



## Planning Department

**TO:** Chairperson and Members of the Planning Commission

**FROM:** Victor Carniglia, Planning Consultant  
Holly Smyth, AICP Planning Director

**DATE:** July 16, 2018 Planning Commission Meeting

**SUBJECT:** Hercules Self Storage, LP Design Review Permit #18-02 for a 7.1 acre site for the Willow Avenue Commercial Project consisting of 1) draft Initial Study / Mitigated Negative Declaration, 2) Zoning Text Amendment #ZTA 18-04 to allow a mini storage project in the General Commercial Zone subject to Conditional Use Permit Approval, 3) a Development Agreement (DA 18-01), 4) Conditional Use Permits #CUP-18-01, 5) Design Review Permit #DRP 18-02, and 6) Lot Line Adjustment for mini storage, car wash, and auto service uses at 1444 Willow Avenue east of the Willow Ave/Palm Avenue intersection, Assessor Parcel Numbers; 406-522-001 and 406-522-004

### 1. RECOMMENDATION

That the Planning Commission request staff report, open public hearing, invite applicant to make a presentation, receive comments from public and Commission, discuss relevant project issues, provide guidance and direction to staff and applicant and continue the public hearing to the regular Planning Commission meeting of August 6, 2018.

### 2. BACKGROUND

As described in the preceding recommendation, a two-step hearing process is envisioned at the Planning Commission for this project. The primary focus of the upcoming July 16, 2018 Commission meeting will be to provide the Commission with an overview of the environmental documentation for the project, which consists of an Initial Study and proposed Mitigated Negative Declaration (MND), and for staff and the applicant to present the project to the Commission for initial review and comment. The staff report identifies a number of issues on which staff is specifically requesting feedback from the Planning Commission. At the conclusion of the meeting, staff is recommending that the Planning Commission continue the public hearing to the Commission meeting of August 6, 2018. At this August 6, 2018 Commission meeting, staff anticipates bringing to the Commission the necessary recommending resolutions and ordinances in order for the Commission to take action on this project. As the Commission is aware, since this project involves a Zoning Ordinance text amendment as well as a Development Agreement, the City Council will be the decision making body on this project, with a recommendation by the Planning Commission. A City Council hearing on this project is tentatively scheduled for September 11, 2018.

### 3. APPOVALS REQUESTED

As just noted, the Commission will not be acting on this project at the upcoming July 16, 2018 meeting. Nevertheless, it is important for the Commission to have an understanding of the various discretionary actions that are involved with this project, as described below:

- **Zoning Text Amendment:** The project site is zoned General Commercial (GC). This designation allows a wide variety of commercial uses. Given the proximity of Highway 4 and Interstate 80, a project at this location would be expected to draw customers from the broader area, including neighboring communities. The uses allowed in this zoning designation tend to be “heavier” commercial uses, including auto repair, equipment rental and sales, and the sale of building materials, all of which are allowed with a Conditional Use Permit. Self storage uses are not currently allowed in any of the City’s commercial zoning districts. The applicant is requesting the approval of a Zoning Text Amendment that would add “self storage” as a use that could be considered under the General Commercial Zoning District, subject to the approval of a Use Permit by the Planning Commission. Self storage uses are currently allowed only in the Planned Office-Research & Development Mixed Use District (PO/RD) with a Conditional Use Permit that would have to be approved by Bio-Rad and the City of Hercules. The proposed change would apply to all land designated General Commercial (CG), and not just the subject site. General Commercial zoned parcels outside of the proposed project site include the following with the City:
  - Property due east of the proposed site
  - Valley Bible Church at 1477 Willow Avenue
  - Willow Shopping Center at Highway 4 and Willow Avenue
  - Future Safeway Shopping Center at the E corner of Sycamore / San Pablo
  - Sycamore Crossings property at the NW corner of Sycamore / San Pablo
  - Hercules Retail Center at the S corner of Sycamore / San Pablo
- **Development Agreement:** A Development Agreement #DA 18-01 between the City and the applicant is being proposed by the applicant in conjunction with this project. The focus of the Development Agreement vests the right to develop the property with the proposed uses including the zoning text amendment necessary to allow for self-storage. In exchange, the City will realize a significant financial benefit from the project. While self storage uses place few demands on City services and have little utility or service needs, a typical self storage facility generates little revenue aside from some property tax. The proposed Development Agreement addresses this situation by ensuring the City will receive a share of the revenue the project generates in the form of an on-going income stream tied to the rents paid for the self-storage units. A copy of the proposed Development Agreement will be included in the Planning Commission’s packet for the August 6, 2018 Commission meeting.
- **Conditional Use Permits:** All of the automotive related uses proposed require a Conditional Use Permit approval, including the vehicle rental associated with the self storage. The self storage would also require a Conditional Use Permit, assuming the proposed Zoning Text Amendment is approved.

