

**RESOLUTION# 19-05
SYCAMORE CROSSING**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERCULES RECOMMENDING THAT THE CITY COUNCIL APPROVE GENERAL PLAN AMENDMENT (GPA) #17-02 CHANGING THE LAND USE DESIGNATION OF APPROXIMATELY 8.88 ACRES OF THE 12.88-ACRE PROJECT SITE KNOWN AS THE SYCAMORE CROSSING , LOCATED WITHIN THE WESTERLY AND CENTRAL PORTIONS OF THE SITE, FROM GENERAL COMMERCIAL (GC) TO PLANNED COMMERCIAL-RESIDENTIAL (P-CR) AND PUBLIC/SEMI-PUBLIC OPEN SPACE (P/SP-OS) LOCATED ALONG THE SOUTH SIDE OF SYCAMORE AVENUE AND NORTHWEST SIDE OF SAN PABLO AVENUE, EAST OF TSUSHIMA STREET (ASSESSOR'S PARCEL NUMBERS 404-020-094-3 and 404-020-095-0) AND CONCUR WITH PLANNING COMMISSION'S DETERMINATIONS

WHEREAS, the application was received from Sycamore Crossing Land Developers, LLC for a General Plan Amendment GPA #17-02 requesting a change in the Land Use Designation of a portion of the 12.88 acre project site known as "Sycamore Crossing" located along the south side of Sycamore Avenue and northwest side of San Pablo Avenue east of Tsushima Street;

WHEREAS, the GPA would affect approximately 8.88 acres of the site with 6.86 acres of the westerly portion changing the Land Use Designation from General Commercial (GC) to Planned Commercial-Residential (PC-R) and 2.02 acres of the center portion changing from General Commercial (GC) to Public/Semi-Public-Open Space (P/SP-OS) designation; and

WHEREAS, California Government Code Sections 65350 – 65358 identifies the process of amending a General Plan, which requires properly noticed public hearings before the Planning Commission and the City Council prior to adoption with no more than 4 amendments in a given year has received and considered an application from Sycamore Land Developers LLC for Zone Amendment (ZA) #17-02 for the westerly portion of the Project known as Sycamore Crossing located along the south side of Sycamore Avenue and northwest side of San Pablo Avenue east of Tsushima Street; and

WHEREAS, the proposed Sycamore Crossing Project is located within the Central Quarter of the Plan for Central Hercules (considered the Penterra/Poe property) and classified as a Phase II/Permissive category (meaning that the applicant has the discretion to adhere to the uses and design standards of development allowed under the *Central Hercules Plan Regulation Code* rather than the standard City Zoning Code) but the Applicant has opted not to pursue development according to the *CHP Regulation Code*; and

WHEREAS, the Project Site in its current state generally is vacant/undeveloped, although it also contains remnant foundations, building pads, and retaining walls from past industrial uses, as well as utility improvements associated with a utility right-of-way along the site's southern boundary; and

WHEREAS, the Project Site is comprised of two separate Assessor parcel numbers which along with a combination of right-of-way dedications and vacations will result in Project Site of approximately 12.88 acres; and

WHEREAS, the overall Sycamore Crossing Project includes up to 120 multi-family condominiums residences, a four-story hotel and up to 29,511 square feet of retail uses, including a CVS drug store and pharmacy, along with parking and open spaces and a permanent open space corridor on 12.88 acres of land; and

WHEREAS, in addition to the General Plan Amendment application referenced above, the following applications for development entitlements related to the Sycamore Crossing Project also have been filed concurrently and collectively define the Project:

- Initial Study – (IS) #17-02 dated June 2019 pursuant to Sections 15063 and 15168 of the California Environmental Quality Act (CEQA) Guidelines;
- Zone Amendment (ZA) #17-02 to rezone 8.88 acres of the westerly and central portions of the Project Site from General Commercial (CG) to a combination of Planned Commercial-Residential (PC-R) and Public/Quasi-Public-Open Space (P/QP-O) zoning districts;
- Vesting Tentative Map #9477 to subdivide approximately 12.88 acres into seven (7) parcels including the preservation of Ohlone Creek, a natural drainage way, with conditions of approval; and
- Final Planned Development Plan (FPDP) #17-02 for 120 multi-family dwelling units, a 105-room hotel, surface parking, and 29,511 square feet of total commercial space, to include a pharmacy, and retail and service uses, including a neighborhood restaurant and coffee shop with a drive-through, in four (4) buildings ranging from 4,400 square feet to approximately 6,000 square feet. The Project Site will include on-site vehicle parking, water quality features, utility extensions, and common areas for parking, landscaping, and pedestrian use;
- Design Review Permit (DRP) #17-04 with a Master Sign Program (MSP), in accordance with Section 13-34.400(R) of the Hercules Municipal Code Zoning section, for the above listed project.
- Conditional Use Permit (CUP) #17-04 for a) retail stores greater than 2,000 square feet; b) drive-through facilities for the pharmacy and for a food service pad building; c) seasonal outdoor sales; d) a hotel; e) a shopping center; f) multi-family residential uses and g) potential beer & wine alcohol sales; and
- Minor Exception #ME 19-02 to reduce the amount of on-site parking for the hotel use; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), a CEQA Initial Study #IS 17-02 and Determination dated June 2019 was prepared for the proposed Project and determined that the land uses and impacts resulting from the level of development for the proposed Sycamore Crossing project are within the scope of the development program evaluated in the 2009 Updated Redevelopment Plan Draft EIR (Redevelopment Plan EIR) (SCH #200112049) certified by the City Council on April 20, 2009 and would result in no new or more severe significant impacts than previously analyzed; and

WHEREAS, the Planning Commission held a duly-noticed public hearing at its regular meeting on July 15, 2019, and continued the hearing to its regular meeting on August 5, 2019; and

WHEREAS, Staff reports dated July 15, 2019, and August 5, 2019, and incorporated herein by reference, described and analyzed the application for GPA #17-02 and related applications listed above, including the CEQA Initial Study and Determination, and recommended that the Planning Commission recommend that the City Council approve the Project; and

WHEREAS, approval of the Project would amend corresponding text, tables, and figures related to amendments to land use designations of the General Plan, including but not limited to area-wide land use diagrams, land use summary tables, and environmental resource exhibits; and

WHEREAS, the Planning Commission has received oral and written comments from the general public, property owners, and interested parties, and has thoroughly considered all above referenced information, reports, Project plans, staff recommendations, and testimony up to and during the public hearings of July 15 and August 5, 2019 (including those discussed at the prior Planning Commission workshops of: October 17, 2017; December 4, 2017; January 16, 2018; June 25, 2018; August 6, 2018; September 17, 2018; and December 3, 2018), described herein and incorporated by reference, before using its independent judgment and taking any recommending action on the Project.

NOW, THEREFORE BE IT RESOLVED that after due study of all project related material, deliberation, and public hearing, the Planning Commission finds and determines that:

1. The foregoing recitals are true and correct and made a part of this Resolution by this reference.
2. The Proposed Project a) Falls within the scope of the development program evaluated previously in the 2009 Certified EIR and subsequent analysis provided in the June 2019 CEQA Initial Study checklist, b) Will not result in any new, significant impacts that were not examined and that none of the circumstances that would require preparation of an addendum or a subsequent or supplemental EIR under CEQA exists or needs to be filed for the proposed project, c) Should still be subject to the Mitigation Monitoring and Reporting Program of the 2009 EIR as part of the entitlement approvals, and 4) Does not require further environmental review, Pursuant to Sections 15162 and 15168 of the CEQA Guidelines.
3. The proposed GPA #17-02 is in the public interest and the General Plan as so amended will remain internally consistent and will maintain the integrity and compatibility of its policy statements as shown in the attached Exhibit B - Statement of Consistency with the Hercules General Plan document.
4. All elements, requirements, and conditions of this General Plan Amendment tied to the above listed entitlement applications are a reasonable and appropriate manner of preserving, protecting, providing for, and fostering the health, safety, and welfare of

the citizenry in general and the persons who work, visit, or live in this development in particular.

