

DATE: March 1, 2016

TO: Honorable Mayor and City Council

FROM: Martin Alkire, Principal Planner
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Development Director
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Director

VIA: Daniel H. Rich, City Manager

TITLE: 1255 Pear Avenue – Mixed-Use Development



PURPOSE

The purpose of this Study Session is to present a preliminary site plan and massing proposal and receive City Council input.

BACKGROUND

Process Overview

This project has not yet been reviewed by the City's Development Review Committee (DRC). The project was reviewed by the Environmental Planning Commission (EPC) at their January 20, 2016 meeting. Comments from the EPC are included in the Discussion section of this report.

Once the Council provides their input, a formal application, including more detailed plans and information, will be submitted to the City. This information will include a request for a General Plan amendment and Precise Plan amendment to allow residential uses in North Bayshore. The formal application will be further analyzed by staff and the DRC before being reviewed by the EPC and Council.

Additionally, as the project moves forward, it will be reviewed against the emerging policy direction of the North Bayshore Precise Plan update to confirm that it meets the City's development expectations for new residential development.

Project Location

The project site is approximately 17 acres located east of Shoreline Boulevard. The project site extends from La Avenida north to Space Park Way, and borders the Santiago Villa Mobile Home Park to the east.

Map 1 – Location Map and Project Site



Project Overview

On July 2, 2015, the City Council granted gatekeeper authorization for this proposal from the Sobrato Organization to be processed concurrently with the Precise Plan update.

The project site consists of eight parcels. Six of these parcels include approximately 103,000 square feet of light industrial buildings that will be demolished. The two remaining parcels include a 156,134 square foot office building (1255 Pear Avenue) and an 18,740 square foot light industrial building located on La Avenida that would remain.

This proposal includes the following main elements:

- Approximately 630 to 670 new market-rate residential units.
- Approximately 110 to 130 new Below-Market-Rate (BMR) residential units.
- Retention of an existing 156,134 square foot office building.
- Construction of a new 230,000 square foot office building.
- New north-south public street between Pear Avenue and Space Park Way.
- A proposed long-term rent subsidy for two small businesses located at 1110 La Avenida (Center of Balance yoga studio and Pear Avenue Theater).

A video “fly-through” of the project can be accessed at <https://vimeo.com/146716362>.

2030 General Plan Themes

At a high level, adding a mixed use commercial/residential project in North Bayshore will address several key General Plan land use and mobility strategies.

The proposed project will add more housing units to a jobs-rich area, thereby creating a more diverse and balanced mix of land uses, as directed by Council in the current update to the North Bayshore Precise Plan; provide a diversity of housing choices, including BMR units; provide housing in close proximity to jobs, thereby reducing vehicle commute times to North Bayshore and other employment areas in the City; improve streets to safely accommodate all transportation modes; support an improved network of pedestrian-oriented, sustainable, and public spaces; promote the use of more sustainable mobility options such as bicycling, walking, and public transit; and support more commercial services and local economic vitality in North Bayshore.

