CITY OF WALNUT CREEK
RESOLUTION NO. 09-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEKADOPTING A MITIGATED NEGATIVE DECLARATION FOR THE CENTRE PLACEPROJECT (Y09-005), APPROVING A GENERAL PLAN AMENDMENT AND TREE REMOVALS, AND AUTHORIZING THE CITY MANAGER TO PROCEED WITHPROPERTY EXCHANGE OF CITY-OWNED REAL PROPERTY WITHIN ALMA PARK

The City Council of the City of Walnut Creek hereby resolves as follows:

SECTION 1. FINDINGS.

1. On June 16, 2009, the Walnut Creek City Council held a public hearing to consider General Plan Amendment and Tree Removal Permit Application No. Y09-005 – Centre Place, an office and retail development at 1275 S. California Boulevard. The applicant, Hall Equities Group, proposes to amend the General Plan to allow an increase in the floor area ratio (FAR) limit of another applicant-owned property at 1855 Olympic Boulevard (APN: 184-092-020) from 0.50 to 0.62 due to a proposed lot line adjustment land swap with a portion of the City’s Alma Park property.

2. The applicant proposes to redevelop the north half of the site located at 1275 S. California Boulevard by demolishing a 14,742 square foot portion (approximately ¾) of the existing one-story retail commercial building (leaving a 5,167 square foot portion of the building’s south end currently containing two restaurants, KFC and Baja Fresh), and constructing two new buildings totaling 17,707 square feet with retail, bank, and office uses at the north end of the site, for a total on-site floor area of 22,874 square feet. Building #1 is a two-story, 13,157 square foot office/bank combination designed for a single tenant with the bank component on the first level and associated offices above. Building #2 is a one-story 4,550 square foot retail/restaurant building designed for one or more tenants.

3. The applicant is seeking to locate Building #1 as far north as possible, and through a lot line adjustment (LLA) is proposing to shift the northernmost lot line approximately ten feet further north by obtaining a portion (approximately 1,900 square feet) of the City’s Park entrance property (described in more detail below) at the corner. This will allow Building #1 to be located in its currently proposed location while continuing to meet Building Code setback requirements (generally 10’ setback is required for the type of construction proposed). The applicant’s intent is to provide this building the best opportunity for exposure and presence toward the Olympic Blvd./S. California Blvd. intersection.

4. The applicant is proposing a land swap that will involve a second parcel of land also owned by the applicant at 1855 Olympic Boulevard from which an equivalent amount of land would be granted to the City. A general plan amendment (GPA) at the 1855 Olympic Boulevard site will be required in order to increase its maximum allowable floor area ratio from 0.50 to 0.62. This is necessary to both reflect the slightly reduced lot area of that parcel and to also bring the site’s current non-conforming FAR (0.60) into compliance.

5. The Park, Recreation and Open Space (PROS) Commission held two preliminary review meetings – once on April 7, and again on May 4, 2009. At the May 4 meeting, the Commission expressed its unanimous support for the project and was pleased with the new Park entryway
plaza work and that it would be constructed in conjunction with the private development as opposed to phasing over time (an option that was discussed at the previous meeting). Commissioners also supported the knoll grading in Alma Park, the rear access stairway, felt concerns of crime would be reduced overall, had no issues with the requested tree removals, but wanted to ensure the view corridor from Alma Park to Mt. Diablo (as identified in the general plan) would be preserved and so replacement trees along the common property line should be limited. The PROS Commission recommended Council approval.

6. The Design Review Commission also held two preliminary review hearings on the project—once on March 18, and again on May 6, 2009. At the May 6 meeting, Commissioners supported the applicant’s proposal for the lot line adjustment and land swap in exchange for the new Park entryway plaza and walkway. Aside from a few comments on its actual design, the Commission agreed with the PROS Commission that the larger and more open Park entryway plaza and walkway would create an opportunity to finally implement the Specific Plan’s goals of providing a more inviting entrance up into the Park with better access for all persons living and working in the core area. However, Commissioners were evenly divided on the requested removals of the Canary Island pines around the entryway plaza area. The DRC recommended Council approval.

