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June 18, 2013  
Community Development  
Planning Division

**TITLE: PROJECT STATUS REPORT AND DISCUSSION OF WORKING DRAFT ALTERNATIVES FOR THE EAST PLEASANTON SPECIFIC PLAN**

**SUMMARY**

The East Pleasanton Specific Plan Task Force has been working since August 2012. It has investigated the physical conditions and policy background, has discussed a working draft vision for development and conservation of the area, and now has several working draft alternative plans for the City Council's consideration. Staff and the Task Force is seeking direction from the City Council prior to the preparation of detailed feasibility and impact studies.

**RECOMMENDATION**

Hear public input and provide direction to staff and the Task Force regarding the alternative plans to be subject to detailed feasibility and impact analysis.

**FINANCIAL STATEMENT**

The cost of Specific Plan preparation is being paid by the major private landowners in the East Pleasanton Specific Plan Area. The preparation of the alternatives and subsequent feasibility and impact analysis is part of the planning scope previously approved by the City Council.

## **BACKGROUND**

The preparation of an East Pleasanton Specific Plan is called for in the City's General Plan. In May 2012 the City Council approved the formation of an East Pleasanton Specific Plan Task Force, which has met nine times since August 2012. Following an orientation meeting, the Task Force focused on learning about the East Pleasanton area with a field trip, discussions of opportunities and constraints, and reports on traffic conditions, an economic and market assessment of the area, and an environmental baseline report. A Working Draft Vision Statement was reviewed by the City Council and has guided the preparation of several working draft land use and circulation alternatives. Attachment 1 provides a graphic and written description for each alternative.

Alternatives 1 through 4 were the subject of discussion with several City commissions and committees and the Pleasanton Unified School District Board. City committees and commissions included the Housing Commission, the Parks and Recreation Commission, the Economic Vitality Committee, the Bicycle, Pedestrian and Trail Committee, and the Planning Commission. Comments from these bodies are summarized in Attachment 2.

## **JUNE 2013 TASK FORCE MEETING**

At its June meeting, the East Pleasanton Task Force discussed the feedback from commissions and committees and received information from Pat Costanzo, representing Kiewit, regarding what the housing numbers in the plan alternatives would look like with various assumptions about how much of the future Regional Housing Need for multifamily housing is accommodated in East Pleasanton, as well as the mix of single family and multifamily homes (this information is included in Attachment 4: Comments from Task Force Members and the Public). At the conclusion of Task Force discussions it was agreed that two additional draft alternatives should be considered: Alternative 5 which accommodates 1,756 units (with 35 percent of the high density housing need for next two Regional Housing Need Assessment (RHNA) cycles) and Alternative 6 which accommodates 2,279 units (with 40 percent of the high density housing need for the next two RHNA cycles).

In addition, in response to feedback, the Task Force agreed that the following changes would be made to the alternatives:

- Change the legend on all four alternatives pertaining to the "Potential School Site" to read: "Potential Public School/Park Site." This will denote that public schools would be developed in conjunction with a public park.
- Relocate the potential school site in Alternative 4 to a site west of El Charro Road.
- Identify approximate locations of the future private residential recreation areas on all alternative plans.
- Add all trails, staging areas, and vistas suggested by the Trails Committee to all the alternative plans.
- Identify the approximate location of the retail overlay zone on the northern parcel.

Task Force members commented that although the alternatives included many of the elements they wished to see in the East Pleasanton Specific Plan, none of the alternatives at this point represented a “preferred plan” that they could agree upon.

