



**City of Hercules
Planning Department**

TO: Chairperson and Members of the Planning Commission

FROM: Holly Smyth, AICP, Planning Director
Robert Reber, AICP, Adjunct Planner
Peter Lange, MIG Consultant Planner

MEETING: July 17, 2017

SUBJECT: Conduct a Public Hearing to review the proposed Safeway Shopping Center Entitlements – to Construct a proposed 57,100-square-foot Safeway supermarket with a 2,500-square foot Safeway fueling kiosk / convenience store with 20 fuel pump station, and a 6,000-square-foot commercial pad with the potential for two (2) drive-thru uses on a 6.75-acre project former BART Park & Ride and Market Hall site on the northeast corner of San Pablo and Sycamore Avenues.

APPLICATION: The “Safeway Center” project consists of:

- a) Initial Study (IS) 17-01 and CEQA Addendum, pursuant to California Environmental Quality Act.
- b) General Plan Amendment (GPA) 17-01;
- c) Zoning Designation Amendment (RZ) 17-01;
- d) Zoning Text Amendment (ZTA) 17-01;
- e) Initial/Final Planned Development Plan (FPDP) 17-01;
- f) Design Review Permit (DRP) 17-02;
- g) Conditional Use Permit (CUP) 17-01;
- h) Minor Exception (ME) 17-01
- i) Master Sign Program 17-01; and

APPLICANT/OWNER:

Dave Johnson of Johnson Lyman Architects
John McNellis of McNellis Partners
419 Waverly Street
Palo Alto, CA 94301

LOCATION: Northeast corner of the intersection of Sycamore Avenue and San Pablo Avenue in Hercules, CA, on Assessor Parcel Number: 404-040-040.

1. RECOMMENDATION

- a. Request Planning Staff & consultants to make an opening presentation of the project;
- b. Invite the applicant to make a presentation;
- c. Open the public hearing;
- d. Receive comments from the public;
- e. Discuss relevant project issues and provide guidance and direction to Staff and the applicant as appropriate, in preparation for taking action on the project at a subsequent Planning Commission meeting;
- f. Continue the public hearing to a future meeting of the Planning Commission (anticipated to be Monday, August 7th and a Special Meeting on Tuesday, September 5, 2017 due to City Holiday).
- g.

Staff is proposing a three-step hearing process for this project to allow the Commission to review the modified designs, provide design direction to City staff and the applicant, and prepare all the environmental documentation prior to taking action on the project.

First Hearing: At the July 17, 2017, Planning Commission public hearing, staff intends to present a project overview to the Planning Commission, focusing on project design as it relates to consistency with the General Plan, City of Hercules Zoning Ordinance, and other required regulations of the City. This initial project hearing will give both the Commission and the public an opportunity to ask questions and make comments about the project and City requirements, and will give the applicant an opportunity to present project changes which have occurred since the Planning Commission Study Session held on December 16, 2016 and January 21, 2017 Community Meeting on Conceptual plans and receive initial feedback. Additionally, the Draft Traffic Impact Analysis is now available to start the environmental review and discussion on the traffic topic. Staff is seeking direction from the Commission on several specific issues, which are indicated in the “Issues for Commission Consideration” section of this report.

Second Hearing: Staff recommends that upon conclusion of the July 17, 2017, Planning Commission public hearing, the Planning Commission continue the hearing to their next meeting on August 7th. At the second hearing, staff will provide a supplemental report to address the Commission’s direction given at the first hearing.

Third Hearing: Staff is targeting a Special Meeting of the Planning Commission on Tuesday, September 5, 2017 to review all of the environmental analyses, further specific technical analysis of the project, and draft resolutions and environmental documentation to allow the Planning Commission to make recommendations regarding the project entitlements to the City Council. The regularly scheduled Planning Commission on September 4, 2017, will be cancelled due to conflict with the Labor Day holiday]

2. BACKGROUND

Property Description and History: The project property, currently identified as the Market Hall site and previously known as the BART Park-and-Ride (PNR), is the westernmost property of the Hercules New Town Center planning area. The currently vacant property is separated from the rest of the New Town Center planning area by Interstate 80. Roads and highways surround the parcel on all four sides. SR 4 is adjacent to the northern site boundary with undeveloped land located further to the north (proposed for the Hillcrest project). Sycamore Avenue forms the southern site boundary, while across Sycamore Avenue to the south is a small shopping center (including a gas station, bank, drive-through fast food service, and other commercial uses). I-80 is immediately east of the site. San Pablo Avenue abuts the site to the west, and a wetland area is located west of San Pablo Avenue. The northern third of the parcel is essentially undeveloped, containing a variety of grasses and weeds. The southern two-thirds is primarily paved asphalt with vestiges (e.g., bus bays and striped parking spaces) of the former bus terminal and parking facility, plus a few remnants (e.g., monument signage and outdoor fireplace) from Market Hall, a former temporary “pop-up” commercial use of the site.

In 2001, the City of Hercules adopted The Central Hercules Plan (CHP), a long-range planning document intended to guide the development of a town center for Hercules and establish an overall vision for four interconnected districts in the central portion of Hercules: the Waterfront District, the Central Quarter, the Civic Center/Hospitality Corridor, and Hill Town. The underlying purpose of the CHP was to enhance the City’s quality of life, increase mobility, and to create a true town center. The CHP identified the current project site (at the time a BART park-and-ride facility served by WestCAT buses) as the “most obvious starting point for the new town center” and “perhaps the most prime real estate in the city center.” However, as described in Chapter VII of the *Regulating Code for the Central Hercules Plan* (which is codified as Chapter 28 of the Hercules Zoning Code), the project property was identified as the “BART parking lot” that was defined as a “permissive” site, meaning the property owner has discretion as to whether development on the site would adhere either to the uses, intensity of development, design standards, and other development regulations allowed under the Central Quarter planning area of the *Regulating Code for the Central Hercules Plan* or to the standard provisions of the Zoning Ordinance. The City would follow the layout for City streets identified in the document.

