

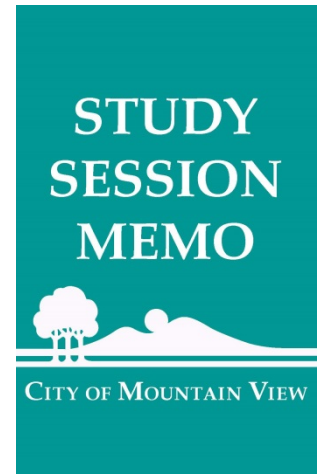
DATE: April 8, 2014

TO: Honorable Mayor and City Council

FROM: Scott Plambaeck, Senior Planner
Terry Blount, Assistant Community
Development Director/Planning Manager
Randal Tsuda, Community Development
Director

VIA: Daniel H. Rich, City Manager

TITLE: 700 East Middlefield Road (RREEF) Project



PURPOSE

The purpose of this Study Session is to present the City Council with an updated plan for the RREEF office project at 700 East Middlefield Road and to receive Council feedback and direction.

BACKGROUND

The City Council discussed 1.0 floor area ratio (FAR) office projects in the East Whisman Change Area, including the proposed project, on several occasions in 2013.

- **February 12, 2013 Study Session** (see Attachment 1—City Council Study Session Memorandum on 700 East Middlefield Road Dated February 12, 2013).
- **February 26, 2013 Study Session** (see Attachment 2—City Council Study Session Memorandum on 700 East Middlefield Road and East Whisman Road 1.0 Considerations Dated February 26, 2013).
- **March 28, 2013 Moderated Study Session at the Senior Center** (see Attachment 3—City Council Study Session Memorandum on Workshop on Expectations of Future Development Projects in East Whisman and Other High-Intensity Office Areas, Dated March 28, 2013).
- **May 28, 2013 Study Session** (see Attachment 4—City Council Study Session Memorandum on Workshop on Expectations of Future Development Projects in East Whisman and Other High-Intensity Office Areas, Dated May 28, 2013).

The following is a summary of the major points and direction given by Council at these meetings that apply to the 700 East Middlefield Road project:

- The arrangement of buildings on the site plan created a large open space that was disconnected from public view; the plan should connect the open space with the public right-of-way (February 26, 2013 Study Session);
- Buildings oriented to the Highway 237 frontage road are not necessary since pedestrians and bicyclists would not use the frontage road (February 26, 2013 Study Session);
- Reduction of the height and massing of the parking structure should be explored (February 26, 2013 Study Session);
- Improved access to the local transit station is expected for all projects (February 26, 2013 Study Session);
- New projects should join a Transit Management Association (TMA) (February 26, 2013 Study Session);
- Projects that propose 1.0 FAR should be a minimum LEED Platinum (February 26, 2013 Study Session and March 28, 2013 Moderated Study Session);
- Projects should provide off-site improvements to pedestrian and bicycle connectivity in the East Whisman Change Area (March 28, 2013 Moderated Study Session);
- Accept current site design concept and building orientation with building pairs oriented around a well-defined, vehicle-free open space (May 28, 2013 Study Session);
- Consider allowing variation in building heights to allow more flexibility with design. Council endorsed heights ranging from five to eight stories with no more than one building over seven stories (May 28, 2013 Study Session);
- Study the visibility of the parking structure from public streets and neighboring properties, and reduce the parking structure profile if necessary (May 28, 2013 Study Session);
- Match the Transportation Demand Management (TDM) programs and requirements approved for the 625 Clyde Avenue project, including an equivalent

penalty fee for not meeting the 20 percent trip reduction (May 28, 2013 Study Session);

- Support excluding the square footage of the retail building from counting toward the 1.0 FAR (May 28, 2013);
- Provide proportionately equivalent contributions and improvements for mobility or park projects as compared to the 625 Clyde Avenue project (May 28, 2013 Study Session); and
- Direct staff to bring the item back to another City Council Study Session prior to the formal hearing process if staff believes it is necessary (May 28, 2013 Study Session).

DISCUSSION

After the May 28 Study Session, the applicant refined the plans based on Council direction. On December 4, 2013, the Development Review Committee (DRC) reviewed the revised plans and provided the following recommendations for the site plan and architecture:

- Connect the different parts of the campus and create a clear center of the campus. The center should be near the Commons Building;
- Provide clear circulation routes for bicycles, pedestrians, and vehicles. The circulation should tie the campus together and have clear points into and out of the campus;
- Improve the sense of arrival between Buildings B and C;
- The parking between Buildings B and C splits the campus. Group parking at corner of the buildings and create a central area of the campus between Buildings A and B and the Commons Building;
- The upper floors of Building B (eight-story building) feel heavy. The design elements used to break down the massing of the five- and six-story buildings do not successfully break down the massing of the eight-story building. DRC recommended Building B should have a unique design since it is the largest of the buildings;

- Study adding different material at the ground level of the buildings to help break up the massing;
- Building D seems too big for the area;
- Treat the east elevation of the garage similar to the west elevation; and
- The Commons Building should have a special and unique design since it is at the heart of the campus and is at the end of the view shed into the campus. The shape of the Commons Building is too rectangular; the building should respond to the shape of the office buildings.