- **Design Review:** Design Review approval is required for all new buildings and for the site layout, landscaping, fencing, and other site improvements. The applicant is most certain on the mini storage portion of the project and therefore more specific drawings are provided for that use. The applicant does not yet have signed tenants for the car wash, lube facility, and auto services and therefore the elevations and building layout are estimated and may have to come back to modify their designs at a latter point in time. However, various photo simulations have been provided to integrate the bulk and massive of anticipated buildings on the entirety of the site.
- **Lot Line Adjustment:** A lot line adjustment is requested to reconfigure existing parcel lines to better fit the proposed site layout. No new parcels will be created.

#### **4. PROJECT HISTORY/SETTING:**

##### **Project History:**

The application for the Willow Avenue Commercial Project was submitted to the City on March 28, 2018. In reviewing the application, staff determined that there was no preexisting environmental documentation for the project or project site. As a result, an environmental consultant “First Carbon Solutions (FCS)”, was retained to prepare the appropriate environmental documentation for the Willow Avenue Commercial project. An Initial Study was prepared by First Carbon Solutions to determine the type of environmental documentation needed. As part of this Initial Study process, it was decided that a Mitigated Negative Declaration (MND) appears to be the appropriate environmental determination. First Carbon Solutions, along with a team of sub consultants, prepared the MND, which was subsequently published for the required 20 day review period on June 22, 2018. The Planning Commission received a copy of MND as part of this review process, which ended on July 12, 2018. To date, the City has received one comment letter on the MND, a copy of which is contained in Attachment 5 to this report. If any additional comments are received on the MND after this staff report is published, any such comments will be distributed to the Commission at the July 16, 2018 Commission. More information is provided on the MND later in this staff report.

**General Plan/Zoning Designations:** The property is General Planned and Zoned General Commercial (CG). The uses proposed are consistent with this designation subject to a Conditional Use Permit approval, with the exception of the self storage use for which a Zoning Text Amendment is being requested as noted previously. The project complies with all the applicable development standards for this zoning designation (maximum height, minimum setbacks, lot coverage, landscape, etc). A detailed table summarizing compliance with the various zoning requirements will be provided for the August 6, 2018 Planning Commission meeting. While the project complies with City requirements, it should be noted that the Fire Department is in the process of working with the applicant to address fire code related issues. Staff anticipates these Fire Department related issues will be resolved by the August 6, 2018 Planning Commission meeting.

**Project Setting:** The project site is a 7.1 acres in size and is currently vacant. The site is long and narrow, and is almost triangular in shape. The property has extensive frontage on Willow Avenue, while the rear of the property backs up to the BNSF rail line along its entire length. The site also has significant existing topography, with a number of mounds/hills on the property rising above surrounding terrain. There is a small wetlands feature located between the site and the BNSF rail line, a portion of which lies within the project site. All these factors combine to make the property a challenging one to develop, with significant grading needed to create the flat pad areas necessary to construct commercial development and necessary parking in a viable configuration.

The Valley Bible Church and Valley Preschool and Day Care are located to the northwest directly across Willow Avenue. Undeveloped private property borders the site to the northeast and east with only 100' of frontage on a +7 acre site that abuts State Highway 4. This neighboring private property, which also has a General Commercial General Plan and Zoning designation, will likely be challenging to develop in the future given the narrow, irregular configuration of the property. The applicant stated that they attempted to purchase this adjacent private property in order to incorporate it into their project, but could not come to terms with the owner. The BNSF rail line lies to the south of the project site and is adjacent to the property along its entire southern boundary. The site is located above much of the grade of the adjacent rail line.

