

Minutes
Clayton Planning Commission Meeting
Tuesday, August 23, 2011

Call to Order

Chair Dan Richardson called the meeting to order at 7:00 p.m. at Hoyer Hall, 6125 Clayton Road, Clayton.

Present: Chair Dan Richardson, Vice Chair Keith Haydon, Commissioner Bob Armstrong

Absent: Commissioner Sandra Johnson and Commissioner Greg Manning

Staff: Community Development Director David Woltering

Assistant Planner Milan Sikela, Jr.

Administrative

1A. Review of agenda items.

Chair Richardson proposed reorganizing the agenda to consider Item 3B prior to Item 3A and to continue 3B to the next regular Planning Commission meeting on September 13, 2011 so that a full five-member Commission could consider that Item. Commissioner Armstrong moved to support Chair Richardson's proposal and Vice Chair Haydon seconded the motion. The motion passed 3-0.

1B. Chair Richardson to report at the City Council meeting on September 20, 2011 (September 6, 2011 City council meeting has been cancelled)

Public Comment

None.

Approval of Minutes

2. None.

Public Hearing

3A. DP 01-09, ENV 02-09, Clayton Community Church Economic/Fiscal Evaluation (Final Draft). Review of the Final Draft of the Economic/Fiscal Evaluation of the Clayton Community Church Development Proposal (DP 01-09, ENV 02-09). This report was prepared by Bay Area Economics, a Northern California based consulting firm.

The Clayton Community Church project is located in Clayton's Town Center on the north side of Main Street east of the Oak Street off ramp and south of Clayton Road (APNs 118-560-010 and 119-011-003) and entails removing the former Pioneer Inn building, which exists on the subject property, and redeveloping the site with four buildings: a two-story 22,244-square-foot church sanctuary building containing up to 500 seats; a two-story 8,516-square-foot building encompassing 2,261 square feet of retail space and 6,255 square feet of office space, church classrooms, and a welcome center; and a two-story 10,204-square-foot building encompassing 5,696 square feet of retail space and 4,508 square feet of office space; and a one-story 1,200-square-foot teen center. The project requires an environmental review under the California Environmental Quality Act as well as City approval of a General Plan Amendment (to allow assembly uses); Specific Plan

Amendment (to allow assembly uses and establish lower on-site parking requirements); Zoning Amendments (to allow assembly uses; establish a consistent zoning designation for the site; and establish lower on-site parking requirements); Use Permit; Development Plan; and a Tentative Parcel Map.

The purpose of the Economic/Fiscal Evaluation is to determine and report on the possible fiscal impacts to the City as well as the economic implications to the City's Town Center area should the proposed project be approved and implemented.

Director Woltering introduced the item and presented the staff report. Director Woltering provided written comments to the Planning Commission received on this matter from the following (See Attached):

- A letter opposed to the project from Jonathan W. Heck and Virginia S. Burns-Heck, 5478 Tara Drive.
- A letter opposed to the project from Nani Patten Luebke, P.O. Box 269, Eden, Montana.
- A letter opposed to the project from Richard Dulkan and Ilene Dulkan, 561 Mt. Dell Drive.
- A letter addressing the Economic/Fiscal Report from Glenn D. Miller, 1005 Pebble Beach Drive.

Matt Kowta, Principal, Bay Area Economics (BAE) summarized the Final Draft Economic/Fiscal Evaluation of the Clayton Community Church development. He indicated it appeared the proposed development project could be made compatible with the overall Town Center Specific Plan goals if parking concerns are resolved. More specifically, these concerns have to do with the provision of adequate parking and management of large church events so as to minimize conflicts with other Town Center activities. If adequate parking spaces and other parking management measures are not provided such that periods of peak parking demand cannot be managed to ensure sufficient parking for all other downtown activities, then this would undermine other efforts to revitalize downtown Clayton. It will be very important for the City to review and confirm the appropriateness and long-term viability of a parking management plan, as called for in the Draft Environmental Impact Report (EIR) for the proposed project. The parking management plan should not only address proposed church activities but, in addition, have a contingency for growth of the congregation and for special church events that would not be approved as part of the current application, in addition to addressing other current and future Town Center land uses.

