



DATE: September 10, 2019

CATEGORY: New Business

DEPT.: Public Works

TITLE: **1255 Pear Avenue – Amend Gateway Capacity Condition**

RECOMMENDATION

Adopt a Resolution Amending Exhibit A of Resolution No. 18259 to Amend Condition No. 190 of the Planned Community Permit and Development Review Permit (PL-2017-380) for 1255 Pear Avenue to: (1) Allow Building Permits to Be Issued Prior to Completion of the Plymouth/Space Park Realignment and Shoreline/Highway 101 Off-Ramp Realignment; and (2) Not Allow Occupancy of the Office Building Until the Off-Ramp Realignment is Complete or August 31, 2022, Whichever is Sooner, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

On October 23, 2018, the City Council, among other actions, approved a Planned Community Permit, a Development Review Permit, and a Tentative Subdivision Map for a mixed-use development consisting of an approximately 231,000 square foot office building and 635 residential units at 1255 Pear Avenue. The location and layout of the proposed project are shown in Figure 1.

Figure 1



The North Bayshore Precise Plan (NBSPP) districtwide trip cap policy requires that the City monitor the number of vehicles that enter North Bayshore to ensure that the number of morning and peak-hour vehicle trips do not exceed the vehicle capacity of the North Bayshore gateways (Shoreline Boulevard, Rengstorff Avenue, and San Antonio Road). If monitoring shows that the trip cap is reached at any of the three gateways for two consecutive data reporting periods, the City will not grant any new permits for net new square footage in the North Bayshore Precise Plan area until the number of peak-hour vehicle trips is reduced below the trip cap, except as described in the next paragraph.

An application for new development may propose strategies, including, but not limited to, physical improvements to the transportation network and additional Transportation Demand Management (TDM) measures, along with traffic analyses demonstrating the proposed strategies and/or improvements will comply with the vehicle trip cap prior to project occupancy. Proposed strategies and/or improvements shall be implemented prior to building occupancy, unless deemed otherwise by the City Council.

The Precise Plan specifically exempts residential uses from the trip cap policy in recognition of the value of new residential uses in the area and the potential for future residents to work in North Bayshore and not have to cross the three North Bayshore

gateways. The 231,000 square foot office component of the project is, therefore, subject to the policy, but the residential component is not. At the time of project approval, monitoring indicated that the Shoreline Boulevard gateway was at capacity.

Traffic analysis revealed that the project would create vehicle trips that exceed the Shoreline Boulevard gateway capacity. Project Condition No. 190 addressed this issue and states:

“The North Bayshore Precise Plan (NBPP) identifies capacity limitations at all three gateways. This development project is projected to add additional trips beyond the current Shoreline Boulevard gateway capacity. Priority transportation improvement projects are identified in the NBPP to accommodate additional gateway trips, including trips related to this development project.

The Highway 101/Shoreline Boulevard (NB) Off-Ramp Project (T-16) and the Plymouth Street realignment to Space Park Way Project (T-5) are identified within the NBPP as priority transportation improvement projects. Both improvement projects are needed to provide Shoreline Boulevard gateway capacity for the development project. Both improvements will be built by the City and are anticipated to be completed after the occupancy date of the development project.

Because of the above conditions, the City will not grant a building permit to construct the new office building in the North Bayshore Precise Plan area unless and until: the completion of the construction of the Highway 101/Shoreline Boulevard (NB) Off-Ramp Project (T-16) and the Plymouth Street Realignment to Space Park Way Project (T-5) improvements.

OR, if the applicant demonstrates, to the reasonable satisfaction of the Community Development Director and Public Works Director, that the office component of the project will not add any new vehicle trips beyond the North Bayshore gateway capacity prior to the completion of the Highway 101/Shoreline Boulevard (NB) Off-Ramp Project (T-16) and the Plymouth Street Realignment to Space Park Way Project (T-6).”

A condition was also included in the Development Review/Planned Community Permit for the Charleston East development at 2000 North Shoreline Boulevard that requires that Google cap and monitor the employee head count in North Bayshore to ensure that the project does not increase vehicle trips prior to completion of the Plymouth/Street and Shoreline Boulevard/Highway 101 off-ramp realignments.

Design of both the Plymouth Street/Space Park Way realignment and the Shoreline Boulevard/Highway 101 off-ramp realignment are under way, with construction expected to be complete in December 2020 and July 2022, respectively.

