

P14-0009, Workday, Inc.

Work Session to review and receive comments on a preliminary application to construct a six-story, approximately 430,000 square foot office building, two parking garages, and related site improvements at 6110 and 6120-6160 Stoneridge Mall Road. Zoning for the properties is PUD-C-O (Planned Unit Development – Commercial - Office) and PUD-HDR/C (Planned Unit Development-High Density Residential/Commercial) Districts.

Steve Otto presented the staff report and described the scope, layout, and key elements of the application.

Commissioner Pearce asked Mr. Otto to talk about the height of the building and if there are other buildings in the City that are this tall.

Mr. Otto replied that: this would be the tallest building in the City and that there are no other buildings in the City that are this tall. He stated that the staff report provides some heights of some other taller buildings in this area, and other taller buildings away from this area would be in Hacienda Business Park where the tallest building, formerly known as the Associate Center, is 85½ feet tall at its equipment screen. He added that the AT&T or California Center Building is 84½ feet in height at its tallest point and is a six-story building.

Commissioner Ritter apologized for being late; he was at his son's wrestling tournament, at which Foothill dominated Amador, and his son won. He asked a quick question about the change of zoning, indicating that he knows the Regional Housing Needs Allocation (RHNA) numbers were originally discussed with the BART project and the importance of having enough high-density housing. He noted that this is going to change that area and inquired if the City would still be fine with meeting those RHNA requirements.

Mr. Otto said yes. He stated that the City does have adequate housing units to meet the RHNA numbers. He explained that 20 percent of the original Windstar project at this site was counted towards the RHNA numbers because there was a housing agreement for it; but the City has more than adequate housing stock with the rezoning of the other nine sites in the City, even if that 20 percent of the original project were removed, which represents about 70 units.

Acting Chair O'Connor inquired what the parking ratio of the two parking garages, as proposed is in terms of square footage.

Mr. Otto replied that the proposed parking ratio is one parking space per 305 gross square feet. He indicated that the normal code for a non-PUD project is one space per 300 square feet, and with a PUD, parking is reviewed on a case-by-case basis, and the Commission and Council can reduce that parking standard if warranted and deemed appropriate. He added that, in this case, being right next to a BART station, it can be

assumed that not as many people are going to park or drive their cars and need to park here.

Mr. Dolan added that if there had been a request for a substantial reduction in parking, staff would have given that very serious consideration just because of the proximity to the BART station. But that is not being requested, and the applicant is providing quite a bit of parking.

Acting Chair O'Connor stated that he does not know what one space per 305 gross square foot works out to for square footage but that it is not much of a reduction.

Mr. Otto replied that it is 55 spaces out of 3,270 that are proposed.

Acting Chair O'Connor verified that the City has a couple of other buildings that are at 85 and 84 feet in height and this one is only about 87feet.

Mr. Otto replied that it is 87½ feet tall; but it is 105 feet at its tallest point, which is what is included in the measurement of the heights of the two buildings he mentioned earlier. He added that the tallest building the City has right now is the Safeway building, which is just down the street and is 85 feet 10 inches at its roof equipment screen.

Acting Chair O'Connor noted that there is a difference of about 20 feet.

THE PUBLIC HEARING WAS OPENED.

Brian Griggs stated that he has a real estate consulting advisory firm and has been working with Workday for the past six years. He indicated that when Workday moved to Pleasanton from Walnut Creek about five years ago, it had approximately 150 people; it currently has approximately 1,500 people who work in the beautiful City of Pleasanton and is hoping that this project will be approved and so it can continue its expansion. He presented the Workday project team present tonight: Paul Ferrell with Form 4, the architect for the building; Rich Sharp with Studio 5 Architects; senior people from Workday, Jim Shaughnessy, who is part of the leadership and management team; and Michelle Hodge who is a Senior Director of Real Estate and Work Places; Steve Hill, representing the Stoneridge Corporate Plaza complex, which will be incorporated as a unified campus. He noted that Workday already occupies some space in Stoneridge Corporate Plaza already. He then acknowledged City staff with whom they have worked collaboratively for the better part of six months to reach this point.