## 5. PROJECT DESCRIPTION:

Given the site's topography and the configuration of the property, the project is proposed to be developed in two separate, largely self contained components. The eastern half of the site, which has limited frontage on Willow Avenue and which lies at a greater distance from the



Willow Avenue frontage, is proposed to be developed with self storage uses. The western portion of the property, which has extensive Willow Avenue frontage and is more visible from Willow Avenue, is proposed for auto oriented uses, including a car wash, an oil change building, and an auto services building as well as a drainage basin. The self storage and the auto oriented commercial uses share a common divided driveway on Willow Avenue, which is the sole point of access to the site. This driveway is being designed to line up with the northerly most church driveway across Willow Avenue. Security fencing effectively separates the self storage use from the auto oriented uses. These two components of the project, self storage and automotive, are described in more detail below:

### **Self Storage:**

The proposed self storage facility, which occupies approximately half of the 7.1 acre site, consists of 840 storage units that total 130,730 square feet of space. Four storage buildings are proposed, along with an office building that contains a second floor apartment for the manager, for a total of five buildings. The vast majority of the storage units (83% of the total) are contained in Building D, which is a large three story structure that is just short of 34 feet tall. The remaining storage buildings, A, B, and C are all single story, and vary in height from 12 to 14 feet. The exception to this is a portion of Building B which has a height of 20 feet in the portion of the building that has 16 foot tall roll up doors, which can be seen in the enclosed building elevations. The two story office/caretaker apartment is 32 feet in height, with 10 feet of that height consisting of a curved roof structure.

The self storage buildings have been deliberately placed by the applicant in such a manner that the building that would have the most significant visual impact, the three story tall Building D, is located in the far eastern portion of the site approximately 340 feet from Willow Avenue, so as to limit it's visibility from Willow Avenue. Conversely, the building with the most architectural interest (the two office/apartment) is placed in the most visually prominent location near the self storage Willow Avenue frontage. The applicant is also anticipating renting a limited number of vans/trucks (8 to 12) from the self storage facility to assist customers in transporting possessions to and from the storage units. These vehicles would be parked toward the rear of the site just south of Building D. It is important to note that all of the roll up doors in self storage Buildings A, B, and C orient inward toward each other so they have limited visibility from off site. While Building D has roll up doors on both its north and south elevations, these door are not visible from off site, given the more remote location of Building D.

Building materials for the single story self storage buildings (A, B, and C) consists of concrete block walls, with a metal standing seam metal roof. The larger three story self storage building (D) consists of concrete block for the first floor, with metal siding used on the second and third floors to provide some visual relief/interest given the size of the building facades. The two story smaller office/apartment building utilizes concrete block and metal roof, but adds a curved shape to the metal roof to enhance the appearance of this more visually prominent building. Colors are a combination of soft beige and tan for the concrete block with a bright brick red used for the metal roofs and building parapets. Colors of the roll up doors are proposed to use the same red used for the roofs. Colored copies of the proposed building elevations can be seen in the enclosed drawings, and will be available at the meeting. While

the proposed colors are not unusual for self storage and auto related uses, the Commission may want to consider a more subdued color than the red hue proposed for the roofs like a terra cotta. The red may be more effective as an accent color, rather than for the large expanse of the roofs. Actual color samples need to be submitted by the applicant in the form of a materials board.

In addition to the half sized drawings enclosed, there is also a separate 11x17 set of renderings entitled "Presentation Booklet". This booklet provides visual simulations of the proposed project as it would appear from a number of off site locations. The majority of these simulations assume a mature level of landscape growth on the project site. Commission may need to see a 3-D simulation of the before and after grades for the entire site with the placement of buildings to better show the context to the surrounding elevations with some reference numbers as to the roof top elevations. A total of 6 parking spaces are proposed for self storage facility, which complies with Code requirements. These parking spaces are located in front of the office building.

### **Auto Commercial:**

Three automotive related buildings are proposed on the other western half of the project site. These buildings consist of a 5,572 car wash with a total of 4 self service bays and 2 automated bays, a 2,734 square foot lube facility, and a 9,555 auto services building. It is anticipated that all or a majority of the auto service building will be occupied by a tire store. The lube and car wash facilities are placed in such a way as to be very visible from Willow Avenue, given their location and grade. The lube facility is set back just over 20 feet from property line Willow Avenue's current right of way line, with the car wash setback 25 feet. The Zoning Code required street setback for General Commercial is 20 feet, so the buildings comply with Code. Based on the proposed grading the pad of the lube building will be approximately 10 feet above the grade of Willow Avenue, with the car wash being 12 to 15 feet above Willow Ave. The auto services building, which has a pad grade similar to the lube facility, will be much less visible with a setback of over 140 feet from Willow Avenue.