ANALYSIS

The applicant applied for building permits on February 22, 2019 and has been in the plan check process since that time. The applicant has been unable to secure an agreement to include the development under the Charleston East head count regime and, therefore, does not see a clear path forward to meeting Condition No. 190 without delaying the project approximately 31 months until the Shoreline Boulevard/Highway 101 off-ramp is scheduled to be complete. On July 2, 2019, the applicant sent a letter to the City outlining a strategy to meet the intent of Condition No. 190, focusing on: (1) the anticipated dates of completion of the applicant's project and the transportation improvements; and (2) the gateway capacity demand created by the project versus the capacity added by the Plymouth Street/Space Park Way realignment, the Shoreline Boulevard/Highway 101 off-ramp realignment, the Shoreline Boulevard Reversible Transit Lane, and the extension of Inigo Way to be constructed by the applicant (see Attachment 2). The major points of the strategy, with a brief analysis by staff, include:

- The occupancy of the applicant's project and the completion of the transportation improvements coincide closely:

The applicant anticipates occupancy of the office building in June 2022 and completion of the Plymouth/Space Park realignment and Shoreline/Highway 101 off-ramp in Q4 2021 and Q2 2022, respectively.

- While not mentioned in Condition No. 190, the Shoreline Boulevard Reversible Transit Lane and Inigo Way extension, which will be complete by the time the applicant's project is occupied, also add capacity to the gateway:

The applicant correctly points out that additional capacity is created by the reversible transit lane and the Inigo Way extension. The additional analysis below focuses on the reversible transit lane, as the Inigo Way extension provides minimal benefit prior to completion of the Shoreline Boulevard/Highway 101 off-ramp realignment.

- The anticipated transportation projects add sufficient capacity to accommodate the gateway demand created by the project:

Additional analysis by staff is provided below.

- The City should, therefore, issue building permits for the project to proceed:

Issuance of permits based on the applicant's request requires that Condition No. 190 be modified by the City Council to allow the project to proceed in anticipation of completion of the transportation improvements.

The schedule and capacity aspects of the applicant’s strategy are analyzed further below.

Schedule

The applicant’s anticipated schedule for construction of the development is as follows:

Description	Obtain Building Permits	Start Construction	Finish Construction
Office Building			
Office Building Shell	12/04/19	02/18/20	09/23/21
Tenant Improvements/ Occupancy		09/23/21	06/01/22
Residential South Garage	12/04/19	02/18/20	06/28/21
Residential South Building (220 units)	10/07/19	05/04/20	03/04/22
Residential North Building (415 units)	06/28/21	07/01/21	06/01/23

To summarize, the 220 units in the residential south office building are expected to be occupied in March 2022, the office building is expected to be occupied in June 2022, and the remaining 415 residential units are expected to be occupied in June 2023.

The schedule for the relevant transportation improvements is as follows:

Project	Start Construction	Complete Construction
Shoreline Reversible Transit Lane (including dedicated right-turn lane to Pear Avenue)	01/20	12/21
Plymouth Street/Space Park Way Realignment	01/21	12/21
Inigo Way Extension	04/21	04/22
Shoreline Boulevard/Highway 101 off-ramp realignment	07/21	07/22

To summarize, most of the transportation improvements are scheduled to be complete when the office building is scheduled for occupancy, with the exception of the off-ramp realignment, which is scheduled for completion approximately one month after the office building is expected to be occupied.

Capacity

The 2017 NBSPP contains a policy that establishes vehicle trip targets for each gateway individually, based on two-way volumes (both directions of travel combined), for the morning peak hour and the evening peak hour. While the latest (spring 2019) North Bayshore Trip Cap Report indicates that all gateway peak-hour vehicle volumes are below their vehicle trip capacity, a number of developments in the pipeline will add demand to the gateways and several transportation improvements will add capacity. The focus of this discussion will be the Shoreline Boulevard gateway, as the Rengstorff Avenue and San Antonio Road gateways are not meaningfully impacted by the development.

The capacity, existing volumes, and demand created by projects expected to be complete prior to occupancy of the Sobrato project are summarized below. Volumes are shown for inbound during the a.m. three-hour peak period as well as the a.m. peak hour. The 2014 NBSPP used a unidirectional three-hour peak period methodology to evaluate gateway volumes versus capacity, whereas the 2017 NBSPP adopted a bidirectional peak period methodology. The change was made to recognize the more bidirectional nature of traffic in and out of the gateways with residential development in North Bayshore. During discussions of the gateway monitoring reports, Council agreed that a transition to the new methodology was appropriate as residential development occurs in North Bayshore. This analysis is, therefore, consistent with the 2014 NBSPP methodology as this is the first residential project anticipated for construction under the NBSPP.

