA review or process.

## **CONCLUSION**

Rezoning the site to PUD-MDR/OS-PH&S/WO (Planned Unit Development – Medium Density Residential/Open Space – Public Health and Safety/Wildland Overlay) is consistent with Pleasanton General Plan and the Downtown Specific Plan Land Use Designations of High Density Residential. Infill developments, especially those located on the relatively small parcels in the Downtown, face various challenges and site constraints that oftentimes require and benefit from the flexibility allowed by the Planned Unit Development zoning process.

Option 1, as revised and now proposed, blends well with the Downtown's character and impacts to the adjacent residents have been minimized by keeping the density to 12 new single-family homes instead of the 14 proposed in Option 2. The positioning of homes in Option 1 is appropriate and the homes are modest in height for two-story structures. The units are designed and sized to provide an attractive and livable environment for the future residents and with the incorporation of the private, pedestrian pathway into Option 1, future residents who live in this development will be able to have direct access to the Downtown, patronizing Downtown businesses and amenities, thus supporting and adding to the economic viability of Downtown. Therefore, staff recommends that the Council approve Option 1 and require the applicant and/or responsible party to return with a PUD modification and General and Specific Plan amendments to allow limited, commercial personal services and/or office uses.

Submitted by:

Fiscal Review:

Approved by:

Brian Dolan  
Director of  
Community Development

Emily Wagner  
Director of Finance

Nelson Fialho  
City Manager

### **Attachments:**

1. Draft City Council Ordinance for Option 1 for PUD-97 with Exhibit A, Recommended Conditions of Approval
2. Draft City Council Ordinance for Option 2 for PUD-97 with Exhibit A, Recommended Conditions of Approval
3. Exhibit B: Proposed PUD Development Plan, dated "Received June 14, 2013" with Site Plans, Grading and Utility Plan, Slope Classification Plan, Stormwater Treatment Plan, Existing Trees Plan, Floor, Roof, and Elevation Plans, Landscape Site Plan, Landscape Streetscape, and Landscape Details Plan
4. Exhibit B.1: Alternative Site Plan, dated "Received August 2, 2013."
5. Excerpts of the Planning Commission meeting minutes, dated July 10, 2013
6. July 10, 2013, Planning Commission Staff Report with the following Attachments:

C. Planning Commission Meeting Minutes Excerpt dated November 28, 2012

- D. Planning Commission Work Session Staff Report dated November 28, 2012
  - E. HortScience Tree Report dated "Received June 19, 2013"
  - F. GreenPoint Rated Checklist for Single-Family dated "Received May 8, 2013"
  - G. Historic Architecture Evaluation Report dated "Received February 6, 2013"
  - H. Cultural Resources Review dated "Received February 6, 2013"
  - I. Preliminary Geotechnical Report dated "Received February 6, 2013" and Addendum dated "Received June 13, 2013"
  - J. Riparian Survey dated "Received February 6, 2013"
  - K. Noise Assessment Study dated "Received February 6, 2013" and Addendum dated "Received June 13, 2013"
  - L. Climate Action Plan Checklist
  - M. Location and Noticing Maps
7. Email from Brad Hirst dated August 13, 2013

**PUBLIC HEARINGS AND OTHER MATTERS**

17. **PUD-97, Ponderosa Homes** – Consider introduction of an ordinance approving: (1) the rezoning of an approximately 2.1-acre site at 4202 Stanley Blvd from C-F (Freeway Interchange Commercial) District to PUD-MDR/OS-PH&S/WO (Planned Unit Development – Medium Density Residential/Open Space – Public Health and Safety/Wildland Overlay) District; and (2) a PUD Development Plan to retain or demolish the existing residence, to remove the 32 mobile home spaces and related accessory structures, and to construct 12 to 14 detached single-family homes

Community Development Director Dolan presented the staff report, stating that the applicant is proposing construction of a 12 to 14 unit single-family home development located at 4202 Stanley Boulevard. The property is bordered by Stanley Boulevard and the Arroyo, as well as residential and commercial land uses, of which some of the latter operate out of converted residential structures. The roughly 2.1 acre site is situated partially in the arroyo, which is designated as Open Space with a Safety-Wildland overlay in the General Plan, leaving 1.84 acres available for development. While the site is zoned Freeway Interchange Commercial, both the General Plan and Downtown Specific Plan designations are medium density residential which allow 2 to 8 dwelling units per gross developable acre. The current land use on the site is a mobile home park, although the majority of units are unoccupied or have been removed.