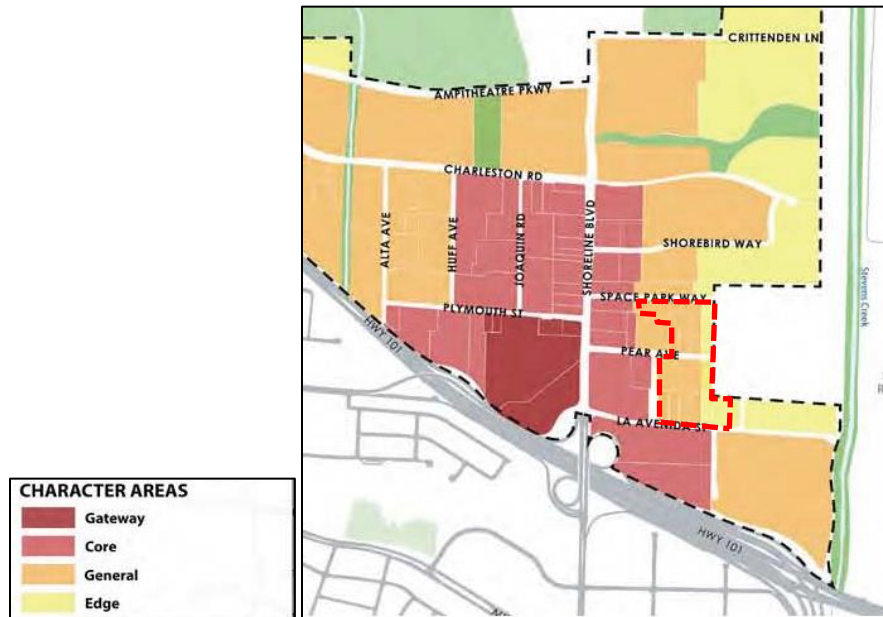
North Bayshore Precise Plan Overview

The City Council adopted the North Bayshore Precise Plan (“Plan”) in December 2014. As noted, the Plan is currently being updated to allow residential uses.

The Plan organizes North Bayshore into four “character” areas: Gateway, Core, General, and Edge. The Plan establishes standards for each character area, including land uses, floor area ratio (FAR), bonus FAR, lot coverage, building placement, frontages, building massing, block standards, and signs. The project is located mainly

in the General character area, with a portion of the site in the Edge character area, as shown below:

Map 2: Project Location and Character Area Boundaries



DISCUSSION

The following discussion compares the proposed project with the Plan's guiding principles, office development standards, and other relevant Plan elements.

1. Precise Plan Principles

The Plan includes 12 guiding principles. The following is a high-level discussion of how the project addresses these guiding principles.

Note that the Plan residential update process may include additional or revised Plan principles that will need to be addressed by the proposal.

No. 1 – Create Distinct Areas within North Bayshore. The project proposes additional development to help meet the intent of the General character area through additional intensities and common open space areas.

No. 2 – Enhance Ecosystems and Habitat. The proposal will be required to meet the Plan's bird-friendly building design requirements.

No. 3—Improve Transportation Connections to North Bayshore. No transportation connections to the North Bayshore Area are proposed, although the new public street will help distribute vehicle trips entering the area via a new highway off-ramp near La Avenida.

No. 4—Expand and Improve Open Spaces. The development proposes community open space areas and linear park-like pedestrian pathways.

No. 5—Create Walkable, Human-Scaled Blocks. The large existing block pattern is proposed to be broken up with a new public street extension (Inigo Way) and several pedestrian pathways.

No. 6—Concentrate Growth to Support Transit. The proposal is within walking distance (approximately 1/8 mile or 700') to planned transit along North Shoreline Boulevard.

No. 7—Make the Area Highly Sustainable. The development will be required to submit highly sustainable building and site design measures.

No. 8—Promote Transit, Biking, and Walking. The development will be required to submit both office and residential Transportation Demand Management (TDM) strategies. Pedestrian paths and access areas are also emphasized over vehicle entries.

No. 9—Construct Buildings that Support Public Areas. The development's parking is hidden from public views, with buildings located to help support public areas. The development will be further evaluated as to how it supports public areas through locating buildings at or near the sidewalk, and ground-floor frontage design strategies.

No. 10—Minimize the Potential Consequences of Sea Level Rise. The proposed project is located outside areas potentially impacted by sea level rise.

No. 11—Promote Economic Diversity. The proposal includes a mix of office and residential uses that can help support commercial businesses in the area.

No. 12—Promote Retail, Entertainment, and the Arts. The proposal includes subsidized rent for two small area businesses (Center of Balance yoga studio and Pear Avenue Theater).

