

**Minutes of the Regular Planning Board Meeting  
Regular Meeting – November 14, 2005**

1.     CONVENE:             7:06 p.m.
2.     FLAG SALUTE:     Mr. Piziali
3.     ROLL CALL:        President Cunningham, Vice President Cook, Kohlstrand, Lynch, McNamara and Piziali.

Board Member Mariani was absent.

Also present were Deputy City Attorney Julie Harryman, Supervising Planner Cynthia Eliason, Planner II Emily Pudell, Dorene Soto, Development Services Department, Executive Assistant Latisha Jackson.

4.     MINUTES:
  - a.       Minutes for the meeting of October 24, 2005.

Vice President Cook advised that she had one correction on page 10, paragraph 2 should read Vice President Cook would like to see more objective data, and noted that there were no easy Targets to get to from Alameda and Oakland *and traffic from Oakland may therefore be greater than anticipated.*

M/S Kohlstrand/Piziali to approve the minutes for the meeting of October 24, 2005, as amended.

AYES – 5 (Lynch, Mariani absent); NOES – 0; ABSTAIN – 0

5.     AGENDA CHANGES AND DISCUSSION:

M/S Cook/McNamara to move item 8-B to the consent calendar as no speaker's slips were submitted.

6.     ORAL COMMUNICATIONS:     None.

7. CONSENT CALENDAR:

- 7-A. **UP05-0014/MDR05-0217 – Li-Sheng Fu & Jim Hom – 2320 Lincoln Avenue (EP).** A Use Permit to allow outdoor dining at the rear of the building located adjacent to Gim's Chinese Kitchen. The proposed outdoor dining area is approximately 975 square feet in size and will be utilized during normal business hours (between 7 a.m. and 10 p.m.) 7 days a week. Only minor changes are proposed to rehabilitate the exterior of the building. The site is located within a C-C-T, Community Commercial Theater Zoning District. **(Continued from the meeting of October 24, 2005. Applicant has withdrawn request.)**

M/S McNamara/Cook to approve the applicant's request to withdraw this item.

AYES – 5 (Lynch, Mariani absent); NOES – 0; ABSTAIN – 0

8. REGULAR AGENDA ITEMS

- 8-A. **DR05-0045, PF05-0001, V05-0008; John Knowles - 2416 Central Avenue (AT).** Applicant requests Major Design Review approval for the construction of a new 5,850 square foot two-story commercial retail/office building in the northeast quadrant of an existing parking lot located between the buildings occupied by the Starbucks cafe and Gallagher and Lindsey offices. The applicant also requests the payment of in-lieu fees and Variance for the additional required parking spaces. The property is located within a C-C T, Community Commercial Theatre Combining District. **(Continued from the meeting of October 24, 2005.)**

Board member Lynch arrived during this item.

Staff member Allen Tai summarized the staff report.

Dorene Soto of the Development Services Department commented on the Variance and economic aspects of the project. She explained that the City of Alameda does not currently have a parking plan policy for Park Street or Webster Street, where retail businesses could be built out and accommodate historic structures to encourage development. She noted that the City is currently working on a scope of services for a parking consultant to assist in this matter as potential business owners have decided not to do business in Alameda due to the costly parking in-lieu fees. She also noted that the Development Services Department would like to support the applicant in his request for a Variance of five parking spaces.

President Cunningham inquired on the calculation of how the in-lieu fees are paid in reference to the code. Ms. Soto responded that the City needed to look at the overall picture. She stated the City would hire someone to review the code as the two downtown streets are different and their needs are different. She stated that she has met with several business owners about coming into the downtown; however, when parking in-lieu fees were discussed, they have stated that they are not willing to pay the fees.

Board member McNamara inquired if this project was a new construction. Ms. Soto responded in the affirmative. She noted that the new construction was in the historical district, and was located behind the historic building. Ms. Eliason made a point of clarification to the Board that the project was a new building.

Vice-President Cook inquired on the history of the site, if there was some office space added as part of that project in the back of the building. Mr. Tai responded in the affirmative. He noted that office spaces were added to this building in 2001; however, as a result of that project there was a net loss in floor area due to elimination of mezzanine spaces upstairs.

Vice-President Cook inquired if the new building that was already approved had parking requirements

waved. Mr. Tai noted that when that work was done, no new parking spaces were triggered because there was a loss in floor area.

