

11/15/2017 EPC Questions – North Bayshore Precise Plan

- 1. For Question No. 1: What is the practical difference between maintaining the current 3-hour peak period trip cap monitoring policy and switching to the peak one-hour policy? How would switching to the one-hour policy likely affect the development of the Precise Plan area? How would it affect TDM measures and transportation-related improvements in the area?**

Response: A one-hour peak policy could be a simpler way to track gateway vehicle capacity, by establishing the maximum vehicle capacity at any one hour across all gateways, instead of spreading the maximum vehicle capacity over a longer 3-hour period. An advantage of a 3-hour policy is that the trips can be spread out over a longer commute period, which would provide more flexibility for workers in the area commuting from farther distances, and could also provide more flexibility for North Bayshore companies TDM programs and services.

Using a peak one-hour threshold is the most restrictive gateway capacity policy. A peak-hour capacity threshold would require the City and project applicants to conduct more detailed transportation studies sooner. The purpose of the additional studies would be to help City Council determine if additional development demand can be accommodated with additional transportation gateways, increased TDM strategies, phasing/timing of occupancy of new buildings, or other strategies. New development could be considered during this time period but would need to conduct a detailed transportation analysis to identify the improvements to the transportation network and additional Transportation Demand Management measures.

- 2. What impact does the Local School District Strategy have on the financial feasibility of Tier 1 and Tier 2 residential development?**

Response: The Local School District Strategy could potentially increase development costs, which could reduce financial feasibility, depending on how agreements are reached between developers and the School District. These types of agreements result in additional financial impacts such as the need for dedicated land for schools or for direct financial contributions to the school districts.

- 3. The community benefit/affordable housing analysis had indicated that there were concerns about having an affordable housing requirement that is too high. Was the analysis revisited to determine whether the Local School District Strategy would place any additional financial burden on developers? If yes, how great is that additional burden?**

Response: The analysis has not yet been revisited as the Local School District Strategy could be implemented in different ways. In order to prepare such an analysis, a set of hypothetical scenarios would need to be developed to test financial feasibility under alternative scenarios, such as an assumed dedication of a certain percentage of land or payment of an assumed higher level of school impact fees.

- 4. What impact would a local hire policy/requirement have on the financial feasibility of Tier 1 and Tier 2 residential development? Has a targeted hire policy been explored?**

Response: The potential financial impact will depend on what local hire and local business source requirements are adopted and how these policies are implemented. In some cities, the cost burden of meeting these requirements is fully the responsibility of the developer and its general contractor. Some

cities help offset a portion of these costs by handling various components of the local hiring process, but typically the majority of the cost burden falls on the developer and general contractor.

Depending on how the program is implemented, it could increase overall development costs in the following ways: outreach to construction labor organizations and local businesses; training of local workers; specialized hiring practices; monitoring of how well a project is meeting each requirement as construction progresses; potential delays if the project is unable to meet these requirements, and compliance with local reporting requirements to verify that all requirements are met.

A targeted hire policy has not been explored to date.

5. Will the Precise Plan limit or discourage employers from providing free or subsidized meals in order to help support local restaurants in the Precise Plan area? (Something similar to what was incorporated into the Merlone Geier Phase 2 conditions of approval?)

Response: The Precise Plan contains general policy language regarding supporting local businesses, which include restaurants. The Plan's overall intent is to create enough new residential units in the area, that when coupled with the large number of employees in the area, could help support local businesses. It is possible that specific development projects could include conditions of approval that address this specific issue.

6. Could a building (commercial or residential) with zero parking be proposed in the North Bayshore Precise Plan area?

Response. Yes, the parking requirements are maximums, and the Plan's vision is to support innovative and sustainable development that could potentially include zero parking.

Smaller projects located near complementary uses or available existing parking may be the most likely candidates for zero parking supply. However, developers have expressed concern that it is very difficult (even impossible) to finance a project without vehicle parking supply. Also, limiting parking to reduce vehicle trip generation may not be an effective long-range planning decision with future individual mobility changes occurring with transportation network companies (Uber, Lyft, etc.) and autonomous vehicles.