DISCUSSION

The applicant updated the site plan based on DRC direction (Attachment 5—March 2014 Site Plan). The architecture has not been revised since the DRC meeting, but staff has provided the elevations for Council reference (Attachment 6—December 2013 Elevations). Staff is seeking Council direction regarding the plan before proceeding with final site plan and architectural design.

Project Design

The applicant proposes to redevelop the 24-acre project site with four new office buildings: one 5-story building; two 6-story buildings, and one 8-story building with surface parking, and two 5-level parking structures. The applicant proposes a total of 3,118 parking spaces for the office use and 55 spaces for the retail use. A total of 100 surface and 240 future



garage additional spaces are planned if additional parking is needed in the future. The existing 397,510 square feet of office buildings and parking lots will be demolished in order to construct 1,018,756 square feet of office spaces and a 26,848 square foot

Commons Building attached to one of the parking structures. The applicant also proposes to develop a freestanding, one-story retail building of about 10,000 square feet.

The site plan is designed to maximize the views into the project interior. As a result, the office buildings are rotated so the fronts of the buildings no longer face the public streets. There are three vehicle entrances—one off of Bernardo Avenue, a second off of the frontage road, and a third off Maude Avenue. The applicant addressed the DRC comment about a need to provide a center for the campus by proposing a “Heart of the Campus” near the Commons Building and between Buildings A and B and Buildings B and C.

The applicant proposes a hierarchy of circulation for pedestrians, bicyclists, and vehicles. Twelve-foot (12') wide bicycle/pedestrian pathways are proposed between Buildings A, B, C, and D. In addition, 12' wide bicycle/pedestrian pathways are proposed adjacent to the primary vehicle driveways. Separate pedestrian-only paths provide connections to the buildings, the parking garages, and public sidewalk.

The applicant proposes a modern design for the office building, primarily using Glass Fiber Reinforced Concrete (GFRC) Panel system panels, metal panels, and glazing. Vertical sunshades are typically proposed on west elevations and horizontal sunshades on south elevations. The design and shape of the office buildings are similar. The applicant proposes GFRC, aluminum-framed storefront windows and a flat roof for the retail building.

Parking is provided in two adjacent parking structures and at-grade spaces. The west elevation of the parking structure is primarily GFRC paneling and open to the site. The east elevation of the parking structure, facing existing multi-family housing, is screened with a pattern of vertical perforated metal fins and horizontal metal paneling. The proposed common building is located along the west elevation of the structures and is clad with spandrel glass.

Site Plan

DRC Comments

Council endorsed the study of the current building orientation at their May 28, 2013 Study Session. Council was supportive of the general building orientation, but the final site plan design was left to staff and the applicant to refine. The DRC reviewed the plans on December 4, 2013 and found the site plan lacked a circulation hierarchy and was circuitous, Buildings C and D felt separated from the rest of the campus, and the

campus did not have a clear center. The DRC recommended changes to improve the on-site circulation by removing bicyclists from the drive aisles and creating a clear circulation hierarchy. In addition, the DRC recommended a more direct connection for the north-south driveway from Bernardo Avenue to West Maude Avenue that could require moving the office buildings and parking structures.

The DRC noted the at-grade parking between Buildings B and C separated the campus. In order to create a cohesive campus, the DRC recommended moving the at-grade parking between Buildings B and C to the corner of the buildings away from the street so the buildings could address each other. The recommendation could result in the loss of at-grade parking and the adjustment of building locations in order to accommodate the at-grade parking. The DRC also recommended the applicant design the center of the campus in the area bound by the Commons Building, Building A, and Building B.

The DRC found the proposed recommendation would be in line with City priorities for mobility improvements. These changes would also help create more variety amongst the office buildings, which are essentially the same shape, length, and width.

Revised Site Plan

The applicant provided a revised site plan to staff in March 2014. The applicant proposed a circulation hierarchy and clear distinction paths of travels for vehicles, bicyclists, and pedestrians. The circulation hierarchy is a step in the right direction, but the proposed circulation routes are circuitous. Staff recommends more direct connections through the campus with routes that lead to a clear center of the campus. Although the applicant addressed DRC comments by creating a circulation hierarchy and emphasizing a campus center, staff finds the site plan does not create a cohesive campus because Buildings C and D still feel disconnected from the campus center.