Mr. Kowta indicated that both the proposed project and the Policy Consistent Alternative would generate slight fiscal surpluses for the Clayton General Fund. Under the law that existed at the time the report was completed, the net impacts would be greater to the Redevelopment Agency. The anticipated net Redevelopment Agency property tax increment would be approximately \$15,000.00 annually for the proposed project, whereas developing the site consistent with the current General Plan and Town Center Specific Plan he anticipated would generate approximately \$100,000.00 in increment annually. Mr. Kowta indicated that these allocations could change depending on the outcome of litigation over recent changes in Redevelopment law that were enacted as part of the State's 2011/2012 budget. In addition, he mentioned other opportunity costs to the City, discussed in the report, if the church is developed in the Town Center area as proposed.

After Mr. Kowta's presentation, the Planning Commission had questions of clarification and comments for him regarding his presentation and the Evaluation.

- Vice Chair Haydon suggested that Table 7 should include an explanation about the impact to revenue distribution in the circumstance that the Redevelopment Agency is eliminated.
- Chair Richardson also commented about Table 7. He asked why the indication for sales tax for the proposed project is \$0. Mr. Kowta indicated the model that was used is very conservative; it reacts to new dwelling units and, therefore, new consumer demand created within the trade area. The proposed project has no new dwelling units; therefore, there would not be new consumers. Conservatively, the model assumes that if new retail space is provided without an increase in resident demand, essentially, this circumstance would be a re-distribution of sales tax that would already exist. In the Policy Consistent Alternative, which assumes the site would be developed consistent with the General Plan and Town Center Specific Plan, there would be new dwelling units with residents who would represent new retail demand, so an increase in sales tax was indicated. The amount of sales tax for that Alternative is estimated to be \$696.00 annually.

The public hearing was opened.

Gayle Balfour, 1170 Easley Drive, indicated the following:

- The four other cities analyzed in the report were larger than Clayton and did not appear suited for comparison purposes.
- Concerned about lack of clarity in the comment that parking would need to be dealt with in an "appropriate manner."
- Clayton is a good small town.
- The site has the opportunity to be a commercial anchor.
- Concerned about the magnitude of the current proposal.

Don Boyd, 308 Mountaire Parkway, indicated the following:

- Commended Clayton on being 83rd best city in the recent Money Magazine listing of best cities in the United States.
- Asked whether a parking in-lieu fee paid by the Church would be used to purchase land for parking in the downtown which would further reduce land available for development in that area?
- Concerned about the so-called parking management plan.

Dolores Austin, owner of the Clayton Club property at 6096 Main Street, indicated the following:

- The size of the proposed project would overwhelm the downtown.
- Concerned that the project will make it difficult, or eliminate altogether, the annual Art and Wine Festival that is held in the Town Center.
- The frequency of the events proposed by the Church will disrupt the downtown.
- There is not adequate parking in the Town Center to supplement the project's parking shortfall.
- Opposed to the proposed project.

Scott Blount, 5316 Oakpoint Court, Concord, indicated the following:

- He considers Clayton to be his family's home.
- The Evaluation does not address the impact to the character and charm of the community as a result of the proposed project.
- Perhaps the study was overly conservative given that we are in a down turned economy.
- The proposal would result in losing the opportunity for a commercial anchor at the subject site.
- The project will cause potential visitors to the Town Center to go elsewhere.

Joyce Atkinson, 282 Mountaire Circle, indicated the following:

- When the Clayton Community Library was built, that project had to satisfy the parking requirements by providing on-site parking.
- Concerned that the proposed project will adversely impact Library patrons since individuals attending Church activities will use Library parking spaces.