7. Are the values of proposed public benefits or district-improvement projects for development proposals seeking bonus FAR independently evaluated by City staff or a neutral third-party? If not, does staff propose another mechanism that Council can use to compare public benefit packages between development proposals?

Response: Bonus FAR requests and their related public benefit packages are evaluated by City staff for general reasonableness. This analysis is not an exhaustive, detailed study but uses some rule of thumb comparisons at a high level based on comparable improvements, size of projects, etc.

Also, staff deducts any required project improvements from 'counting' towards the Bonus FAR community benefit.

8. The staff report indicates that parking utilization will be monitored, but parking is not one of the items listed in the District Sustainability Measurement Categories. Will “Number of Parking Spaces” and “Parking Utilization Rate” be included in the District Sustainability Measurement Categories?

Response: Counting the number of parking spaces at the district level would be time consuming to collect, and it is not clear who would collect the data or pay for the collection. The TDM requirements for residential will likely require some type of post-occupancy parking survey. This would be done on a development by development basis. So this approach – how new residential parking spaces are utilized—may be a better initial strategy for measuring the success of reduced parking in these developments than actual parking space counts.

9. The District Sustainability Measurement Categories includes bike lane mileage. Will this break down protected lanes versus “unprotected” lanes?

Response: The City could collect this data if desired by Council.

10. How does this Precise Plan encourage placemaking? How can we discourage piecemeal development and support a holistic vision for the North Bayshore area to make this a great place to live, work, and play?

Response: The Plan focuses on new neighborhood development, breaking the larger suburban office, auto-centric district into new mixed use neighborhoods. By requiring new development to contribute to development of these neighborhoods, the goal is to create neighborhoods with a diverse mix of uses, open space, retail-serving uses, and non-auto infrastructure improvements.

Each neighborhood has a goal to create areas with places for public interaction, within each complete neighborhood, and that area centrally located. This includes open space, parks, greenways, retail, commercial and entertainment uses, and strong pedestrian and bike friendly streets and building designs.

There could be future public participation in the creation and design of open space related projects in the area, such as the central open space. Future programming and planning of open spaces and other areas in North Bayshore could incorporate cultural, recreational, or educational activities that reflect the neighborhood and its users.

11. How does the Precise Plan promote or incentivize inclusion of cultural amenities, programming for community spaces, and downtown-like “activation” of the area?

Response: Cultural amenities are incentivized through the Bonus FAR process and FAR exemption language. For example, the Pear Avenue Theatre and Center of Balance Yoga Studio are being provided affordable long term leases as part of the new proposed Sobrato development.

Activation of the area will occur through new urban streets with bike and pedestrian facilities, publicly accessible plazas (such as at Charleston East, new Google building), and new buildings and open space areas that frame streets and greenways.

12. Can residential development review be expedited to incentivize housing?

Response: The Precise Plan does not include this type of expedited review; however, there is an expedited review process if a development project is submitted after a Master Plan is approved. Development projects under this scenario could be approved at the Zoning Administrator level.

13. Is it too late to incorporate a phasing element into the Precise Plan to ensure that housing is built alongside office, rather than office built first and housing later?

Response: This policy topic was not discussed at length during the Precise Plan process. However, the Precise Plan allows up to 3.6 million square feet of office/commercial space, which has already been allocated through the Bonus FAR process. In other words, no new office beyond this 3.6 million SF amount can be added to North Bayshore without a Precise Plan amendment.

Right now the City is reviewing residential projects in North Bayshore, such as the Sobrato project on Pear Avenue and several other informal inquiries.

14. I think the EPC asks a lot of good questions in advance of each meeting. Can a copy of the questions and answers be sent to the Council as well?

Response: Yes.

15. Can we have a printed copy of the responses to these questions available at the meeting?

Response: Yes.