7. On June 4, 2009, the Planning Commission approved Resolution No. 3503 recommending approval of the General Plan amendment, tree removals, a lot line adjustment/land swap with a portion of Alma Park, and all improvements within Alma Park as proposed.

8. The City Council has considered comments submitted to and expressed in person to the Planning Commission, Park, Recreation and Open Space Commission and Design Review Commission hearings on this project.

9. In accordance with the California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq., and the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations, the City has prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for this project. The purpose of the IS/MND was to ascertain whether the proposed project would have a significant effect on the environment and identify and impose appropriate project changes and mitigation measures to avoid any such impacts or reduce any such impacts to a less than significant level.

10. The IS/MND was prepared in accordance with all legal requirements, including all public notice and comment period requirements, and examined all of the environmental issues associated with the project.

11. The City Council has reviewed and considered the IS/MND and all comments received within the public comment period, as well as written and oral comments received after the public comment period and prior to the date of this Resolution, and finds that the IS/MND:

a. Reflects the Council’s independent judgment and analysis;

b. Was prepared in accordance with all legal requirements, including all public notice and comment period requirements; and
c. Examined all of the environmental issues associated with the project and is a complete and adequate environmental document under the requirements of CEQA.

12. There is no substantial evidence in the record that the project, as mitigated, will have a significant effect on the environment. The IS/MND identified potentially significant impacts to biological resources, cultural resources, noise, and traffic. As discussed in the IS/MND, mitigation measures have been incorporated into the project to avoid or reduce each of these impacts to less than significant levels.

13. The OF (Office) General Plan land use designation for the 1855 Olympic Boulevard site allows FARs between 0.50 and 1.50. The requested increase in FAR from 0.50 to 0.62 for the site is consistent with this range and compatible with other Core Area office uses.

14. The increase in FAR from 0.50 to 0.62 will not only allow the Centre Place project to proceed, it would also finally bring the existing non-conforming property at 1855 Olympic Boulevard (current FAR is 0.60) into compliance without granting any additional development rights to the property.

15. The health, safety, welfare, and general prosperity of the residents of the City of Walnut Creek will be served by the proposed amendment to the General Plan’s Floor Area Ratio map because the lot line adjustment, land swap and the subsequent creation of a wider, more open, inviting and viewable, fully redesigned and accessible plaza entryway and walkway into Alma Park will allow the City to fully realize the goals of the Specific Plan – an opportunity that otherwise may never have been available to the City and its residents.

16. All properties involved are located within the Alma Avenue Specific Plan. The plan sets appropriate land uses, residential density, commercial floor area ratios, height limits, and design guidelines including Park entryway and pedestrian connections. It also includes public Park acquisition criteria and purpose. All project components proposed by the applicant (including the FAR increase) are consistent with the goals and policies of the Alma Avenue Specific Plan.

17. The LLA and subsequent Park entryway improvements will implement certain goals of the Specific Plan where it states “to assure visibility of the park, a public plaza at the corner of Olympic Boulevard and California Boulevard will provide the major entry” and “where possible, views into the Park from Olympic Boulevard, California Boulevard, and Botelho Drive should be preserved.” The plan further requires a “pedestrian connection that will “link the plaza at Olympic/California corner with the proposed park and an internal local street.” Additional land acquisition and redevelopment of this Park entryway will implement these goals.

18. The existing plaza is small, closed-in and is less inviting than envisioned by the Specific Plan. Currently, there is only a five-foot wide concrete walkway that passes through an eight-foot wide pinch-point. By opening up and enlarging this area, creating a 14-foot wide pedestrian pathway up into the Park, removing some of the visual obstacles in the foreground (including the existing trellis/vines and landscaping walls as well as the row of tall pines), incorporating various textures and colors in the flatwork, re-landscaping with colorful plant materials and
creating a focal point at the terminus of the walkway, the general public will have a much better opportunity to not only discover the Park but will also feel welcomed to explore it.