Board member McNamara inquired if the approval of last year's construction occurred. Mr. Tai responded that that project was approved on a separate parcel and that the addition also did not trigger extra parking spaces.

Vice-President Cook inquired why that request did not trigger additional parking spaces. Mr. Tai responded that the code specifies that only an expansion to a commercial building that is 25% of the existing floor area or equivalent to five parking spaces would trigger the parking. The office space that Board member McNamara referred to was a demolition of an existing addition and reconstruction, so the net gain floor area was not sufficient to trigger additional parking.

John Knowles, the applicant, addressed the Board explaining the history of this project, which began six years ago and informed the Board that part of the confusion was that this was an ongoing project and from his point of view the project is actually four separate parcels. He noted that Mr. Tai was referring to the net loss of leaseable area in the original building and then 1,000 sq. ft. of new space was added. At the same time they demolished the entire ground floor, which had a net loss of roughly 1,000 sq. ft. thus leaving no parking requirements. He felt the project accrued a credit towards in-lieu parking fees. This office space would match the façade of the Starbucks building. He stated the parking lot would be re-landscaped. He felt the in-lieu fees were extraordinarily high and were financially difficult for him. He then noted that this is the first new building to be in down town Park Street in the past 20-25 years. He felt that the services provided in the building would be good for the City at large. He felt these fees on top of all the other fees were excessive. He reiterated that he thought it would be a great project for keeping momentum going in the Park Street area.

Board member Kohlstrand inquired how many spaces the applicant thought were accrued on accrued deficit from the previous parcel. Mr. Knowles responded five spaces.

Board member Kohlstrand inquired on how the current parking lot is managed and if the applicant reserves spaces for businesses in the area. Mr. Knowles stated he is reserving spaces for certain individual business in the area. He noted that they have spaces leased out on a monthly basis. However, he noted that retail parking spaces are not leased out, just spaces for offices. Board member Kohlstrand made a point of clarification on parking spaces for employees versus client parking to which Mr. Knowles responded employees are not supposed to park in the lot as the spaces are supposed to be for clients only. He also noted that the parking lot has not been tightly managed over the last year and they have gotten very sloppy with managing the parking lot in anticipation of these projects. He noted that once the projects are completed, he is obligated to strictly enforce the parking space management.

Board member Kohlstrand stated that when the firm she worked for looked at the different locations of parking lots in the down town area, they realized not all parking lots were used effectively and were reserved for individual businesses. She noted pieces of the lots had spaces that were not being

used. She understood one of the challenges is to accommodate long-term parking; however, when commercial lots are not managed, parking gets pushed into residential areas. She stated one way of managing the parking lot is the applicant could restrict lots to tenants and their visitors, and have a little more flexibility and efficiency on how existing parking is utilized. She pointed out another factor they uncovered was existing land uses in downtown Alameda and how the uses were being used for parking right now. She also noted an estimate was performed on the demand for parking in the downtown area using the standard rates published by the Institute of Transportation Engineers. She noted her group found that if you use those standard rates and look at all uses individually, the amount of parking required in downtown Alameda would be four times as much as is available right now so that definitely argues for the fact that you get "link trips" that are not accounted for when you look at all the individual parking requirements. She then noted she knew there were some provisions in the planning code for recognizing joint uses of activity or parking spaces going on downtown, but she feels the City needs to be a little more specific on how that is administered. This might help some of these businesses that are trying to locate in downtown and can not meet the parking requirements or are having trouble financially dealing with the parking requirements even if the trouble is with in-lieu fees.

President Cunningham requested a point of clarification on whether the traffic study was with a view of opening up to a public use. Board member Kohlstrand responded in the affirmative. She stated ~~she advocated~~ that there were issues associated with it such as liability, safety and lighting. She was not aware if the City had pursued this point. She stated the City has been doing parking studies down town for years and fortunately at this point, is closer to getting a parking garage, but if other businesses develop, then the parking demand is going to increase if surface lots are eliminated.

President Cunningham inquired if Board member Kohlstrand had seen situations in other jurisdictions where parking areas on private land has been used for public benefit, to which she responded in the affirmative. She noted it is happening on the Bank of America lot, and that lot is one of the biggest lots in down town. She felt the Bank of America parking lot has gone a long way toward alleviating the problem.

