1 2 3 4			ES OF THE REGULAR MEETING DLE PLANNING COMMISSION	
5			July 25, 2022	
7			•	_
8 9 10		_	NG WAS HELD IN A HYBRID FORMATESON AND ZOOM TELECONFERENC	
11 12 13	A.	CALL TO ORDER: 7:00 p.	m.	
14	B1.	PLEDGE OF ALLEGIANCE		
15 16 17 18 19 20 21 22	B2.	LAND ACKNOWLEDGEMENT: Before we begin, we would like to acknowledge the Ohlone people, who are the traditional custodians of this land. We pay our respects to the Ohlone elders, past, present and future, who call this place, Ohlone Land, the land that Pinole sits upon, their home. We are proud to continue their tradition of coming together and growing as a community. We thank the Ohlone community for their stewardship and support, and we look forward to strengthening our ties as we continue our relationship of mutual respect and understanding		
23 24	B3.	ROLL CALL		
252627		Commissioners Present:	Banuleos, Benzuly, Menis, Kurre Martinez and Chairperson Moriarty	ent Vice Chairperson
28 29 30		Commissioners Absent:	None	
31 32 33 34		Staff Present:	Lilly Whalen, Community Developmer David Hanham, Planning Manager Alex Mog, Assistant City Attorney Justin Shiu, Contract Planner	nt Director
35 36	C.	CITIZENS TO BE HEARD		
37 38		There were no citizens to be heard.		
39 40	D.	MEETING MINUTES:		
41 42		Planning Commission	n Meeting Minutes from June 27, 2022	
43 44		-	te to approve the Planning Commission	n Meeting Minutes from
45 46		June 27, 2022, as shown.	•	j
47 48 49 50		MOTION: Kurrent	SECONDED: Banuelos	APPROVED: 5-0-1 ABSTAIN: Moriarty

E. PUBLIC HEARINGS:

1. Design Review DR21-12 Pinole Vista Project

Request: Consideration of a Design Review request for demolition of the

existing vacant Kmart building and the development of a new fivestory residential building containing 223 units, as well as associated

site improvements.

Applicant: Chris Cole, Metrovation, 25 Bridge Avenue, Suite 150, Red Bank,

New Jersey, 07701

Location: 1500 Fitzgerald Drive (APN 426-391-010)

Planner: David Hanham

Community Development Director Lilly Whalen provided an extensive PowerPoint presentation which included an overview of the Comprehensive Design Review for the Pinole Vista Apartment Complex located at 1500 Fitzgerald Drive, as detailed in the July 25, 2022 staff report.

Ms. Whalen recommended the Planning Commission adopt Resolution 22-05 recommending approval of the Comprehensive Design Review and CEQA Exemption for the Pinole Vista Project located at 1500 Fitzgerald Drive (PL21-0035 & DR21-12), subject to Exhibit A, Conditions of Approval.

Responding to the Commission, Ms. Whalen, Planning Manager David Hanham and Assistant City Attorney Alex Mog clarified:

- Residents would access the shopping center from a covered walking path from the
 apartment building to the western edge of the shopping center. The applicant
 would be required to fence the project for the purpose of delineating the existing
 shopping center parking and the apartment complex.
- A sample of the fence material had been included in the design package with staff
 to work with the applicant on that design element in association with the Planning
 Commission Ad Hoc Subcommittee pursuant to Condition 58. Landscaping had
 been proposed to be planted around the fence and it was anticipated that as the
 landscaping matured it would surround the fence.
- As part of the initial rendering an "East Coast Block" design had been proposed but pursuant to the current design renderings, there would be more pop-outs and undulations of the buildings to reduce the massing.
- The colors chosen for the building were to be clarified by the applicant but staff
 understood the proposed colors would be used elsewhere in the shopping center as
 part of future improvements to the center. The original color palette had included
 more reds, dark browns and oranges with the current color palette consisting of white
 wash and tans.

- A sun shade study had not been required for this project.
- Water and sewer utilities had been determined to be adequate to accommodate the project being proposed with the Engineering Department to review all improvement plans to ensure the site was balanced.
- The City of Pinole had not adopted an Electric Vehicle (EV) standard for these types
 of projects but had required the applicant to install all conduit in the parking lot so that
 when the need arose in the future more EV parking spaces beyond the eight EV
 parking spaces currently being proposed could be installed.
- The applicant would be required to comply with C.3 requirements. There would be some bio-retention areas proposed at the front of the property. The Public Works Department had reviewed the plans and determined the proposed bio-retention areas would meet C.3 requirements. There were also additional conditions that when the drainage plans were submitted they would all match what had been proposed.
- Rooftop access would be through the building only via an elevator taking residents from an individual floor to the rooftop access (with corresponding stairs for fire exiting).

Commissioner Menis reported he had ex-parté conversations with Pinole resident Peter Murray and Vice Chairperson Martinez related to various concerns with the project. He also took the opportunity to identify minor typographical errors in Exhibit A: Planning Commission Resolution 22-05, Conditions of Approval as follows: Condition 10 (b); Condition 31; and Condition 35; and Condition 81 (b) was a carryover from another project and should be stricken. Condition 85 was missing some text; there was a typographical error in Condition 87; with respect to Condition 91, the building should meet certain high-rise standards but staff stated that condition was not needed in this case; and with respect to Condition 113 subsection (1), the project was in a residential not a commercial zone. He also found some of the appendices difficult to read given the small print.

Although there was no condition requiring solar panels on the top of the roof and only
the conduit for solar panels was required, staff reported an agreement had been
reached with the applicant to install solar panels when constructing the building.