EPC Comments

- Development needs to be more distinctive.
- Separate bike and pedestrian paths needed.
- Can it connect to mobile home park?
- More retail needed.
- Support for BMR units.
- Support for small business subsidies.
- Paths need to be publicly accessible.
- More outreach needed to mobile home park.
- Focus on open space should be more public, less private.
- More habitat strategies needed.
- Need creative phasing to address traffic issue.
- Community meeting space is needed.

Council Question No. 1: Does the Council have any comments on how the project addresses the Plan’s guiding principles?

2. **Site Design**

The project site includes two main areas: a “North” parcel, with four new residential buildings and a “South” parcel, with a large residential building, a new office building, and an existing office building (see Attachment 1—Project Plans). The project site breaks up the large City blocks through a new north-south connecting street from Pear Avenue to Space Park Way and several pedestrian pathways. The east end of Pear Avenue is also proposed to transform from a street to a plaza-like pedestrian and bicycle environment. It will still be owned by the City, but will be maintained by the property owner. The project site also includes open spaces and pathways. The City’s expectation is that all new pedestrian pathways will be publicly accessible.

Image 1 – Site Plan

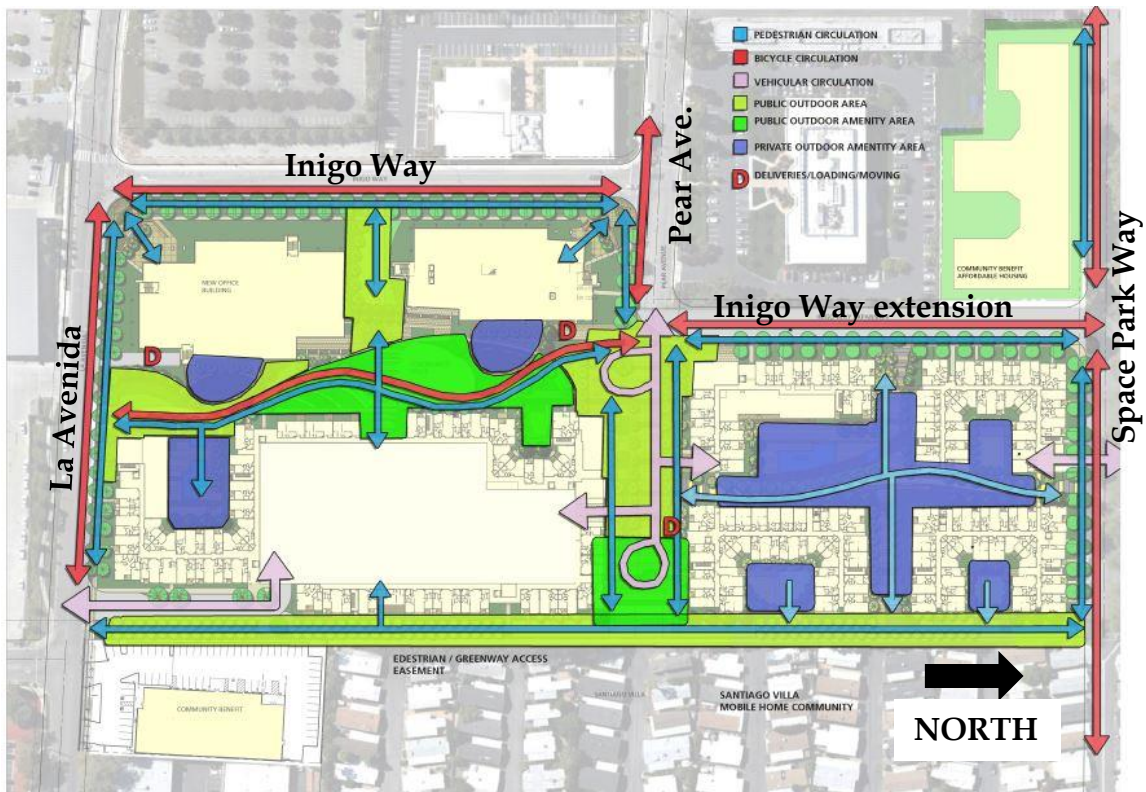


The site plan also proposes several open areas, including a shared open space area between the office buildings and the residential South area; private courtyard areas within each residential building; a shared plaza area extending from Pear Avenue; and a long pedestrian pathway adjacent to the Santiago Villa Mobile Home Park.