While the applicant is requesting Conditional Use Permit approval for the three auto related uses, the developer does not have specific tenants for the three auto oriented buildings. While they are in negotiation with tenants for the car wash, lube, and auto service buildings, given the status of the negotiation process the prospective tenants have not committed to provide the applicant with specific architectural plans for their facilities. As a result, the applicant is not in a position to provide more detailed architectural plans for the lube, car wash, and auto services building. In order to address this situation, the applicant has included in the submittal conceptual drawings elevations that illustrate the type of architectural character and color the applicant intends for the automotive commercial component of the project, with separate conceptual elevations provided for the car wash, lube, and auto services building. The applicant understands that once the tenants for the auto related uses have committed to the site, that the three auto related commercial buildings may have to come back to the Planning Commission for Design Review if the modifications are major. The applicant is requesting feedback from the Commission on the conceptual elevations to determine if they are on the right track in terms of architectural style, colors, and design. The proposed colors shown in the illustrative elevations mirror the colors proposed for the self storage, although in this case



the red hue is used as an accent color, and is not on large surfaces like the roofs of the self storage. A total of 77 parking spaces are proposed to serve the three commercial buildings. This number significantly exceeds the 45 spaces required by Code. The majority of these spaces are located closer to the center of the site.

### **Site Work/ Site Improvements:**

**Grading:** A significant amount of grading is being proposed to create the level area needed to develop the property. The engineering plans show both existing and proposed grades. In addition, cross sections are included that provide additional information on before and after grading conditions, along with a “cut and fill” map shown on Sheet 5 of the larger drawings. The photo simulations also give a feel for the “after” grading conditions. However, project grading can be difficult to visualize from two dimensional drawings. While the enclosed plans contain a significant amount of grading information, staff anticipates that for the August 6, 2018 Commission meeting, additional graphics will need be generated that will provide the Commission with a clearer understanding of the proposed earth moving such as a 3-D simulation of the site before and after with the buildings shown in 3-D without any landscape.

**Retaining Walls/Fencing:** A fencing plan is included with the plan submittal on page L2 of the large plan set. The self storage facility is being completely secured by fencing, which is expected given anticipated security concerns. Fencing internal to the site is predominantly a 7 foot high decorative iron fence, although page L2 needs to be modified to more clearly show the various fencing types and heights that are exposed similar to the Muir Pointe project plans. In areas where retaining walls are proposed, decorative iron fencing is typically included on top of the masonry retaining wall. Retaining walls are used extensively in the project to address some of the grading challenges. The location of the retaining walls can be seen on both the fence plan drawing page L2 and on the Bellecci & Associates, Inc civil engineering plan pages. The majority of the retaining walls are 3 feet or less in height. However, in a number locations the retaining walls extend to 5 feet or more in height. A portion of the retaining on the west side of the car wash structure, which will be very visible from the street, extends from 5 to 7 feet in height, with the majority of this wall being 2 to 3 feet in height. A 6 foot high retaining wall is proposed toward the rear of the auto services building where it backs up to the hill. The taller retaining walls occur around the self storage facility where their visibility from off site will be limited. The retaining wall proposed to the south of self storage building “D” extends as high as 12 feet above grade, with most of this wall being in the 2 to 6 foot range. The tallest retaining wall proposed on the site is located on the north side of Building C where a small portion of the wall reaches a height of 24 feet. In this condition on the north side of Building “C” the self storage site sits above the surrounding grade, so the wall extends down to meet grade. As with grading, the configuration of the retaining walls can be difficult to visualize. The need for additional graphics to better illustrating grading just mentioned, should also illustrate the various heights of the proposed retaining walls.

The applicant is proposing to use black clad chain link fencing to provide “double fencing” around the block retaining walls that border the self storage area in order to prevent possible graffiti/vandalism of the tall block retaining walls.