The Council is being asked to find that the project is adequately covered in the Housing Element, Climate Action Plan, and Supplemental Environment Impact Report (EIR) to the General Plan EIR, that the proposed PUD rezoning are consistent with the General Plan and Downtown Specific Plan, make the PUD findings required to approve a development agreement, and introduce the ordinances to initiate the proposed zoning changes. He noted that the subject site was one of those evaluated for rezoning during the Housing Element process and, while not ultimately selected, the related EIR analysis precludes the need for any additional study related to CEQA.

Mr. Dolan provided background on the project. He explained that staff has been working with the applicant for some time and has seen several different iterations of the project, one of which actually proposed up to 15 units. Following a Planning Commission workshop, the applicant ultimately brought forward a formal proposal for 12 new residential lots that retained the site's existing home on its own lot. The proposal did not include any provisions for the home, which the applicant indicated the property owner would likely attempt to sell as a separate lot. At its hearing on July 10, 2013, the Planning Commission expressed its strong support for the project but was uncomfortable approving the project without a specific plan to address the existing home. The Commission unanimously voted to recommend denial of the project, but stressed that its decision was solely on this factor.

Since the Planning Commission hearing, staff has worked with the applicant to develop 2 options for the Council's consideration, both of which are based on the original project with some minor variations. Option 1 provides some level of improvement to the existing home in that Ponderosa has committed \$30,000 that would otherwise have been spent on the Bernal Park fee towards improvements to the existing home. Condition of approval No. 4 stipulates that these funds should go towards a new roof, exterior paint and landscaping of the site in order to make for a more attractive entrance to the project. Option 1 also includes the possibility to allow limited commercial and personal services or office uses to occur in the home, which would increase its marketability. As proposed, the conditions of approval suggest that it would be the responsibility of Ponderosa or the property owner to initiate the various Specific Plan and General Plan amendments needed to expand the land use potential, however, staff is amenable to direction that they take on this responsibility themselves.

Option 2 allows demolition of the existing home, which would be replaced with 2 additional lots and 2 new homes matching the rest of the proposed project. Aside from removal of the existing home, Option 2 is problematic in that it provides less on street guest parking than Option 1. He explained that parking is an issue in this neighborhood which the project will likely exacerbate further. He also explained that

the planned renovation of Stanley Boulevard will eventually eliminate parking on one side of the street and further aggravate present parking conditions. In response to this particular issue, the applicant has proposed the use of a small open space that staff believes can accommodate 2 parking spaces to help compensate for some of the loss. The proposed homes and home sizes are the same as in Option 1, although the lot specifications do differ slightly. He noted there have been some recent developments regarding ownership of the parcel which may make Option 2 less viable.

He provided several renderings of the existing home and said there was considerable discussion at the Planning Commission about whether or not it is best preserved. Acknowledging the differences in community opinion regarding which homes warrant protection, the applicant commissioned a historic study to determine whether the home met the standards for preservation and would be eligible for the California Register of Historical Resources. The study concluded that it was not, largely to do with its integrity. Nevertheless, it is an older building with some interesting architecture that adds to the charm and character of the downtown and staff felt it worthwhile to bring forward an option which helped to support the possibility that it could be retained.

Both Options 1 and 2 include a pedestrian connection from the rear of the development to Vervais Avenue and the downtown. The Climate Action Plan calls for pedestrian circulation improvements when creating new cul-de-sacs and, while this is not a cul-de-sac, staff sees it as not dissimilar and a really unique opportunity to make this kind of connection. Mr. Dolan reviewed site plans and streetscapes for both options. He described the project's architecture as a combination of craftsman and cottage style, with varied rooflines and a rich material palette. Home sizes are modest, ranging from 2,200 to 2,600 square feet, and blend nicely with many of the homes one would find in the downtown.