Parking for the project will be accessed from La Avenida, Pear Avenue, and Space Park Way as shown in Image 2 below. No visible surface parking areas are proposed. The North area will include one level of below-grade parking and one level at grade; the South area will include a 6-level parking structure. Pear Avenue is proposed to accommodate shuttle access and turnarounds.

The proposed Inigo Way extension is a Precise Plan priority transportation improvement. This key improvement will allow vehicles to circulate north-south in the area without accessing Shoreline Boulevard. This will become more important once the reconfigured Highway 101 off-ramp is constructed.

Image 2 – Conceptual Circulation Plan



EPC Comments

- North parcel should have more pedestrian access.
- More innovative architecture needed.
- Circulation scheme is positive.
- Does the mobile home park want more connections?
- Desire for effective unbundling of parking.
- Need for safe, clear ways for all modes to use Pear Avenue plaza.
- More connectivity throughout site.
- South parcel needs to be broken up.
- More information needed on proposed project's self-mitigation.

- Explore wide range of access to Santiago Villa Mobile Home Park.
- Design needs to welcome people to the area.

Council Question No. 2: Do the proposed site plan, circulation, and parking location meet the Council’s expectations for a new mixed-use office and residential development in North Bayshore?

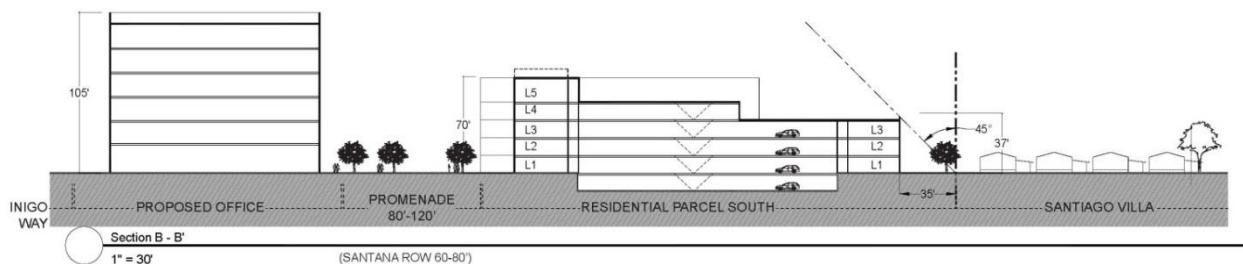
Precise Plan Development Standards

The following are high-level comments on how the project addresses several key development standards for the General character area. The formal submittal must demonstrate compliance with all Plan standards and guidelines in addition to any new standards and guidelines expected from the updated Plan.

Block Standards. New blocks should be approximately 600’ in length, or 800’ maximum. The proposal is in general compliance with these standards as the large blocks are broken up with a new public street and several new pedestrian paths, as shown in Image 2.

Edge Character Area Standards. The eastern portion of the site is in the Edge character area as shown in Map 2. The intent of the Edge character area is to protect or enhance surrounding sensitive habitat areas. This site is not adjacent to sensitive habitat areas. A portion of the site was designated Edge to ensure it was designed to respect the adjacent Santiago Villa Mobile Home Park (see Image 3). The Edge character area standards limit building heights to three stories and requires new building volumes be enclosed within a 45-degree incline plane from the rear property line when adjacent to residential uses. The proposal complies with these Edge standards. Additionally, the development review process will allow the opportunity for public comments on the project and building design and how it interfaces with the surrounding mobile home park.

