



**DATE:** June 23, 2020

**CATEGORY:** Public Hearing

**DEPT.:** Community Development

**TITLE:** **Google Landings Office  
Development Project**

### **RECOMMENDATION**

1. Approve an Initial Study of Environmental Significance for the Google Landings Project pursuant to Section 15168 of the California Environmental Quality Act (Attachment 1 to the Council report).
2. Adopt a Resolution Conditionally Approving a Master Plan for District Parking; Planned Community Permit and Development Review Permit to Construct a Five-Story, 799,482 Square Foot Office Building Above One Level of Underground Parking, a Four-Level Parking Garage, and Site Improvements Associated with the Development; and a Heritage Tree Removal Permit to Remove 414 Heritage Trees at 1860-2159 Landings Drive, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Adopt a Resolution Approving a Vesting Preliminary Parcel Map to Dedicate Easements and Area for City Right-of-Way at 1860-2159 Landings Drive, to be read in title only, further reading waived (Attachment 3 to the Council report).
4. Adopt a Resolution Ordering the Vacation of Public Easements at 1860-2159 Landings Drive, to be read in title only, further reading waived (Attachment 4 to the Council report).

## **BACKGROUND**

### **Project Summary**

The approximately 41.66-acre project site consists of multiple properties and includes the demolition of existing office buildings (totaling approximately 258,224 square feet) and construction of a new 799,482 square foot office building with one level of underground parking and a separate four-level parking garage. The office building is located on Landings Drive south of Charleston Road, west of Permanente Creek, and north of Highway 101 (referred to as “Landings office”). The parking garage is in a separate location between Alta Avenue and Huff Avenue, midblock between Charleston Road and Plymouth Street (referred to as “Huff garage”). A new pedestrian and bicycle greenway path will connect the two sites bridging over Permanente Creek. The project also includes other site improvements, such as habitat enhancements to Permanente Creek, parking lot improvements to the properties located at 1851-1875 Charleston Road, and a new frontage road along U.S. 101 (see Attachment 5 – Project Plans).



**Figure 1: Location Map**

### **North Bayshore Precise Plan**

The project site is located in the General Character Area of the North Bayshore Precise Plan (NBPP). The NBPP envisions the General Character Area as an office employment-focused area with a lower-density, more campus-like environment than the Core and Gateway Character Areas. The NBPP also allows for buildings and blocks to be larger in this location than in the other areas but specifies they should be connected by a network of internal campus quads, greenways, and walkways. The General Character Area allows development intensity up to a 1.0 floor area ratio (FAR) and building heights up to six stories.

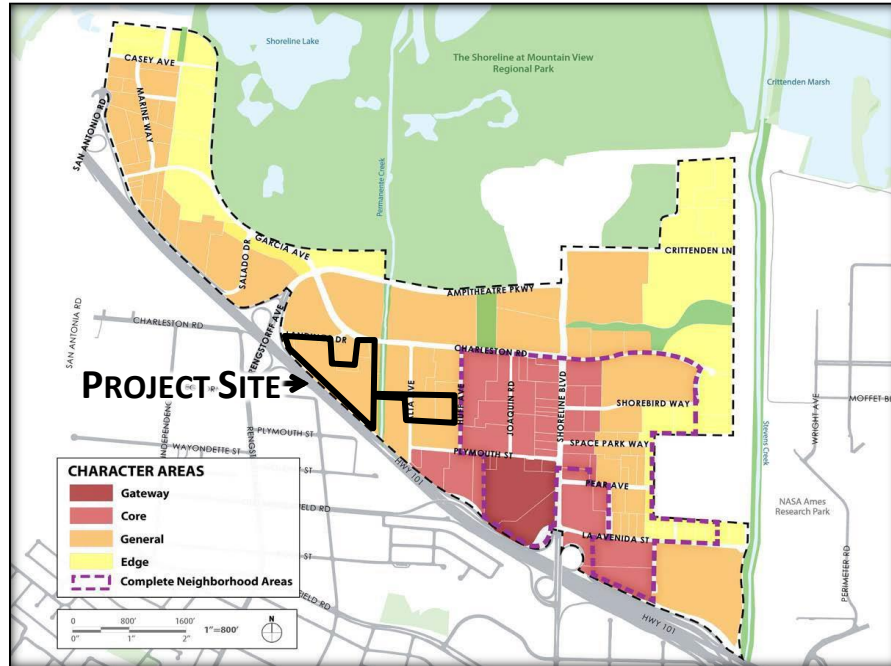


Figure 2: North Bayshore Precise Plan Character Area Map

**Previous Hearings and Meetings**

*Bonus FAR Allocation*

In 2015, Council allocated Google square footage in North Bayshore to reach 1.0 FAR on the project site so long as the bonus FAR criteria are met. The project site is allowed a base of 0.45 FAR. A bonus of 0.30 FAR is allowed if a project provides a LEED Platinum® building and a public benefit or district improvement project focused on transportation. An additional bonus of 0.25 FAR is allowed if the project achieves one of the following: a higher-performing green building; zero-net green building; or an additional public benefit or district-improvement project. The 2015 Bonus FAR application by Google proposed community benefits totaling an estimated \$35.55 million and demonstrated compliance with the Bonus FAR provisions to qualify for the maximum 1.0 FAR (see Attachment 6 – 2015 Bonus FAR Proposal).