19. With the lot line adjustment, the 1855 Olympic Boulevard site will continue to comply with all other O-C zoning regulations including minimum parking, lot area, width, depth and frontage, and setbacks.

20. Approximately 450,000 square feet of future commercial development is permitted pursuant to the City’s Growth Limitation Program, which allows up to 75,000 square feet per year in new commercial growth, metered in increments of 150,000 square feet every two years, that has not yet been allocated or approved. Thus, the approval of the approximately 3,000 square feet of net new commercial development proposed by the project is consistent the Growth Limitation Program and implements the General Plan’s program for balancing land uses and avoiding impacts that could otherwise result from unrestricted commercial growth.

21. The requested 19 tree removals are warranted, including the eight Canary Island pines. Tree removals will accommodate the new buildings, a relocated retaining wall, grading of the Park knoll, and construction of both the new entryway plaza walkway and stairway access. A sufficient tree replacement program is included in the landscape plan that will be reviewed and approved by the Design Review Commission.

22. The Canary Island pines (nos. 163-170) are not native nor are they Highly Protected trees as identified in the tree ordinance. In addition, removals would further implement the goal of the Specific Plan to preserve views into the Park by increasing its visibility beyond as viewed from the intersection and in the hope of attracting more Park users and reducing the potential for loitering. The Police Department also supports the removal of these trees because removal would allow for more “eyes” on the plaza by visually opening up that area as viewed from the street.

23. The applicant is proposing a significant and adequate landscaping program including a total of 62 replacement trees throughout the project site, the Park, and the entryway plaza. A variety of types and sizes of trees are proposed including fourteen 24” - 48” box oaks within the Park. The tree replacement program including the many native oaks proposed will help to offset the loss of the existing trees by creating a comprehensive and coordinated landscape scheme throughout the entire project area.

SECTION 2. DECISION.

Based on the findings set forth above, the City Council hereby:

1. Adopts the Mitigated Negative Declaration and the mitigation monitoring program identified therein, which are hereby incorporated by reference as conditions of this approval and attached as “Exhibit A.”

2. Amends General Plan 2025, Chapter 4, Built Environment, Figure 8 (FAR map) to change the Floor Area Ratio limitation of 1855 Olympic Boulevard (APN: 184-092-020) from 0.50 to 0.62, as shown on “Exhibit A” of this Resolution, attached hereto and incorporated herein.
3. Directs the Community Development Director to make the change to General Plan, Chapter 4, Built Environment, Figure 8 as shown on "Exhibit B" of this Resolution, attached hereto and incorporated herein.

4. Authorizes the City Manager to proceed with the disposition of a portion of the Alma Park entry (APN 184-092-027) through a negotiated property exchange in accordance with Administrative Policy No. 80-1 and report back to Council for final approval of the terms and conditions of the proposed property exchange.

5. Approves the 19 tree removals and all improvements within Alma Park as shown on the plans labeled "Exhibit A of GPA/Tree Removal Application No. Y09-005." The Design Review Commission shall have the authority to consider removal of the two remaining Canary Island pine trees no. 161 and 162 at its discretion.

SECTION 3. EFFECTIVE DATE.
This Resolution shall become effective on the 31st day after its adoption.

PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 16th day of June 2009, by the following called vote:

AYES: Councilmembers: Rainey, Rajan, Silva, Simmons, Mayor Skrel

NOES: Councilmembers: None

ABSENT: Councilmembers: None

[Signature]
Gary Skrel
Mayor of the City of Walnut Creek

Attest:

[Signature]
Patrice M. Olds
City Clerk of the City of Walnut Creek

I HEREBY CERTIFY the foregoing to be a true and correct copy of Resolution No. 09-25, duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 16th day of June 2009.