The applicant refined the primary entrance between Buildings B and C by creating a bicycle/pedestrian pathway adjacent to the driveway and a pedestrian-only path connecting Buildings B and C. However, Buildings B and C are still separated by two parking lots. Staff finds the parking lots contribute strongly to Buildings B and C not addressing each other. Staff recommends removing the parking from between the buildings so they address each other better. In addition, staff recommended moving the parking to the corners of the building away from the street. These are recommendations previously provided by the DRC.

Staff recommends the north/south driveway through the site (meandering from Maude Avenue to Bernardo Avenue) be realigned to provide a more direct connection through

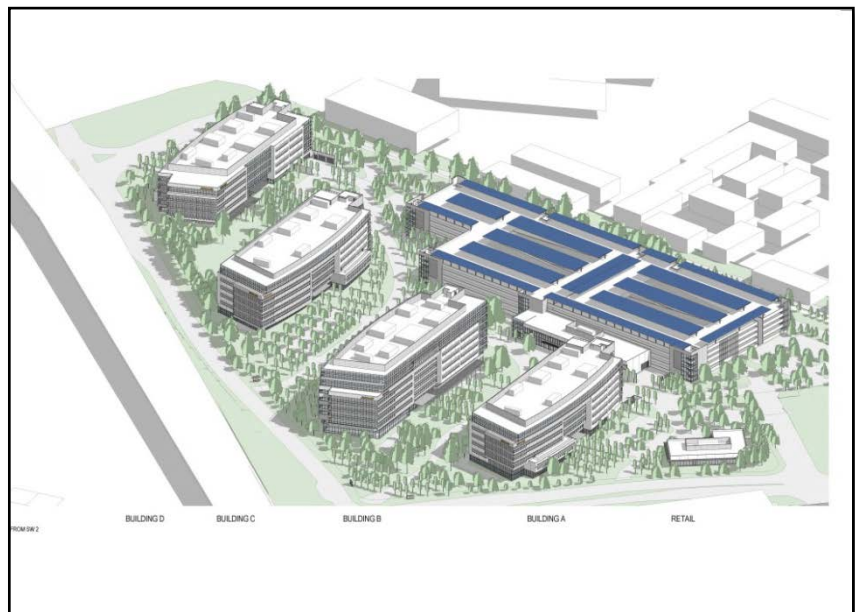
the site, which may require changes to building location. This recommendation is similar to the recommendation provided by the DRC.

Massing/Design

Council endorsed heights ranging from five to eight stories with no more than one building over seven stories at the May 28, 2013 Study Session meeting. Staff is reconfirming Council's comfort regarding the proposed massing. Staff is concerned with the massing of the 8-story building and the parking garages.

The DRC found the upper floors of Building B (8-story building) felt heavy and the design elements used to break down the massing of the 5- and 6-story buildings were not successful for the 8-story building. The DRC noted all the buildings have the same design and shape. The DRC recommended since Building B is the largest of the buildings and the most visible, it should have a unique design.

The two proposed parking structures are located along the east property line next to existing multi-family residential buildings. The applicant proposes to screen the parking structures from the adjacent residential units with trees, vertical perforated metal fins, and horizontal metal paneling. DRC and staff are supportive of the proposed east elevation.



The west elevation is primarily open, with cars being visible, and using a basic GFRC material. The common building provides partial screening on the west elevation and introduces curtain wall glazing to garage views. Although the parking structures will be screened by trees, staff is not supportive of the open garage view along the west elevation. The DRC and staff recommend the metal paneling proposed along the east elevation be wrapped around and used to add visual interest and screen views of cars.

The DRC found the shape of the Commons Building too flat and recommended a special and unique design that responds to the shape of the existing buildings. The DRC believes the Commons Building should have a special and unique design since it is at the center of the campus and is the end of the view shed into the campus.

Community Benefits

At the May 28, 2013 Study Session, the City Council stated that the off-site improvements and the package of community benefits for this project should be proportionately equivalent to the 625 Clyde Avenue project. This section will describe the proposed improvements and benefits in more detail.

The project will be required to provide funding for off-site vehicular, pedestrian, and bicycle improvements, in a manner that matches the T-Zone 0.50 FAR process. The T-Zone process requires a contribution of \$3.62 per net new square foot of building area, which the Council can use to fund public improvements or studies in the East Whisman area. Public Works staff brings forward potential projects to the Council to use these funds as part of the CIP process. For this project, this contribution rate would result in about \$2,382,300.