Responding to Commissioner Menis, Olivia Ervin, M-Group, Environmental Consultant, provided an overview of the California Environmental Quality Act (CEQA) analysis and clarified the Bay Area Air Quality Management District (BAAQMD) guidelines for review of Greenhouse Gas Emissions (GHGs). She explained that the higher density the lower per capita GHG emissions. Pursuant to the guidelines of the BAAQMD, the project must meet the GHG threshold to be considered to be significant and it had been concluded that the project would have a less than significant impact due to the per capita brightline threshold that fell below the threshold of significance.

Attachment F, Fiscal Impact Analysis (FIA) had been funded by the City of Pinole.
 Staff also clarified as best as possible specific questions related to Table A-10,
 Projected General Fund Costs, with staff reporting the consultant who had prepared the FIA, The Natelson Dale Group (TNDG), was not present.

Specific questions from the Planning Commission on the FIA could be assembled and forwarded to the consultant prior to the City Council's consideration of the project.

• The building would have the same orientation as the former Kmart building with the main entrances facing the existing shopping center. The front façade (east elevation) and the parking lot would be changed from its initial orientation of 45-degree parking stalls to 90-degree parking stalls. The benefits of parking at a 45-as opposed to 90-degree parking should be clarified by the applicant.

Vice Chairperson Martinez reported he had been contacted by the developer to discuss improvements to the project and during those discussions he had requested the use of larger windows, soft rooftop areas, a higher quality of design with the use of balconies and the like. He had also met with Commissioner Menis to discuss the loss of retail at the location as well as potential options to include additional retail.

- Staff acknowledged recommendations offered by Vice Chairperson Martinez for possible shuttle service from the project to the Richmond Transit Center on I-80 and the Richmond Parkway from 6:00 to 9:00 a.m. and 4:00 to 7:00 p.m. on a constant loop every 30-minutes, Monday through Friday. To set aside \$100,000 for the development of a clean walkway on the southern side of the facility behind the former Kmart building and Best Buy buildings for a path for West Contra Costa Unified School District (WCCUSD) students as part of Safe Routes to Schools, with the pathway to connect to Stallion Road located at the end of a cul-de-sac. The WCCUSD had verified the enrollment for nearby schools was low enough to accommodate new students from the project using an open enrollment platform. The WCCUSD and the Public Works Department would work together on how to develop a Safe Routes to Schools pathway.
- The choice of trees and landscaping would be approved by the Planning Commission Ad Hoc Subcommittee.
- The solar to be installed would be identified when the building permits were submitted and should be clarified by the applicant.
- The final plan check would identify the location of Low and Very Low Income units to be distributed throughout the development.
- Level Two EV parking stalls would be provided.
- The passive play area was defined as an area absent amenities but room for children
 to roam and play and could also include stationary activities for children. Condition
 65 was clarified and could be modified to be more specific as to the play structures
 desired for the area.
- The Pinole Fire Department had reviewed the plans and had determined there would be enough clearance for all necessary fire apparatus on both sides of the building. The Pinole Fire Department had a mutual aid agreement with the Hercules-Rodeo Fire Protection District.

 Whether or not the pandemic had been taken into consideration as part of the FIA conclusions would have to be clarified by the consultant TNDG.

PUBLIC HEARING OPENED

Chris Cole, Metrovation, 25 Bridge Avenue, Suite 150, Red Bank, New Jersey, speaking on behalf of Retail Opportunity Investment Corporation (ROIC) California, the owner of the shopping center and Kmart building, explained that Metrovation had been working on the project for about two years. The plan had evolved over the initial submittal with a more articulated building with brighter colors and a safer design. A PowerPoint presentation was provided and included an overview of the former Kmart building which had sat vacant for four years. ROIC proposed a project where the shopping center and the proposed project had synergy and connectivity and acted as a Mixed-Use project with the existing shopping center.

The project included no variances, exceptions, no waivers and one concession. The building would be 20 feet below that allowed under the Pinole Municipal Code (PMC). It would include market rate and affordable housing and consist of a high-quality aesthetically pleasing building with articulation, Juliet balconies and large windows, along with a secure fence that would be covered in landscaping to allow vegetation to grow and act as a green fence. The site would have gates and cameras to access the building and would reduce the average daily traffic to the site and keep the Level of Service (LOS) along Fitzgerald Drive as it was now. An illuminated crosswalk had been proposed across Fitzgerald Drive to create better connectivity on both sides of the street. Sustainable features would include solar on the roof, covered carports with solar and EV charging stations. The project would offer a net positive revenue to the City of Pinole and was supported by existing tenants who welcomed additional foot traffic.

Rick Schoebel, Chief Operating Officer (COO), ROIC, continued the PowerPoint presentation which included an overview of ROIC, a real estate investment company that specialized in owning and operating grocery-anchored centers and the revitalization and repositioning of shopping centers up and down the West Coast. ROIC had been attracted to the Pinole Vista Shopping Center due to the grocery component and had acquired the property in 2011. Since the acquisition of the property, ROIC had made façade improvements and Americans with Disabilities Act (ADA) improvements. He also clarified the purchase of the Lucky ground lease and land in 2015, the purchase of the Kmart underlying lease in 2018, and acquisition of the Goodyear building in 2021. ROIC was the majority owner of the Pinole Vista Shopping Center.

Before and after photographs of improvements made to date were provided and Mr. Schoebel also highlighted the effort to find tenants to occupy the Kmart building but given changes in the marketplace and a lower demand for big box retail the building remained vacant. He also highlighted the fundamental shifts in retail and while it would have been more economically viable to re-tenant the building as-is, that had proven to be unsuccessful leading to alternative uses. Various alternatives for the site had been examined including office, medical, warehouse and residential. The consultants had been engaged to assist in the best project for this setting with residential determined to be the most synergistic with the existing retail.