Councilmember Brown asked what the normal floor area ratio (FAR) is on a medium density development of this nature. Mr. Dolan said most are developed as part of a PUD and typically range between 50% and 60% FAR. He confirmed that the proposed project ranges between 38% and 71%, depending on which elevation is selected for each lot, and said this is quite typical of some of the infill sites in the downtown. He noted several with a higher FAR than is proposed for the smaller lots here.

Mr. Dolan continued his presentation, stating that net lot sizes range from 3,700 to 5,800 square feet. He noted that several larger lots which back up to the arroyo actually have far less useable space. He discussed the site's existing trees, many of which suffer from unorthodox pruning and are generally of a condition that is not considered worth saving and some of which fall in the path of the proposed development. There are, however, several trees in the arroyo and around the perimeter of the site that are in good condition and will be protected during construction. The proposed conditions of approval require the standard mitigation either through payment into the urban forestry program or tree replacement. He also briefly reviewed the proposal for Lot 12, which includes a unique front facing architecture and wraparound porch on two sides because of its exposure to Stanley Boulevard, and the offer of a dedicated easement should the proposed trail along the arroyo ever be built.

Key issues before the Council include selection of one of the proposed options and whether the Council would like to allow a limited change in land use as described and who would be responsible for initiating that process. He noted that the potential for commercial and personal services was not presented to the Planning Commission, but the process to allow it is largely procedural and should go smoothly in staff's opinion. Given that there is a potential buyer for Lot 13, the Council may also want to consider some minor amendments to the language of Condition No. 4. As currently written, the condition requires the applicant to invest \$30,000 towards a new roof, exterior paint and landscaping improvements for Lot 13 prior to occupancy of the project units. In order to incentivize these improvements, the applicant would essentially receive a \$30,000 credit on the Bernal Park fee (\$2,500 per unit) that is charged on all downtown projects. The sale of the lot does complicate the issue somewhat, so staff is suggesting additional language which would revert back the fee to the original Bernal Park Reserve Fund if Lot 13 is sold.

Mr. Dolan presented a slide listing the FARs, ranging from 49% to 89%, on several nearby PUDs.

Councilmember Brown asked whether these comply with guidelines for development in the downtown.

Mr. Dolan explained that while a higher density is encouraged in the downtown, the community has ultimately been more comfortable with small lot single family homes than attached units. Single family homes keep with the character of the surrounding neighborhood but typically require a compromise in terms of FAR. He concluded his presentation, stating that staff recommends approval of Option 1.

Mayor Thorne expressed concern that someone could purchase Lot 13 and still do nothing to improve the home.

Mr. Dolan explained that the city's ability to influence what happens there depends largely on timing. If sold immediately, there is a certain risk that the new owner may leave the home as is. If, however, the applicant pulls their permits prior to a sale then they would be required to make the investment already described. While this is not a guarantee that additional improvements will be made, the aesthetic improvements, Ponderosa's own project and the alternative land uses certainly make it more a marketable site.

Mayor Thorne asked and Mr. Dolan clarified that the applicant is responsible for \$30,000 worth of improvements to the home, equal to the Bernal Park Fee, and not any more or less.

Councilmember Narum said she read Condition No. 4 a bit differently, in that they must invest a minimum of \$30,000 and address the areas of roofing, exterior paint and landscaping. She asked what staff's intent is if this were insufficient to address three items.

Mr. Dolan explained that it is both a minimum and maximum, with the funds to be devoted to the three areas identified in whatever manner will yield the greatest benefit.

Councilmember Pentin asked if allowing a limited commercial use would require the home to be brought up to current code and ADA requirements.

Mr. Dolan said there are likely several deficiencies that should be corrected regardless of the use.