To accommodate increased commuter demand and to facilitate redevelopment, the BART Park-and-Ride Facility was relocated in 2009 to Willow Avenue near the eastbound Interstate 80 off-ramp. The same year, the City of Hercules approved applications for a General Plan Amendment and Zoning Designation Change to change the land use designation and zoning classification of seven properties (encompassing 35-acres straddling Interstate 80 in the center of Hercules) from “Commercial Public (CP)” and “General Commercial (CG)” to “New Town Center (NTC).” The current project site was one of the seven properties assigned the New Town Center designation, the purpose of which was to create a vibrant mixed-use, relatively dense, transit-oriented town center, consistent with the goals of the Central Hercules Plan.

The City certified an Environmental Impact Report (EIR) for the New Town Center area in 2009 and approved an Initial and a Final Planned Development Plan (PDP) for the current project site. The approved PDP was for a high-density, mixed-use project referred to as Market Town, consisting of 320 residential units, 80,000 square feet of office space, 56,000 square

feet of retail (including outdoor retail), a structured parking garage with 1,002 spaces, and 15 surface parking spaces on the 6.7-acre project site. The Initial and Final Planned Development Plans for Market Town have since expired.

A Priority Development Area (PDA) was also approved over the entirety of the New Town Center Area by ABAG.

In 2014, McNellis Partners—the current property owner and project applicant—filed a PDP application proposing a four-story, 100-room hotel, a mini market/fueling station, and three retail pad buildings totaling approximately 26,000 square feet on the Market Hall site. Although the PDP application was initially reviewed by the Planning Commission in 2014, the project was never taken forward for a decision due to negative input received from the public. In late 2016, McNellis Partners submitted to the City a revised “Conceptual PDP” reflecting the current proposal for the property (see below for project description). The City of Hercules Planning Commission reviewed the Conceptual PDP in a study session on December 19, 2016, and provided preliminary feedback about the proposal. During the December session, the Planning Commission expressed concerns regarding the proposed drive-through and recommended that the drive-through be reconsidered and redesigned. They also asked that the applicant consider expanding the central building pad to better fill the street frontage gaps. A community meeting was held on January 21, 2017 at the Library building with light notification and approximately 40 neighbors attended to provide additional feedback.

Project Background—Initial Submittal: Based on the feedback provided on the Conceptual plans during the December 19, 2016 and January 21, 2017 Planning Commission session and Community Meeting, the applicant revised the plans and formally submitted updated materials on May 17, 2017. The application was reviewed by City staff for completeness and distributed for review to the Planning and the Public Works/Engineering Departments, as well as the Rodeo–Hercules Fire District and WestCAT (the public transportation service for west Contra Costa County). The City held an all-hands meeting on June 20th with the project applicant team and the City team to discuss all comments from the various departments and agencies on the project. The bulk of the comments started around providing bus stops and connectivity of the site.

After receiving comments from City staff and the outside agencies, the project applicant revised the Design Review packet and formally resubmitted to the City on June 26, 2017. The most recent set of plans are contained in Attachment 1; Fire District comments and conditions of approval are included in Attachment 7.

3. PROJECT DESCRIPTION

The project site is located at the northeast corner intersection of San Pablo Avenue and Sycamore Avenue on a 6.7-acre site within the City of Hercules. The project site has a current General Plan Land Use designation and Zoning Classification of “New Town Center” with a permissive Central Hercules Regulating Code overlay. The applicant is requesting the City amend the current base designation and reclassify the site to General Commercial (CG).

The proposed development includes the construction of an approximately 57,100-square-foot Safeway supermarket with attached interior Starbucks coffee shop, a 20-pump Safeway fuel center with a 2,500-square-foot fueling kiosk/convenience store, and a 6,000-square-foot commercial pad with the potential for two (2) drive-thru based uses. As currently proposed, one of the proposed commercial spaces would be occupied by a Chase commercial bank.

The Safeway shopping center will provide: 247 parking spaces, seven (7) of which will be designated as handicapped spaces; fourteen (14) short-term bike spaces (bike racks), and fourteen (14) long-term bike spaces (bike lockers). It appears that the parking in front of the Safeway nearest the Highway 4 onramp is proposed to be approximately 4' above the adjacent sidewalk and it is unclear what is the setback distance and if retaining walls will be needed. A 10' wide "multi-use path" is proposed along San Pablo and Sycamore Avenues, one with a 5' landscape area and the other with a 2' landscape area respectively. The perimeter of the project site will be landscaped with various types of shrubs, plants, and trees will conform to the landscaping requirements for the City of Hercules to act as a visual buffer for pedestrians and motorists traveling on San Pablo Avenue while creating traffic calming. It is unclear what existing landscape will remain and what will be removed.

The proposed Safeway structure will be located within the western portion of the project site and will incorporate exterior architectural elements such as brick, plaster, and composite siding to create a strong glass expression. Exterior paint colors will range from light to dark tan and brown. The proposed structure will also have a varied roof line which will range from a minimum of twenty-four (24) feet to a maximum height of thirty-nine (39) feet as measured from proposed adjacent grade. To create a pedestrian friendly environment, an exterior seating area oriented towards the parking lot is proposed along the frontage of the Safeway grocery store.

The exterior design elements of the proposed 6,000-square-foot commercial pad and 2,500-square-foot Safeway fueling kiosk/convenience store will also incorporate brick, metal awnings, plaster with sand finish, metal canopies, and metal roofs. The elevation of the proposed 6,000-square foot commercial structure will range in height from a minimum of 19 feet to a maximum of 26 feet. The maximum height of the fueling center will be 28 feet tall, and the convenience store will have a varied roof line which will range from 17 feet 9 inches to 21 feet 8 inches.

Access to the development will be provided from State Route 4 (SR 4) and Interchange 80 (I-80), with the interchange located in close proximity to the project site. Primary access to the commercial shopping center will be along San Pablo Avenue as the site plan proposes two (2) new right in-right-out only driveway access points along this main road in addition to the one signalized entry that will allow for customers to turn right and left when entering and exiting the site at the T-intersection. In addition, a right-turn- only entrance/exit is proposed to continue in its existing location along Sycamore Avenue adjacent to the proposed Safeway fueling kiosk.

