

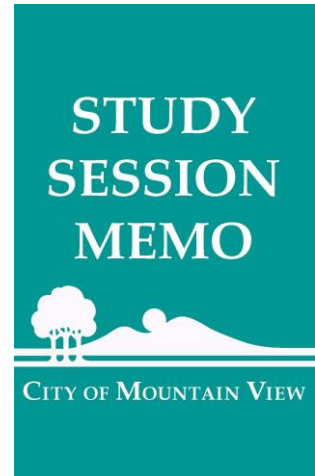
DATE: October 27, 2015

TO: Honorable Mayor and City Council

FROM: Eric Anderson, Associate Planner
Melinda M. Denis, Deputy Zoning Administrator
Randal Tsuda, Community Development Director

VIA: Daniel H. Rich, City Manager

TITLE: 580 and 620 Clyde Avenue Office Project



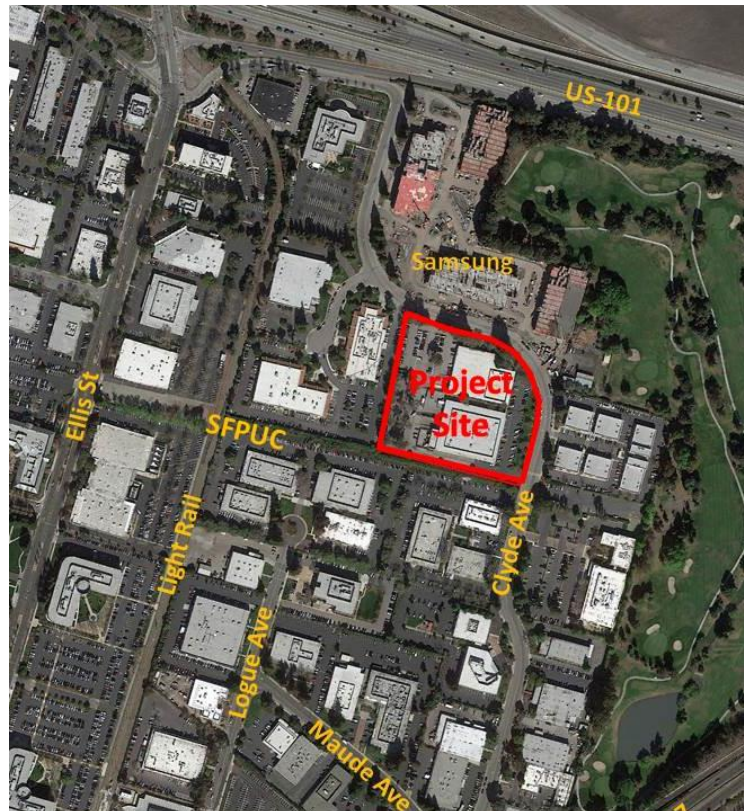
PURPOSE

The purpose of this Study Session is for the City Council to provide input on the 580 and 620 Clyde Avenue office development, which was granted a Gatekeeper review on November 14, 2014. Staff seeks early Council input on the project prior to further evaluation and refinement through the development review process, including environmental review.

BACKGROUND

Site Location and Characteristics

The 580 and 620 Clyde Avenue site is located in the East Whisman General Plan Change Area, which allows higher office intensities with policies supportive of sustainability and alternative transportation. The site is across Clyde Avenue from the recently constructed six-story Samsung office campus. It is also adjacent to the Hetch Hetchy right-of-way, owned by the San Francisco Public Utilities Commission (SFPUC). A range of one-story office and light industrial uses surround the site on other sides (see map).



The 5.15-acre site is currently developed with two single-story light industrial buildings totaling approximately 75,000 square feet. In addition, there are 50 Heritage trees on the site, including 17 redwoods along Clyde Avenue and 20 large eucalyptus trees in the existing parking lot behind the site.

The Mountain View Transportation Management Association (TMA) operates a shuttle in the East Whisman area during the morning and afternoon peak hours, with access to the Downtown Transit Center and the retail area at Whisman and Middlefield Roads. A stop for this shuttle is directly north of the project site. While the Valley Transportation Authority (VTA) light rail serves the East Whisman area, the closest light rail station to this site is 0.6 mile away on foot.

Potential hazards affecting the site include Moffett Field and groundwater contamination. According to the Moffett Federal Airfield Land Use Plan, a corner of the site is in the airfield's "turning safety zone." This zone does not allow certain land uses, including new residential uses, hospitals, day-care centers, meeting halls, and shopping centers. The site is also affected by the airfield's noise impacts, which would make residential uses "unacceptable," according to the County's airport land use requirements. Another potential hazard is a groundwater contamination plume likely sourced from 690 East Middlefield Road (about 1,500' south of the site), but it is not in the Middlefield-Ellis-Whisman (MEW) Superfund site.