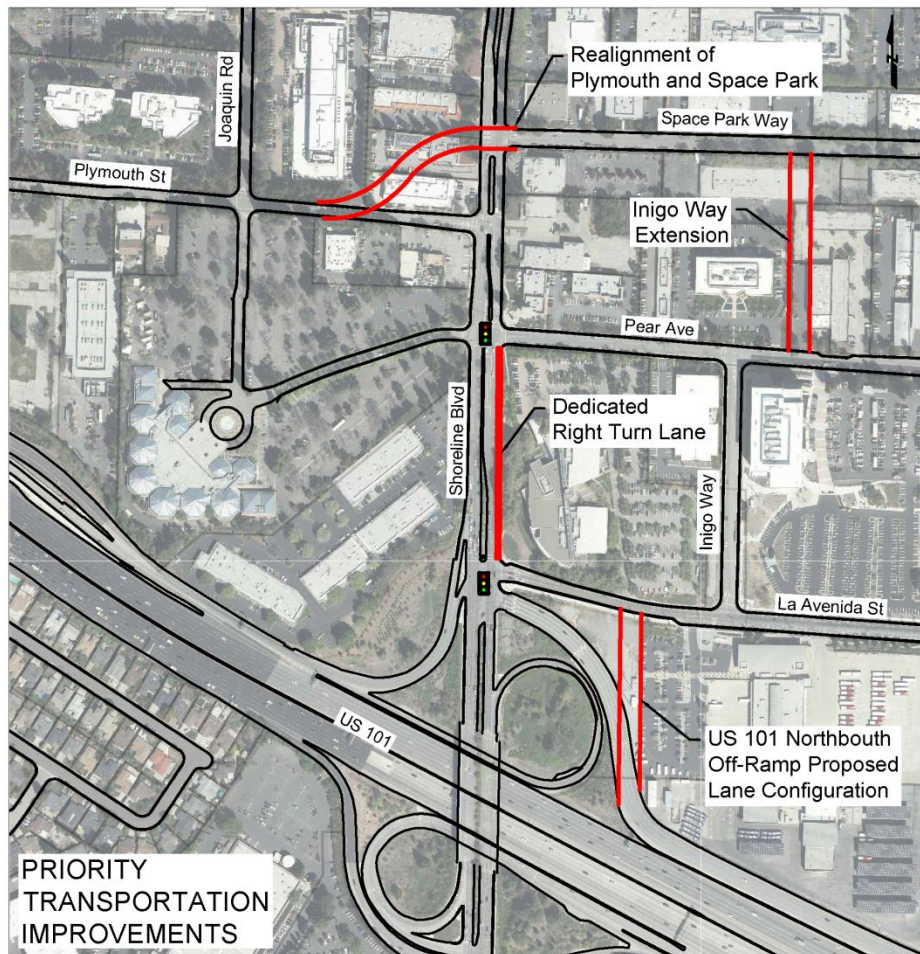
	Shoreline Boulevard Traffic Volumes (a.m. inbound)			
	Peak Hour Trips	% Trips on Shoreline Boulevard	Three-Hour Peak Period (8:00 a.m. to 11:00 a.m.)	Peak Hour (8:00 a.m. to 9:00 a.m.)
Existing Volume (2019 Count)			6,440	2,270
SOV Trip Reduction ⁽¹⁾			791	279
Adjusted Existing Volume			5,649	1,991
New Developments				
Intuit Phase 2	150	10%	41	15
Broadreach	167	50%	226	84
Shashi Hotel	63	80%	136	50

Charleston East	453	50%	612	227
Microsoft	484	90%	1,177	436
Sobrato	189	88%	450	166
Projected New Volume			2,641	977
Total Projected Future Volume			8,291	2,969
Current Gateway Capacity			6,740	2,490
Gateway Deficit			1,551	479
⁽¹⁾ Monitoring of current peak traffic indicates that the Single-Occupant Vehicle (SOV) share is approximately 56 percent compared to the Precise Plan goal of 45 percent. Several projects and programs are under way to reduce the SOV mode share (e.g., Shoreline Bus Lane, protected bike lanes, etc.). Therefore, this analysis has included a near-term improvement to a 50 percent SOV share, resulting in a corresponding reduction in vehicle trips.				

When the office building is scheduled for occupancy, the following improvements are expected to be complete (see Figure 2):

1. **Realignment of Plymouth Street to Space Park Way:** While not adding capacity in the traditional sense by adding lanes to Shoreline Boulevard, this project eliminates one intersection on Shoreline Boulevard and allows additional space for queueing of vehicles turning left to Plymouth Street. More queueing space reduces the occurrence of vehicles waiting to turn left, spilling over and blocking the through lanes. East-west traffic is also able to cross Shoreline Boulevard without traversing Shoreline Boulevard.
2. **Shoreline Boulevard Reversible Transit Lane:** This project adds one additional lane for buses through the gateway in the peak commute direction.
3. **Pear Avenue Right-Turn Lane:** This project adds a dedicated right-turn lane on northbound Shoreline Boulevard between La Avenida and Pear Avenue. Currently, vehicles wishing to turn right occupy the through lane and block the through lane waiting for pedestrians crossing Pear Avenue.