Mr. Cole highlighted the project traits including strengthened neighborhood connections to and across Fitzgerald Drive to retail and walkability to services and transit-oriented development, including a covered bus shelter and a close-to regional transit station. Twenty seven of the units would be affordable. The project would be amenity rich with abundant open spaces, themed courtyards, natural open space, rooftop deck, secured and fenced parking and with sustainable features to include drought-tolerant plantings, rooftop solar, EV car and bicycle charging stations. Additional safety measures would include a fence around the perimeter of the building, security cameras, safety lighting on during the evening, key FOB required to enter the building and property management and maintenance to be on-site daily.

Isaiah Stackhouse, Principal, Tracthenberg Architects, described the project design which included a State Density Bonus. The project would consist of a five-story, 54-foot 6-inch tall, (below the allowable height limit) 263,862 square-foot 223-unit apartment building on an existing parcel within the Pinole Vista Shopping Center located at 1500 Fitzgerald Drive, with 27 below market rate units. The building would be fully parked with 275 parking spaces, eight more than required; 160 bicycle parking spaces; 82,000 square feet of open space; and over 5,600 square feet of indoor residential amenity rooms that met and exceeded all setback requirements. The project also fully complied with all architectural requirements for height, setbacks, parking and open space without any requests for waivers or architectural variances.

A high-quality palette with warm earthy materials had been proposed with the use of stucco, metal horizontal siding at the top, a green planted active base with a classic middle base with a highly-articulated façade with bay windows, Juliet balconies, a strong cornice line and a carefully detailed and crafted building designed to stand the test of time.

The front yard area would consist of two large courtyards and a large rear yard area. Along the new sidewalk system private patios would be included on all ground level units with a rooftop deck on the top floor. The design would be based around two courtyards that opened up and engaged with the existing larger plaza. The leasing office would be situated where one entered the site, there would be a residential café lounge further into the site, a fitness center and club rooms off of the courtyards, three distinct lobbies on the plaza side and another distinct lobby on the west side. New pedestrian sidewalks had been proposed along with a new pedestrian link to connect the new residential to the existing plaza.

The Level Five plan included an additional community room opening to an outdoor rooftop deck. The typical unit plans would be good sized, furnishable, with the unit mix 39 percent two bedrooms, 44 percent one bedrooms and 16 percent studios. The plans at the ground level were identified and would include private patios. The middle level plans would have bay windows and Juliet balconies and the top floor units would be pulled back a bit to create an articulated top. Renderings of each elevation from all sides were provided along with entry views from Fitzgerald Drive and the pedestrian connection. A covered trellis walkway had been proposed over the pedestrian connection with accented paving and landscaping. Renderings of the sidewalk along the west elevation from the plaza, from the parking field and site sections were also provided.

Casey McDonald, Project Manager, Adobe Associates, Civil Engineers, highlighted the overall grading and bio-retention areas along Fitzgerald Drive at the main entrance, along the east side in the planter area between the two drive aisles, the south side near the play area and more on the west side. All of the new impervious areas would travel to the new bio-retention areas to allow for infiltration and treatment prior to connecting to the existing storm drain system on-site. There would be fewer impervious surface areas with all of the planter areas and as such there would be less of an impact on the existing storm drain system in addition to having some retention for storm water for all of the areas.

Don MacNair, MacNair Landscape Architecture, detailed the intent to create a highly aesthetic space with lots of variety, little mono-culture, creation of a number of common spaces and extensive landscape of the parking areas. He identified the City street trees as Golden Rain tree species and other trees species would include Island Oaks. The bioretention area would consist of native California sod, a grassy meadow area. Two trees at the entry would be Oklahoma Red Buds, and as they lined the driveways, Acer Armstrong, a red-maple species would offer a vertical element surrounding the entire building. As one entered the parking lot, the first row of trees would include Chinese Pistache, drought tolerant and seedless and in the center would be Chinese Elms, a partially deciduous species. Towards the rear of the property more Island Oaks would be planted at the corners along with Chinese Elms, with the same on the west side of the parking lot along the existing edge.

The courtyards themselves would include a water feature in the front of each one, with a formal pathway leading to a fire pit circle that would pass through a BBQ area, with Japanese Maples and Crepe Myrtle trees around the fire pit. As one moved to Courtyard B, more lawn, a BBQ area, and a water feature would be provided and was where small play equipment for children could be considered. As one came out of the courtyard and headed south they would cross the parking lot into a passive area that had been designed as a picnic area and a space for children to roam. The intention was not to use lawn but keep the area as natural as possible, and possibly use shrubs along the fence line. The area was intended for children to play and be an enclosed space for parents to sit with their children and play. The remainder of the hillside would remain natural and the existing trees would remain in place.

Mr. MacNair clarified that staff had reported as part of its PowerPoint presentation a total of 83 trees would be planted, although pursuant to his plans a total of 175 trees would be planted. Overall, 36 existing trees would be removed and of those trees nine were considered to be protected trees. He also clarified that the Italian Stone Pine tree species were not protected trees but were of a size that could count for mitigation and protected tree status. He suggested those trees were not actually Italian Stone Pines but Canary Island Pine trees. He also noted that the plant legend that had been proposed was typical and would be something that would be used to choose plant material for the project and was not necessarily all-inclusive.

The lighting in the main parking lot was scheduled to be downward facing light, to be Dark Sky compliant, and to be on 20-foot poles. Sidewalk lighting would also have luminaries on 14-foot poles and be in the pedestrian and walkway areas, and a bollard would be primarily in the courtyards and be 42-inches in height.

The fence would consist of a panel with two sides to be connected with a gap in between called a green screen. A 48-inch tall panel would be used to become an 8-foot by 4-foot panel, designed to have vines grow on them to completely cover the fence.