[Signature]
Patrice M. Olds
City Clerk of the City of Walnut Creek
EXHIBIT A

CITY OF WALNUT CREEK
MITIGATED NEGATIVE DECLARATION

Project Name: Centre Place (Office/retail)
Project Address: 1275 S. California Boulevard
Date Notice of Intent to Adopt a Mitigated Negative Declaration was posted: April 1, 2009

1. PROJECT LOCATION: 1275 S. California Boulevard (west side of street between Botelho Drive and Olympic Boulevard). APN 184-092-026

2. PROJECT DESCRIPTION: A proposal by Hall Equities Group, developer, to redevelop a two-acre commercial site currently known as California Plaza at 1231-1275 S. California Boulevard. The project will include demolition of a 14,742 square foot portion of the existing 19,842 square foot, one-story retail building (all but KFC/Baja Fresh), and construction of two new buildings totaling 17,519 square foot with retail, bank, and office uses at the north side of the site. The applicant also proposes grading and re-landscaping within the City's adjacent Alma Park. The project will also include a lot line adjustment at the far north end (near the park entry area) in conjunction with a requested land swap with the City and an upgraded park entryway and plaza at the intersection. Both on- and off-site trees are proposed for removal and a front setback variance along the street is requested. The project will also require a General Plan Amendment for a Floor Area Ratio (FAR) increase on a third adjacent property (1855 Olympic Blvd.) involved in the lot line adjustment.

Although the total net floor area added to the site is proposed to be only 2,777 square feet, there is a reasonable expectation that the entire parcel will eventually be redeveloped. Given the difference between the site's existing floor area (19,842 sq. ft.) and the maximum allowable floor area of 50,767 sq. ft. (based on the maximum allowable floor area ratio of .6), this would equate to a maximum potential of an additional 30,925 sq. ft. on this site. This mitigated negative declaration will assume full site build-out and will analyze all potentially significant environmental impacts which could result from maximum potential buildout of the site at 0.6 FAR. (From the maximum potential added floor area, certain analyses will factor in the 12,969 sq. ft. portion of bank/office proposed.)

3. THE COMMUNITY DEVELOPMENT DIRECTOR FINDS THAT ALTHOUGH THIS PROJECT, COULD HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT, THERE WILL NOT BE A SIGNIFICANT EFFECT IN THIS CASE BECAUSE MITIGATIONS HAVE BEEN INCORPORATED INTO THIS PROJECT.

4. STATEMENT OF REASONS TO SUPPORT FINDINGS:

a. Biological Resources: A total of 18 on- and off-site trees (as defined under the City's Tree Preservation Ordinance) are proposed for removal, all as a result of site grading and
development associated with this project. An arborist report has been submitted which identifies and evaluates all affected on and off-site trees – three of which are identified as “Highly Protected” oak trees.

Mitigation Measures: Through the Design Review process, the Design Review Commission will consider the tree removal requests and mitigation which may include a substantial tree replacement program, along with the entire landscaping plan, that involves both private property and City property. An extensive tree replacement/landscape plan showing substantial tree replacements is currently proposed. With input from the Park, Recreation and Open Space Commission, the replacement trees and landscaping plan will be reviewed and considered for approval by the Design Review Commission.

Mitigation Monitoring: Implementation of any adopted tree replacement/landscape plan will be monitored by the Planning Division to ensure compliance with all approvals.

b. Cultural Resources: Comments from the archeological assessment and the Historical Resources Information System at Sonoma State University (CHRIS/NWIC) concluded there is a possibility of undiscovered historical/archaeological resources being present at the site.

Mitigation Measures: Prior to commencement of project activities, the developer shall contact the local Native American tribe regarding traditional, cultural, and religious values. The developer shall conduct archival research and archaeological monitoring during removal of all asphalt, vegetation, and structures. Subsequent to this clearing, a field inspection shall be conducted and a report prepared by a professional archaeologist containing “next-step” recommendations. All site development permits issued by the City are subject to a general condition of the Site Development Permit which requires developers who unearth potential archaeological resources to halt work and consult an archaeologist for recommended mitigation measures which are then to be followed.

Mitigation Monitoring: The Planning and Engineering Divisions will ensure the proper field inspection is conducted and the necessary report is filed with the Community Development Department. The Planning and Engineering Divisions will also ensure the proper procedures are followed throughout the site grading stages in accordance with City regulations and all Site Development Permit conditions of approval.

c. Noise: As with all in-fill development, noise levels in the vicinity will be increased as a result of construction of the project itself during normal business hours.