Figure 2



The Shoreline Boulevard Reversible Transit Lane and the added right-turn lane at Pear Avenue will improve capacity by 33 and 400 vehicles in the peak hour, respectively, significantly offsetting the gateway deficit (to fewer than 50 vehicles).

To summarize, with the improvements expected to be completed prior to occupancy of the office building, the gateway deficit shrinks to fewer than 150 vehicles in the peak period and fewer than 50 in the peak hour (compared with total trips of approximately 8,300 and 3,000 respectively). With the completion of the off-ramp realignment approximately one month later, the deficit disappears entirely.

This analysis counts Charleston East and Sobrato (1255 Pear Avenue) trips separately, so 1255 Pear Avenue is not presumed to be under the Charleston East head count monitoring program. The analysis, therefore, presumes that the office building at 1255 Pear Avenue could be occupied by Google outside of the Charleston East head count program or by another tenant.

It is worth noting that actual roadway/gateway capacity is influenced by many variables, including driver behavior, volumes on intersecting streets, traffic signal timing, and volumes of other modes (such as pedestrians and bicycles). The capacity figures given for proposed transportation improvements are based on the best engineering judgement of staff and traffic engineering professionals studying North Bayshore traffic for the City. While there is some uncertainty in these numbers, staff considers them representative of actual capacity.

Staff recommends modifying Condition No. 190 to allow building permits to be issued prior to completion of the Plymouth/Space Park Realignment and Shoreline/Highway 101 Off-Ramp Realignment for the following reasons:

- The gateway deficit is expected to be very small when the office building is scheduled to be occupied.
- The gateway deficit is expected to disappear entirely approximately one month after the office building is currently scheduled to be occupied. Staff recommends office occupancy not be allowed until the off-ramp is complete or August 31, 2022 (the currently scheduled completion date for the off-ramp realignment is July), whichever is sooner.

The recommended revised Condition No. 190 is (with revisions shown):

“The North Bayshore Precise Plan (NBPP) identifies capacity limitations at all three gateways. This development project is projected to add additional trips beyond the current Shoreline Boulevard gateway capacity. Priority transportation improvement projects are identified in the NBPP to accommodate additional gateway trips, including trips related to this development project.

*The Highway 101/Shoreline Boulevard (NB) Off-Ramp Project (T-16), ~~and~~ the Plymouth Street realignment to Space Park Way Project (T-5), **and the Shoreline Boulevard Reversible Transit Lane (including a dedicated right-turn lane at Pear Avenue) are planned improvements that will** ~~identified within the NBPP as priority transportation improvement projects. Both improvement projects are needed to provide Shoreline Boulevard gateway capacity for the development project. All three~~ ~~Both~~ ~~improvements will be built by the City. The Plymouth Street realignment to Space Park Way and the Shoreline Boulevard Reversible Transit Lane are expected to be complete prior to occupancy of the office component of the project, and the off-ramp realignment is scheduled to be complete in July 2022, within one month of the scheduled occupancy date of the office component.~~ ~~and are anticipated to be completed after the occupancy date of the development project.~~*

Because of the above conditions, the City will not allow occupancy of the office component of the development until the off-ramp realignment is complete or August 31, 2022, whichever is sooner. ~~grant a building permit to construct the new office building in the North Bayshore Precise Plan area unless and until: The Completion of the construction of the Highway 101/Shoreline Boulevard (NB) Off Ramp Project (T-16) and the Plymouth Street Realignment to Space Park Way Project (T-5) improvements.~~

OR, if the applicant demonstrates, to the reasonable satisfaction of the Community Development Director and Public Works Director, that the office component of the project will not add any new vehicle trips beyond the NBS Gateway capacity prior to the completion of the Highway 101/Shoreline Boulevard (NB) Off Ramp Project (T-16) and the Plymouth Street Realignment to Space Park Way Project (T-6)."

FISCAL IMPACT

There is no fiscal impact associated with this report. The recommended action would mean permit revenue and property tax revenue would be generated for the City earlier than otherwise.

CONCLUSION

Condition No. 190 was included with the approval of the Planned Community Permit and Development Review Permit for the mixed-use development at 1255 Pear Avenue to avoid exceedance of the Shoreline gateway capacity. The developer has requested relief from this condition as it will cause a significant delay to the project. Based on an analysis of the schedules of the development and various transportation improvements, staff estimates that any exceedance of the gateway capacity would be minor prior to completion of the off-ramp realignment. Staff recommends that the condition be amended to allow building permits to be issued and occupancy to be allowed when the off-ramp realignment is complete or August 31, 2022, whichever comes first.

ALTERNATIVES

1. Do not amend the condition.
2. Provide other direction.

PUBLIC NOTICING

Agenda posting, notices to properties within 750' of the development, and link to the report to the applicant.

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MAF/TS/6/CAM
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Attachments: 1. Resolution Amending Resolution No. 18259
2. July 2, 2019 Letter from Applicant