Board member Kohlstrand inquired if the applicant's lot was used after hours. Mr. Knowles responded in the affirmative. He noted it is mostly offices that have leases, but noted that residential tenants use it at night and after hours as well as restaurant diners.

Board member Kohlstrand noted people use parking lots after hours for uses that are unsanctioned.

Board member Piziali inquired if the five spaces were originally credited to the applicant. Mr. Tai responded that the 2001 renovation resulted in a loss of floor area. He noted that the Alameda Municipal Code specifically states that within a five-year period if the commercial building is expanded to 25% or floor area equivalent to five parking spaces, it triggers additional parking, but in the case of Mr. Knowles' project, the floor area experienced a reduction.

President Cunningham inquired if there was also a fact that it is a different property, which does not apply to this project. Mr. Tai responded this does not apply to this project, as this is a new building,

whereas the code applies to expansions of existing buildings within a certain time period.

Mr. Knowles noted the credit was not generated by the 25% rule, but by the loss of space. Mr. Tai concurred.

President Cunningham inquired where the \$26.00 per sq. ft. and the 250 multiplier originated. Mr. Tai responded that it derived from averaging real estate transactions over a period of time and was prepared by the Development Services Department. He noted the rate of \$26.00 was looking at transactions that occurred after 2003, but staff was recently told this figure may increase significantly prices and transactions of real estate are looked at in recent times.

President Cunningham inquired where the 250 multiplier derived from. Mr. Tai responded that it is a flat figure that is embedded in the code requirement and noted that it is the area of land required for each parking space.

Board member Kohlstrand inquired if the color palette for the building would be the same as the other building. Mr. Tai responded in the affirmative. He noted that the building would look almost identical with the exception of the parapet at the top.

President Cunningham inquired if Public Works had any comments on the layout of the parking since it is one directional. Mr. Tai responded in the affirmative.

President Cunningham inquired if this is in keeping with trash collecting since it was a previous concern on this parcel. Mr. Tai responded in the affirmative.

President Cunningham noted he was concerned about granting this Variance, as it would compound the problem. He noted the residents stated there was no parking downtown and the whole idea of having in-lieu fees was to help the city pay for a parking structure. He noted if the City is not collecting revenue, this would encumber the City more. He also noted it would put the goal of building a parking structure further away from being achieved.

Board member McNamara noted the issue she is having is if the intent of having the in-lieu fee available is to look for either a replacement or some other way to make parking available. She stated \$143,000 or \$110,000 does not go far enough to make that a possibility as an alternative. She noted that whole area is so impacted with parking and even if the bigger garage does go up, she did not believe it would satisfy the parking need. She noted she liked the construction and the design, but was concerned about the amount of spaces it will take up.

Vice-President Cook echoed the concerns of Board member McNamara. She noted she felt a little differently about waiving the parking requirement when it is an existing building being rehabbed, a smaller project or brand new building. She noted she wanted to approve it to encourage this type of project, but she felt the 22-space shortfall seemed substantial for this particular area. She stated she would not feel that way if the new parking structure construction were underway. She felt she would

be willing to take that leap of faith, but was concerned about the lawsuit filed against the new parking structure and will lead to delay. She noted delay raises cost that can be a potential snowballing effect in terms of completing projects as currently planned. She noted she was struggling with it because she wanted to encourage the type of project Mr. Knowles has done so well, but feels this sort of slippery slope in terms of the parking impact in the downtown area.

Board member Piziali stated when he goes to Park Street he never has a problem parking. He noted he sometimes parks within a block or two of where he is going and this does not present a problem. He felt this idea of being able to pull up in front of the building you are patronizing is not likely to happen each time. He understands there is a parking need but felt people do not like to walk that much. He noted the Board continually mentions parking and traffic in Alameda. He recommended going to neighboring cities and compare their parking and traffic to the Alameda downtown area. He stated he understood the need for more parking and he knows it is critical, but when he frequents Park Street he does not have to park blocks away. He stated he could not make the first finding on the Variance and would not be able to support Mr. Knowles on that request.

Board member Kohlstrand echoed Board member Piziali's concerns. She stated she was in a quandary because of the code requirements *were too high for this particular use*, and she felt that is where the board should be focusing.