**Landscaping:** The site appear void of any trees in its existing condition. Conceptual landscape plans have been included with the submittal. As can be seen from the plans, a significant amount of landscaping is proposed on the Willow Avenue frontage to help screen the car wash and lube buildings. Extensive screen planting is also proposed around the perimeter of the site, with a significant number of Live Oak trees to shield the view of the self storage buildings. Page L1 table show a total of 23,805 square feet of landscaping incorporated into the project site which equate to 7.7% of the site and therefore needs to be modified to contain an additional 7,122 square feet to meet the 10% minimum requirement of zoning.

**Wetlands:** There is an existing “jurisdictional wetland” located on the southern edge of the property that is shared between the project site and the BNSF railroad right of way. The project is completely avoiding creating any impact on this wetland area. Fencing is being installed to prevent customers from entering this wetland area as well.

**Bioretention Facility:** A bioretention basin is proposed at the western edge of the site. This is being constructed to address storm water requirements, as all site drainage will be diverted to the basin and subsequently treated in this area. This is a logical location to place the bioretention facility given the site’s topography and the narrowness of this corner portion of the property. The slopes around the basin are proposed to be heavily landscaped.

**Sewer:** The nearest sewer connection to the site is a private connection near the WC Drilling property owned by Valley Bible Church, which might not be viable to tie into. Alternatively, the applicant is working with Contra Costa County Health Department to review the potential of providing onsite sewer treatment. Lastly, connecting into the City’s sewer would be a last option as it is a long distance away from the project site. Further update on this item will be forthcoming.

## **6. ENVIRONMENTAL DOCUMENTATION:**

An Initial Study/Mitigated Negative Declaration (MND) with appendices was prepared to address the environmental effects of the project. A copy of the main document was distributed to the Planning Commission and City Council when it was released to the public on June 22, 2018. Electronic copies of the Technical Appendices were made available with the main MND document at the same time with limited hard copies available in the Planning Department. Aside from identifying impacts, a key function of the MND is to propose specific measures to mitigate to a less than significant level any environmental impacts identified in the MND. It is important for the Commission to be aware of these mitigation measures as they are intended to function as conditions of approval of the project.

The MND contains a thorough analysis of the various impacts of the proposed project. Rather than duplicate that analysis or repeat what is in the MND, this section of the report identifies and briefly discusses key issues addressed in the MND. It should be noted that the consultant from First Carbon Solution who oversaw the preparation of the MND will be at the July 16, 2018 Commission meeting to make a presentation on the MND, and answer any questions



**Section 1: Aesthetics/Visual Impacts:** This section of the MND contains a visual analysis of the project. A number of photo montages are provided (Exhibits 10a-10h) which depict the “before” and “after” views of the project taken from different locations. Exhibit 10 is a key map that shows the viewpoint for each of the photo montages prepared. Mature tree growth is assumed for this analysis. It would be appropriate prior to the August 6, 2018 Commission meeting for additional 3-D illustrations to be prepared for the Commission’s review that would represent the condition of the landscaping soon after the site was developed. The Commission may also request additional views if Commissioners feel that is necessary.

**Section 12: Noise:** While self storage is not expected to be a noise generator, the proposed auto related uses would likely be, in particular the car wash and a tire store located in the auto service building. In this instance, the nearest sensitive receptor of any noise impacts would be the church and related day care located approximately 140 feet away across Willow Avenue. The bays of the car wash and lube shop are oriented in such a manner that they will not face in the direction of the church across the street. The MND on page 117/118 addresses this noise generation issue under the heading “Operational Stationary Noise Impacts”, and concludes that noise at the project’s property line will not exceed City requirements. In addition, each of the auto service uses under the requirements of the CG zoning will be required to prepare a noise management plans to ensure noise standards are not exceeded. This section of the MND also addresses construction related noise, as well as noise generated as a result of added project traffic.

**Section 16: Transportation/Traffic:** This is one of the more detailed chapters of the MND. The analysis looks at a total of 10 study intersections, a list of which can be seen on page 129 of the MND. The traffic analysis then evaluates existing and projected traffic at these intersections, adding on the traffic projected to be generated by the project. Table 33 listing these projected traffic volumes is contained on page 132 of the MND. The results of this analysis is presented in Tables 35 and 36 that evaluate project traffic based on near term (2025) and long term (2040) conditions. This traffic analysis concludes that the road network can handle the projected future project traffic and meet acceptable service levels, with the exception of the Palm/Willow intersection. The MND on pages 142 and 143 identifies three mitigation measures that need to be complied with to address traffic impacts. These mitigations measures include widening/restriping of the Palm/Willow intersection to allow for a separate thru and left turn lanes for westbound Willow traffic.