4. PROJECT REVIEW PROCESS

The current project proposal is anticipated to require City Council approval of the following actions/applications:

- A. Initial Study (#IS - 17-01) and Addendum to the Hercules New Town Center (HNTC) Environmental Impact Report (State Clearinghouse No. 2007062002, certified 2009), pursuant to the California Environmental Quality Act (CEQA)
- B. General Plan Amendment (#GPA 17-01) to change the land use designation of the Project site from New Town Center (NTC)
- C. Zoning Designation Amendment (#RZ 17-01) to change the land use designation of the Project site from New Town Center (NTC) to General Commercial (CG);
- D. Zoning Text Amendment (#ZTA 17-01) amending “Section 34.400.H Signs Subject to Review” to allow the installation of a new 85-ft.-tall freestanding, freeway-oriented pylon sign in CG Districts adjacent to Highway 80 with a Plan Development Plan approval only;
- E. Initial and Final Planned Development Plan (#FPDP 17-01), for approximately 65,600 square feet of commercial space within three structures, including a 57,100-square-foot supermarket, a 6,000-square-foot commercial pad with potential for two (2) drive-thru uses, and a 2,500-square foot convenience store/fueling kiosk with 20 fuel pump stations and an 85-ft-tall freestanding pylon sign, with common areas for parking, landscaping, and pedestrian access on an approximately 6.75-acre project site. It is unclear if alcohol sales or service are being incorporated at this time with the shopping center.
- F. Design Review Permit (#DRP 17-02) required by Chapter 42 of the Zoning Ordinance includes the review of property lines, existing onsite features and offsite features within 50’ of the boundaries, orientation & location of buildings, site layout, proposed roads/walks/paths, existing and proposed grading onsite and at adjoining sites in comparison with existing grade, pedestrian/vehicular/service ingress & egress and driveway widths, open space use & landscape areas, lighting for wall surfaces/walkways/parking/cast by building interior, all identification and directional exterior signage, setbacks, street dedications and improvements, location/height/design of all fences or walls, parking layout, architectural relationship with the site and other building, quality of design based on proposed exterior building elevations/color/materials, perspective drawings to show relationship after development of the building to off-site features, refuse design/pickup area, exterior mechanical equipment screening, loading docks, downspouts, and awnings. Some of these components are not contained in the architectural drawings and will need to be included in final Site Plan drawings.

- G. Conditional Use Permits ((#CUP 17-01) is required for each of the following uses under the General Commercial (CG) zoning: auto fuel and mini-mart; shopping center, grocery and/or liquor sales, restaurant with liquor service if needed, retail stores more than 2,000 square feet and outdoor retail sales if needed;
- H. Minor Exception (#MR 17-01) to allow grocery store building height 10% in excess of the 35-ft height limit in General Commercial zones and to allow a 10% reduction in the 274 minimum required parking spaces based on 4 parking spaces per 1,000 square feet of gross leasable area in shopping centers less than 100,000 square feet total for the supermarket/Retail stores/sales, bank, and gas station kiosk/convenience retail and 10-parking spaces per 1,000 for Coffee Shop/Local-Family Restaurant (per Table 32-1 of the Zoning Ordinance) to 247 parking spaces;
- I. Master Sign Program (#MSP 17-01) for all onsite signage in accordance with Chapter 34.400.R of the Zoning Ordinance.

An initial public hearing with the Planning Commission was scheduled for July 17, 2017. A public hearing notice was published in the local newspaper on July 7, 2017, and a copy sent to all property owners within 300 feet of the project site as well as the property owners of the New Town Center zoned properties covered in the 2009 HNTC EIR. Additionally, notices were hand delivered to commercial tenants in the adjacent shopping center that includes the Shell gas station. The purpose of the hearing is to give both the Commission and the public an opportunity to ask questions and make comments about the project and City requirements, and give the applicant an opportunity to present project changes which have occurred since the Planning Commission held a Study Sessions on December 16, 2017 and a Community meeting was held on January 21, 2017 on Conceptual Plans.

In particular, staff is seeking direction from the Commission on several specific issues described below in the “Design Issues for Planning Commission Consideration” section of this report. The primary focus of the Design Review is on the project’s conformity with the Hercules General Plan and Zoning Ordinance and analysis of site layout, architecture, building design and materials, landscaping, parking, ingress and egress, and ability to be served by emergency vehicles. The required five (5) findings for the City to support action on a Design Review application are further discussed towards the end of this report.

The proposed project requires City Council approval for most of the requested applications, including the adoption of an ordinance. Therefore, as with other projects, the procedure that has been followed is to present all Planning Commission actions as recommendations to the City Council. Staff recommends that upon conclusion of the July 17 Planning Commission hearing, the Planning Commission continue the hearing to August 7th to review any modifications requested at the July 17 meeting before moving forward with the bulk of the environmental analysis.

A Special Meeting of the Planning Commission is being targeted for Tuesday, September 5, 2017, at which time staff will provide a supplemental report to address the full environmental analyses, further technical analysis of the project, and draft resolutions and environmental

documentation to allow the Planning Commission to make all the appropriate recommendations regarding the project to the City Council.

5. ENVIRONMENTAL DETERMINATION

Development at the project site was evaluated in the Hercules New Town Center (HNTC) Draft and Final Environmental Impact Report (EIR) certified in 2009 (State Clearinghouse No. 2007062002). The EIR established mitigation measures applicable to the build-out of the Market Hall project site. The EIR and the Mitigation Monitoring and Reporting Program are available on the City's website: (<http://www.ci.hercules.ca.us/index.aspx?page=501>).

Based on the proposed project scope and as required under the California Environmental Quality Act (CEQA), staff is preparing an Initial Study Checklist and anticipates completing an Addendum to the previously certified EIR with analysis of the revised uses on the site. Staff anticipates publicly releasing the full CEQA documents by August 25, in advance of the Planning Commission's consideration of the project tentatively scheduled for a Special Meeting of the Planning Commission on September 5, 2017.