### *City Council Study Sessions*

The proposed project was reviewed at two City Council Study Sessions on December 11, 2018 (see Attachment 7 – [December 11, 2018 City Council Study Session Memo](#)) and October 1, 2019 (see Attachment 8 – [October 1, 2019 City Council Study Session Memo](#)). The feedback and direction from these Study Sessions are summarized below:

- Generally supported the overall design of the office building and the environmental restoration features of the project;
- Supported the off-site parking garage on Huff Avenue being shared between the Landings office project and Charleston East office project (currently under construction at 2000 North Shoreline Boulevard);
- Supported the heights of both the office and parking garage;
- Supported the exception to the office building setbacks that do not meet building placement and frontage requirements in the NBPP;
- Requested consideration of additional tree conservation on-site and off-site tree plantings in advance of the project entitlements to help re-establish tree canopy which would be lost by project construction which have been incorporated into the project;
- Supported a public circulation path around the office structure and not directly through the center of the site due to heightened security concerns by the applicant; and
- Generally supported the proposed community benefit package with an increase in valuation from 2015 values at \$35.55 million to \$44.6 million based on inflation and replacement of certain proposed items with new items (which are discussed later in this report).

### *Development Review Committee*

The project was reviewed by the Development Review Committee (DRC) at three meetings where they provided feedback and recommended site and architectural changes on several iterations of the project design. The project received a final recommendation of conditional approval from the DRC on April 15, 2020. Specific DRC design recommendations for City staff to review with the building permit submittal are included as Condition of Approval No. 6 in Attachment 2.

### *Environmental Planning Commission Public Hearing*

On June 3, 2020, the Environmental Planning Commission (EPC) held a public hearing on the project (see Attachment 9 – [June 3, 2020 EPC Public Hearing Staff Report](#)). Six people from the public spoke during the hearing, and one letter from the League of Women Voters was received (see Attachment 10). All speakers were generally supportive of the project noting their support for the sustainability and habitat restoration efforts proposed with the project.

The EPC recommended approval of the project to the City Council by a 5-0-2 vote (Yin, Lo recused), subject to the recommended Conditions of Approval contained in the attached resolutions

## **ANALYSIS**

### **Project Overview**

The proposed project includes the following components, which are further described below:

- The Landings office building and landscaped grounds that surround it;
- Improvements to the Permanente Creek channel and a pedestrian/bicycle bridge that crosses the creek;
- A new frontage road along the project frontage adjacent to U.S. 101 connecting to Landings Drive;
- Parking lot improvements at 1851 and 1875 Charleston Road;
- The Huff parking garage; and
- A greenway connection across the north end of 900 Alta Avenue that connects the existing greenway at Alta Avenue to the Permanente Creek Trail.



**Figure 3: Site Plan**

### *Landings Office Building*

The proposed five-story building includes 799,482 square feet of office and associated amenity space above one level of underground parking. The ground level of the building includes entry lobbies, workspaces, employee cafés, and amenities, while the upper floors are office areas. The design includes a series of repeating building segments at graduating heights where the center of the building, at the ground floor, is “lifted” to create a large open space patio beneath the building. The building facade is comprised primarily of bird-friendly fritted glass and accented by variegated metal panels.

The one-level below-grade parking garage includes 1,145 parking spaces and is accessed via a driveway near the northeast end of the new frontage road and a driveway at the southeast end of the new frontage road.

The landscaped area surrounding the office building includes private, outdoor office amenity areas as well as publicly accessible landscape areas and pedestrian and bicycle pathways.



**Figure 4: Aerial View of Office Building**

The proposed office building complies with the development standards and guidelines of the NBPP, including FAR, height, and design principles, with the exception of the building placement and frontage location requirements. The NBPP allows exceptions to these standards to allow innovative building and site designs if the resulting design meets the intent of these standards. Staff believes the design of the building and site layout meet the NBPP intent to provide pedestrian-scaled buildings and open spaces that relate to the public realm while providing innovative architecture. Council was supportive of the proposed exceptions at the Study Session on December 11, 2018.