## **FEASIBILITY OF ALTERNATIVES**

Also attached to this agenda report is a Draft Memorandum prepared by Economic and Planning Systems: EPSP Alternatives Infrastructure Cost Burden Review (Attachment 3). This memorandum assesses the potential for the six draft alternatives to support the infrastructure costs required for development. This review builds on an analysis of earlier alternatives which was presented to the East Pleasanton Task Force over the last several months. It provides an initial screen on the financial feasibility of the six alternatives, summarized in Figure 1 of the memo. This shows that while Alternative 4 (with the most industrial development) is the least feasible alternative, and Alternative 6 (with the most residential units) is the most feasible, Alternatives 1, 2, 3 and 5 are marginally feasible. According to the consultant, these marginally feasible alternatives could be made more feasible by:

- Phasing the major infrastructure items, so that the costs of major investments can be balanced against revenues from land development;
- Product type optimization; future, more detailed analysis will look at the costs and revenues from different residential product types (large lot residential, small lot residential, townhomes, etc) and the mix can be optimized to increase financial feasibility;
- Sharing the responsibility for transportation infrastructure funding; staff has assumed that this is to be entirely the responsibility of the private developers with no contribution from the City;
- Developing affordable housing differently than assumed in the financial feasibility model. The consultants have assumed that the private developers will provide 15 percent affordable (restricted) units which are conservatively assumed at zero value for the purposes of calculating development value and contributing to the construction of infrastructure. If these units were provided by a non-profit developer with a contribution of land or cash from the City, the financial feasibility of these alternatives would improve.

A representative from Economic and Planning Systems will be available at the meeting to discuss the financial feasibility findings.

## **DISCUSSION**

### **Draft Plan Assumptions:**

The Plan Alternatives have been developed based on several assumptions. Staff seeks the City Council’s concurrence or direction on the following:

1. The cost burden of needed on-site and off-site infrastructure will be paid for by development and that costs will not be shared by the larger community. The preliminary feasibility analysis lists a number of infrastructure items, including the construction of El Charro Road and the associated railroad undercrossing, which

total approximately \$60 million. The project feasibility analysis assumes that the proposed residential and commercial development in East Pleasanton will cover the cost burden of these improvements. Under these circumstances, the alternatives which include more development, particularly more residential development, will be those which are more likely to be economically feasible. By the same token, if the City were to share the cost of infrastructure, the economic feasibility of a smaller project alternative would be increased.

2. El Charro Road will be extended from its current terminus just south of I-580 and will connect to Stanley Boulevard as shown in the General Plan. Infrastructure costs would be significantly reduced if El Charro Road terminated at Busch Road. However, this configuration of El Charro Road is not likely to result in relief of traffic congestion on Valley Avenue and Santa Rita Road as anticipated in the General Plan.
3. Development beyond the existing Urban Growth Boundary is contemplated in all the plan alternatives. Program 22.6 of the General Plan Land Use Element contemplated reevaluation of the Urban Growth Boundary in East Pleasanton at such time as a plan for the future of reclaimed quarry land is considered. Whether or not such an adjustment to the UGB will require a vote of the people will be determined by the City Council.
4. Relocation of the City's Operation Services Center and the Pleasanton Garbage Service Transfer Station although desirable shall be cost neutral to the City and to PGS ratepayers. The existing location of the PGS facility (more so than the OSC) is a severe constraint to future residential development. Relocation of both facilities is shown in several of the alternatives. Although staff is aware that property owners have talked to the owners of PGS, no agreement regarding relocation has been reached at this time.
5. Plans should accommodate a public elementary school site adjacent to a public park. Alternative 5 shows the school site on the Operations Services Center; Other alternatives show the school on private property.
6. Boulder Street should be extended to Busch Road and/or El Charro to help disburse traffic on the larger street network. Extending Boulder Street would help reduce the traffic on Busch Road.
7. The East Pleasanton Specific Plan should accommodate a portion of the housing need for the next two RHNA cycles. Planning staff will soon starting working on the City's next Housing Element update for the 2014 to 2022 planning period. The next Housing Element planning period after that runs from 2022 to 2030. The City will need to find sites to accommodate the housing need for both of these updates (see more details regarding the City's Regional Housing Need Allocation numbers on p. 7 of this agenda report). As East Pleasanton is one of the few vacant, developable areas in the City and will be building out over a period of several

years, staff has assumed that it should take a portion of the housing need for both the 2014 to 2022 cycle and the 2022 to 2030 cycle.