Jackie Finkelstein, 190 El Molino Drive, on behalf of family members that reside in Clayton, indicated the following:

- The proposed mega-church is out of character and out of proportion with the downtown.
- The church should be placed over by Diablo View Middle School.

Glenn Miller, 1005 Pebble Beach Drive, indicated the following:

- The surface area and parking requirement for the Policy Consistent Alternative should be checked for feasibility and accuracy.
- Did the Economic/Fiscal consultant review the Collier's Development Study submitted by the applicant?
- Did the projections come to fruition in the other economic studies of the City of Clayton reviewed by the economic/fiscal consultant?
- Did the parking analysis review other community events relative to proposed Church events and activities?
- Was the TJKM traffic/parking analysis used? Were actual counts taken of parking spaces?
- Am a member of the Clayton Community Church.
- It would be worthwhile to check with the Clayton Community Church regarding the "Terrific Tuesdays" program to obtain information about the potential financial spillover effect of the Church use in the Town Center.
- When will minutes be ready from this meeting? Director Woltering responded that minutes would be ready in approximately 30 days.

Dave Atkinson, 282 Mountaire Circle, indicated the following:

- A parking management plan will be ludicrous.
- Any parking management plan established as part of this project should not be detrimental to existing Town Center merchants.

Doug LaVenture, 112 Mt. Whitney Way, Chairman of the Labor Day Derby and Car Show, indicated the following:

- Off-site parking is provided for the Labor Day Derby and Car Show Event.
- Am a member of the Clayton Community Church.

- The Church currently has approximately 200 members at its first service and 300 members at its second service. Based on his count, there were 113 cars at the first service, and 118 cars at the second service.

The public hearing was closed.

Bob Armstrong indicated that the reference to the Library being closed on Sunday should be corrected since the Library is open on Sunday.

Chair Richardson indicated the following:

- The community has invested in parking spaces in the Town Center area. These parking spaces are a resource. The potential economic impact of the loss of these parking spaces should be considered.
- Concerned about not acknowledging any sales tax for the proposed project in Table 7 of the Evaluation.
- By dedicating the use of parking spaces as proposed, the City would lose flexibility to secure a larger commercial user in its downtown

Commissioner Armstrong indicated the following:

- Supports Chair Richardson's comments.
- The infrastructure that has been planned and provided in the Town Center area supported a vision for a small downtown.
- The fiscal impacts to Endeavor Hall should be evaluated, given that both Endeavor Hall activities and proposed Church activities would compete for use of the City parking lot spaces next to Endeavor Hall.

Vice Chair Haydon indicated the following:

- Supports Chair Richardson's comments.
- Concerned about how this project would be consistent with the Town Center Specific Plan vision; those involved in the development of that vision did not anticipate this type of use in the Town Center.

Director Woltering indicated the following:

- The Final Draft of the Economic/Fiscal Evaluation of the Clayton Community Church Development Proposal would be modified, as needed, generally to address factual corrections, based on information received at this meeting.
- It is anticipated that the minutes from this meeting will be completed within approximately 30 days.
- The Final Draft of the Economic/Fiscal Evaluation of the Clayton Community Church Development Proposal (revised) and minutes from the August 23, 2011 Planning Commission meeting will go forward as part of the packet materials when public hearings for the proposed project occur. At this time, it is necessary to prepare responses to the large number of comments received on the project's Draft EIR. An initial public hearing will not occur until a minimum of 45 days after the completion of the Draft EIR response to comments document is completed.

Old Business

4. None.

New Business

5. None.

Communications

6A. Staff

Director Woltering indicated the City has hired a new City Attorney. This new attorney is yet to be formally introduced to staff, but that introduction is to occur shortly. (The new City Attorney is Malathy [Mala] Subramanian with the law firm of Best Best & Krieger, LLP, Walnut Creek, California)

6B. Commission.