Traffic Study: A project-specific Draft July 2017 Transportation Impact Assessment (TIA) and its backup Appendices has just been completed to analyze existing and future potential circulation impacts of the new commercial use (see Attachments 5 & 6). The Project is expected to increase delays at key intersections adjacent and near the project site. However, the increases in delay would not trigger significant impacts based on the City of Hercules's significance criteria. The Level of Service (LOS) standards were adopted as part of the City's General Plan, the objectives being to "maintain acceptable local circulation on arterial streets/intersections and on local collector streets." These significance criteria are interpreted as applying to arterials and local streets only, and not to unsignalized driveways that provide access to developments from arterial or collector streets.

A few clarifications needed to be made on the draft document. First, traffic counts were taken prior to the new John Muir Parkway and Bayfront bridge, and Bayfront Boulevard extension were complete and open. This may affect travel patterns at the John Muir Parkway and Sycamore intersections with San Pablo Avenue in the existing terms (as it is anticipated more people may use John Muir to get to the waterfront instead of Sycamore Avenue). However, the connection is reflected in the long-term scenarios.

Second, the Eastbound-Left traffic movement on San Pablo on to Sycamore Avenue was recently changed to be a single left turn lane rather than a double left turn lane as reflected on all the #2 intersection lane configuration drawings and analysis. Looking at the low volumes of turn movements and the long que length that is available, the turn movement in the single left lane is well within capacity for the movement and does not affect other intersections.

Chapter 7 of the TIA, "Site Plan Review," includes the following recommendations:

- *TIA Recommendation 1: Vehicle Site Access & Circulation*
"Ensure that proposed site improvements along the Project frontage on San Pablo Avenue would not preclude the planned construction of the second northbound right-

turn lane at the San Pablo Avenue/John Muir Parkway intersection (#1); the second right-turn lane would extend between John Muir Parkway and the Central Project Driveway on San Pablo Avenue.”

- *TIA Recommendation 2: Vehicle Site Access & Circulation*
“Ensure that proposed site improvements along the Project frontage on Sycamore Avenue would not preclude the planned widening from a six-lane to a seven-lane cross-section between Willow Avenue and San Pablo Avenue. The widening would extend the existing lane configuration storage lengths.”
- *TIA Recommendation 3: Fuel Center*
 - “Consider replacing hardscape features, such as landscape islands, around the fuel center with more flexible, temporary spaces (softscape features) such as painted islands or potted plant barriers, to allow for additional site modifications to be made, if needed, without reconstructing the parking area.”
 - “Monitor and reevaluate fuel center operations and queuing at three-month and six-month periods.”
 - “Provide fuel ambassadors on-site to direct vehicle queues in times of high demand as well as in the opening months.”
- *TIA Recommendation 4: Emergency Vehicle Access*
“The fire department should review the site plan for fire hydrant placement and emergency vehicle access as to number and width of access points and width of internal roadways.” Additional items are list in Attachment 7, Rodeo–Hercules Fire District letter.
- *TIA Recommendation 5: Pedestrian Access & Circulation*
“Modify the Central Hercules cross-section for “4-Lane Avenue” to reflect the appropriate bikeways to resolve inconsistencies with the Contra Costa Countywide Bike Plan to allow for a 10-foot Class I multi-use path along the Sycamore Avenue and San Pablo Avenue frontage with landscaping strip between the Class I path and the roadway, to be consistent with the Central Hercules Plan design guidelines. Alternatively, the sidewalk could be reduced and a Class II bicycle facility provided on the Sycamore Avenue frontage.” In talking with DKS, the City’s transportation consultant, a Class I Multi-Use Path facility must have a 5’ separation from the vehicular travel lane which is accommodated in the draft site plan along San Pablo Avenue but not along Sycamore Avenue and should be further discussed.
- *TIA Recommendation 6: Pedestrian Access & Circulation*
“Provide American Disability Act (ADA) directional curb ramps and crosswalks at all four Project driveways.”
- *TIA Recommendation 7: Pedestrian Access & Circulation*
“Update the traffic signal phasing at the San Pablo Avenue/Sycamore Avenue intersection to provide a pedestrian leading interval phase prior to the westbound Sycamore Avenue movement phase. The pedestrian leading interval would allow

pedestrians to enter the crosswalk before the vehicles on the westbound right-turn lanes; this improvement would increase the visibility of pedestrians in the crosswalk to drivers making a right-turn.” In talking with DKS, this recommendation would require the installation of a red right turn arrow on the signal and would cause further backups on Sycamore that have not been modeled and should not be an option.

The administrative draft Circulation Element is considering the removal of the northerly cross-walk across San Pablo Avenue at the Sycamore Avenue intersection which is a best design practices would eliminate this cross-walk leg. Another alternative that could be considered is the addition of a pork-chop island for pedestrians.

Should the removal of this cross-walk leg be done, the “mid-block” crossings at the Project driveway signal (once sidewalks are installed on the northerly side of the street) and the new driveway signal proposed with the future Sycamore Crossing site in alignment with the Chase Bank would provide alternative safer crossing zones for pedestrians crossing San Pablo Avenue.

- *TIA Recommendation 8: Pedestrian Access & Circulation*
“Provide high-visibility cross-walk striping along the east leg and south leg of the San Pablo Avenue/John Muir Parkway intersection (#1) to increase driver awareness of pedestrian crossings at the intersection.”
- *TIA Recommendation 9: Pedestrian Access & Circulation*
“As part of the planned improvements to provide a second northbound right-turn lane at the San Pablo Avenue/John Muir Parkway intersection, maintain the right-turn channelized island and install a pedestrian/bicycle actuated signal to allow pedestrians (and bicyclists) to safely cross the dual northbound right-turn lanes.”
- *TIA Recommendation 10: Transit Access Adjacent the Site*
“Consider providing a bus stop island (minimum eight feet wide and 40 feet long) along southbound San Pablo Avenue just north of the Central Project Driveway and along northbound San Pablo Avenue just north of the South Project Driveway. The bus stop islands would be designed to ADA standards, would not conflict with the existing Class II bicycle lanes on San Pablo Avenue, and would potentially restripe existing lanes to accommodate a bus pull out area within the existing street in the southbound direction and in a pull out on the project side of the street near the project site signal on San Pablo Avenue.....” In talking to WestCAT, they believe it would not be a problematic to pull out from a bus turn out on the project site to get back into traffic and they carry out similar maneuvers in front of the Starbucks at the adjacent shopping center (which is shown in an aerial in Attachment 11 and would need a draft proposal to review to fully evaluate.