Board member Lynch stated he would err on the side of revitalizing downtown and economic development because this particular owner has helped to create synergy on Park Street. He felt this project would benefit the community as a whole.

President Cunningham echoed Board member Lynch's comments.

Board member Lynch inquired on the parking cost and if the city has any flexibility on when the payment is due or a pro-rating over a period of time. Mr. Knowles replied \$143,000. Mr. Tai responded the payment is due prior to issuance of the building permit.

Board member Lynch inquired if the City was expecting to receive funds from this project to do the aforementioned traffic study. Ms. Soto responded in the negative.

Board member Lynch inquired if the applicant had a preliminary construction schedule or construction build out in terms of, months or years. Mr. Knowles responded in the negative. Mr. Knowles stated he hoped to come to market within a year.

Board member Lynch inquired if the code recognizes the amount due of \$143,000 at the pulling of building permits, would the City or staff consider collecting half the amount at the pulling of the building permit and the other half at the final. Mr. Tai responded that would be a possibility. He noted the maximum amount of time the City could provide applicants to pay fees would be at final building occupancy without requiring additional staff time to administer legal requirements.

Ms. Harryman made a point of clarification noting before Board member Lynch's question was

answered that it may be an issue that is set forth in the code as opposed to policy and how it has been previously practiced and should be researched. She noted if the code does state that fees should be paid before building permits are issued then that is not something that can change.

In response to a question by President Cunningham, Ms. Harryman replied there is precedence. President Cunningham stated he was concerned about precedence. He stated if the Board were to grant the Variance, future developments would then come back with projects requesting dispensation. He noted there has to be guidelines.

Board member Lynch stated Government Code is very clear when it comes to fees and fee studies.

Board member Piziali inquired if the City determines the fee or the state. Board member Lynch replied the fee comes from the California Government Code. Board member Piziali commented if the parking requirements were not so obscured, the fees would most likely be lower.

Board member Kohlstrand noted the Board should not state the fee is not correct, but should look at why so many parking spaces are required downtown, when there is this synergy of activity that goes on.

Board member Piziali echoed Board member Kohlstrand's comments.

Vice-President Cook inquired about the fourth resolution condition, which states "pursuant to the code for any change of use, employees or seating capacity occurring within ten years from the date of the building completion additional on-site parking shall be provided." She noted she does not see how additional on-site parking can be provided as it appears to be "parked" out, so the resolution should say "on-site parking or in-lieu fees." However, it also led her to believe that it is referring to a restaurant, which has higher parking requirements than a retail store and if that is where the 22 spaces came from. Mr. Tai responded in the affirmative. He noted that condition is specifically to address restaurant uses, which require additional parking or more parking than standard general retail uses. He explained retail uses require parking at the rate of one space per every 200 sq. ft., whereas restaurants are under a certain floor area required to have approximately 40 spaces.

Board member McNamara inquired if a restaurant use can ever go in this space. Mr. Tai responded that the parking need was currently calculated based on floor area for general retail and office uses, which would require 22 spaces. A similar sized restaurant would require 40 spaces.

Board member Piziali stated the Board's only option appeared to be granting the Variance; however, he could not make the first finding. Board member Piziali inquired if the City's requirement for 22 spaces would be increased to 40 spaces if the project became a restaurant. Ms. Eliason responded in the affirmative. She noted it would trigger the need for additional in-lieu fees, as there is no parking available.



Vice-President Cook stated she felt willing to support the project but could not find for the Variance. She felt it raised a valuable issue on the need to complete the parking study.

Board member Kohlstrand inquired on the possibility of acting on the design review and approving the project but bringing the Variance back after further study. Ms. Eliason responded that parking study and an amendment to the zoning ordinance could take several months.

President Cunningham stated the Board needed more information. He noted Mr. Knowles and Ms. Soto made comments about the financial adversity with bringing developers the Park Street and Webster Street areas. He felt it would be useful for the Board to understand what would be considered appropriate. He stated there are costs and parking requirements involved in development and the requirement is its own resolution as it generates in-lieu fees. He stated if the in-lieu fee was reduced where the development becomes realistic.