5. The Planning Commission recommends City Council approve GPA #17-02 changing the land use designation for the approximately 12.88 acre Project Site encompassing existing APNs 404-020-094-3 and APN 404-020-095-0, and the westerly and central portions of the site from General Commercial (GC) to Planned Commercial-Residential (PC-R) and Public/Semi-Public-Open Space (P/SP-OS) as shown on the attached Exhibit A.

PASSED, APPROVED, AND ADOPTED this 5th day of August 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Irena Galieva, Chairperson of Planning Commission

ATTEST:

Holly Smyth, Planning Director & Secretary to the Planning Commission

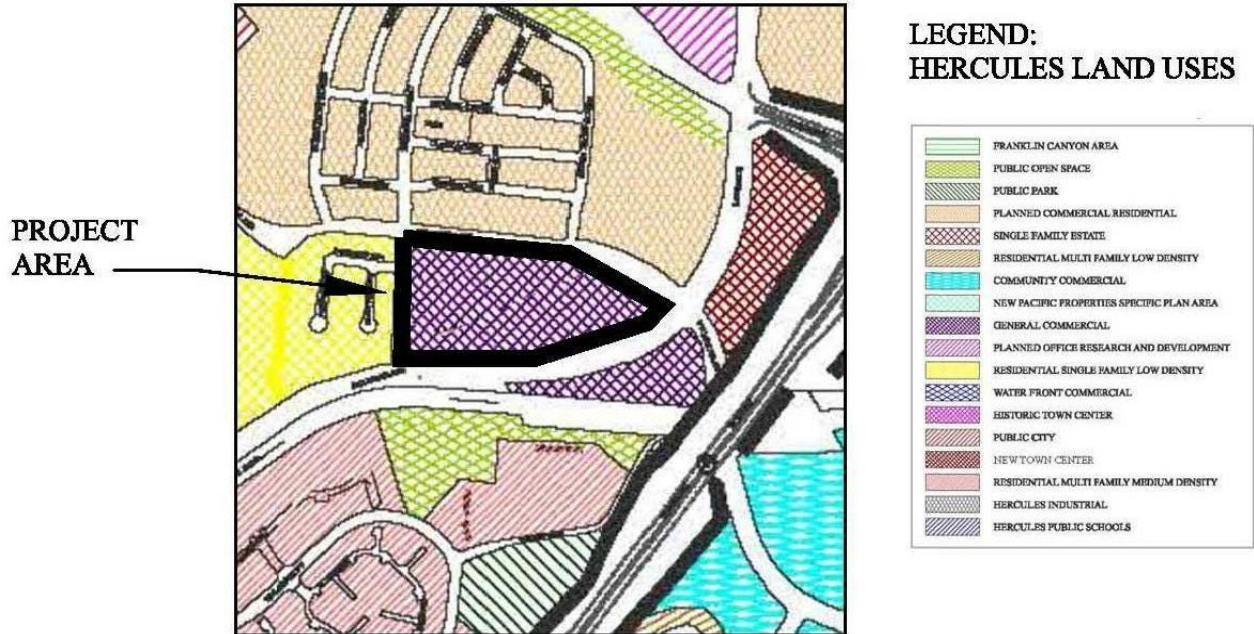
Exhibits:

A – Existing and Proposed General Plan map

B – Statement of Consistency with the Hercules General Plan

Exhibit A – Existing and Proposed General Plan Map for #GPA 17-02

SYCAMORE CROSSING - Existing Land Use Designation: General Commercial (GC) on entire site



SYCAMORE CROSSING - Proposed Land Use Designation: Changing the westerly half to Planned Commercial Residential (PC-R) & Public / Semi Public Open Space (P/SP-OS)