Mr. MacNair otherwise understood the push to use California native species but explained that parking lots were historically bad for California native species due to the hot, dry and reflected heat with few parking lots supporting such species. Rather, he had chosen a plant palette that had been proven and had a good look and should survive the long term. In terms of water use, the state maximum allowed water use would be 426,000 gallons per year based on the square footage. With the way the project had been designed, a total of 364,000 gallons of water would be used and the project was well under the maximum allowed water usage, and if lawn, which had also been proposed to be included in the landscape plan was included, he was confident it would not impact the maximum water usage allowed.

Brian Canepa, Principal, W-Trans, provided an overview of the traffic and circulation including the Traffic Demand Management Plan which included strategies on a ride share program, education, outreach and marketing and a bike share program. He also highlighted the existing retail parking analysis that had concluded the proposed shopping center parking supply significantly exceeded the estimated peak demand of 459 parking spaces by 217 parking stalls.

Mr. Canepa also clarified whether 45- or 90-degree parking was more efficient would depend. There had been much debate amongst planners and engineers and it depended on the size and shape of the land where oftentimes 45- and 90-degree parking was more efficient based on the footage and where 90-degree parking tended to be more efficient. He also highlighted the traffic analysis with the residential uses to have 877 fewer daily trips compared to the retail uses. The project was also transit-oriented with both WestCAT and AC Transit service within walking distance from the site itself, and given the affordable housing component there would be a fair amount of transit usage in the area.

Mr. Canepa further highlighted the LOS for existing conditions and a comparison of existing plus the project with no difference in the amount of performance in each of the intersections, with the new project and the intersections to perform within the City's standards.

Mr. Cole provided an overview of the economic analysis based on the construction of the 223 units where the City would see an increase in business revenues over two years and in the surrounding areas; an increase in revenues in permit and City fees; the creation of hundreds of jobs; state and local taxes; and additional funds in annual property tax revenues to Pinole. A comparison of the sales taxes generated from the former Kmart as compared to the apartment development was also provided. As a result, the net gain for Pinole could be as much as \$80,000 on an ongoing basis.

Mr. Cole also highlighted the sustainability features as part of the project which included transit-oriented development, walking distance to groceries, restaurants and services, drought-tolerant plant material, rooftop solar, bike parking for up to 160 bicycles, new pedestrian crosswalks, electric appliances, approximately 175 to 200 new trees, non-invasive plant species, on-site stormwater control, new covered bus stops and a low flow irrigation system.

Additional features to be explored included EV charging stations, conduit installed for future expansion, Energy Star appliances, EV bike charging, and solar carport.

Mr. Cole reported that ten percent of the 275 parking stalls would have conduit, with four EV charging stations to be provided adjacent to the building and with more possible in the future. An agreement had been reached with Tesla to provide 16 charging stations in front of Big 5 and the developer was also working with a solar company to create solar on top of the carports.

Mr. Cole further highlighted the tenant support for the project with Lucky, the largest tenant being fully supportive of the project along with Saigon 2 and Noah's Bagels.

Responding to questions from the Commission, the project team clarified:

- The building plans had evolved over time. Initially the colors were darker, there
 were no Juliet balconies, the top floors had not been stepped back as much and
 the building materials were different with the first floor not offering as much
 articulation.
- The new building was intended to ultimately look like one cohesive site. As the
 residential project came on line the retail building colors would be updated but the
 landscaping for the center had been done with new plants and irrigation. There
 were no wholesale plans to redo the entire parking lot, with parking stalls and
 striping to be redone as needed and on a regular basis to always appear fresh.
- A crosswalk from the sidewalk traveled directly to the enclosed natural play area and a gate would be installed in front of that area on the main parking lot side where signage could be included to advise motorists of the need to slow down since there were children at play. There were no plans to bring that play area closer to the building. It had been added upon a recommendation from the City to include more play area and was the only viable location in that placing it closer to Fitzgerald Drive would be too close to traffic.
- The fence would consist of a panel with two sides, connected with a gap in between a green screen with a 48-inch tall panel, to become an 8-foot by 4-foot panel designed to have vines grow on them and intended to be covered completely. The fence would be closed off at the top with the entire property secured but with a request for a pathway at the rear for school access. A gate would be required in that area that could be opened, closed and locked/unlocked during the day. The smaller fence around the enclosed natural play area was intended to create a safe space for children to play and prevent them from entering the driveway. At the top of the play area a slope took off quickly along the southern edge of the play area with a concrete V-ditch collecting runoff to the storm drain, and while children may wander into that area it was intended to be passive.
- The developer had not reached the level of detail for the permit drawings in relation to the electric appliances proposed for the apartment units, but in general everything within the units would be all-electric appliances. Hot water systems would likely be gas due to cost. All those details had yet to be determined.

- Ten percent of the parking under CalGreen must be EV capable with conduit run to it. The developer had already volunteered to install some of the EV charging stations and Tesla EV charging stations had been agreed upon for the plaza.
- Acknowledged a recommendation for drought-tolerant sod or native grasses rather than lawns for Courtyard 2. New hybrid grasses, which were moderate water users, could be considered but it was not a big area and those details had yet to be determined. Artificial turf could be another option but lawn had been recommended since it was intended to be used as a play area.
- The units would be ADA compliant with the elevator and all units to meet accessibility requirements.
- The traditional truck delivery route around the Kmart building would be blocked as part of this development. W-Trans had confirmed through computer analysis the truck paths through the plaza, which had been coordinated with the retailers.
- Whether the units would have A/C units was another level of detail yet to be worked out but the plan had allowed for that possibility. Either a split system with rooftop condensers that fed down to air handlers within the units or a PTAC system could be considered. That level of detail would be addressed as part of the design development and construction document process.