Mayor Thorne asked and Mr. Dolan confirmed that staff believes that the illegal second story was constructed sometime in the 1960s, and that this is likely partly responsible for the integrity concerns identified in the historical analysis.

Councilmember Pentin asked and Mr. Dolan confirmed that the City could require the second story to be removed as part of the reroofing process, provided it was not permitted and lacks structural integrity.

Mr. Fialho stated that staff met with the applicant to develop a plan for the existing home and identified two options – demolition or incentivizing the preservation of the home by providing a fee credit of \$30,000. Staff's intent was that they use these funds to spruce up the property so that it does not appear neglected, particularly adjacent to a multimillion dollar development, and not that they do any improvements to the interior of the home. He noted that the minutiae of this is really no longer relevant because there is an active sale associated with the property, which is why staff has recommended additional language to Condition No. 4 redirecting the incentive back to Bernal Park if the lot is sold.

Mayor Thorne opened the public hearing.

Pam Hardy, Ponderosa Homes, said she agreed with staff that it would be advantageous to present both options to the Council and noted that the existing home seems to have generated the greatest amount of attention regarding this application. She stated that Ponderosa first entered into an option

agreement with the property owner in 2011. A 14 lot plan, which included removal of the house, was prepared and a neighborhood meeting conducted at which neighbors immediately adjoining the property indicated strong support for the proposed project. Ponderosa proceeded with a historic evaluation of the home, which indicated that the house failed to meet eligibility requirements for both the state and national registries of historic places and structures. She said they also felt that the home's original and added features lacked the architectural significance to satisfy the desired design themes discussed in the city's context statement. Following the Planning Commission workshop, at which it became apparent that the proposed removal of the home would still be an issue, Ponderosa renegotiated its agreement with the property owner to allow the retention of the existing home on a 9,800 square foot lot. She stated that Ponderosa's preference continues to be Option 2, although in light of recent news that the property owner may have found a buyer for the home, they are simply asking that the Council vote to approve either option. She cited the project's advantages, which include elimination of a dilapidated mobile home park, improvements to this portion of Stanley Boulevard, development of new and smaller home lots consistent with the General Plan and land use pattern in this area, preservation of the creek, dedicated easement for future public use, pedestrian access to Vervais Avenue, installation of a public sidewalk on Stanley Boulevard where one does not currently exist, as well as significant fee and property tax revenue generation for the City. She requested clarification on the new language added by staff, which she understood to mean that Ponderosa would be required to make the stated improvements to the existing home as well as pay the Bernal Park fee.

Mayor Thorne clarified and staff confirmed that it is an either/or, not both.

Councilmember Brown conceded that the project would be a significant improvement over the existing mobile home park and that the City is definitely appreciative of the fees that will be generated from the project. She asked why, when the applicant acknowledges it is the desire of the community to preserve the home, they would continue to push for Option 2. She noted that she spoke with the applicant several days ago, at which point there was no indication this option was not viable, and asked when Ms. Hardy learned the home was already under contract with another buyer.

Ms. Hardy assured her that they take to heart any input received from the community, as evidenced by their willingness to revise the project accordingly. However, as a business it is only logical that they would advocate for the 14 unit plan, particularly when they do not believe the home is historic in nature. She stated that she was made aware of the potential sale of the site late Thursday evening and deferred to the property owner's representative for more information.

Jeff Schrader, Ponderosa Homes, agreed that the 14 unit plan is the logical preference, particularly on a smaller project like this. At some point however, they as a company recognize that these 2 lots are not worth fighting over if preserving the home is really the wish of the community. He explained that when it was first apparent that this could become an issue, they met with the property owner, renegotiated their agreement, and suggested they begin to seek another buyer for the home. He stated that technically, Ponderosa is still under contract to purchase the entire site and therefore the owner cannot enter into a contract with another party to purchase the property. Recent news indicates that they have in fact found a buyer, but their commitment is unclear and Ponderosa therefore feels it is important to keep both options on the table for the Council's consideration.