Mr. Griggs stated that Workday has no definitive plans about the timing of the project or any preconceived ideas about potential consolidation of the project or whether they will be able to lease space in other buildings. He indicated that that really is pretty contingent upon the continued growth or flat growth of the company. He added that they are also very pleased that, as mentioned in the staff report, they are going to be providing a joint police facility for the City of Pleasanton. He stated that they have had the opportunity to meet a half a dozen times with Pleasanton's Police Chief and several

members of the Police Department, as well as with the BART Police Department. He noted that John Reynolds, a partner with BART, is also present tonight. He thanked BART and Mr. Reynolds for their trust that Workday will produce a product that everyone will be happy with.

Mr. Griggs stated that there are a couple of minor improvements: increasing the size of and relocating the transit hub where the bus drop is, hopefully to facilitate more use of the BART system ; and embellishing the pedestrian promenade that links BART where the walkway drops off at the station all the way out to Stoneridge Mall Road, again to try and entice people to use that as a means of travel over time. He indicated that they look forward to the Commission's feedback and hope to formally submit a project within the next few weeks for review later in March.

Commissioner Posson asked the applicant to talk about some of the energy efficient elements that they are building into their design.

Paul Ferrell, Form 4 Architects, stated that first of all, they are going to be going for LEED Gold, so there will be quite a few measures. He indicated that they have not decided on everything yet as they are just at the early stages of development. He noted, however, that, one thing they are considering are PV panels on a portion of the roof. He added that there will be quite a bit of light in this building so they are going to meet those kinds of requirements. He indicated that Workday definitely has done LEED in all of its projects as well as in all its tenant improvements at existing facilities, so there definitely is a commitment there, even if they have not yet gone through the checklist and pointed to every single item.

The Commission then discussed the Work Session Topics.

A. Is the proposed land use/zoning change from mixed-use high-density residential/commercial to office acceptable on the BART property?

Commissioners Ritter, Posson, Allen, and Pearce said yes.

Acting Chair O'Connor also said yes and indicated that it is unanimous.

B. Are the positioning of the office building and parking garages, the on-site circulation, and the number of parking spaces acceptable?

Commissioner Posson stated that he is fine with those elements, but he had a question regarding on-site circulation: How are the traffic implications on Stoneridge Mall Drive going to be reviewed as part of this application?

Mr. Otto replied that there is a traffic study that is actually underway, which will be available for the Commission's review and consideration.

Commissioner Posson indicated that he is then good with all of the numbers.

Commissioner Allen stated that she is also good.

Commissioner Pearce inquired if the traffic study is coming with the application.

Mr. Otto said yes.

Commissioner Pearce stated that it looks great. She indicated that she had some concerns about the amount of parking, but those concerns are satisfied.

Acting Chair O'Connor asked Mr. Otto what the comparable impact is as far as traffic is concerned: based on the number of parking spaces, if that were to be utilized, how that compares to what was already approved for the site.

Mr. Otto replied that he does not have the numbers yet, so he is not able to give a definitive answer as to what the comparison might be. He indicated that the apartment project had different numbers based on the number of units; additionally, the trip pattern is different on residential versus office. He indicated that it is basically reversed, although there was a retail component that had a little bit of standard traffic like an office building.

Commissioner Ritter stated that he had his office at that location for 15 years, and they moved out recently. He indicated that in Christmas time, the traffic is horrible without any new developments. He noted that they will add 3,200 parking spaces and added a stop light near where the new level garage will be located, but he is concerned with the traffic flow during the peak seasons as the place gets really packed then. He noted that the big time is between 7:00 a.m. and 9:00 a.m. when everyone shows up, and then at 4:00 p.m. and 5:00 p.m. when everyone leaves.

Commissioner Ritter stated that the other concern he has is that there is really no crosswalks to get over to the mall, and people just basically walked across the street to go to the mall to eat lunch and hoped nobody hit them. He asked staff to make sure that as they redesign all this, there is an easy way to push the pedestrians to cross there somehow. He indicated that he is sure they could probably get past those once the traffic study is done.

Acting Chair O'Connor stated that he does not have anything to add but that he is surprised that there are no crosswalks like where the BART area is and the BART garage.