Image 3 – Proposed 6-Story Office Building and Adjacency to Santiago Villa



Building Heights. The General character area allows five-story buildings. The proposed office building is six stories, which would require a Plan exception. To be considered for an exception, the applicant must demonstrate that the exception meets the intent and purpose of the Plan, including, but not limited to, its guiding principles and character area expectations, and results in a superior project design or outcome for the community that justifies the request.

EPC Comments

- The six-story proposal needs to be better justified; explain community benefits for this exception.
- Office building corner should be activated; should be of interest to pedestrians.
- All sides of buildings are important; the side facing the mobile home park needs to be more attractive.
- Explore a five-story building with a wider footprint.
- Move building out toward street to use this space; needs distinctive architecture.

Council Question No. 3: Does the Council support the proposed location of the new office building? Does the Council support the requested exception to allow a six-story office building? What additional information, if any, does the Council request from the applicant related to the requested exception?

Building Massing. The Plan includes building massing guidelines for new office development. The proposed project submittal includes several conceptual building massing diagrams, as shown in Image 4 and the attached plan set. The following is a high-level discussion of the Plan’s architectural design guidelines and areas for further review with the applicant and the DRC.

Image 4 – Building Massing



New building facades should be located within the build-to area to reinforce the basic massing scheme for the area and to create a continuous street wall predominantly two to four stories in scale. It appears the proposed office building facade is set back from the street outside of the required build-to area. For the residential component, further study of ground-floor level design options is needed to determine how the design can better engage the street through different strategies such as pedestrian entries, stoops, or more active use areas such as leasing offices, exercise gyms, or bike storage areas. This issue will be further studied during the DRC process.

The Plan requires that large buildings have horizontal and/or vertical massing breaks to articulate the building as a series of clear masses with a range of depth, width, and height, particularly to the street. Where building frontages are more than 200' in width, building facades should include massing breaks to ensure facades are not overly long. The design includes large buildings with some horizontal and vertical massing breaks. In particular, the proposed residential building on the south parcel will require additional review as it presents a very long building facade and does not have significant breaks in building massing as do the buildings on the north parcel. This issue will be further studied during the DRC process as the designs are refined.

The Plan also requires that upper stories be designed to include access to air and light and to reduce the visual appearance of bulk and mass. Upper-story building design

strategies may include, but are not limited to, front step-backs, horizontal and/or vertical articulation, reduced upper-story areas, and/or other facade design strategies to create buildings scaled for humans. Both the proposed office and residential buildings include some upper-story step-backs. The depth and frequency of these step-backs will be further reviewed during the DRC process.

The Plan also states that upper stories should be designed to preserve significant views of surrounding mountains and the Bay as viewed from public streets. A “view study” will be required from the applicant that shows how the project affects views of the mountains and Bay from public streets.

The Plan also requires that new development be sensitive to its surroundings and should provide transitions as appropriate. As noted, the design steps back its upper floors from the adjacent Santiago Villa Mobile Home Park. Additional public input and design strategies on this issue will be further reviewed during the development review process.

EPC Comments

- Break up parking structure/south parcel massing.
- Address the interface with Santiago Villa Mobile Home Park—setbacks, step-backs, and architecture.
- Concern over how development integrates with neighborhood.
- Move more massing to office part of development, away from Santiago Villa Mobile Home Park.
- Need a pedestrian connection through the garage.
- Outreach with mobile home park is important.
- Make the development more walkable and bikeable.

Council Question No. 4: Does the Council have any comments on the conceptual building massing? Does the proposal meet the Council’s design expectations for a new residential mixed-use development in North Bayshore?

Parking. The project proposes a total of 1,880 parking spaces. This includes 852 parking spaces for office uses (2.2 spaces per 1,000 square feet) and 728 parking spaces

for market-rate residential units (0.79 space per bedroom). Parking for BMR units is located on a separate parcel and includes 110 spaces (0.9 to 1.0 space per unit).