General Plan – East Whisman Change Area

The East Whisman Change Area allows higher-intensity office development up to 1.0 floor area ratio (FAR) for highly sustainable development. In addition, the 2030 General Plan includes change area policies related to transit-oriented development, smaller blocks, and improved bicycle and pedestrian connections (Attachment 1 – 2030 General Plan East Whisman Section).

Staff is beginning work on a new Precise Plan for the East Whisman area. The Precise Plan process will take approximately 24 months. The Precise Plan will include detailed standards and guidelines for new development and new area public improvements and public benefits.

North Bayshore Guidance

The North Bayshore Precise Plan (approved on November 25, 2014) and recent development projects may provide the City Council with examples relevant to this project. North Bayshore projects include the Intuit campus (approved on June 10, 2014)

and the Bonus FAR application process (completed on May 5, 2015). The following are North Bayshore project elements:

- Design to achieve Leadership in Energy and Environmental Design (LEED) Platinum green building standard;
- Funding of significant area transportation improvements;
- Programming, monitoring, and enforcement of a 45 percent peak-period, single-occupancy vehicle commute mode.
- No more than one vehicle parking space per 360 square feet (equal to 2.77 spaces per 1,000 square feet), 20 percent less than the minimum in the Zoning Ordinance.

Similar Projects in the East Whisman Area

Since adoption of the 2030 General Plan, two East Whisman projects have been approved through the Planned Community District process:

1. The Samsung development, approved on March 19, 2013 (now occupied), is a six-story, 1.0 FAR office development; and
2. The 600 National Avenue project, approved on May 27, 2014 (under construction), is a four-story, 0.67 FAR office development.

Key elements of these projects included:

- No more than one parking space per 333 square feet (10 percent less than the minimum in the Zoning Ordinance), and one bicycle parking space for every 3,333 square feet (double the requirement in the Zoning Ordinance);
- Programming, monitoring, and enforcement of a 20 percent peak-hour trip reduction (i.e., a transportation demand management (TDM) program, with penalties);
- Off-site circulation improvements and funds for additional improvements;
- Design to achieve LEED Gold (600 National Avenue) or Platinum (Samsung) green building standard;

- Parking located behind buildings; and
- Large, cohesive common open space.

In addition, the Samsung project applicant, TMG Partners, founded the TMA as a public benefit.

ANALYSIS

Project Description

The developer, Renault and Handley (R&H), proposes a 178,477 square foot, five-story office building. Project plans are included as Attachment 2, and a site plan is shown below. The proposed FAR is approximately 0.8, which is greater than the maximum in the ML (Limited Industrial) Zoning District (0.35 FAR). The proposal is consistent with the High-Intensity Office General Plan Land Use intensity, which allows up to 1.0 FAR. A rezoning to the P (Planned Community) District is necessary to allow the proposed FAR, since the developer is requesting approval before the East Whisman Precise Plan is adopted.



Previous Meetings and Public Comment

City Council Gatekeeper Authorization

On November 17, 2014, the City Council authorized a Gatekeeper to allow the developer to submit an application for this project. The City Council had the following comments during the meeting:

- This location is not likely to be appropriate for residential; and
- There is need in the area for pedestrian and bicycle improvements.

Environmental Planning Commission (EPC) Meeting

On June 17, 2015, the EPC reviewed the project's first submittal. At that time, the project had more parking spaces, a small parking lot adjacent to Clyde Avenue, and a different orientation of the building (see previous site plan below).

Previous Site Plan



The EPC supported the project's intensity based on its location near the TMA shuttle stop. However, the EPC had a number of comments on the design of the project. The EPC's comments are summarized below in each topical section (for more detail, see Attachment 3—EPC Meeting Summary). The revised project (Attachment 2—Project Plans) addresses many of these comments.

Development Review Committee (DRC) Meeting

On August 5, 2015, the DRC reviewed the first submittal (as reviewed by the EPC) and had the following comments.

- Rotate the building to better follow the curve of the street and provide a more interesting central open area;
- Locate the short-term parking on the south side of the building, away from Clyde Avenue;
- Consider a change of ground-floor character, such as a ground-floor arcade; and
- Differentiate the treatments of the glass facades.

The revised project (Attachment 2—Project Plans) addresses many of these comments.

Other Public Comment

Public comment on the project so far includes two e-mails received over the summer (Attachment 4—Public Comment). One commenter had concern about job growth without housing growth and the viability of light rail, recommended TMA membership, and recommended bicycle improvements and/or school contributions as public benefits. Another commenter recommended wider sidewalks on Clyde Avenue.

Design

The proposed office building is five stories and 87'6" tall, which is one story and 10' lower than the Samsung building across the street. All other buildings in the immediate vicinity are one story.