Councilmember Brown asked when Ponderosa pulled its legal option to purchase the home.

Mr. Schrader explained that when it became apparent the home could pose an issue, they negotiated an amendment to the agreement that would still allow Ponderosa to purchase the entire lot if Option 2 were approved. If however something like Option 1 were approved, they would need to submit a parcel map and either do a lot split prior to the purchase or purchase the site as a whole and grant the property back to the seller once the lot split is completed. He noted that Ponderosa submitted a parcel map some time ago and is confident that either method could be resolved fairly quickly.

Vice-Mayor Cook-Kallio expressed concern that genuinely important details could be overlooked in what could become a complicated transaction. She asked and Mr. Fialho confirmed that, if the property is to be sold, it is imperative to ensure that the parcel map is executed properly and legally.

Dale Morris, representing the property owner, clarified that due to conflicting schedules, he and Ms. Hardy spoke for the first time yesterday regarding the potential sale. He explained that his client and Ponderosa entered into a new contract opting out of the lot one month ago, after which he was instructed to find a buyer for the existing residence subject to all that is before the Council tonight. He said he was fortunate enough to contact a property investor whose family actually owned the home when he was a child, and that they recently committed over \$500,000 cash to the purchase and rehabilitation of the home. He noted that the current contract with Ponderosa already requires that the applicant landscape, fence and supply utilities to the home and therefore asked that Condition No. 25 be deleted. With regards previous improvements to the home, he explained that the second story addition was actually a finished preexisting attic, with no changes to the permitted roofline or stairwell.

Councilmember Brown asked when the prospective buyer planned to begin work on the project.

Mr. Morris explained that the contract stipulates he has a maximum of 5 days to close escrow following the official lot split. He noted that the buyer's preference is to retain some sort of commercial zoning for the site and that they were less concerned with rezoning to residential-commercial.

Vice-Mayor Cook-Kallio requested clarification on what impact tonight's action, if taken, would have on the lot split.

Mr. Dolan explained that a parcel map would be required, though as noted previously the applicant submitted the necessary application some time ago and it should only take several weeks.

Councilmember Narum asked how quickly a commercial overlay could be accomplished.

Mr. Dolan said several months, if it were staff's top priority. When asked whether this would keep pace with the applicant's project, Mr. Dolan said it could be completed well ahead of the larger project.

Jan Batcheller said that Pleasanton is incredibly lucky to have Ponderosa, one of California's finest builders, propose such a beautiful solution to what has been an eyesore for the last 40 years. She asked that the Council let the existing home stand on its own merits, to be considered when its new owner makes application to the city, and to approve the 12 unit project. She also asked that the Council delete all of Condition No. 4 relative to Option 1 or that they indemnify Ponderosa for any issues or injuries that might occur during the course of their work on the home. She read from Peter MacDonald's letter to the Council: "The cumulative effects of imposing historical mandates on older buildings which lack historical and architectural merit would be to discourage anyone desiring to invest in and redevelop obsolete buildings in downtown. Recent erratic historic requirements have cast a cloud of uncertainty and delay on downtown investment."

Jerry Hodnefield, Historical Preservation Task Force, said he agreed largely with the points in Mr. MacDonald's letter but would prefer that the Council entertain Option 2. He said he spent considerable time reviewing the proposed project and is impressed with the applicant's efforts to revitalize what has been an unmitigated eyesore for many years. He said he believed strongly in saving and preserving heritage homes as a historical asset, but that he also believes this home to be riddled with mold and rot, scabbed together with miscellaneous materials, and completely devoid of any value or historical merit. He suggested that any attempt to rehabilitate the home would result in the existing structure being taken down to the studs and replaced with something that resembles the original home in appearance only. He said the task force is currently working on a system that will remove some of the subjectivity from this process and divides homes into 2 categories – those built prior to and those built after 1941. The latter would be presumed to be of little or no architectural or historical significance

unless proven otherwise and therefore not subject to historical limitations. The former would be presumed to of some significance and therefore subject to some level of protection, unless proven to be unworthy through qualified studies. He said it is his opinion that the applicant's study meets the intent of these standards and ultimately demonstrates that the community might be better served by allowing the applicant to replace a dilapidated and insignificant structure with 2 new homes.