The project also proposes 190 parking spaces to be shared between the office and market-rate residential uses. Adding in the shared parking spaces results in 1,042 office parking spaces, or 2.7 spaces per 1,000 square feet, and 918 market-rate residential parking spaces, or 1 space per bedroom.

The Plan has a maximum of 2.7 spaces per 1,000 square feet for office uses. The revised Plan will include updated parking standards for residential uses to determine an appropriate standard.

Topics for Further Evaluation. The proposal will require further evaluation regarding several key topics. A discussion of these policy topics by the EPC and Council will take place in the coming months. The applicant will need to respond to these policy directions in their formal application submittal.

- *BMR Units.* The City's Rental Housing Impact Fee will apply to the project. Staff will also be providing more details on how this project could potentially provide additional BMR units through a Bonus FAR system and/or the State Density Bonus Law.

The project also includes a "stand-alone" parcel with BMR units at Inigo Way and Space Park Way, as shown on the proposed site plan. A stand-alone BMR parcel is advantageous because it allows opportunities to compete for affordable housing tax credits or City funding. One option is that the developer could dedicate the land to the City as a community benefit in return for increased project FAR or density. The City could then circulate a Request for Proposals (RFP) to affordable housing developers, who could then work in partnership with the City on potential BMR funding and potentially the developer on project construction in conjunction with the market-rate development.

Additional details on this topic will be discussed with the EPC and Council in March/April.

- *Unit Mix.* In November, the EPC and Council provided general direction on target percentages for residential unit sizes. This included micro-units (40 percent); 1 bedroom (30 percent); 2 bedroom (20 percent); and 3 bedroom (10 percent). The Plan will ultimately include a target mix of residential unit sizes to reflect the desired residential neighborhood envisioned for the area.

- *Green Building Measures and Strategies.* New North Bayshore office buildings are generally expected to meet Leadership in Energy and Environmental Design (LEED) Platinum standards. For residential buildings, the Precise Plan will include green building measures and strategies.
- *TDM Strategies.* The Plan includes a full range of TDM requirements and measures for office development. New residential TDM strategies and requirements will be included in the updated Plan and could include things such as transit pass subsidies, bike share and car share memberships, and other measures.
- *Open Space.* The size, location, and character of the project's proposed open space will be further reviewed, including how the open space between the office and residential buildings will be used by the two uses.
- *Trip Cap Compliance.* The Plan includes a North Bayshore Trip Cap, where the number of vehicle trips into North Bayshore is monitored to ensure that TDM measures are being implemented to help the area achieve its 45 percent Single-Occupancy Vehicle a.m. peak-hour trip goal. The proposal will be required to demonstrate how it complies with the Trip Cap.
- *Transit Connection.* The Santa Clara Valley Transportation Authority (VTA) will be studying a potential transit connection from NASA-Ames to North Bayshore. This connection could utilize La Avenida. Further discussion on the impact to this right-of-way, including potential transit stops, and any potential impacts to proposed development along La Avenida will be required.
- *Bonus FAR Requirements.* The existing Plan includes a Bonus FAR system for new commercial development which allows greater FAR in return for transportation improvements and other public benefit or district improvements. The existing Bonus FAR system will be used to evaluate the proposed office building in terms of development requirements. The updated Plan may also include a Bonus FAR system for residential developments.

Staff will further analyze these topics and other development project standards and guidelines once the project is formally submitted. Additionally, the North Bayshore Precise Plan policy framework will help determine the development expectations for these and other topics.

RECOMMENDATION

Staff recommends that the City Council provide direction on the topics and questions included in this report.

NEXT STEPS

A formal development application will be filed and reviewed through the City's DRC process. The project will then be brought back to the EPC and City Council after the environmental review process and development review process is completed.

PUBLIC NOTICING

Notices of this meeting were sent to property owners within a 1,000' radius. Notices were also sent to the North Bayshore Precise Plan interested parties list and the Santiago Villa Mobile Home Park community.

MA-TB-RT/3/CAM

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Attachment: 1. Project Plans