Mr. Otto stated that there was a crosswalk recently installed from the BART parking garage next to the driveway there across to the mall. He noted that the problem with the mall is that there are no sidewalks from the mall buildings to the parking lots, so the crosswalk basically goes into the mall parking lot with no sidewalk to walk on.

Commissioner Ritter noted that what will happen is that people will be parking in the new level garage and walk across to the mall; it would be a concern if there are no sidewalks there.

Mr. Otto replied that it is on the mall property, and there is only so much that can be done as regards this project.

C. Are the designs and heights of the office building and parking garages acceptable?

Commissioner Allen said yes. She noted that it is higher than other areas, but it is also near BART and the freeway. He added that it is a good project.

Commissioners Pearce, Ritter, and Posson agreed.

Acting Chair O'Connor also agreed. He stated that it is going to be the City's tallest building, but it looks stunning, at least what they have so far, and there is a predominance of taller buildings in that area, even if they are not quite as tall. He indicated that he thinks it will blend in pretty well.

D. Are the photo simulations adequate?

Commissioner Pearce stated that she likes the photo-simulations. She indicated that she does not think the Commission needs anything other than those and the freeway, and she is comfortable with that.

Commissioner Ritter agreed.

Commissioner Posson noted that the photo-simulations are only from the freeway and stated that he would like to see something from the mall side. He indicated that, frankly, those driving down the freeway will not be paying too much attention, but there would be more of a visual impact from the mall area.

Acting Chair O'Connor stated that he is fine with what they have.

Commissioner Allen stated that she is fine. She agreed with Commissioner Posson about having visuals from the mall, especially around the landscaping perspective and trees, because it would be nice to get more coverage there and she would like to see what that would look like.

E. Does the Planning Commission support the elimination of the public's use of the private landscaped area?

Commissioners Pearce and Allen said yes.

Commissioner Posson asked Mr. Otto to display the visual on the area and asked which area is currently public.

Mr. Otto replied that the area between the five office buildings is private property but is open to the public.

Mr. Dolan stated that it just has no easement on it that provides access; it is a condition of approval.

Commissioner Posson inquired if Workday owns the other buildings or if Workday is currently leasing those.

Mr. Otto replied that they are the business of Workday's Co-Founder, Dave Duffield.

Mr. Dolan stated that a Workday entity owns it.

Commissioner Posson inquired if they are all occupied by Workday.

Mr. Dolan said no; Workday does not occupy all of them. He explained that there were still existing leases when Workday acquired them.

Mr. Otto replied that Workday is only in one building and occupies about 85,000 square feet of that building.

Acting Chair O'Connor inquired if it is Workday's intent to occupy all five buildings.

Mr. Dolan said yes, if it ever gets that big.

Commissioner Posson inquired if Workday wanted to close that area so it has a closed campus.

Mr. Dolan replied that was correct.

Commissioner Posson stated he has okay with it.

Acting Chair O'Connor stated that he is okay with that as well.

Acting Chair O'Connor stated that it does not look like the Commission has given the applicants and staff a whole lot of information tonight, and that it sounds like the Commissioners have thumbs up that they really like the plan as much as they have seen so far. He asked Mr. Griggs if he wanted to come back and say something else.

Mr. Griggs stated that he has just a couple of points of clarification: He indicated that the net add is only about 1,300 parking stalls, for a total of 3,200 for the project. With respect to people parking in the garage and walking across the street, he stated that

they certainly hope that does not happen. He indicated that the garages will probably have some sort of gate access on them and they can hopefully monitor that.

Commissioner Ritter inquired if the parking is for employee-only

Mr. Griggs said yes, presumably. He added that as regards the discussion about Workday occupying all five of the buildings, he stated that there are 50 tenants in the building, all of whom have leases which the ownership will certainly acknowledge. He added that he does not think there is a pre-determined plan whatsoever that Workday will continue to occupy all the buildings; it is really contingent upon growth. He stated that they hope this new project will provide a relief valve for a lot of that.

Acting Chair O'Connor asked staff if they got what they needed.

Mr. Dolan said yes.

No action was taken.