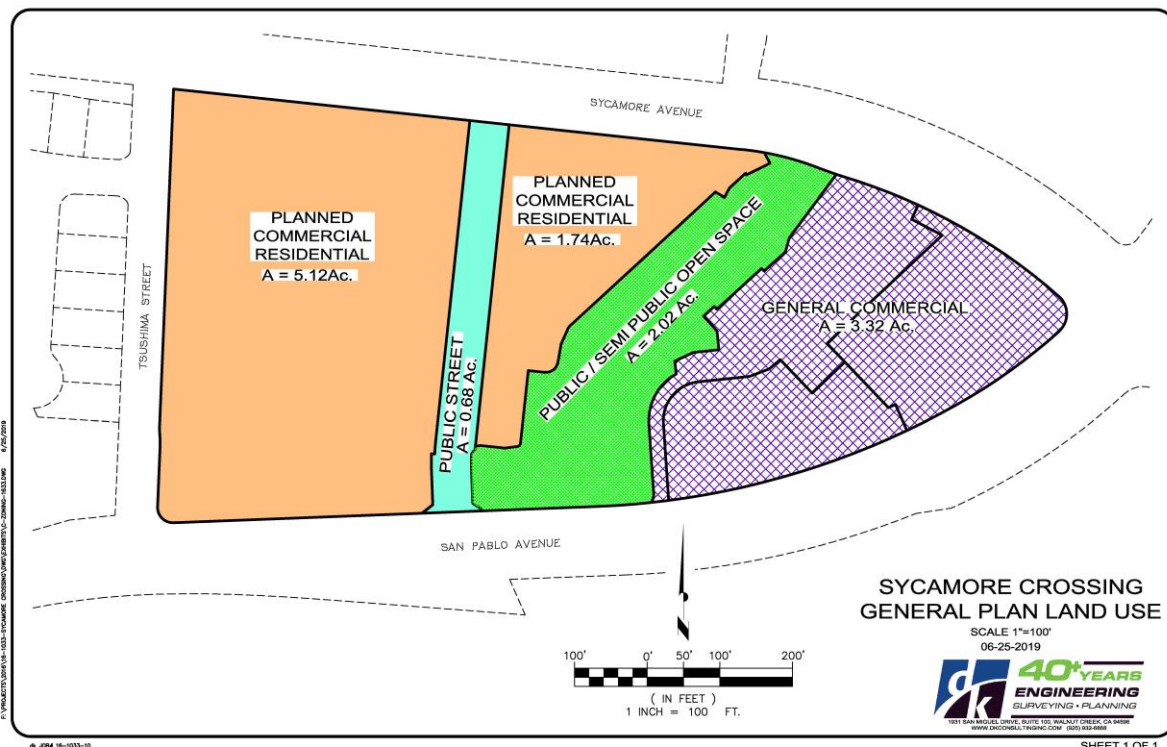


Exhibit B – Statement of Consistency with the Hercules General Plan for #GPA 17-02 as part of Planning Commission Resolution #19-05

Project Consistency: Land use development and resource conservation policies in Hercules generally are regulated by the City of Hercules General Plan. An amendment to the General Plan currently is under consideration to change the land use designation from General Commercial (GC) to Planned Commercial-Residential (PC-R) and Public/Semi-Public Open Space (P/SP-OS).

Planned Commercial-Residential (PC-R): This land use category is a mixed-use designation that is intended to permit both residential and commercial uses in a well-planned mixed-use development affording the opportunity for an integrated mixture of employment generating uses within the same structure or site, lower cost live-work opportunities, upper floor residential over ground floor commercial uses, and to encourage mixed-use development that could minimize vehicle uses. Businesses locating within this district will attract clientele from both Hercules and the adjacent communities, as well as those using 1-80 and Highway 4. Uses allowed within this designation include: home occupation; retail stores (2,000 square feet or less); restaurants and delicatessens; business services; offices and banks; personal services; accessory dwelling unit; caretaker, manager and employee housing; family day care homes; live-work units; multifamily units; townhouse/condominiums; planned unit development; supportive and transitional housing (apartment type); daycare facilities for employees and visitors; government offices; libraries, museums and galleries; and public safety facilities. Uses in this designation that require a conditional use permit include recreation and entertainment, retail outdoor sales, retail store more than 2,000 square feet, restaurants and delicatessens with liquor service or shopping centers, and hotels.

The PC-R land use designation amends the land use designation, which is consistent with the various General Plan elements and further implements the Hercules General Plan, as follows:

The P/SP-OS designation as applied to the Ohlone Creek Corridor through the site, would protect this sensitive resource from development encroachment.