John Haveman, Principal, Marin Economic Consulting, speaking to Attachment F, FIA, and in response to the Chair, explained that he had prepared a separate economic report for the applicant. The FIA had been commissioned by the City and he just become aware of that report and could not speak to the statement in the report: *The development of the subject site with the proposed residential project would generate a slightly negative fiscal impact to the City's General Fund in the amount of approximately \$2,500 per year.*

Ms. Whalen further clarified in response to the Chair that if the former Kmart building were re-tenanted at full capacity there would be a surplus of approximately \$313,000 per year pursuant to TNDG's calculations, with the caveat the re-tenanting scenario was subject to change and based on potential scenarios with no applicant or plans to re-tenant, and with a 10-year timeframe to realize those revenues.

- The landscape architect acknowledged the Planning Commission preference for native plant material and opposition to the use of artificial turf.
- As to Courtyard B, the landscape architect also acknowledged a recommendation for the small lawn area to consider a small play structure accessible to small children.

Michael Baum, Pinole, commented that the project was a bad idea and emphasized there were reasons to separate residential from commercial uses. There would be an incredible amount of increased traffic in and out of the shopping center and vehicles would be unable to access the intersection without violating the gridlock law of the Motor Vehicle Code. He also suggested there was inadequate access, ingress and egress in and out of the parking lot.

Mr. Baum stated those same concerns had been raised about the absence of a right hand turn lane to westbound I-80 into the Sprouts Center. He also questioned the use of Japanese Maples as a drought-tolerant tree species since the trees grew quite tall and could be a maintenance issue. He also found there were many promises being made that issues would be addressed throughout the process but residents needed specifics now. He noted that the City of Antioch had turned its former Kmart building into a cannabis dispensary but such use was not permitted in the City of Pinole. If people wanted cannabis they had to go to neighboring cities. In this case, nothing would have to do be done to the building if allowed to be a cannabis dispensary, which could provide the City with a great deal of revenue.

Debbie Long, Pinole, understood the public would be allowed five minutes as opposed to three minutes to speak, to which Assistant City Attorney Mog explained that was a standard period of time for public speakers but the three-minute time was set at the discretion of the Chair in anticipation of high demand as allowed under the Brown Act.

Ms. Long wanted the best project for the City and suggested there was room for improvement. She suggested for economic development in the City some aspects of commercial development should be retained regardless of the entitlements the applicant had requested such as the Density Bonus Law, which allowed for concessions to development standards. If the standard of allowing the applicant to claim the density bonus was applied to other applicants within the City it may erode Pinole's retail area without an amendment to the Specific Plan. Pinole would then open itself up to losing a lot of retail space by concessions not by planning, and changing the comprehensive plan. If the City did not explore this opinion, which was shared by other planners, the City would set a precedent for the future.

Ms. Long noted the shopping center had been built to be the tax base for the City of Pinole, it had gotten the City through the recession in 2008, and was still viable and the tax base should not be lost based upon concessions. She found the project to be too dense while Mixed-Use residential with commercial on the bottom would be a win-win situation for both the developer and the City. She suggested that such an intense high-density residential use would be a safety issue since the Pinole Fire Department did not have a 55-foot ladder truck that could reach a 70-foot high building and currently must borrow a ladder truck from another agency with no guarantee the truck would be available if needed. Residential sprinklers may help control fire but all residents on the top floors, including the rooftop deck with BBQs, could not be evacuated

Ms. Long added that the traffic along Fitzgerald Drive was not designed for residential use including casual pedestrian, bicycle and recreational use by children. In 2018, a traffic study had been done for Fitzgerald Drive as mandated by the state regarding speed limits and at that time the study had indicated the Council needed to adopt a change in the speed limit for both Fitzgerald Drive and Appian Way from 35 mph to 40 mph since that was more indicative of the speed. The Council had refused because of the topography of the road and the ingress and egress from the shopping centers. It was likely what had changed since that time was that the speed of traffic was faster.

Ms. Long suggested the Planning Commission needed to fully address pedestrian crosswalks with vehicles traveling on average 40 mph, and in light of a recent fatality in the City with someone in a crosswalk this must be scrutinized more carefully.

Ms. Long noted that anyone who used Fitzgerald Drive also knew the only way to make Appian Way upon exiting, as an example from Burger King, was to make a U-turn where Firestone Tires was located, a situation that also needed to be addressed. She suggested either no right turns be allowed out of the shopping center exit or that a right turn lane be considered.

Ms. Long asked whether or not any of the units would be designed for people with disabilities. She questioned the proposed parking and disputed the economic fiscal analysis but did not have the time to address her concerns. She also hoped the Planning Commission would not make a decision at this time but fully vet the comments from the public and all of the changes that had been brought to the Planning Commission.

Chairperson Moriarty confirmed the Planning Commission had also been provided with an email from Ms. Long detailing her comments on the conditions of approval.

Tom Hansen, Business Manager, IBW, Local 302, representing the mechanical crafts in Contra Costa County including plumbers, sprinkler fitters and sheet metal workers, advised the union had a Project Labor Agreement (PLA) with the developer for the project to bring middle class jobs, apprenticeship opportunities and local workers to the project. The project would bring a walkable/livable community to the City of Pinole. The retail was already in place and it would be a good project with local workers and be sustainable over the long term.

Peter Murray, Pinole, suggested there were too many questions unanswered leading him to question how the Planning Commission could move forward with the project. He also found there was a misunderstanding about the use and the reprogramming of the site. Based on conversations he had in 2018, the development group had asked the Planning Department about the use on the site, which was the time a change had been made to the Specific Plan. He questioned the figures in the FIA and had calculated different figures than shown in the report. If the project were to move forward it should have a net zero impact on the City.