Chair Richardson, Vice Chair Haydon, and Commissioner Armstrong all acknowledged receiving letters inquiring if they were members of the Clayton Community Church. Chair Richardson and Vice Chair Haydon indicated that they had not responded. Commissioner Armstrong responded and indicated that he was not a member.

Adjournment

7. The meeting was adjourned at 9:47 p.m. to the following regularly-scheduled meeting of **September 13, 2011.**



Submitted by
David Woltering, AICP
Community Development Director


Approved by
Dan Richardson
Chair**Attachments:**

Letter from Jonathan W. Heck and Virginia S. Burns-Heck, 5478 Tara Drive
Letter from Nani Patten Luebke, P.O. Box 269, Eden, Montana
Letter from Richard Dulkan and Ilene Dulkan, 561 Mt. Dell Drive
Letter from Glenn D. Miller, 1005 Pebble Beach Drive

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Jonathan W. Heck
Virginia S. Burns-Heck
5478 Tara Drive
Clayton, CA 94517

July 22, 2011

Mr. Keith Haydon
Planning Commission
City of Clayton
6000 Heritage Trail
Clayton, CA 94517

Re: Opposition to Clayton Community Church Project

Dear Mr. Haydon:

I implore you to stop the construction of the proposed Clayton Community Church in downtown Clayton.

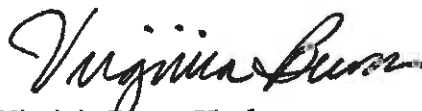
My husband has been a resident of Clayton for 25 years and when we got married, he insisted Clayton was the place to raise our family. One of the biggest draws to Clayton is the non-congested, quiet downtown area, the annual community events (e.g, Art & Wine Festival, Oktoberfest), and the accessibility to park our vehicle on any given day and patronize the local eateries.

Allowing construction of the proposed Clayton Community Church would, at bottom, disable the ability to hold these types of events in Clayton at a significant expense to the cohesion of our local community.

As a young family with two children under the age of 2 years old, I am concerned about the impact the church will have on limiting the children's games and rides during events. We are disappointed that there will be large crowds, limited parking, noise, and potential rift raft from evening parties (e.g., weddings).

Thank you in advance for your attention to this matter. We appreciate your consideration.

Very truly yours,



Virginia Burns-Heck
Jonathan Heck

August 21, 2011

Clayton City Council

Clayton Planning Commission

600 Heritage Trail

Clayton, CA. 94517

Received
AUG 22 2011
City of Clayton

Dear Council Members and Planning Commission Members,

I am writing to you as a former citizen of Clayton, primarily, as I grew up living in the DeMartini Winery you are currently using as your city offices. I visit Clayton on a fairly regular basis. Our family takes great pride in how the city has developed the winery and feels honored by the character, functionality and charm it adds to the city of Clayton. It is a credit to a vision that you have preserved for the big picture of Clayton.

Sadly, the same cannot be said for the current plans you are reviewing for the Community Church superstructure on Main St. I have read the BAE Final draft Economic/Fiscal report. I must inquire if you have all read this entire report?

The main topic concerned the parking or lack of it. Huge parking lots are a visual abscess. The down town area cannot support the numbers "estimated" to attend the functions the church proposes. Much of Clayton's charm is that it **does** not have enormous parking lots that attract garbage, loitering and other bad behavior during times when empty. The scant parking available encourages a walk-about town to shop, eat and visit businesses. It is pure speculation to anticipate the numbers of churchgoers that will frequent Clayton.

It is a pipe dream to estimate that the church will make a significant difference to the long time retail businesses already operating in Clayton. If this was the case, the businesses would already see a boost in their receipts from current churchgoers. The BAE report does not indicate this is the case.

Clayton should be careful what you wish for: i.e. big box retailers and the like. Clayton has always been a destination for good dining, specialty shopping, basic goods and services as well as some peace and quiet which is rare at almost every other place one shops. On page 24 of the BAE report, it cites the focus on restaurants and small businesses. Preserve that quality so hard to find these days. Retail shops in the church building are doomed to fail.