**Other Discussion Items:**

Apart from the assumptions listed above, staff and the Task Force are also seeking direction on the following questions:

1. How much of the City's future Regional Housing Needs Allocation should be accommodated in East Pleasanton, and what should be the mix of single family vs. multifamily housing?

Much discussion at the Task Force meetings has focused on these questions, with several Task Force members in favor of East Pleasanton taking a proportional share of the total number of units and keeping the balance between single family and multifamily units similar to that which currently existing in Pleasanton: approximately 75 percent single family units and 25% multifamily units. On the other hand East Pleasanton represents most of the available vacant land in the City. The discussion of potential available sites during the last Housing Element update indicates that there are very few sites in other parts of the City that could be rezoned to accommodate multifamily housing.

The last Housing Element update included the rezoning of nine sites to allow multifamily development, and also included the Roche site which remained available after the rezoning of three Hacienda sites. Some of these sites will be available for the 2014-2022 housing element cycle, as shown in Table 1. As estimated, sites which can accommodate a total of 991 multifamily housing units would be available for inclusion in the next Housing Element housing site inventory.

**Table 1: Nine Rezoned Sites and Roche Site: Higher Density Sites in Housing Element Vacant Land Inventory**

<b>Projects Anticipated to Be Approved in the 2007-2014 RHNA Cycle or otherwise unavailable</b>	<b># of Units</b>	<b>Higher Density Sites Anticipated to Be Available in the City's Inventory in 2014-2022 RHNA Cycle</b>	<b># of Units<sup>1</sup></b>
Auf de Maur	345	BART	249+
California Center (formerly CarrAmerica)	305		
Nearon	168	Kaiser	183
Pleasanton Gateway	210	Sheraton	99+
CM Capital Properties	0 <sup>2</sup>	Stoneridge Shopping Center	88 <sup>3</sup>
		Roche Site	372+
<b>TOTAL</b>	<b>1,028</b>		<b>991</b>

Regarding the total housing need for the City for the next two planning cycles (to 2030), the second column in Table 2 shows the draft RHNA numbers (by income category) for the 2014 to 2022 period, with the third column describing the estimated inventory of sites that will be available in 2014 (see footnote for details of sites). Subtracting the sites from the need leaves the additional units to be planned for in the first cycle (2014 to 2022). For the next column, the estimate of units to be planned for the 2022 to 2030 cycle, an assumption is made that the City will need to plan for the same number of units as the previous cycle. The next to last column shows the addition of the housing need for both cycles (2014 to 2030), and the last column estimates the number of acres that will need to be rezoned (the footnote provides details of the densities assumed for each income category). Staff is seeking direction from the City Council regarding the proportion of this need that should be accommodated in the East Pleasanton Specific Plan area.

<sup>1</sup> Project unit count is from the Housing Element Background Report, February 2012 (see: <http://www.ci.pleasanton.ca.us/pdf/Background-FINAL-2012.pdf>).

<sup>2</sup> Site owners are in the process of renovating the existing vacant building for commercial use and other buildings on the site are occupied; therefore, no residential development is anticipated in the foreseeable future.

<sup>3</sup> Stoneridge Shopping Center owners are likely to use part of this site for commercial expansion; therefore potential residential development was reduced from 400 units to 88.

**Table 2: Estimate of RHNA to Year 2030 and Acreage Needed to Accommodate Housing Needs**

	<b>2014-2022 RHNA</b>	<b>Estimated 2014 Inventory<sup>4</sup></b>	<b>Additional units to be planned for 2014- 2022 RHNA</b>	<b>Estimate of 2022- 2030 RHNA</b>	<b>Estimate of units to be planned for 2014- 2030</b>	<b>Additional Acreage Needed</b>
Very Low Income	1,102	991	111	1,102	1,213	40
Low Income						
Moderate Income	405	0	405	405	810	35
Above Moderate Income	551	270	281	551	832	111
<b>Total</b>	<b>2,058</b>	<b>1,261</b>	<b>797</b>	<b>2,058</b>	<b>2,855</b>	<b>186</b>