#### *Parking Lot Improvements at 1851 and 1875 Charleston Road*

The property at 1875 Charleston Road is developed with an office building and 153-space parking lot, currently leased by Google. The property at 1851 Charleston Road is developed with two barns, two sheds, a single-family home, and a three-unit multi-family residential structure, which are nonconforming since the current zoning does not allow residential uses. The project proposes to demolish the six structures on the 1851 Charleston Road site, including the four residential units, and relocate a majority of the 1875 Charleston Road parking spaces to the adjacent 1851 Charleston Road property, reducing the total number of parking spaces provided to 100 spaces (a 53-space reduction). The relocation of the parking to the 1851 Charleston Road property is proposed in order to allow the use of the southern part of the 1875 Charleston Road property as landscaping and open space in the Landings project for the duration of the Google lease, which is approximately 37 years. A condition of approval requires that

once the lease terminates, any pathways, landscaping, and open-space amenities would need to be relocated onto the Landings office site, which will require review and approval of a permit modification by the City at that time. The existing units on-site are currently occupied by a total of seven individuals and are subject to the City's Tenant Relocation Assistance Ordinance (TRAO); a condition of approval requires the applicant to comply with the provisions of the TRAO.

### *Frontage Road*

The NBPP identified a new frontage road parallel to U.S. 101 from Landings Drive to the Alta Avenue/Plymouth Street intersection as a Priority Transportation Improvement to help with circulation within the North Bayshore area. The frontage road would include two-way vehicle lanes, a sidewalk along the northern side of the road adjacent to the project site, and a pedestrian/bicycle multi-use path along the southern side of the road adjacent to the freeway. The road design is based on an eventual through road that will serve multiple properties once the frontage road is extended across Permanente Creek to the Alta/Plymouth intersection as indicated in the NBPP. In conjunction with the construction of the frontage road, minor changes to the parking lot layout and a relocated driveway are proposed at 2171 Landings Drive.

The Landings office site will be using this frontage road for access to the driveways for the below-grade parking garage, thus requiring the construction of the frontage road from Landings Drive to just west of Permanente Creek. As is typically required of developments, it is the responsibility of the project to construct street improvements on the development's side of the street frontage and to share in the costs to provide access to their site. To be cost effective and provide the full complete street, staff recommends that the south side improvements adjacent to the freeway from Landings Drive to the west side of Permanente Creek be constructed at the same time. These south side improvements include the pedestrian/bicycle multi-use path that will connect through to other properties once the frontage road is extended. In addition, the roadway will be built to a design standard that supports the additional traffic that will occur when the frontage road connects to other properties.

As indicated in the conditions of approval, Google will be responsible for costs to install the north side of the improvements adjacent to the development site. In addition, there would be an equal cost share between the City and Google for the south side of the street improvements, the roadway section, and utilities. Google would construct the full street improvements and be reimbursed by the City for the City's share of the costs. The total costs are under analysis, and initial cost estimates are that the City's contribution could be approximately \$2.5 million. Staff will incorporate the City's share



of the costs into the proposed five-year Capital Improvement Program (CIP) to be developed next year.

#### *Permanente Creek Improvements and Pedestrian/Bicycle Bridge*

The project proposes improvements to Permanente Creek and its riparian habitats through widening of the creek and restoration of native vegetation to help support local biodiversity. A pedestrian-bicycle path is proposed along the eastern side of Permanente Creek and would connect to a new east-west pedestrian/bicycle bridge over the creek. The bridge also provides pedestrian and bicycle access between the Landings office building and the Huff garage and connects to the green loop, which is a key pedestrian/bicycle connectivity element in the NBPP. The western bank of the creek will be widened to create plantable slopes, allowing planting of riparian and wetland species for new habitat areas and to buffer the existing creek. The bridge crossing and creek improvements will be designed to accommodate the base flood elevation of the creek and maintain existing flood protection measures.

#### *Greenway at 900 Alta Avenue*

The proposed greenway is located at the northern edge of the 900 Alta Avenue property and would connect from the new bridge over Permanente Creek, providing direct bicycle and pedestrian access from the Landings office site to the Huff garage.

#### *Huff Garage*

The Huff garage is proposed to serve as a district parking facility for the Landings and Charleston East office buildings. As part of the Charleston East project approvals in 2017, the City approved a temporary parking solution for Charleston East by allowing parking in the Shoreline Amphitheatre parking lots (Lots C and D)



**Figure 5: Huff Garage Elevation**

through a lease agreement until December 31, 2025, which allowed Google time to

reallocate parking spaces to the future Landings office site, or another approved location. Use of the Huff garage by the Charleston East office project is anticipated to begin no later than December 2025 when the Amphitheatre parking lot lease expires.

The parking garage also includes approximately 10,500 square feet of publicly accessible retail space on the ground floor to activate the frontage. The four-level parking garage includes a total of 1,709 parking spaces, with 1,200 spaces for the Charleston East project, 454 spaces for the Landings project, and 55 spaces for the on-site retail areas. Vehicular access to the parking garage would be from both Huff Avenue and Alta Avenue.