While not part of the MND traffic analysis, TJKM, the traffic consultant that completed the traffic portion of the MND, prepared a separate memo (see Attachment 5), that provides a comparative analysis that assumes the site was developed with commercial uses rather than the self storage proposed. In the attached memo TJKM assumes for comparison purposes the self storage portion of the property is developed with a gas station, convenience market, and fast food restaurant, which would be typical commercial uses on a site in close proximity to a freeway. Based on this comparison, the amount of daily traffic projected if the property was developed entirely with commercial uses has a projected traffic generation rate of 3,313 trips per day, which is over twice the amount of traffic that would be generated by the project with the self storage use as proposed (1,555 trips/day). A similar relationship holds for peak hour traffic.

## ISSUES FOR PLANNING COMMISSION DISCUSSION/CONSIDERATION

The following questions address specific issues that staff considers to be central to the review of the proposed project. The Commission may choose to utilize this list to assist in structuring discussion at the July 16, 2018 Commission meeting.:

**Issue #1: Zoning Text Amendment:** The proposed Zoning Text amendment to add “self storage” as a use to be considered through the Conditional Use Permit process is central to the proposed project moving forward. What is the Commission’s feeling about modifying the text of the City’s Zoning Ordinance to add self storage as a use that can be considered with a Use Permit in the General Commercial Zone? As noted in the staff report, the locations are currently very limited in the City of Hercules for self storage uses. Legally, the City can not limit self storage to just the applicant’s General Commercial property due to prohibitions against “spot zoning”, which is why the change would apply to all General Commercial property. As the Commission is aware, the Use Permit process and the findings required for a Use Permit gives the City full discretion on whether to approve or deny a Use Permit application, depending on whether the City finds a specific location suitable or unsuitable for a self storage facility.

**Issue #2: Use Permit without concurrent more specific Design Review:** As noted in the staff report, the applicant is requesting Use Permit approval with limited drawing information on the three auto related buildings. The applicant has provided illustrative plans for these three buildings that provide a feel for the quality of the design. Does the Commission have comments on the illustrative drawings? As mentioned previously, the applicant agrees they may need to submit further formal Design Review applications once the specific auto related tenants commit to the site if they do not fall within the provisions of a minor modification application. While this is not the typical process, it appears to be necessary/appropriate given the circumstances facing this project. Is the Commission comfortable with this approach??

**Issue #3: Self Storage Architecture/Design:** Is the Commission satisfied with the proposed architecture of the self storage buildings? The office/apartment building will be the most visible structure, along with Building D the three story building. Buildings A and C will be much less visible given they are single story and due to their placement on the site behind other buildings. However, the south (rear) elevation of Building B will be visible from the auto commercial portion of the site and from Willow Avenue. Is the Commission supportive of the range of colors proposed, particularly the extensive use of the red hue? Are there architectural changes/enhancements the Commission considers to be appropriate to enhance the project? If so, what enhancements and to which buildings?

**Issue #4: Proposed grading and use of retaining walls:** As noted earlier in the report, staff anticipates that additional grading related information will be brought to the August 6, 2018 Commission meeting. Significant grading is needed to make the project site useable for commercial development. Grading is also a complex issue, as a grading change to one area of the site can have implications that will impact the entire site and may reduce the area that can be developed. Do Commissioners understand and feel comfortable with the grading proposed and how the retaining walls integrate with the proposed grading? Is there specific additional grading related information the Commission would like to see presented?

## **8. ATTACHMENTS**

- 1. Willow Avenue Presentation Booklet**
- 2. Willow Avenue Hercules Self Storage Drawings**
- 3. Draft Copy of Initial Study/Mitigated Negative Declaration/Appendices**
- 4. Comment letter on Mitigated Negative Declaration**
- 5. TJKM Trip Generation Comparison for Willow Avenue Project Memo**
- 6. Fire District Comment Letter of May 6, 2018**