- *TIA Recommendation 11: Parking*
Provide parking as listed above (*in the TIA*) per the Chapter 32 of the Zoning Ordinance, allowing for a 10 percent reduction (as provided in a minor exception process) due to visitors that would access the site via transit, walking, or biking.
- *TIA Recommendation 12: Parking*
To be consistent with the City of Hercules Zoning Ordinance requirements, all parking stall dimensions should be a minimum of nine feet by 18 feet with minimum drive aisle widths of 25 feet (for two-way traffic) throughout the site but allowing for up to 40 percent of all on-site parking spaces to be compact stalls (Zoning Ordinance Section 32.300.1).
- *TIA Recommendation 13: Project Driveway at Sycamore Avenue*
Provide “Keep Clear” pavement striping on westbound Sycamore Avenue at the Project Driveway. The “Keep Clear” sign should extend 45 feet from the driveway centerline to west of the driveway. The pavement striping would provide a sufficient gap along the westbound Sycamore Avenue queuing so that vehicles exiting the Project driveway can turn into one of the approach lanes at the San Pablo Avenue/Sycamore Avenue intersection (#2).” In clarifying with the traffic consultant, the Keep Clear area was not accounted for a loss of que length distances in the data analysis.
- *TIA Recommendation 14: Project Driveways on Sycamore and San Pablo Avenues*
“Maintain landscaping along San Pablo Avenue and Sycamore Avenue to avoid sight distance conflicts (shrubs should not be higher than approximately 30 inches and tree canopies should be no less than six feet from the ground).”
- *TIA Recommendation 15: Project Driveway on Sycamore and San Pablo Avenues*
“Ensure monument signage on San Pablo Avenue and Sycamore Avenue does not interfere with sight distance for drivers at all four Project driveways.”
- *Recommendation 16: Construction Period Impacts*
“The Project applicant shall develop a Construction Traffic Management Plan as part of a larger Construction Management Plan to address potentially significant impacts during the project’s construction. “

6. DESIGN ISSUES FOR PLANNING COMMISSION CONSIDERATION

During Staff’s analysis of the project, a number of design-related issues have arisen which warrant further discussion and direction from the Planning Commission and are described below:

Design Issue #1: Architectural Design Recommendations: Design consultants at MIG recommend several design considerations for the Safeway development (see Attachment 8). The recommendation memo includes representative markups (site and elevation plans) and where applicable, representative photographs to illustrate the proposed improvements

recommended by MIG Staff. Specifically, the recommendations suggest the applicant consider:

- Exterior improvements along the Safeway store frontages oriented towards the public right-of-way along San Pablo Avenue and I-80. The basis for this recommendation is the incorporation of additional architectural amenities that will assist in improving overall visual appeal of the project and desirable experience for pedestrians and drivers.
- Freestanding architectural perimeter trellis features along street-frontage facing San Pablo Avenue to create a more cohesive development and creating linkages between the three proposed structures.
- Removal of one or both drive-thrus serving the 6,000-square foot commercial pad. This is consistent with feedback provided by the City of Hercules Planning Commission and community members during the December 19, 2016, study session.

Design Issue #2: Parking Requirement: Based on the most current plan dated June 22, 2017, the retail commercial development has approximately 65,600 square feet of retail footage and 247 parking spaces with seven (7) of the spaces intended as handicapped spaces. The plans indicate that a parking standard of 3.8 spaces per 1,000 square feet of floor area was utilized to calculate the parking for the project. This parking standard is not consistent with what is outlined in the City of Hercules Zoning Ordinance. Based on the type of commercial development proposed, the Zoning Ordinance off-street parking and loading requirements (Table 32-1) applicable to the project would be for a shopping center with less than 100,000 total square feet, which requires 4 parking spaces per 1,000 square feet of GLA for banks, convenience retail, and retail stores/sales. However, local/family restaurants require 10 spaces per 1,000 square feet and a fast food use would require 17 spaces per 1,000. As part of the entitlement process, the applicant is asking that parking reductions be considered. In reviewing the Zoning Codes, an application for a minor exception could allow up to a ten percent (10%) reduction in minimum required parking (Chapter 45 of Zoning Ordinance). With the 10 percent reduction, approximately 237 parking spaces would be required for the project without a fast food/drive thru use.

Design Issue #3: Height Requirement: Outlined in Table 8.2 of the Zoning Ordinance, the building height of a structure located within the General Commercial (CG) Zoning Classification can be up to three (3) stories or a maximum of thirty-five (35) feet. The current set of plans (dated June 22, 2017) illustrate that the roofline of the proposed Safeway supermarket will have a varying roofline which will reach to a maximum height of thirty-nine (39) feet in height.

As part of the entitlement process to keep the requested height, the applicant would be required to request a Minor Exception to allow for a ten percent increase in the maximum allowable building height, which would permit up to 38.5 feet in overall building height. Staff recommends accommodating the extra building height due to the size of the property and the fact that an elevated freeway bank forms the backdrop on the project site.