Scott Raty, Chamber of Commerce, said there is clear consensus that the existing mobile home park is an eyesore and the existing home is in need of substantial improvements. He stated that the Chamber has a long history in helping to identify the downtown as a vibrant business district and to discourage government interference from needlessly standing in the way of this revitalization. He said Ponderosa has long since set the bar for quality residential development in Pleasanton and cautioned that subjecting them to this drawn out process over a relatively small project would cause many to question the value of doing business here. He encouraged the Council to find that the existing home has no historic value and approve the 14 unit project. He asked whether other developments in the downtown has been subjected to requirements comparable to those being asked of Ponderosa, which include the \$2,500 Bernal Park fee, dedicated easement, pedestrian connection to Vervais Avenue and park fees.

Arne Olson, Planning Commission, noted he was absent from the Commission's July meeting. He stated for the record that he agreed with fellow Commission members that this is a wonderful project and that he was delighted to see the applicant present a design that responded to some of the concerns identified at the earlier workshop. However, he said he did not agree with the Commission's action and would have voted in favor of the project, with direction to staff to bifurcate the issue of the existing home. He said Ponderosa's core competency is new construction rather than rehabilitation, noted that recent information suggests a solution for the home is at hand, and asked the Council to approve the project.

Emilie Cruzan strongly urged the Council to exhaust every measure in preserving the existing home, which she described as historic to the neighborhood and very similar in structural appearance to two lovely homes right on First Street. She felt that 14 homes would be a bit much for the proposed project site, which is situated along an already difficult and soon to become more difficult stretch of Stanley Boulevard. She felt that some sort of mixed use for the home would be an ideal compliment to surrounding uses and encouraged the Council to approve Option 1.

Linda Garbarino said it is a rare opportunity for any elected body to be presented with a win-win, which is what the Council has in Option 1 and a buyer waiting to rehabilitate a historic home at the gateway to such a lovely project. She asked the Council to support Option 1.

Peter MacDonald said he supported the preference of Ponderosa Homes. He expressed confusion over staff's determination to charge the applicant \$30,000 for rehabilitation of the existing home but suggested that if Option 1 were approved, these funds should be dedicated to the home and not Bernal Park, regardless of whether the property is sold.

Ms. Hardy thanked the public for their comments.

Vice-Mayor Cook-Kallio requested clarification on the current agreement between Ponderosa Homes and Lutheran Church, the property owner.

Ms. Hardy, Mr. Schrader, and Mr. Morris provided contradictory information, with the applicant believing they retained the option to purchase the existing home with the rest of the site depending on the Council's action and Mr. Morris believing this option had been relinquished the month before. Mr. Morris clarified that Ponderosa has retained its option on the remainder of the site and that the purchase price was reduced accordingly.

Vice-Mayor Cook-Kallio requested clarification on the Council's responsibilities relative to the language in Condition No. 4, the parcel map and rezoning, given that Option 2 was not a viable alternative.

Mr. Fialho cautioned against overcomplicating what is before the Council, which is simply whether to allow demolition or require rehabilitation of the existing home as part of the proposed project. The sale of the home is irrelevant in the context of the Council's discussion. The property owner's representative has indicated that Option 2 is really not an option. This leaves Option 1 which involves either the applicant beautifying the home with the \$30,000 credit or the new owner using their own money to rehabilitate the home. He explained that while the mechanism by which the home is preserved is different, Option 1 is essentially all that is before the Council. If the direction from the Council is to invest \$30,000 of Bernal Park fees into paint, roofing and landscaping, then what happens between these two parties relative to the sale is a private issue and obligation that is not in the control of the city.

Mayor Thorne closed the public hearing.

Vice-Mayor Cook-Kallio said she liked the project, particularly the dedicated easement, pedestrian connection and overall architecture.