The design of the garage includes a kinetic facade comprised of a series of colored panels which will both screen the parking behind it and provide an appealing building facade. The pedestrian entrances to the garage provide breaks in the massing of the garage and are clad with wood to complement the remainder of the facade and provide further building articulation.

### **Trees**

A tree survey was completed for the project site by HortScience/Bartlett Consulting and reviewed by the City arborist. The tree survey identified, measured, mapped, and rated the trees for preservation, which took into consideration the trees' age, health, structural condition, and proximity to the proposed structures and site development. A total of 1,292 trees, including 561 Heritage trees, exist on the project site today. The project proposes to remove 414 Heritage trees and 644 non-Heritage trees due to poor health and conflict with the proposed buildings, utilities, and site improvements. Approximately 1,279 California native and region-appropriate trees with a minimum box size of 24" are proposed to be planted to replace the Heritage and non-Heritage trees to be removed, including 326 trees at off-site locations prior to the project being built as requested by Council to help reestablish tree canopy as soon as possible. Proposed replacement trees include native tree species appropriate to the North Bayshore Area and consist primarily of oak, willow, redbud, and buckeye trees.

The following table shows the existing and estimated future tree canopy coverage for the project site:

**Table 1: Tree Canopy Coverage**

Existing	34 percent
Retained + New After Five Years	21 percent
Retained + New After 10 Years	34 percent
Retained + New At Full Maturity	41 percent

### **Project Traffic Study**

A traffic study was prepared for the proposed project and provides a supplemental traffic analysis that builds upon the NBPP environmental analysis certified in November 2017. Trip generation for the project was based on the Institute of Transportation Engineers Trip Generation Manual with modifications to reflect the NBPP a.m. peak period mode shares required to be met by all new development in the North Bayshore Area. The traffic analysis also includes trip reductions based on the applicant's Transportation Demand Management (TDM) Plan, which serves as the road map for the project to achieve these mode-share targets and includes programs such as telecommuting/flexible work schedules; commuter shuttle services; membership in the Transportation Management Association (TMA); and many other programs.

Roadway traffic operations were evaluated for the peak a.m. and p.m. commute hours during a typical midweek day during the morning (7:00 a.m. to 10:00 a.m.) and evening (4:00 p.m. to 7:00 p.m.) peak periods at 28 study intersections. Vehicle trip distribution was completed using the City of Mountain View travel demand model, which incorporates information about the residential origins of Google employees.

The results of the traffic study show the following five intersections would be deficient and create operational issues due to the estimated traffic from the project:

1. Charleston Road/Rengstorff Avenue/Amphitheatre Parkway/Garcia Avenue (a.m. and p.m. peak hours);
2. Rengstorff Avenue/U.S. 101 southbound ramps (a.m. and p.m. peak hours);
3. Shoreline Boulevard/Pear Avenue (a.m. peak hours);
4. Shoreline Boulevard/La Avenida—U.S. 101 northbound ramps (a.m. and p.m. peak hours); and

5. Shoreline Boulevard/Middlefield Road (a.m. peak hours).

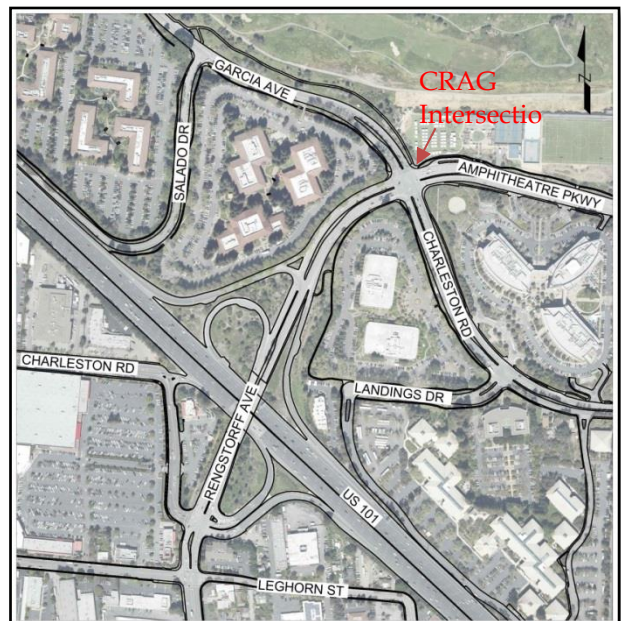
The traffic study also evaluated potential traffic impacts from this project to State Route 85 and U.S. 101. With the addition of the project trips, no new impacts would occur beyond the impacts which were identified in the NBPP Environmental Impact Report (EIR). The NBPP EIR describes the degradation in Level of Service (LOS) on the freeway system caused by the 3.4 million square feet of new development in the NBPP, of which this project is a part. The City Council adopted a Statement of Overriding Considerations in November 2017, overriding the significant unavoidable impacts to freeways disclosed in the NBPP EIR; therefore, no improvements to the freeway are recommended as part of this project.