Changing the zoning and tearing down the Historic Pioneer Inn is a travesty. The Church is now, I suspect, and will be, tax exempt, therefore the benefit to Clayton and residents is limited. The BAE report cites an opportunity to use the church message board for announcements etc. Frankly, you have got to be kidding! The BAE report was lacking on real benefit to Clayton in the long run. It was all speculation, dangerous in these times of fiscal/economic uncertainty and endless numbers of empty buildings in every city. What happens when the Church runs out of money or fails? Who gets stuck in the end? My guess is that the Clayton taxpayers will be bitter about that in a big way.

There is no doubt in my mind that the huge building complex the Clayton Community Church has planned is an egregious eyesore and will ruin the essence of Clayton itself. The outline of the proposed structure that has been on display is proof. One must ask the Church, why were you attracted to Clayton in the first place? Why do you want to change what attracted you to this unique and historic small town, into every-city in California? My guess is that they are

taking advantage of the recession and depressed real estate prices and desperation on the City's part to generate income, no matter the source or what principles must be sacrificed.

The City of Clayton has a good website. On the home page, the mission statement is written. Everything about this project violates that statement. On the government page of the website, the citizens of Clayton are listed above everyone else in the chain of government. Where is the input for the citizens? This should matter the most in any consideration of development in town, before any zoning changes or plans considered. You have an opportunity at this juncture, to really make the City of Clayton government work by the people and for the people. I urge you to not abandon everything that drew you to the area in the first place. Preserve it for now and the future. Let the citizens of Clayton have a voice in this issue. Clayton is a rare gem, stop this proposed development.

I am sincerely yours,

Nani Patten Luebke

Nani Patten Luebke

PO Box 269

Ennis, MT. 59729-0269

406-682-4518-home

989-5115-cell

nanibobmt@gmail.com

August 23, 2011

To Those It May Concern:

We first bought our house in Clayton in 1976 and have lived here continuously since April 1st of that year. We have seen a lot of changes:

- > From wood plank sidewalks;
- > Pheasants in the road; and a
- > Lot of growth.

Some good, like the park, turning the winery into a City Hall, as well as the way Main Street and the rest of the downtown streets still reflect the city we moved to 36 years ago. Growth of the downtown area has, to this date, reflected the city's "Old West" heritage.

But this "mega-church" no longer would reflect that feeling. I am not against growth, I am not against religious buildings; I do not feel that the addition of this type of structure will enhance and beautify our city:

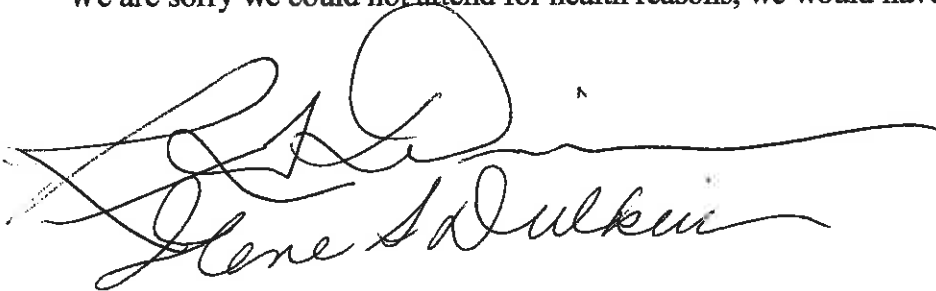
It would be terribly out of proportion to any other structure; a smaller building, such as a small chapel, like the wayfarer's chapel in Sonoma County, or the small little chapel in Walnut Creek, would be apropos, especially if it were a multi-religion one, usable by all.

If this "mega-church" were to be added to the downtown area, we might as well rename the city "Clayton Community Church City" as this would be the predominant structure. It would stand out like a sore thumb, being disproportional to everything around it. I would not mind a "mega-church" for them in an "out lying area" either in the overall Clayton area, or even in adjacent Concord. Clayton is simply a small, picturesque town and its architecture should reflect that. Why not put it on the side of the hill over by the Diablo View Middle School, for example; just not the focal point of, and supreme pinnacle for all of Clayton.