**MOTION:** It was m/s by Cook-Kallio/Brown to approve Option 1, with clarifying language regarding Condition No. 4 and an encouragement to process the parcel map and rezoning for existing home site as quickly as possible.

Councilmember Brown said the project is clearly an overall win for the community. She restated that the Planning Commission voted 4-0 in favor of protecting the existing home, said preservation of a 101 year old home should always be the first option and said she was pleased to be able to have this discussion. She noted that when she toured the site with the applicant and staff, Mr. Dolan commented to her that the home appeared to be in fairly good condition although more recent modifications were done properly. She said the city should be proud to partner with Ponderosa on this project, which will be a dramatic improvement over the current mobile home park. She said the existing home would be a real asset once rehabilitated and would fit nicely next to existing commercial uses. She expressed concern over the proposed FAR, despite the presence of similar examples, as well as the removal of 29 of 39 trees currently on the site. Overall, she felt the project would be a real asset to the downtown.

Councilmember Narum generally agreed with what was said. She shared her appreciation for the applicant's efforts to respond to the feedback provided at the Planning Commission workshop, particularly the wraparound porch on the corner lot. Given the pending sale of the existing home, she requested support to delete Condition No. 1 and separately direct staff to initiate the General Plan and Specific Plan amendments to approve a limited commercial zoning overlay on Lot 13.

Vice-Mayor Cook-Kallio and Councilmember Brown accepted the amendment to the motion. Staff confirmed that they understood the intent of the direction, as well as the desire to do so expeditiously.

Councilmember Pentin said he supported the project, particularly in an infill area. He expressed concern over the additional language proposed by staff questioned the need given that it is now clear the applicant will have no relationship with Lot 13. He explained that his concern was that the investor could ultimately benefit from \$30,000 that should otherwise go to Bernal Park.

Mr. Fialho explained that the Bernal Park fee credit is only provided to Ponderosa if the sale of the existing home is not executed.

Mayor Thorne echoed other comments supporting the project. He said he would support the motion, as amended, but did feel government had overstepped its bounds in trying to tie the applicant to the existing home.

**MOTION:** It was m/s by Cook-Kallio/Brown to approve Option 1, as amended; introduced and waived first reading of **Ordinance No. 2077** approving (1) the Rezoning of an approximately 2.1-acre site at 4202 Stanley Blvd from C-F (Freeway Interchange Commercial) District to PUD-MDR/OS-PH&S/WO (Planned Unit Development – Medium Density Residential/Open Space – Public Health and Safety/Wildland Overlay) District; and (2) A PUD Development Plan to retain the existing residence, to remove the 32 mobile home spaces and related accessory structures, and to construct 12 detached single-family homes, as filed under Case PUD-97; Motion carried by the following vote:

Ayes: Councilmembers Brown, Cook-Kallio, Narum, Pentin, Mayor Thorne  
Noes: None  
Absent: None

#### **MATTERS INITIATED BY COUNCIL**

Mayor Thorne requested and received Council support to provide finger foods at the upcoming Pleasanton Partners in Education event, which supports the school district.

Vice-Mayor Cook-Kallio said she was recently appointed to the PPIE Board. She said it is a wonderful event that raised a tremendous amount of money for the district last year. She encouraged the public to purchase tickets to the event or to contact Susan Hayes for sponsorship opportunities.

Councilmember Pentin said he has a long history of supporting PPIE and shared his support.

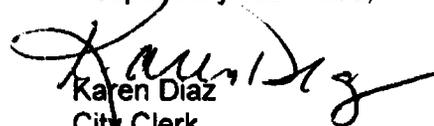
Councilmember Narum echoed her support. She also reported that the Council finished second in the recent bucket brigade.

**COUNCIL REPORTS - None**

#### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:49 p.m. The Council extended a tribute to our nation's men and women serving in the military. We wish to honor the memories of those who have died in past wars in defense of our country, including those who have died in the current conflicts in Iraq and Afghanistan.

Respectfully submitted,

  
Karen Diaz  
City Clerk