The traffic study's recommendations and resultant conditions of approval for the intersections identified as being deficient are described below.

*Charleston Road/Rengstorff Avenue/Amphitheatre Parkway/Garcia Avenue*

For the Charleston Road/Rengstorff Avenue/Amphitheatre Parkway/Garcia Avenue (CRAG) intersection (Figure 6), the traffic study recommends that the project provide the following operational improvements:

- Add a second northbound right-turn lane (Rengstorff Avenue to Charleston Road) – this improvement will reduce the queuing of vehicles that would block the northbound U.S. 101/Rengstorff Avenue off-ramp in the a.m. peak hours.
- Add a third westbound left-turn lane (Rengstorff Avenue to Charleston Road) – this improvement will reduce queuing impacts on Charleston Road in the p.m. peak hours.



**Figure 6: CRAG Intersection Location**

One of the Priority Transportation Improvements in the NBPP is the Charleston Corridor Transit Boulevard, which involves transforming Charleston Road into a corridor where transit, bicycles,

and pedestrians are prioritized over single-occupant vehicles. On June 25, 2019 Council authorized a reimbursement agreement with Google for the design phase of Charleston Road Improvements between Huff Avenue and Salado Drive to meet the NBPP standards, including improvements at the CRAG intersection. The project is currently under design, but construction is not funded.

The new turning lanes identified above would be added to the design plans for the CRAG intersection. Because it is unlikely that the Charleston Corridor improvements between Huff Avenue and Salado Drive can be funded and constructed before the Landings development is ready for occupancy, it will be necessary to separate the CRAG intersection improvements from the Charleston Corridor project for design and construction. As specified in the conditions of approval, Google will pay for the incremental costs of constructing the additional turning lanes and provide any required additional right-of-way from their property.

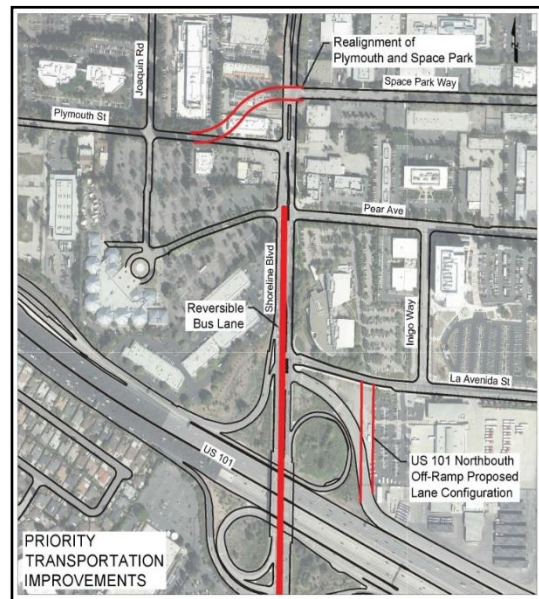
Google will construct the new intersection to the NBPP street standards with the City reimbursing Google for the improvements associated with the Charleston Corridor improvements. As a Priority Transportation Improvement, the City's share of the CRAG intersection improvements will likely be funded by North Bayshore Impact Fees and/or Shoreline Regional Park Community funds. The total costs for the design and construction of the CRAG intersection improvements are under analysis, and initial estimates indicate that the City's contribution could be approximately \$4 million. Staff will incorporate the City's share of the funding into the proposed five-year CIP to be developed next year.

*Rengstorff Avenue/U.S. 101 Southbound Ramps*

The traffic study does not recommend improvements to this intersection due to the physical infeasibility.

*Shoreline Boulevard/Pear Avenue and Shoreline Boulevard/La Avenida – U.S. 101 Northbound Ramps*

The impacts at these locations will be addressed with the following three Priority Transportation Improvements (Figure 7) which are already under design and funded for construction:



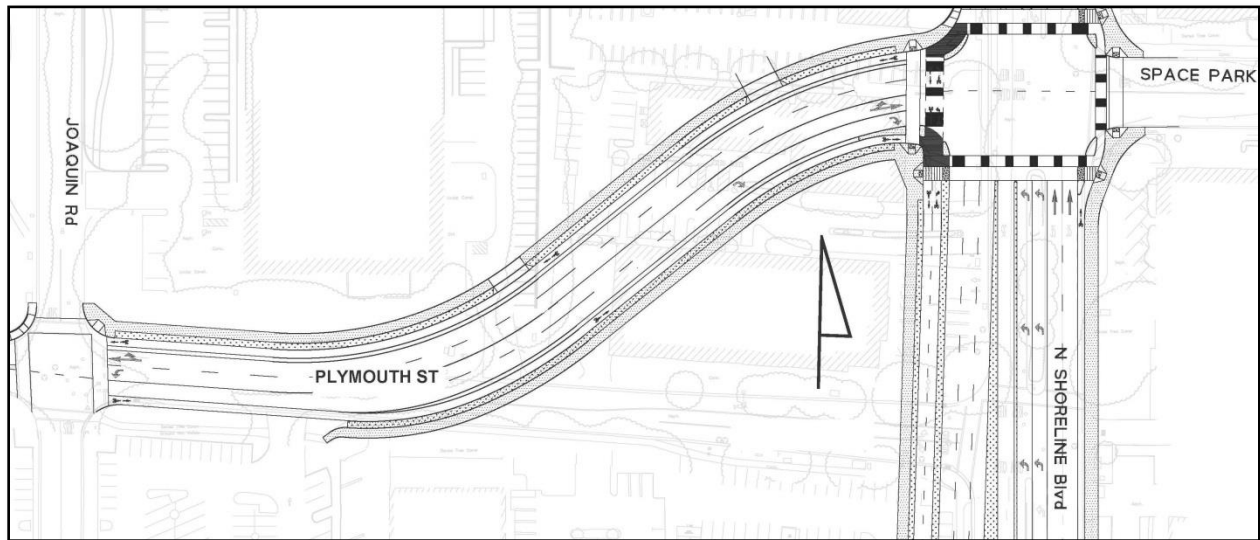
**Figure 7: Shoreline Transportation Improvements**

- Northbound Shoreline Boulevard/U.S. 101 Off-Ramp Realignment, Project 19-59;
- Plymouth Street/Space Park Way Realignment, Project 20-40; and
- Shoreline Boulevard Interim Bus Lane and Utility Improvements, Project 18-43 (Reversible Bus Lane).

However, the results of the traffic modeling for the Landings project indicate that the shift of Charleston East traffic to the Huff garage will aggravate operational circulation in the a.m. period for the northbound left from Shoreline Boulevard to the realigned Plymouth Street. The Plymouth Street/Space Park Way Realignment at Shoreline Boulevard CIP project is currently planned to provide one northbound Shoreline Boulevard left-turn lane to Plymouth Street and one lane in each direction on the realigned Plymouth Street between Shoreline Boulevard and Joaquin Road. To address this operational impact, the conditions of approval include the following:

- Contribute funding for the incremental construction costs associated with a second northbound left-turn lane (Shoreline Boulevard to Plymouth Street);
- Contribute funding for the incremental construction costs associated with one additional eastbound and westbound lane on the realigned Plymouth Street from Shoreline Boulevard to Joaquin Road, with a potential transition to a single lane prior to Joaquin Road; and
- Provide any required additional right-of-way from Google-owned property.

This improvement is shown in Figure 8.



**Figure 8: Conceptual Plymouth Street-Space Park Way Realignment Improvements**

The contributed funding will be included in the Plymouth/Space Park Realignment, Project 20-40, with the City designing and constructing these incremental improvements as part of the Plymouth/Space Park Realignment project.

#### *Shoreline Boulevard/Middlefield Road*

For the fifth deficient intersection (Shoreline Boulevard/Middlefield Road), the traffic study recommends converting the westbound and eastbound approaches on Middlefield Road to include two left-turn lanes. These improvements were already included in the reversible bus lane project (Shoreline Boulevard Bus Lane and Utility Improvements, Project 18-43) prior to the traffic study.

#### **Gateway Vehicle Traffic Analysis**

The 2017 NBPP established a policy for managing vehicle trips in and out of North Bayshore with a vehicle trip cap based on the roadway capacity of the three primary (Gateway) arterials into North Bayshore (North Shoreline Boulevard, Rengstorff Avenue, and San Antonio Road). The NBPP also established a 45 percent single-occupant vehicle (SOV) trip target, covering the entire district, in the morning (a.m.) peak period. Achieving this target for existing and future employment was estimated to allow future development in North Bayshore to proceed without exceeding the vehicle trip cap.

A Gateway analysis using the Vissim traffic simulation model was performed to determine if the Landings project will cause any of the gateways to exceed the vehicle trip caps. It was determined that the San Antonio and Shoreline gateways would not be exceeded by this project, after accounting for the three Priority Transportation Improvements for Shoreline described above. The Rengstorff gateway capacity is projected to be exceeded by a combination of the additional traffic from approved development projects and the Landings project (see Table 2).

**Table 2: Rengstorff Avenue Gateway Volumes and Capacity – Two-Way a.m. Peak Hour**

	<b>Rengstorff Gateway</b>
<b>Existing Volume</b>	2,890
<b>New Developments</b>	
Intuit, Microsoft, Shashi, Sobrato	77
Charleston East	104
Landings	425
<b>Total Projected Volume</b>	3,496
<b>Current Capacity</b>	3,290
<b>Capacity Deficit</b>	206

At a City Council Study Session held on May 12, 2020, staff presented preliminary information from the North Bayshore Circulation and Feasibility Study that identified a concept to realign the U.S. 101/Rengstorff Avenue on- and off-ramps with a connection to Landings Drive and the new frontage road. This ramp realignment would increase capacity and improve traffic flow at the Rengstorff Avenue gateway (Figure 9).