Design Issue #4: Clarification of Existing, versus opening day, versus 2040 Buildout Conditions on the site and its adjacent surroundings: The Site Plan distributed with the design drawings and contained in Attachment 1 combined some existing street striping information with potential future 2040 buildout information which makes it difficult to

understand what items will be fully removed from the project site (perimeter and interior trees, asphalt parking areas, existing parkway strips and sidewalks, structures, etc). Additionally, the site plan does not show where the adjacent trees are located in relation to site plan and should be shown, and loss of on site trees should be provided to address the City's mature tree preservation ordinance. Lastly, striping along the site frontages for vehicles and bicycles to the full intersection is not shown and should be for the existing, at opening day of the project and at buildout 2040 time frames (so that the transition from one side of an intersection to the opposite side can be determined). Therefore, the applicant should provide 3 site plans for these 3 time frames that take the 3 adjacent full intersections into the layout showing the street striping and bicycle and pedestrian facilities incorporated. For the purposes of the July 17th meeting, a "Site Plan with future proposed curb/lane configurations (7-12-2017)" can be found in Attachment 2 that shows the ultimate buildout configuration lane widening can be accommodated without impact the proposed site building layouts.

Design Issue #5: Signage Ordinance Consistency: The applicant proposes an 85-foot tall free-standing pylon sign oriented along the Interstate 80 frontage of the project site. As outlined in Section 34.400(H)(1) of the Hercules Zoning Ordinance, "New freestanding pylon signs are prohibited to be constructed in the City of Hercules unless previously approved through a development agreement, and if then they are limited to 35' [January 23, 2007, Ordinance No. 423]." Because there is no development agreement permitting a pylon sign for the project site, the Zoning Ordinance would need to be revised to allow such a sign. Furthermore, as currently proposed, the pylon sign would not meet other development standards in the sign ordinance. Staff considered a variance application to address these inconsistencies with the Zoning Ordinance; however, the project site does not have such conditions or circumstances to support the findings needed to grant a variance request. Therefore, staff is seeking direction as to whether the Planning Commission is inclined to increase sign ordinance flexibility in regards to pylon signs, and if so, under what conditions. Staff and the City Attorney have drafted potential revisions to Chapter 34 of the Zoning Ordinance (see Attachment 10), which would ultimately take the City Council passing an Ordinance, for Planning Commission discussion of how the revisions might affect this and other sites by changing the Zoning Code. The revisions include the following suggested provisions that would enable the City to approve the applicant's proposed pylon sign as presently dimensioned:

- New pylon signs would only be allowed on properties that are (a) designated as General Commercial AND (b) within 100 feet of Interstate 80 right-of-way/easement. With the proposed rezoning of the project property, only three sites within the City would be eligible for a new pylon sign:
 - The currently proposed Safeway center at the former Market Hall site;
 - The Willow Avenue Shopping Center (APN 406-531-001), which has a legal non-conforming 135-ft.-tall pylon sign;
 - The ORB-owned shopping center (including the Shell gas station) at the south corner of the intersection of Sycamore Avenue and San Pablo Avenue (APN 404-040-051), which has a legal, non-conforming 75-ft.-tall pylon sign.
- New pylon signs would only be approved as part of a Planned Development Plan.
- The height limit for new pylon signs would be increased from 35 ft. to 90 ft. (as measured from nearest adjacent ground).

- The setback from property lines would be reduced from 20 ft. to 10 ft., except that where the property adjoins a public street, the pylon sign could be located no less than a distance equal to the height of the sign from the nearest edge of the public street sidewalk (or curb, if no sidewalk).
- No changeable copy signs would be allowed on the pylon. This would prohibit the LED-display portion of the Safeway pylon sign for displaying current fuel prices. Based on prior restrictions and Council, Commission, and community concerns about digital billboards, staff and the City Attorney's office recommend including in the sign ordinance this exclusion on changeable copy.

Design Issue #6: Signage Design: Attachment 8 (Development Recommendation Memo) includes design possibilities for the proposed 85-ft.-tall free-standing pylon sign. As currently designed, the freestanding pylon sign (see Attachment 1, Sheet PS1) does not provide a sense of way-finding or sense of place for the proposed development. The designs in Attachment 8 are examples of signage which could serve as models to resolve this potential issue. These design recommendations are consistent with the Urban Land Institute's Technical Assistance Panel's recommendations for the site (see Attachment 9), which highlighted the opportunity to establishing a positive identity for the city and suggested using the back side of the store for a creative mural or identity signage. However, further discussion may be required as the illustrated recommendations are very preliminary to give some ideas of what might be possible.

In addition to the pylon sign, the applicant proposes two fuel center monument signs. With approximately 1,200 linear feet of combined frontage along Sycamore Avenue and San Pablo Avenue, the site can have up to two monument signs (one monument sign per 600 linear feet of lot frontage, in accordance with Section 34.303.G of the Zoning Ordinance). One monument sign would be just east of the right-in/right-out driveway on Sycamore Avenue, and the other monument sign would be just south of the right-in/right out driveway on San Pablo Avenue nearest the fuel kiosk. Each monument sign would have LED-illuminated changeable copy signage for displaying current fuel prices (as required by state law). The dimensions of the proposed signs (7 ft. 9 in. tall; 5 ft. 6 in. wide; 42.6 sq. ft. total) exceed both the height and size limits of the Zoning Ordinance (6 feet high / 32 square feet total). However, the existing Shell gas station across Sycamore Avenue from the project site has three legal, non-conforming monument fuel price signs, including one 8-ft.-tall by 10-ft.-wide sign at the corner of Sycamore Avenue and San Pablo Avenue.

7. CONSISTENCY WITH CITY REQUIREMENTS

The project is required to demonstrate compliance and consistency with all applicable City requirements, including the General Plan and Zoning Ordinance. As previously discussed, Chapter VII of the [*Regulating Code for the Central Hercules Plan*](#) designates the project property as a "permissive" site, meaning the property owner has discretion as to whether development on the site would adhere to the uses, intensity of development, design standards, and other development regulations allowed under the Central Hercules planning area of the *Regulating Code for the Central Hercules Plan* or to the standard provisions of the Zoning Ordinance. It appears that the applicants have opted not to adhere to the *Regulating Code for the Central Hercules Plan* for on-site improvements, and therefore none of the provisions, such as substantially lower parking requirements or more flexible land use allowances, would be

available to the site as it is an all or nothing system. However, the City adheres to the Form Based Code standards of the *Regulating Code* for adjacent public rights-of-way to a project site as it did in the Sycamore Crossing site review (see Attachment 3). It would appear that a modification to the Four-Lane Avenue cross section should be applied for with the entitlements for the project similar to the Sycamore Crossing site (which was done for the segment along their street frontage). On the Sycamore Crossing site, the applicant was required to put landscaping into the center medians as a traffic calming measure, as the removal of in-street parking further increased traffic speeds. Additionally, a landscaped parkway strip was required along the project frontage of the Sycamore Crossing site to further calm traffic and provide a more pleasant and shaded walking environmental for the pedestrian with some separation from high speed traffic.