Table 3 looks at the ramifications of limiting the proportion of multifamily units to 25 percent of the total, similar to the proportion of multifamily housing units Citywide. The two columns to the right show the percentage of all multifamily units required to be accommodated by the estimated regional housing needs allocation, and the number of multi-family units which will need to be accommodated elsewhere in the City under these assumptions. Staff is seeking the City Council's direction regarding the mix of single family and multifamily housing that should be planned for in East Pleasanton.

<sup>4</sup> The estimated inventory as of 2014 consists of sites accommodating 991 multifamily units (see Table 1), and sites for 270 above moderate income single family units which includes: the Auf der Maur property on Bernal Avenue by Bonde Ranch (51 units); 98 medium density units on the Pleasanton Gateway site; 50 units on Lund Ranch II, 40 units on Spotorno, and 10 units on Oak Grove, and other sites, such as lower density properties by Foothill Road (20 units estimated). The existing available site inventory for residential development is shown in Appendix B of the Housing Element Background Report, February 2012 (see: <http://www.ci.pleasanton.ca.us/pdf/Appendix-B.pdf>).

**Table 3: Mix of Single Family and Multifamily Units and Comparison to RHNA**

	<b>Total Units</b>	<b>Number of Single Family Units in Alternative</b>	<b>Number of Multi-family Units in Alternative</b>	<b>Number of Single Family at 75%</b>	<b>Number of Multi-family at 25%</b>	<b>25 % Multifamily as a Percent of estimated RHNA for Very-low, Low and Moderate</b>	<b>Number of multifamily units which would need to be located elsewhere in City</b>
Alternative 1	1,000	500	500	750	250	12%	1,773
Alternative 2	1,426	465	961	1,070	357	18%	1,666
Alternative 3	1,710	486	1,224	1,283	428	21%	1,595
Alternative 4	1,283	641	643	962	321	16%	1,702

2. Should the multifamily housing be located such that it contributes to a vibrant "community center", i.e. located centrally near the retail area or park, or be disbursed more to the edges of the Specific Plan area? Traditional planning rules would focus higher residential densities near where community activity is desired. However, some Task Force members wished to de-emphasize the larger multi-family structures by placing them on the edges of the planning area.
3. Selection of up to four Alternatives to be subject of detailed impact and feasibility analysis. Staff recommends that the alternatives selected include the plan with the most development that can be considered, so that future CEQA analysis includes all potential impacts; staff also recommends that an alternative which retains the PGS facility in its existing location be analyzed. Staff is seeking City Council direction on the range of alternatives to be analyzed.

**NEXT STEPS**

The next steps in the EPSP process, following review of alternative plans by the Council, are scheduled to consist of the following:

- Technical analysis by City staff and consultants of up to four working draft alternative plans. This will be used to help guide the preparation of the "preferred plan," and refinement of alternatives for inclusion in the EIR. These studies will include: (1) traffic impact assessment; (2) preliminary engineering, utility, infrastructure and water supply report; (3) preliminary road system engineering; (4) fiscal impact analysis; and (5) financial feasibility analysis. Some of this work has already been developed for previous steps of the EPSP process. Completion date: July 26, 2013.

- Task Force preparation of the preferred plan and refinement of the EIR alternatives. Task Force meeting date: September 5, 2013.
- Planning Commission review and input regarding the preferred plan. Planning Commission meeting date September 25, 2013.
- Council review and direction regarding the preferred plan, and direction to proceed with preparation of the draft specific plan. City Council meeting date: October 15, 2013

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Attachments:

1. Draft Working Draft Alternatives Report, May 2013
2. Commission, Committee and PUSD Board Comments, May 31, 2013
3. EPSP Alternatives Infrastructure Cost Burden Review, June 11, 2013
4. Comments from Task Force Members and the Public