Mr. Murray added that concessions were being made to allow the development itself with nothing in the land use to suggest those concessions overlapped and there could be a serious issue as they moved forward and as more information was provided, which should be considered if the project were to be challenged. He also agreed with the concerns about parking, and suggested this was the beginning of the end of the shopping center. He was surprised the developer owned the majority of the shopping center and hoped the Planning Commission would consider the final outcome because if the project were allowed to proceed it could set a precedent for other applicants.

Marshall Lowery, Pinole, stated he resided south of the proposed development and expressed concern with the volume of foot traffic that could come up towards Mitchell Way where he resided. He also had concerns with the traffic on Fitzgerald Drive and disagreed that the volume of traffic would be less than when Kmart had been open. Kmart had been closed for the past four years, yet during the holiday season the Fitzgerald Drive/Appian Way Corridor had been backed up to Best Buy and he questioned how the traffic could be remediated with just traffic signals and other steps. He suggested the project density was not a good idea and should be revisited.

RESPONSE:

Mr. Cole thanked the members of the public for their comments. He emphasized the developer had been working with the community and had held community meetings. In terms of the traffic, studies had been done, the LOS would be reduced and there would be less traffic with a residential use versus a retail use. As to the financial impacts, the developer was not required to provide a financial impact report but a report had been provided and it was up to the City to make that evaluation. The developer was of the opinion the project would be a net positive with new people in Pinole and a new use of the building.

PUBLIC HEARING CLOSED

Chairperson Moriarty reminded Planning Commissioners that the Planning Commission would be making a recommendation to the City Council and she urged Planning Commissioners to identify any concerns that would be forwarded to the City Council.

Commissioner Kurrent was excited about the project. He spoke to the loss of retail and intermix of retail and residential but he found the handwriting was on the wall that shopping centers were on their way out. The mix of residential and commercial would be a positive with the future residents walking to the retail and there were many examples of a mix of residential and commercial uses in the Bay Area prior to the advent of shopping centers. There were also examples in neighboring cities where retail had been removed to build residential. In 2010, the General Plan included a residential overlay in the Appian 80 Shopping Center, with the thought it would be a good place to mix retail and residential. The new Pinole Square did not want residential but now they had the opportunity to achieve that idea. The applicant had also stated they had tried to bring new retail to the former Kmart building without success and suggested they had to put that idea aside and had merged retail and commercial, which made sense.

Commissioner Kurrent agreed a pathway for students to walk to school should be pursued and there were opportunities that should be evaluated more thoroughly. In terms of the traffic, anytime there was rush hour traffic and students going to school there would be problems and they would have to work things out and people may have to learn when to shop to avoid the peak traffic periods. He agreed the occupants in the development would likely walk to the nearby retail and was very much in support of the project and found it to be well designed with the future occupants to really enjoy living in Pinole. He supported a favorable recommendation to the City Council for the approval of the project.

Commissioner Menis asked the Assistant City Attorney to clarify the State Density Bonus as it applied to this project.

Mr. Mog explained that the concessions had been defined in the Density Bonus Law and as stated in the staff report: The State Density Bonus law provides special multiple incentives to projects that include affordable housing units. First, projects that provide affordable units are entitled to "bonus units" that allow the project to include more units than would otherwise be allowed by a city's adopted density requirements. The greater the percentage of affordable units in the project, the greater the percentage bonus a project is entitled to receive, with the specific percentages established by state law.

 In addition to a density bonus, the State Density Bonus law provides projects with "concessions." An applicant may use a concession to reduce or eliminate any specific site development standards, zoning code requirements or architectural design requirements. An applicant is entitled to between 1-4 concessions based on the percentage of affordable units in the project. In addition, projects are automatically entitled to reduced parking requirements even without the use of any concession. Finally, density bonus projects are also entitled to "waivers." An applicant may use a waiver to reduce or eliminate any standard that would physically prevent the project from being built at the density allowed (with the density bonus units included).

In addition to the Density Bonus Law, the Housing Accountability Act prohibits a city from denying, or reducing the density of, any project that complies with all of the City's adopted objective standards. Conditions imposed on the project must not make the project infeasible. Under state law, a project complies with an adopted objective standard if that standard has been reduced or eliminated pursuant to the Density Bonus Law. The City may only deny the use of a concession or waiver under the Density Bonus Law or deny or reduce the density of a project that complies with all adopted objective standards if the City can make very specific and narrow findings that the project would cause a "specific, adverse impact upon the public health or safety" that cannot be mitigated. A "specific, adverse impact" is defined under state law as "a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

Commissioner Menis referenced Attachment F, the FIA, and the information contained therein specifically Section B, Feasibility of Retail Re-Tenanting of Existing Kmart Building. He found there was reliance on optimistic projections to reach the values shown. Specifically, speaking to the information shown in Table A-11, Projected General Government Costs, he questioned the Police Department costs for a fully occupied retail. He also referenced the applicant's unsuccessful efforts to retain new retail for the former Kmart building for a number of reasons and commented in terms of Section B, Feasibility of Retail Re-Tenanting of Existing Kmart Building of the FIA, questioned how feasible it would be to actually have re-tenanting done.

Commissioner Menis questioned whether or not the projections in the FIA should include customers as part of the cost base for assigning cost basis for police and fire and other subcategories, otherwise it may be slanted negatively on residences. He questioned how realistic Section B, Feasibility of Retail Re-Tenanting of Existing Kmart Building was given the applicant's failure to gain a new tenant over a multi-year period.

Mr. Mog clarified what was before the Planning Commission was design review and not a use permit as to whether this was a good use. He read into the record the section of the PMC related to design review and reiterated that the Planning Commission was looking at the design and layout of the project and had been asked to make a recommendation on that information and to possibly consider modifications to the conditions of approval. The studies included in the various attachments had been provided for informational purposes but not for the basis of the Planning Commission's recommendation to the City Council.