Respectfully submitted,

Richard and Ilene Dulkan
561 Mt. Dell Drive – Clayton

We are sorry we could not attend for health reasons, we would have liked to.

A handwritten signature in dark ink, appearing to read "Ilene Dulkan". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping underline that extends across the width of the signature.

ASKED THAT THESE COMMENTS BE INCLUDED IN THE
SUBMITTED BY GLENN D. MILLER
@ 1005 PEBBLE BEACH DRIVE CLAYTON CA.

August 23, 2011

glennandlisa@skglobal.net

Also ask the consultant to address in his final report.

Review of the Economic/Fiscal Report (My page numbers match the PDF document, not the numbering in the document itself)

Main Findings:

1. Parking is the main concern of the report. Whether there will be adequate space available. All study's (This one and the TJKM) said the parking could issue could be mitigated (EIR) or TJKM that there was not overlap (TJKM) and it was not an issue.
2. Page 6 of the Study concludes – City of Clayton would not be impacted to accommodate its full commercial absorption potential with the inclusion of this building proposal.
3. Page 7 – Economic Opportunity cost is not significant. If you don't build anything, there is no tax revenue, with the retail spaces being considered there is tax revenue. The City is unlikely to get the Downtown built out.
4. Page 10 – The peak of hours of the Church do not overlap with the peak hours of the business trades. The project would not create a parking short fall (TJKM Study)
5. Page 15 – The parking space for the retail in the Church Planned Project should be considered to fall under the parking waiver variance that the city adopted in effect until 2014.
6. Page 18 – Because of its physical location, the base of consumers is small. (It is probable that very limited business will come to this city.
7. Page 23 – The competitive potential of the town center is limited.
8. Page 26-30 – My own Thoughts – I agree that the only type of business that will work from a commercial standpoint is boutique in nature or food service related. Larger retail or chain will not be able to support units in the city. – The only change that could bring a difference is more traffic. Unlikely given how Clayton sits and its access to major roads.
9. Page 32 – only 5 businesses of 15 commented. 3 said they were unqualified, 1 said no impact, and one said it could help. Sample size is totally unreliable and would be considered statistically invalid. If you considered the two samples appropriate, one said no impact and one said it could help.
10. Pages 32-52 – Case studies on similar churches – No to Limited parking problems, positive synergy, positive impact to business albeit small.
11. Page 68 – Comparing the revenue that the city could get on a piece of property that is owned by the church to its ideal use is not very helpful. Retail will always generate more tax than the church, but you can't hope to get any if left in the church hands because no building gets you zero.
12. Page 69 – Conclusion is fair for the following reasons:
 - a. Parking – Just need to have a mitigation plan
 - b. P.71 Pedestrian Activity – Is in keeping with the Town Plan
 - c. P.71 Opportunity Cost – Not great, hence a limited impact
 - d. P.74 Viability of Site for Commercial – Limited as best.
 - e. P.74 Compatibility with Town – It is compatible and could be a “draw”

My point of view: When you hire a firm to represent your point of view, you get the best reading possible in your favor. This own firm said the following – Commercial interest would not be high, the City could still meet its development plan, pedestrian activity would increase, and parking could be mitigated, but is the biggest factor.

I think our Church should work to mitigate the parking with the City so that there is a win/win solution. I also think the parking study that finds the need for 171 mid spaces should seriously be questioned. (Just go to any church parking lot during the week of a church of our size or future size) In addition, there is no more strain caused by the Labor Day derby or Friday night movies than already exists today. Hence no additional impact is caused. In addition, there is a need for the church for the Art and Wine festival that can be traded in kind. One final thing could be to not hold a Saturday night congregation meeting in the first 3 years of the building life so that this could be study in context of the new retail.