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| Land Use Objective 2 | <i>Develop a community that balances housing, jobs, and commercial opportunities.</i> |
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As mixed-use project, the Sycamore Crossing project provides a mix job and commercial opportunities as well as new residential development in Hercules. The Sycamore Crossing project replaces a portion of the commercial services that potentially were lost with the approval for Muir Pointe in mid-2014 when a 17-acre site originally approved in 2003 with the Bayside project, designated GC for as a neighborhood commercial shopping center, was re-designated and rezoned to Planned Commercial-Residential (PC-R) and approved for a Residential subdivision.

Future residences on the site, up to 120 dwellings, would also serve to assist in reducing local vehicle trips due to the close proximity of the two uses.

Approval of the Sycamore Crossing Project would provide a location for a modern hotel use, which is currently lacking in the community.

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| Land Use Policy 2B | <i>Develop non-residential Land Use Categories which reduce the need for residents to leave the community by providing a variety of shopping and service opportunities.</i> |
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As a mixed-use development development, the Sycamore Crossing project provides the much-needed services in that location for local commercial services as the City knows that not all sales are not being captured by those in the immediate area. Market data was ascertained by several sources, some of which are not publicly disclosed, (1) using a market trade area analysis for determining market demand, (2) by using demographic data provided by a Bay Area brokerage house to understand market drivers, incomes, population, etc., and (3) institutional knowledge of the Bay Area market along with Applicants long established tenant relationships as it has developed several developments throughout the Bay Area .

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| Land Use Program 4B | <i>Encourage uses that will bring additional revenues (retail sales, property tax) either directly or indirectly to the City.</i> |
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The commercial portion of this mixed-use development will contribute increased sales and property tax revenues to the City. It will also provide a new stream of transit-oriented taxes which do not currently flow into the City.

Other Policies, Objectives, and Programs

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| Land Use Policy 3D | <i>Create a strong and successful focus or center for business and activities that would provide services, shopping opportunities which would attract employees, clients, and patrons from a regional area, while not disturbing existing residential and community oriented areas.</i> |
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| Land Use Objective 4 | <i>Develop sufficient employment and commercial tax generating uses to maintain a positive City government fiscal condition.</i> |
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| Land Use Policy 4A | <i>Encourage local and regional commercial uses that can benefit from substantial regional traffic on I-80, Highway 4 freeway, and San Pablo Avenue.</i> |
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Growth & Population - The projected population growth is within the projected population for the General Plan over all. The mixed use project will provide local services and enhance the proximity of jobs to existing and on-site residential uses, integration with the local circulation system, and as a benefit, and contribute toward meeting the goals related to jobs/housing ratio.

Housing - The Sycamore Crossing Project provide for up to 120 market-rate dwellings on the site, assisting the City in meeting regional and local housing goals.

Economic Development - The Project will contribute property tax, retail sales tax and transit-oriented tax directly to the City. Revenues from the Project site would support local economic development and job growth.

The Sycamore Crossing project seeks to promote the high standards in construction, infrastructure, facilities, maintenance, and community life that make Hercules attractive to businesses that induce economic development and will assure a quality environment, instill a sense of pride in the neighborhood, and encourage citizen involvement in the community. These factors will maintain and enhance the image of Hercules as a good location and a community that is inviting to new business activities

Open Space and Scenic Corridors - The Project Site is adjacent to a major transportation route and scenic corridor (San Pablo Avenue). The large wetland areas to the north of the development provide a natural open space buffer for other planned and existing uses. In addition, an on-site natural drainage area (Ohlone Creek) will be preserved as visual open space within the view corridor of San Pablo Avenue and will be protected in perpetuity.

The project contains architectural variety and would be constructed with quality building materials and design. The proposed plan is consistent with the general planning and design intent of the Plan for Central Hercules and complements the character of the planning and design in the area. The project is consistent with the Plan for Central Hercules vision for the Central Quarter to develop as a pedestrian- and transit-friendly mix of uses, including retail, office and residential uses with the underlying purpose of creating a “town center.” The Conditions of Approval would ensure compliance and compatibility.