 Commissioner Menis asked if the design was to create a negative economic impact to the City of Pinole, whether the Planning Commission may consider that and Mr. Mog reiterated a use permit was not before the Planning Commission. If there were economic impacts due to design elements such as a discussion about right turns in and out of the parking lot which could cause circulation problems, as an example, those types of issues could be addressed as part of the Planning Commission's consideration. The consultant for the FIA was not present and possibly could be contacted to provide additional information that may be desired.

Commissioner Menis understood the fiscal impact could not be a determinative factor but understood it could be discussed as part of the Planning Commission's recommendation.

Mr. Mog reiterated the recommendation from the Planning Commission to the City Council would be on the design and layout of the comprehensive design review pursuant to the regulations of the PMC.

Commissioner Banuelos found the issue to be complex and disagreed with the guidance provided by the Assistant City Attorney. He suggested the additional reports should not have been provided to the Planning Commission and should just have been provided to the City Council. In his opinion, there were economic impacts due to the design elements due to the ramifications involved and while he understood the direction being provided by the Assistant City Attorney, this was the first time where money and certain building types would have economic ramifications. He again disagreed with the opinion being offered by the Assistant City Attorney on what the Planning Commission may evaluate.

Chairperson Moriarty agreed this specific discussion was important and should continue to allow citizens to hash out the issues, but it would also be heard at the City Council level. She acknowledged that the recommendation from the Planning Commission to the City Council must be based on design review and then the Commission could include any concerns that may be outside of that recommendation.

Mr. Mog confirmed that additional concerns could be forwarded with any recommendation to the City Council.

Commissioner Menis otherwise asked for the following modifications to the Conditions of Approval, as shown in Exhibit A of Attachment A, as follows:

- Condition 81, remove subsection (b) and remove the condition from subsequent conditions of approval.
- Condition 85 was incomplete and should be clarified.
- Condition 87, subsections (a) and (b), questioned why commercial and industrial buildings had been flagged in the condition.
- Condition 113, (1), asked whether or not Saturday work would be allowed with staff clarifying the project was located in a commercial zone where Saturday work was allowed.

Commissioner Menis also asked that the larger of the two lawns located in Courtyard 2 be not just straight water thirsty grass but less water thirsty material such as hybrid grass that could still be used as a play area.

Commissioner Banuelos commented that as part of his day job he saw similar projects in places where streets were busier than in Pinole, which had some of the same issues. He questioned if an illuminated crosswalk was included across Fitzgerald Drive to create better connectivity on both sides of the street, as the applicant had described, how it could be done absent a signal given the need for safety considerations. He also recognized the state was facing a massive housing shortage, had taken much of the power out of the hands of local municipalities and had given developers incentives to build such projects.

Commissioner Banuelos recognized the building could have been taller but the applicant had decided not to go so high and it could have been worse and that should be kept in mind when considering what to recommend to the City Council. He would rather see a thriving development than a vacant building and he accepted the applicant's statement they had done all they could to find a tenant to lease the space. Rather than have a vacant building and end up with a vacant center like Hilltop Mall in the City of Richmond, the City had to have an open mind to mixed use development. He also recognized if retail were to falter, the property owner had to think out of the box as well. Mixed use development had been discussed for years in Pinole and the City was now getting the projects that had been expected years ago. While there had been economic challenges along the way and with the state housing challenges and legislation limiting local jurisdictions, the City had to consider what was before it right or wrong.

Commissioner Banuelos commented in terms of the project many Commissioners had seen the project at its earlier stages. He found the applicant had responded to the input provided during earlier discussions, with articulation offering a sophisticated project better than similar projects in other communities. He agreed there would always be concerns with traffic, some of which had nothing to do with the subject project, but there would be transit provided. With respect to the actual land use, he found the applicant had taken many concerns into account via the courtyards and green fencing, which were things that would make the project successful.

Commissioner Banuelos agreed the project was different contextually since it was larger in size but it would be fairly similar to other developments in Pinole that had been approved or were anticipated. He suggested the City would benefit from the mix of uses, he could foresee residents of the building walk to the nearby retail uses and suggested the project would be successful in many ways in terms of architecture and land use. He acknowledged there were many issues that would have to be considered by the City Council but he supported the project that would benefit the City and he recognized that change would happen whether they liked it or not.

Commissioner Benzuly agreed with the comments related to the nature, use and change of retail spaces over time and the move from big box retailers and finding ways to re-use those spaces. He found the project was a good use of the space and a way to reuse space that had sat vacant for years. He would like to see the grass/lawn area remain in Courtyard 2 since he saw the development as a residential island in a sea of commercial uses, and a more natural grass lawn should be retained as much as possible given the limited amenities for the tenants to utilize.

Commissioner Benzuly also wanted to see the children's play area at the southern border be expanded to allow for children to congregate and play. He urged the City Council to consider the nature of the retail space and what could be done in the future in terms of economic impacts before a final decision was made.

Vice Chairperson Martinez supported the project and was excited about the investment into the community. He recognized the property owner had carrying costs related to the vacant building and had tried to aggressively market the building to potential retail tenants but to no avail. He did not want to see the City's retail centers become ghost towns and supported investment into the community bringing in union jobs and increased sales tax revenues.

Vice Chairperson Martinez reiterated a recommendation as part of Safe Routes to School that the City set aside \$100,000 to build a pathway around the southern border connecting to Stallion Street to ensure students could safely reach the neighboring schools within the WCCUSD.

Chairperson Moriarty clarified Commissioner Menis' recommendation for the greenspace in Courtyard 2 to be green space but not lawn and be a space that children could play on, although the preference of the majority of the Commission was that the area consist of lawn and green space regardless.