In response to a question by Vice-President Cook, Mr. Tai responded that the developer would be responsible for driveway removal. Ms. Harryman noted Vice President Cook's comments on the resolution and suggested modification to condition 11 by adding the words "and pay" after Public Works Department so the sentence would read: "Prior to issuance of building permits the applicant shall coordinate with the Public Works Department and pay for the removal of curb cut and compensate for the relocation," and amending condition number 4 on the resolution by adding "additional onsite parking or in-lieu fees shall be provided."

M/S Piziali/Cook to adopt Planning Board Resolution No. PB-05-44 to approve the payment of in-lieu fees and a Major Design Review for the construction of a new 5,850 square foot two-story commercial retail/office building in the northeast quadrant of an existing parking lot located between the buildings occupied by the Starbucks cafe and Gallagher and Lindsey offices and denial of the Variance for the additional required parking spaces. The property is located within a C-C T, Community Commercial Theatre Combining District.

AYES – 4 (Mariani absent); NOES – 2; ABSTAIN – 0

After the vote, a lengthy discussion ensued regarding the Planning Board members' views on the parking requirements in the downtown Park Street area and the fees required for businesses to locate in Alameda. *Board member Kohlstrand made a clarification that when she voted no on this particular project, that she was against it because she supported the Variance the applicant requested.*

8-B. **UP04-0008; Julie Baron – 1223 Park Street (EP).** Review of Use Permit approved November 22, 2004 for the outdoor dining and retail sales display area associated with a coffee and tea garden. The property is located within a C-C-T, Community Commercial Theatre Combining District.

M/S McNamara/Cook to approve the review of Use Permit approved November 22, 2004 for the outdoor dining and retail sales display area associated with a coffee and tea garden.

AYES – 5 (Lynch, Mariani absent); NOES – 0; ABSTAIN – 0

## **8-C. Discussion of 2006-2008 Capital Improvement Projects (CE).**

Ms. Eliason summarized this item and informed the Board that these projects are administered by the Public Works Department. She stated Capital Improvements are physical improvements that the City performs which are generally large scale, multi-year projects, the Library being a perfect example. This year Public Works asked for the various Boards and Commissions to give recommendations for funding priorities. The Planning & Building Department does not have any Capital Improvement projects except for the One-Stop Permit Center. She noted there are annual funds for the General Plan and Zoning, but these are not considered Capital Improvements. She advised the Board that the Capital Improvement Program would come before the Board again in March 2006 and at that time the Board will be asked to make a consistency determination with the General Plan.

In response to a question by President Cunningham, Ms. Eliason replied that rank is the numerical system related to the various aspects of each project. She also noted that ranking was combined with funding, so a project that may have a lower rank, but has funding, may move over a project that has no ability to be funded. In a response to a question by Board member Piziali, Ms. Eliason responded that projects are ranked by a ranking sheet which is prepared by the department whose project it is. The sheets are all accumulated and reviewed by staff and the Department Heads.

In response to questions by Board member McNamara and Vice-President Cook, Ms. Eliason clarified that carryover projects that were funded would be completed. If the projects are based on grant funding that was anticipated, but did not receive the grant, then it would not have the complete funds.

President Cunningham inquired about how Planning policy or ordinances will be addressed. Ms. Eliason replied the Department has annual funds for the Housing Element, General Plan update and the Development Code. She also noted there is a community planning fee that should fund some of the Department's annual projects.

Board member Kohlstrand inquired if the Capital Improvement Program funded these program. Ms. Eliason responded in the negative. She noted they are annual allocations and not Capital Improvements. She pointed out they are itemized because the money is carried over year to year but they are not part of the Capital Improvement Program.

President Cunningham stated there should be money assigned to developing a citywide sustainable ordinance. Ms. Eliason replied staff member Andrew Thomas was looking into some of the policies in the Community Reuse Plan and planned to incorporate them into the Master Plan for Alameda Point.

Vice President Cook inquired how the sustainable ordinance or waterfront design and access guidelines would be completed if there were no staff or money to complete them. Ms. Eliason responded that planning programming is done through the budgeting process. She clarified that Vice President Cook was referring to adding to the Planning & Building Department's work program, which is different from a Capital Improvement. Vice President Cook requested a list of the

Department's priorities.