The recent COVID-19 crisis has shown that there may be opportunities for new strategies to address operational traffic improvements for development projects. Google has also acknowledged that future work environments and commute patterns



**Figure 9: Rengstorff Area Improvements**



for their employees may be different. With this in mind, the Council provided direction for the North Bayshore Circulation and Feasibility Study to evaluate programmatic strategies as an alternative to a major transportation infrastructure project to address the Rengstorff gateway needs. The programmatic strategies to be studied will include enhanced transportation demand management activities, such as congestion pricing and increased telecommuting. As part of the Study, staff will evaluate whether the programmatic strategies alone will suffice or whether specific transportation infrastructure improvements would also need to be part of the solution.

In the meantime, the Gateway analysis has shown that once Landings and other approved development projects are completed, the Rengstorff gateway capacity will be exceeded by approximately 200 vehicle trips in the a.m. peak hour. Google expects to occupy the Landings Drive project as soon as fall 2023, and new programmatic strategies and/or a U.S. 101/Rengstorff Avenue ramp realignment project will require more time than this to be implemented. The NBPP allows a new development expected to exceed gateway capacity to be built prior to the transportation improvements as long as the development application proposes strategies to comply with the vehicle trip cap.

To avoid exceeding the gateway capacity, a condition of approval is included for the reduction of 200 peak-hour trips and the monitoring of these trips after construction of the project. The interim trip reduction of 200 trips is in addition to the requirement to implement a Transportation Demand Management Plan to achieve a 45 percent SOV rate. An interim trip reduction plan will be submitted to the City demonstrating strategies, programs, and implementation to attain lower project trips during the peak period. The trip counts will be monitored and reported until the earlier of the implementation of transportation programs/improvements, or six years after the issuance of the Certificate of Occupancy. The monitoring report will be prepared by a third party.

### **Parcel Map**

A Vesting Preliminary Parcel Map for the project includes the dedication of easements and land area for the public-right-of-way. Staff finds the project is consistent with the requirements of the Subdivision Map Act, the City's Subdivision Ordinance, and the General Plan with incorporation of the draft Conditions of Approval (see Attachment 3 – Resolution for the Vesting Preliminary Parcel Map).

### **Public Easement Vacations**

The applicant has requested the City vacate four existing public utility easements on the project site which were dedicated between the late 1970s and early 1980s. Staff

reviewed the vacation request and confirmed that no City facilities are located within the easements and are no longer needed for the proposed development. PG&E, AT&T, and Comcast have no objections to vacating the easements but required the relocation of their existing facilities prior to the recordation of the proposed easement vacation. The privately-owned facilities will be relocated within the new street public right-of-way or within the new public utility easements. The proposed vesting preliminary parcel map would dedicate additional public easements as necessary.

When the City plans to vacate easements as part of a private development process, staff evaluates whether there is any value contributed to the developer by the vacation. In some cases, vacating the easements will provide the development space for construction of additional office and retail floor space and increase the value of the development. Staff also considers how the easements were created and their intended use. Staff is recommending vacating the easements without compensation for three reasons: (1) the easements were dedicated to the City and not purchased by the City; (2) the easements were intended as a general benefit to all public utility providers and were not granted to the City for the City's exclusive use; and (3) the developer will dedicate public street right-of-way adjacent to U.S. 101 between Landings Drive and Permanente Creek. If these easements had been acquired by the City after paying marked value (rather than being dedicated at no cost), and/or if the easements were exclusively for the benefit of the City, staff would recommend compensation for relinquishing the easements, but neither of these conditions apply in this case (see Attachment 4—Resolution for Vacation of Public Easements).

### **Community Benefits**

The project proposes an updated community benefits package from the original Bonus FAR proposal in 2015, which included \$35.55 million in community benefits. Google's updated proposal, which has been increased to account for inflation, now includes \$44.6 million in community benefits. At the last City Council Study Session on October 1, 2019, Council provided feedback on items listed in the community benefits package and directed that the bicycle/pedestrian bridge over Permanente Creek, valued at \$2.3 million and serves as the link between the office project and the parking garage, be excluded from the package but the net zero water proposal for the site valued at \$5.8 million be allowed to be included as a community benefit. Council also directed that the final community benefits proposal be presented at the project entitlement hearings for consideration. Table 3 is a summary of the proposed community benefits for which a more detailed description can be found in Attachment 11.