16. Recent monitoring indicates that a.m. two-way peak one-hour total gateway counts are approximately 6,840 trips. However, current gateway vehicle trips at Shoreline Boulevard alone are essentially at capacity, at approximately 2,100 a.m. peak hour trips. Does this mean that each Rengsdorf & San Antonio are carrying more than Shoreline? (6,840- 2,100 = 4,740 trips)

Response: Yes, the total gateway trips recently monitored in March 2017 (6,840 trips) reflect trips across all three gateways. Rengstorff Avenue was measured at approximately 2,370 trips and San Antonio Road was with approximately 1,240 trips.

17. On page A-3 of Appendix A- why are there different standards for residential & non-residential?

Response: This definition is from our zoning ordinance. Heights are measured differently for commercial buildings, primarily to account for more needed flexibility because these structures have taller wall plate heights.

18. Precise plan page 221-Why is the Shoreline-NB off ramp only a medium term project timing? It would seem that this should be a short term priority, considering how much of a positive impact that can have on traffic flow into NBS.

Response: The Shoreline NBS off ramp is actually listed as a high priority improvement. You may be referring to the medium priority improvement—Frontage Road along 101.

19. BTW- there is an incomplete statement on page 78 of the Precise Plan- under the lowest photo on the left hand side of the page-

"small walls and dooryards may be used to create additional"

Response: Noted.

20. How does AB 1505 (the “Palmer Fix”) affect the North Bayshore affordable housing guidelines and requirements?

Response: AB 1505 allows cities to adopt zoning ordinances that require affordable rental housing be provided on site. As the City is not currently requiring the provision of affordable rental housing in the North Bayshore Precise Plan, but rather is encouraging the provision of affordable housing through a bonus FAR incentive, AB 1505 does not apply to the North Bayshore Precise Plan.

The City adopted such an ordinance prior to the Palmer case but has not been applying it because of the ruling. If the City were to modify its zoning ordinance to require developers of rental housing (including in North Bayshore) to provide 15 percent of total rental units to be affordable to, and occupied by, households at 80 percent or less of the area median income, a financial feasibility study would not be required. However, changing the voluntary provision of affordable housing through the bonus FAR incentive program and making affordable rental housing a requirement would be a significant change to the North Bayshore Precise Plan framework and would require Council direction.

HCD could potentially review the City’s policies for financial feasibility if the City has failed to meet at least 75 percent of its above-moderate need over a five year period or has not submitted its annual housing element report for at least two consecutive years. The City would have the opportunity to provide evidence that its zoning ordinance does not unduly constrain the production of housing by submitting an economic feasibility study within 180 days of HCD’s request.

21. The cost of dedicating land for affordable housing seems to be less than the cost of building units onsite. How does the Precise Plan incentivize developers to provide onsite affordable units rather than use cheaper alternatives?

Response: The Precise Plan is designed to provide flexibility in how developers meet the affordable housing requirements, which is in alignment with AB 1505 and other State housing policies. The dedication of land would allow developers (in collaboration with the City) to potentially provide greater amounts of affordable housing in North Bayshore, as 100% affordable housing developments, for example. Another benefit of land dedication is that the City would own the land.

Depending on the nature of the development and the cost of land dedication, the on-site and land dedication requirements may be economically equivalent.

22. If only Tier 2 residential development is required to provide 20% affordable units, how will the Precise Plan meet the 20% affordability goal?

Response: In addition to affordable housing provided by developers, the City has multiple tools that it can use to meet the affordable housing goals in the North Bayshore Precise Plan, including the use of housing fee revenues from non-residential development. It may also be possible for projects that dedicate land to meet or exceed the 20% goal, as greater densities could be gained through 100% affordable housing projects.

23. Council had expressed an interest in having a geographic preference for housing. Will a geographic preference for people who live/work in or near North Bayshore be incorporated into the Plan? If yes, what will the radius be (or what will the metric to determine the proximity be)?

Response: The City Council has provided some input on a geographic preference for affordable housing. For affordable housing, the City has a geographic preference for households that live or work in Mountain View. As to market rate housing, the Precise Plan's transportation requirements encourage developments to internally capture vehicle trips, which will likely encourage the provision of housing for households who live and work in or near North Bayshore.