Board member Lynch stated he has never seen planning work plans in a Capital Improvement budget and felt it was questionable. Ms. Eliason explained the reason these items were put into Capital Improvements originally was that the projects are multi-year. She stated under previous administrations any money that was not expended during a year was swept back into the General Fund. So in order to secure monies, Departments created a Capital Improvement Program for their multi-year projects. Board member Lynch stated that method clearly was the wrong way to go and the wrong way to do it. He noted every jurisdiction runs studies, projects and consultants on multi-year projects and simply encumbered the funds because the California Code allows you to keep those encumbered funds.

Board member Kohlstrand requested Planning Board input into the Planning and Building Department work program priorities. She inquired if the work program has traditionally come before the Planning Board. Ms. Eliason responded she did not believe any of the previous Planning & Building Directors have done that, but felt the Board's input into the work program is important. Board member Kohlstrand inquired if there was any restriction for the Boards or Commissions from providing some advisory input. Ms. Eliason responded the budget is a public document and the work program is something that the Board is obviously very interested in.

Board member Lynch stated some jurisdictions have a joint meeting between their Board of Supervisors or their City Council and the Planning Commission. He noted the meeting provides an open discussion about work program priorities with community input. President Cunningham stated if nothing else the Board is looking for some intervention with the City Council and some discussion time. Ms. Eliason stated she would relay that to the City Manager's office. Board member Lynch stated this Board might even consider allocating some of its agenda time to meet with the City Council.

In response to a question by Board member McNamara, Ms. Eliason explained the review process. Board member McNamara stated she felt the Board needed to know more about projects and their ranking before discussion.

Vice President Cook stated she felt more attention should be given to the Civic Center Plaza as that is something the community is interested in.

Board member Kohlstrand inquired if there was any progress on the City Manager attending a Planning Board meeting. Ms. Eliason responded a request was provided to the Assistant City Manager.

Board member Lynch stated given the demand in the Bay Area for open space he was concerned that the Alameda Point projects were not self-funded. Ms. Eliason stated she believed the funding is deferred because the City does not own the property. Board member Lynch further inquired about golf course revenue for improvements. Ms. Eliason responded she would have to research that. She stated the Golf Department is considering a new clubhouse.

Board member Piziali stated he felt it was a shame the City doesn't do something about the Golf Course entryway.

Board member Kohlstrand stated that the new Main Library should not be on the un-funded project list. She stated that many of these projects have special funds that are set aside just for their particular use. They should be ranked within that special fund.

Board member Lynch reminded the Board that this system was created by the previous administration in terms of the structure.

Board member McNamara inquired if the Webster Street renaissance project is complete since it is labeled as 44 ranked un-funded project. Ms. Eliason responded she would research that.

Board member McNamara questioned the CIP process. Ms. Eliason stated this is a new process and advised the Board that Public Works will be hosting several public meetings on this topic and urged the Board to attend. Staff will forward the Board's comments and concerns to the Public Works Department. By the time the CIP list returns to the Planning Board in March, it will be a finalized list.

Board member Kohlstrand thanked Ms. Eliason for her patience.

9. WRITTEN COMMUNICATION: None.

10. BOARD COMMUNICATION:

a. Oral Status Report regarding the Northern Waterfront Plan (Vice-President Cook).

Vice President Cook advised that there had been no further meetings.

c. Oral Status Report regarding the Golf Course Committee (Board Member Piziali).

Mr. Piziali advised there was nothing new to report.

d. Oral Status Report regarding the Oakland/Chinatown Advisory Committee (Board Member Mariani).

Ms. Mariani was not in attendance to present this report.

e. Oral Status Report regarding the Transportation subcommittee (Board Member Kohlstrand).

Ms. Kohlstrand advised that the transportation subcommittee did have its last and final meeting on November 2, 2005 and received additional input on their recommended classification system for the street network in Alameda. It has gone to staff for comment and will come before the Planning Board in the future.

Vice President Cook informed the Board that on November 16, 2005, at 7:00 p.m. the League of Women Voters would be sponsoring a forum about Alameda Point at the Church on the corner of Grand and Santa Clara. She pointed out staff member Andrew Thomas had all the details.

11. STAFF COMMUNICATION:

There will not be a meeting on November 28, 2005.

12. ADJOURNMENT: 9:06 p.m.

Respectfully submitted,

Gregory J. McFann, Acting Secretary  
Planning & Building Department

These minutes were approved at the January 9, 2006, Planning Board meeting. This meeting was audio and video taped.