In addition to the required T-Zone funding for off-site improvements, the applicant is proposing community benefits to construct off-site mobility improvements connecting to the Middlefield Light Rail Station (Attachment 7 – Proposed Off-Site Improvements). The proposed off-site improvements to East Middlefield Road include repair and widening of the sidewalks, improved lighting, landscaping, and striping for bicycles. The off-site improvements to West Maude Avenue include new sidewalks where none currently exist. The estimated cost to install the off-site mobility improvements is roughly \$1 million. The applicant is also a founding member of the Transportation Management Association (TMA). The Bicycle/Pedestrian Advisory Committee (B/PAC) will review the proposed improvements and on-site circulation at a future meeting.

The total value of the improvements and community benefits proposed will be proportionately equivalent to the 625 Clyde Avenue project, which contributed \$3.62 a square foot for off-site improvements, or approximately \$365,000 to construct off-site mobility-related improvements (construction of missing sidewalks and bicycle improvements), and is a founding member of the TMA.

Staff is seeking Council direction whether the proposed community benefits are sufficient in scope and substance, or if the community benefits should include regional

improvements or nonmobility improvements such as contributions to parks and open space.

Draft Transportation Impact Analysis

A Transportation Impact Analysis (TIA) was completed as part of the Administrative Draft Environmental Impact Report (EIR) for the project. The Draft TIA studied 22 intersections and multiple freeway segments on Highway 85, U.S. 101, Highway 237, and Interstate 280. The Draft TIA identified seven intersections and multiple freeway segments with significant impacts. The Draft TIA identified the following intersections with significant impacts:

- U.S. 101 Southbound Ramps and Ellis Street (a.m. peak hour)
- Fairchild Drive and Ellis Street (a.m. peak hour)
- Maude Avenue and North Mathilda Avenue (a.m. peak hour)
- East Middlefield Road and Ellis Street (a.m. and p.m. peak hour)
- Central Expressway and Highway 85 Southbound Ramps (p.m. peak hour)
- Central Expressway and North Mary Avenue (p.m. peak hour)
- El Camino Real and Grant Road-Highway 237 (a.m. and p.m. peak hours)

The Draft TIA identified mitigations that would reduce the significant impact of three of the intersections to a less-than-significant impact. However, additional studies are being prepared to further study potential mitigations for the following intersections:

- U.S. 101 Southbound Ramps and Ellis Street
- Fairchild Drive and Ellis Street
- East Middlefield Road and Ellis Street
- Central Expressway and North Mary Avenue

Staff is moving forward with the additional study for the four intersections. The results of the study will be incorporated into the Draft Environmental Impact Report for the project.

RECOMMENDATION

Staff recommends that Council provide feedback and direction on the following topics:

1. Site Plan

- a. Is Council supportive of the proposed site plan?
- b. Should the applicant continue to work with staff and the DRC on creating a clear campus center?
- c. Should the north/south driveway be realigned to provide a more direct connection through the site, which may require changes to building locations?
- d. Should the parking between Buildings B and C be grouped at the corners of the buildings away from the street in order create a central area between the buildings not divided by parking?
- e. Should the building locations be adjusted as needed to improve the site plan?

2. Design/Massing

- a. Is Council comfortable with the proposed height and massing of the project?
- b. Should the eight-story building have a unique design since it is the largest of the buildings and should the massing of the upper floors be addressed differently than the other buildings?
- c. Should the metal panel from the east elevation wrap around the west elevation (street facing) of the parking structure, adding visual interest and screening the views of cars?
- d. Should the Commons Building design be unique and special and respond to the shape of the office buildings?

3. Community Benefits

- a. Is Council supportive of the proposed mobility-related community benefits or should other or additional community benefits, such as regional transportation improvements or contributions to local parks, be required?

NEXT STEPS

Following feedback from Council at this Study Session, the RREEF project at 700 East Middlefield Road will revise their project as necessary in response to Council comments, refine their plan, and continue the development and environmental review process. The project and the Environmental Impact Report (EIR) will be reviewed by the Environmental Planning Commission, who will make a formal recommendation to the City Council for final action. The Draft EIR is expected to be completed by fall 2014 with EPC hearing dates for the project anticipated for November or December 2014, and City Council hearing dates anticipated in January or February 2015.

PUBLIC NOTICING

Agenda posting and mailing to interested parties and all property owners within 300' of the RREEF project at 700 East Middlefield Road.

SP-TB-RT/7/CAM
804-04-08-14SS-E

- Attachments:
1. City Council Study Session Memorandum on 700 East Middlefield Road Dated February 12, 2013
 2. City Council Study Session Memorandum on 700 East Middlefield Road and East Whisman Road 1.0 Considerations Dated February 26, 2013
 3. City Council Study Session Memorandum on Workshop on Expectations of Future Development Projects in East Whisman and Other High-Intensity Office Areas, Dated March 28, 2013
 4. City Council Study Session Memorandum on 700 East Middlefield Road Dated May 28, 2013
 5. March 2014 Site Plan
 6. December 2013 Elevations
 7. Proposed Off-Site Improvements