**Table 3: Community Benefits Package**

	<b>Community Benefit</b>	<b>Value</b>
1	Permanente Creek Enhancement and Adjacent Open Space	\$15,000,000
2	Net Zero Water	\$5,800,000
3	Transportation Programs & Infrastructure	\$19,237,000
4	Rengstorff Avenue Signal Timing	\$1,200,000
5	Magical Bridge Playground at Rengstorff Park	\$900,000
6	Homelessness Initiatives	\$2,500,000
<b>TOTAL</b>		<b>\$44,637,000</b>

### ENVIRONMENTAL REVIEW

The adopted North Bayshore Precise Plan EIR (2014) and Subsequent EIR (SEIR) (2017) comprehensively evaluated the environmental impacts of the NBPP, which allow an increase in the intensity of office and commercial uses within the area, including the proposed project intensity.

Subsequent activities, which were included in the scope of a program EIR, may be determined to be adequately evaluated under the California Environmental Quality Act (CEQA), and no further environmental documents may be required if it is determined that no new environmental effects will occur and no new mitigation measures would be required for the subsequent activity.

An Initial Study of Environmental Significance was prepared for this project to evaluate whether any new environmental effects would occur as a result of the project which were not already examined under the program EIR and SEIR (see Attachment 1 – Initial Study of Environmental Significance for the Google Landings Project). Project-specific technical studies were also prepared to provide technical guidance in the areas of utilities, transportation, air quality, geotechnical and hazardous materials, biological resources, and trees.

The Initial Study prepared for the project found that, with implementation of the NBPP standards and guidelines, State regulations, City standard conditions of approval, and mitigation measures identified in the NBPP EIR (2014), NBPP SEIR (2017), and 2030 General Plan and Greenhouse Gas Reduction Program EIR (2013), the proposed project would not result in any new environmental impacts beyond those already evaluated in these EIRs.

## **FISCAL IMPACT**

If the site were redeveloped with the proposed project, the Shoreline Regional Park Community fund would receive approximately \$4.8 million in additional property tax revenue per year.

The project is required to pay the City's nonresidential (commercial) Housing Impact Fee. On January 28, 2020, Council approved Google's prepayment of \$5 million to the Housing Trust Silicon Valley Tech Fund for partial credit against the project's Housing Impact Fee obligation to support affordable housing developments in the City. Payment of the remainder of the required Housing Impact Fee would result in an estimated payment to the City of \$10.4 million.

The project is subject to the payment of the North Bayshore Development Impact Fee which would result in an estimated payment to the City of \$17.8 million.

The project is subject to the Citywide Transportation Impact Fee which would result in an estimated payment to the City of \$2.7 million.

Finally, the City will be required to contribute toward the NBPP Priority Transportation Improvements to be constructed by the applicant as part of the project. This includes 50 percent of the frontage road cost from Landings Drive to the west side of Permanente Creek (estimated at \$2.5 million) and the Charleston Road improvement cost for the CRAG intersection (estimated at \$4 million). The sources of funding for Priority Transportation Improvements include the North Bayshore Impact Fee, Shoreline Regional Park Community, and Community Benefits. The City's funding share for both projects will be included in the proposed five-year CIP for Fiscal Years 2021-22 through 2025-26 to be developed next year.

## **CONCLUSION**

The proposed development of the project site with a 799,482 square foot office building above one level of underground parking, a four-level parking garage, and site improvements associated with the development are consistent with the NBPP and furthers the vision and goals for development in the North Bayshore Area. The site and architectural design of the project, including colors, materials, and architectural elements, are well-designed and compatible with the surrounding area. Additionally, approval of the project would not result in significant environmental impacts with implementation of the conditions of approval; therefore, the proposed project would not have a significant impact on the environment.

The EPC finds the proposed project is consistent with the 2030 General Plan, the NBPP, Subdivision Ordinance, and other adopted City regulations and, therefore, recommends approval of the project to the City Council.

**ALTERNATIVES**

1. Approve the project with modified conditions of approval.
2. Refer the project back to the EPC and/or the DRC for additional consideration of topics related to any project component.
3. Deny the CEQA document and/or project applications.

## **PUBLIC NOTICING**

The City Council's agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners and tenants within a 750' radius and other interested stakeholders were notified of this meeting.

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SW/5/CAM/818-06-23-20CR/200152

- Attachments:
1. Initial Study of Environmental Significance for the Google Landings Project
  2. Resolution for Master Plan, Planned Community Permit, Development Review Permit, and Heritage Tree Removal Permit
  3. Resolution for Vesting Preliminary Parcel Map
  4. Resolution for Vacation of Public Easements
  5. Project Plans
  6. 2015 Bonus FAR Proposal
  7. [December 11, 2018 City Council Study Session Memo](#)
  8. [October 1, 2019 City Council Study Session Memo](#)
  9. [June 3, 2020 EPC Public Hearing Staff Report](#)
  10. EPC Hearing Comment Letter
  11. Community Benefits Proposal