Table 1 on the following page summarizes the Development Standards as they apply to the project site.

8. REQUIRED DESIGN REVIEW FINDINGS

In order to act on the project, it will be necessary for the Planning Commission to make several specific findings that are required as part of the Planned Development Plan and Design Review approval process. As previously noted, action on the Design Review application through the adoption of a Resolution is not anticipated until the September 2017 Planning Commission meeting, so therefore the required findings will not have to be formally made by the Commission until then. Provided below is an overview of some of the required findings the Planning Commission will need to make in taking an action on this project. Correlations between the necessary findings and the specific issues for which staff is requesting Planning Commission guidance are highlighted.

The Design Review section of the Zoning Code lists a total of five (5) required findings that the decision making body must make to approve a Design Review application (Section 42.500). The following descriptions of these findings are presented for the Commission's consideration. Detailed findings will be provided at the September 2017 Planning Commission meeting based on input received today.

Required Finding 1: Zoning Ordinance and General Plan: “The approval of the design review plan is in compliance with all provisions of Chapter 42 - Design Review section of the Zoning Ordinance, pertinent provisions of the Zoning Ordinance and applicable zoning and land use regulations, including but not limited to the Hercules General Plan as amended and any specific plan.”

Initial Discussion: The project site is currently zoned New Town Center and the applicant proposes to alter the Zoning Classification to General Commercial (CG) as part of the entitlement process. The proposed project is in conformance with all development standard requirements of the proposed General Commercial (CG) Zoning Classification with exception to the allowed height requirement and parking (depending on the inclusion of the drive-through services). As outlined above in Design Issue No. 3, staff has identified that the maximum building height within the CG Zoning Classification is thirty-five feet (35), while the Safeway building illustrates a maximum height of thirty-nine (39) feet. The applicant will be required to apply for a minor exception application to address these inconsistencies.

TABLE 1: Safeway Project at Market Hall – PDP Development Regulations

Standard	General <u>Commercial</u> Zoning Ordinance Table 8.2	<u>Central Quarter</u> Regulating Code for the Central Hercules Plan	Proposed Safeway Project Plans	Compliance
Site Area	n/a	n/a	6.62 ac	Complies with CG
Density (du/ac)	0.20 to 1.00	n/a	n/a	Complies with CG
Lot Size (sq. ft.)	10,000	n/a	288,367 sf	Complies with CG
Lot Frontage (ft.)	100	n/a	1,200 ft (approximately) Sycamore Avenue & San Pablo Avenue	Complies with CG
Lot Depth (ft.)	100	n/a	~275–500 ft.	Complies with CG
Lot Width (ft.)	n/a	n/a	~1,000 ft. San Pablo Avenue	Complies with CG
Setbacks				
Front (ft.)	20	0-10' build to line from property line	Fuel Kiosk (closest) 22 ft. (property line) 19 ft. (curb) 7.5 ft. (sidewalk)	Set in PDP
Rear (ft.)	0 ⁽²⁾	0-10' build to line from property line	Market (closest) 37.5 ft.	Set in PDP
Side (ft.)	5	0-10' build to line from property line	n/a	Set in PDP
Corner Side (ft.)	10	0-10' build to line from property line	n/a	Set in PDP
Landscaping Minimum	10%	None ⁽²⁾	95,703 sf 33%	Appears to comply with CG but missing information to see if the Mature Tree Preservation Ordinance Applies
Building Height (ft.)	3 stories or 35 feet maximum	2 story minimum to -4/5 stories 55' maximum	Ranges from 17 ft. 9 in. – 39 ft.	Set in PDP With Minor Exception (10%)
Building Width and depth (ft.) ⁽¹⁾	n/a	160-ft. max width 125-ft. max depth	Ranges from 60–285 ft. width and 43–231 ft. depth	Set in PDP
Parking	4 per 1,000 sf for shopping centers <u><100,000 sf;</u> 17 per 1,000 sf for fast food (i.e., with drive-thru)	1 per 400 sf	247 spaces onsite	Standards require 262 spaces (standards met with 10% Minor Exception & removal of drive-thru)
Signage	Per Chapter 34	Section G (p. IV-7) ⁽³⁾	Master Sign Program	Master Sign Program not yet submitted

Notes:

- 1) Lesser setbacks, heights, and lengths may be approved as part of a Planned Development Plan.
- 2)-Some landscape standards along street for each Street Type frontage; and see “Parking Lot Landscaping Requirements” on page VI-5 of the CHP Regulating Code which requires landscape strips of at least six (6) feet in width between parking aisles of either head-in or diagonal parking.

Required Finding 2: Public Health, Safety & General Welfare

“The approval of design review plan is in the best interests of the public health, safety, and general welfare.”

Initial Discussion: The project has been reviewed by the Planning Department, Public Works/Engineering Department, Police Department, and Rodeo–Hercules Fire District, and WestCAT. During the initial project review phase, the Rodeo-Hercules Fire District provided City staff with Conditions of Approval (COA) regarding criteria such as Fire Department access road requirements, fire flow analysis, hydrant spacing compliance with current CA Fire Code Chapter 9 and Appendix C standards, and the placement of fire hydrants along San Pablo Avenue adjacent to the Safeway Market. At a project review meeting on June 20, 2017, WestCAT representatives stressed the importance of providing bus stops adjacent or in close proximity with pedestrian access so that transit passengers can get to and from the shopping center, as the Rodeo Safeway has a high transit ridership which is anticipated to continue at the Safeway in Hercules. Additionally, WestCAT had asked that a location onsite be provided for paratransit riders next to the store that would take Dial-A-Ride. No other project-specific comments or Conditions of Approval (COA) were received by the reviewing departments or agencies, though standard conditions of approval for commercial developments would apply to the project.