Mitigation Measures: As set forth by City code, hours of construction operation shall be restricted to Monday through Friday 7 a.m. to 6 p.m. in the absence of special approval by the Community Development Director (e.g. emergency situations).

Mitigation Monitoring: The Building Inspectors and Engineering Inspectors shall monitor allowable hours/days of construction.

d. Traffic Potential: Potential traffic impacts were determined to be less than significant. A Traffic Impact Analysis was performed by the City’s Transportation Planning staff (see Initial Study) that analyzed a full build-out project of 50,767 sq. ft. of development, equating to the maximum allowable floor area ratio (FAR) of .6. The analysis calculates vehicular trips associated with the proposed 12,969 sq. ft. of office and an assumed remainder of
37,798 sq. ft. of retail. Given a credit for the existing 19,842 sq. ft. of existing retail, there
would be an expected 38 net new a.m. peak-hour trips and 86 net new p.m. peak-hour trips
associated with full site build-out under this scenario. The Transportation Planning Division
concluded that this number of trips would not affect existing levels of service at surrounding
intersections or require further analysis. A formal traffic study is not warranted. However,
additional analysis will be required at such time a proposal is brought forward for any
development on the southern portion of the site resulting in full build-out.

Mitigation Measures: None required.

Mitigation Monitoring: Not Applicable.

5. IMPACTS FOUND NOT TO BE SIGNIFICANT. The following potentially affected
environmental factors were analyzed and found to be insignificant: Aesthetics, Agriculture
Resources, Air Quality, Geology/Soils, Hazards and Hazardous Materials, Hydrology/Water
Quality, Land Use/Planning, Mineral Resources, Population/Housing, Public Services,
Recreation, Transportation/Traffic, Utilities/Service Systems, Mandatory Findings of
Significance

6. INITIAL STUDY. A more detailed description of the proposed project and a preliminary
analysis of the environmental effects of this proposal may be obtained from Kenneth
Nodder, Senior Planner of the Planning Division of the Community Development
Department, City Hall, 1666 North Main Street, Walnut Creek, CA 94596, (925) 943-5899
ext. 2234, through e-mail: nodder@walnut-creek.org or by fax: (925) 256-3500.

7. PUBLIC COMMENT. Anyone who wishes to comment on the findings stated in the
Mitigated Negative Declaration must submit those comments in writing to the Community
Development Director, City of Walnut Creek, 1666 North Main Street, P.O. Box 8039,
Walnut Creek, 94596, between April 1, 2009 and April 22, 2009.

8. CONSIDERATION OF COMMENTS RECEIVED DURING REVIEW PERIOD. The
Community Development Director shall consider all comments received during the comment
period for a Negative Declaration or Mitigated Negative Declaration. If she determines in
light of the comments that an EIR should be prepared, she shall proceed as set forth in the
City of Walnut Creek CEQA Guidelines, Section VI.F. Preparation of Environmental Impact
Reports. If she determines that the decision to prepare a Negative Declaration or Mitigated
Negative Declaration was correct, that document and the comments received on it will be
considered by the highest approving authority.

9. PROJECT REVIEW. THIS MITIGATED NEGATIVE DECLARATION DOES NOT
SIGNIFY APPROVAL OR DISAPPROVAL OF THIS PROJECT BY CITY DECISION
MAKING BODIES. THE FINAL DECISION MAKING BODY WILL CONSIDER THE
PROPOSED MITIGATED NEGATIVE DECLARATION TOGETHER WITH ANY
COMMENTS RECEIVED DURING THE PUBLIC REVIEW PROCESS TO DETERMINE
WHETHER THE PROJECT WILL HAVE A SIGNIFICANT IMPACT ON THE
ENVIRONMENT.

Kenneth Nodder, AICP
Senior Planner

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EXHIBIT B

General Plan FAR map

Change FAR to 0.62

1855 Olympic Blvd (184092-020)

Centre Place