Chairperson Moriarty asked that the City Council consider the movement of pedestrians and bicycles on Fitzgerald Drive which was an incredibly dangerous road. She also wanted the City Council to see how that fit into the Bike | Pedestrian Plan in terms of what the developer planned for public transportation and getting new covers over the bus stops. She asked for consideration of some type of transportation during high peak traffic hours to the transit center, such as a shuttle service, and suggested that having residential closer to retail made sense. While she realized that change would be challenging, she found the applicant and developer had been responsive to ideas.

Chairperson Moriarty otherwise spoke to Condition 3 and clarified with staff that the reference to "unfinished work" would include work to the crosswalks and permanent fencing as examples; Condition 12 should be modified to reflect the specific approved routes for hauling activities; Condition 85 should be amended to reflect that each individual unit would be equipped with smoke and carbon monoxide (Co2) detectors; and Condition 101 should also be modified to include a requirement to survey the roadway prior to construction and issue a bond to cover any repairs needed post-construction.

Mr. Hanham clarified that Condition 7 read: *PERMITS, BONDS, AND INSURANCE – The* applicant shall obtain an encroachment permit, posting the required bonds and insurance, for all work to be done in the City's right-of-way. This encroachment permit shall be obtained prior to the issuance of a building permit and prior to any work being done in the City's right-of-way.

Mr. Mog stated the Planning Commission could recommend a condition be added to require a survey of the roadway prior to construction and issue a bond to cover any repairs needed post-construction, with staff to provide the City Council with further analysis of any limitations.

Chairperson Moriarty suggested that condition should be forwarded to the City Council as well as the recommendation for funds to be set aside for a pathway to be provided behind the project for school children; the lawn area in Courtyard 2 to be reviewed by the Planning Commission Ad Hoc Subcommittee; and the City Council to explore the possibility of a signalized crosswalk with either a flashing yellow, red or green light for the safety of pedestrians walking across the street.

Ms. Whalen reported a site visit had been conducted with the Public Works Director and there had been discussion about the possibility of additional signals given concerns with the proximity of other signals along Fitzgerald Drive, but all options would be presented to the City Council.

Commissioner Menis referenced Conditions 20, 117, 118 and 119 with none of the conditions having called out the sidewalk and curb conditions related to the final conditions of roads, and the Chair pointed out that would be highlighted as a concern for the City Council to consider.

Ms. Whalen added the applicant's landscape architect had stated as part of their presentation there would be nine protected trees on-site to be removed. The staff report had indicated only three trees would be removed with a condition requiring enhanced larger boxed trees to replace those protected trees and the condition would have to be modified accordingly to reflect the true number of protected trees to be removed.

Ms. Whalen summarized the direction from the Planning Commission as follows:

- Condition 85 to be updated to reflect the inclusion of smoke and Co2 detectors in each individual unit;
- Staff to look into the request for a survey of the roadway prior to construction and issue a bond to cover any repairs needed post-construction;
- Staff to look into the Safe Routes to Schools funding for a pathway behind the project site and work with the applicant on designs for fencing;
- Staff to look at the possibility of enhanced safety at the crosswalk area and bring forward to the City Council the most aggressive safety improvements possible;
- Staff to update the number of protected trees (9);
- Condition 3 to be reviewed by staff to clarify that "unfinished work" would include all unfinished work to the crosswalks and permanent fencing as examples;
- Condition 12 to be modified to include the specific routes for material hauling;
- The children's play area to be enhanced, as discussed;
- Condition 81 subsection (b) to be eliminated; and

 Condition 87 amended to eliminate the reference to commercial and industrial uses.

MOTION by a Roll Call vote to extend the Planning Commission meeting to 11:15 p.m.

MOTION: Banuelos SECONDED: Benzuly APPROVED: 6-0

MOTION by a Roll Call vote to adopt Resolution 22-05, Recommending Approval of the Comprehensive Design Review and CEQA Exemption for the Pinole Vista Shopping Center at 1500 Fitzgerald Drive (PL21-0035 & DR21-12), with Exhibit A: Conditions of Approval, as modified and subject to the list of concerns as discussed to be dealt with by the City Council, as summarized by staff.

MOTION: Banuelos SECONDED: Martinez APPROVED: 6-0

F. OLD BUSINESS: None

G. **NEW BUSINESS**: None

H. <u>CITY PLANNER'S / COMMISSIONERS' REPORT</u>

Mr. Hanham reported staff was continuing to work on Pinole Shores II and on parklet regulations.

Ms. Whalen reported the draft of the Economic Development Strategy was available on the Economic Development page of the City website with a link to a recent community workshop and survey.

Commissioner Kurrent reported the Valero Gas Station on Appian Way had been demolished and asked whether it was part of a permit to redesign the gas station for a convenience store. He also referenced the former Toys R' Us which was undergoing major construction and asked the status of that construction.

Mr. Hanham reported the work at the Valero Gas Station had been based on a prior Planning Commission approval.

Contract Planner Justin Shiu reported Toys R' Us had a building permit issued for the demolition and the plan was to split the space into two spaces, one for HomeGoods and the other for a currently unknown tenant.

Commissioner Menis reported the Land Use Planning for Pinole website remained up with a deadline of July 29, 2022 to participate in the survey.

Chairperson Moriarty requested the meeting adjourn in honor of Simon Wong, a former long-term Planning Commissioner who had recently retired.

I. <u>COMMUNICATIONS</u>: None

1 2	J.	NEXT MEETING
3 4		The next meeting of the Planning Commission to be a Regular Meeting scheduled for August 8, 2022 at 7:00 p.m.
5 6 7	K.	ADJOURNMENT: 11:08 p.m. In Honor of Simon Wong.
7 8 9		Transcribed by:
10		
11		Sherri D. Lewis
12		Transcriber