Final design configurations have not yet been file to review fine detail information but will need to meet all standards discussed.

Required Finding 3: Desirable Site Characteristics

“General site considerations, including site layout, open space and topography, orientation and location of buildings, vehicular access, circulation and parking, setbacks, height, walls, fences, public safety and similar elements have been designed to provide a desirable environment for the development.”

Initial Discussion: The proposed project is tentatively acceptable with regards to the overall site layout and building placement and consistent with the setback requirements of the proposed General Commercial (CG) Zoning Classification. As addressed in Issue No. 2 (Parking) and Issue No. 3 (Structural Height), the proposed project is not consistent with the parking standards and exceeds the structural height (Safeway building) requirement of the CG Classification and thus would require the submittal of minor exception applications to address the inconsistencies. In addition, the applicant will be required to prepare and submit a wall and fencing plan, exterior lighting plan, and master sign plan to illustrate the location and design of these features for the proposed development.

It appears that the parking area directly adjacent to the eastside of the store facing San Pablo has a 4' grade differential which means that pedestrians may have headlights at their eye level and a retaining wall may be needed in the near term or long-term 2040 conditions. Should parking be adjacent to the project front, the use of berms should be incorporated similar to some portions of the Kinder's shopping center to hide the vehicles.

Roof mounted mechanical equipment appears to be highly visible from the highway and should incorporate screening by architectural features and grouping together so that they are not visible from the highway.

Finding 4: Architecture Compatibility

"General architectural considerations, including the character, scale, and quality of the design, the architectural relationship with the site and other buildings, building materials colors, exterior lighting and signing, and similar elements have been incorporated in order to insure the compatibility of this development with its design concept and the character of adjacent buildings."

Initial Discussion: The proposed project has been designed to be consistent with existing neighboring commercial developments. Exterior elements incorporated throughout the Safeway development will consist of stucco, brick, plaster, composite siding, metal awnings and canopies, and paint colors of light and dark tan. Neighboring commercial developments to the south and southeast of the site have similar elements which consist of stucco materials, glass frontages, and color elements which range from tan to brown and light orange. The project design is tentatively compatible with existing neighboring commercial developments to the south and southeast of the project site.

As previously addressed under Issues No. 1, staff has identified areas of the proposed Safeway commercial development which could be improved through the incorporation of additional exterior architectural elements. Specifically, the incorporation of additional façade improvements along the store frontages which are oriented towards the public right-of-way along San Pablo Avenue and I-80 and incorporation of freestanding trellis features along San Pablo Avenue adjacent to the sidewalk will assist in creating a more cohesive development. In addition, Issue No. 5 (Signage Ordinance) and Issue No. 6 (Signage Design) outline potential signage issues with regards to the proposed freestanding pylon sign which will need to be addressed. The applicant will also need to prepare and submit a Master Signage Plan which will illustrate all proposed wall mounted and free-standing signage for the proposed development. Two monument signs are proposed for the gas station but are too small to review and should be provided in better scale.

Finding 5 – Landscape:

"General landscape considerations, including the location, type, size, color, texture and coverage of plant materials at the time of planting and after a 5-year growth period, provision for irrigation, maintenance and protection of landscaped areas and similar elements have been considered to insure visual relief, to complement buildings and structures, and to provide an attractive environment for the enjoyment of the public."

Initial Discussion to become part of future supporting Facts: The preliminary landscape design for the proposed development is sufficient as the design will effectively integrate the natural

and built environment through the incorporation of various types of trees and shrubs along the perimeter and interior of the project site. The selection of plants and shrubs for the proposed development are both native and cultivated plantings will be used to create a sense of place. Irrigation of the proposed landscaped areas will be of drought tolerant varieties. Through utilizing smart central controllers with weather-based influence and efficient water delivery systems, efficient water delivery systems maximize and conserve water resources while keeping the planted areas vibrant. However, the City has a Tree Preservation Ordinance which most likely applies to the site, but no drawing showing the removal of mature trees and their species has been provided and would need to be done.

Landscape does not exist in the center median along San Pablo Avenue, but is reflected in the Central Hercules Regulating Code and should be discussed about its application should the 4-Lane Street cross section be modified.

9. CONCLUSION

Staff recommends that the Planning Commission provide staff and the applicant with design direction based on the five required findings discussed above to bring back to the Commission at their next meeting to assist staff in preparing the necessary resolutions for Commission action being targeted for the September 5, 2017 Planning Commission Public Hearing.

10. ATTACHMENTS

- Attachment 1: Safeway Project Plan Set (6-22-2017)
- Attachment 2: Site Plan with future proposed curb/lane configurations (7-12-2017)
- Attachment 3: *Regulating Code for the Central Hercules Plan* Street Types excerpt
- Attachment 4: 2009 Hercules New Town (HNTC) Center Draft and Final EIR (Online at: <http://www.ci.hercules.ca.us/index.aspx?page=501>)
- Attachment 5: Draft Hercules Safeway Project Transportation Impact Assessment (TIA) – July 2017 (Fehr & Peers)
- Attachment 6: Draft Hercules Safeway Project TIA Appendices – July 2017 (Fehr & Peers)
- Attachment 7: Rodeo–Hercules Fire District Memo
- Attachment 8: MIG Development Recommendation Memo
- Attachment 9: City of Hercules Technical Assistance Panel – 2015 (Urban Land Institute) + 2016 Follow-Up Recommendations
- Attachment 10: Potential Tracked Changes Zoning Ordinance Revisions for Pylon Signs (Section 34.300.H)
- Attachment 11: Aerial maps around the project area intersections