The building facades are mostly glass, a portion of which is clear and a portion of which is tinted gray. A large aluminum feature frames the building from the sides, while integrating the stairwells and roof equipment. Stone-tile-clad vertical elements help to identify the main entrances. The proposed Clyde Avenue elevation is shown below.



In addition to the office building, the project would include a four-level parking garage with 485 parking stalls, and 50 on-grade parking stalls along the south (Hetch Hetchy) edge of the site. The parking garage is only one story along Clyde Avenue to minimize its visual impact on the street. It steps up gradually away from the street. The parking garage elevation, as seen from the office building, is below.



A 28,000 square foot plaza is proposed between the building and parking structure. The space will have a range of programming, including seating and amenity areas, shaded and unshaded areas, and walkways connecting different parts of the site. Lush landscaping is proposed along Clyde Avenue, including the retention of many of the redwood Heritage trees.

EPC Design Direction

At the June 17, 2015 Study Session, the EPC provided the following design direction.

1. The EPC recommended that the developer design the building to the LEED Platinum standard.

In response, the developer has agreed to design the building consistent with LEED Platinum, but has not yet provided specific details. More detail will be provided through the development review process and presented to Council at the public hearing.

2. The EPC recommended that the project provide more open area by reducing the parking footprint, eliminating the parking lot by the street, and moving the building closer to the street.

Since the EPC meeting, the project was revised consistent with this direction. By moving the building closer to the street and decreasing the garage footprint, the central plaza was increased from about 22,600 square feet to the proposed 28,000 square feet.

3. The EPC recommended that the project increase the tree canopy and provide better pedestrian interest.

Since the EPC meeting, the project was revised consistent with this direction. An arcade was added to the ground floor facade, the building is closer to the street, and there is a stronger connection between the sidewalk and central plaza.

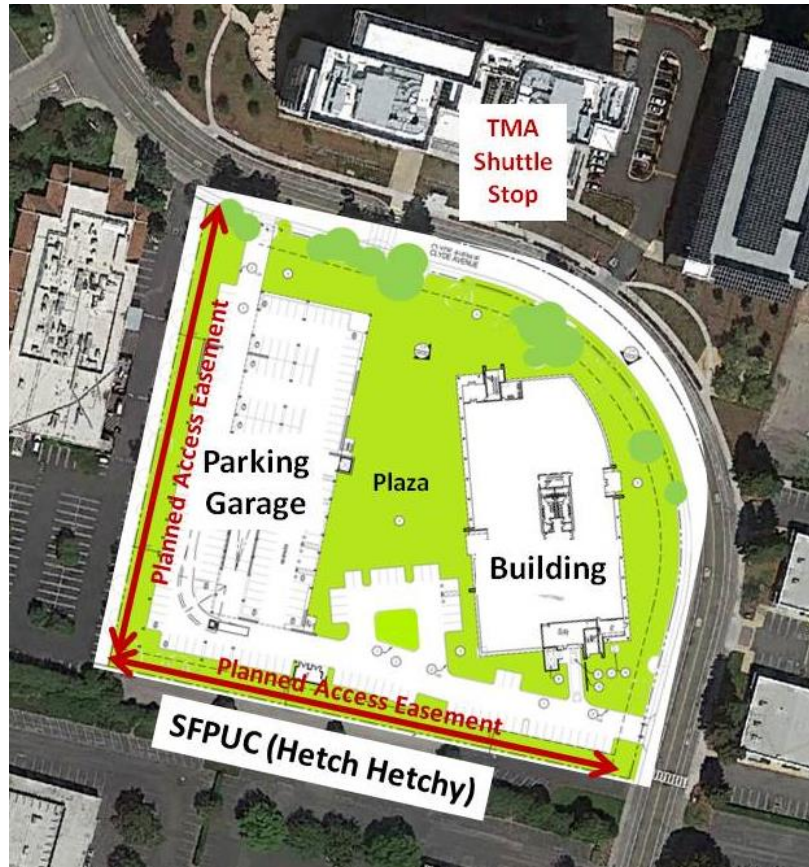
Question for City Council: Design

Does the City Council support the project's overall design direction, including the EPC's comments and subsequent project revisions? Does the City Council have any additional design direction, especially as it relates to green building, site plan, architecture, and landscaping?

Transportation, Access, and Parking

There are two main entrances to the building: one faces the parking garage and the other faces the street. In addition, there is an employee entrance facing the shuttle stop on Clyde Avenue. This entrance is consistent with General Plan direction that the building be oriented to transit. Lastly, there is a service entrance facing the southeast corner of the site.

Large setbacks and public access easements will be provided along the south and west edges of the project site to support future bicycle and pedestrian circulation in the East Whisman area. The route along the south side will line up with an existing crosswalk. Pedestrian and bicycle access information is shown on the map at right.



The parking ratio is one space for every 333 square feet of building area, which is approximately 10 percent below the office parking ratio in the Zoning Ordinance. This is the same parking ratio provided at the other East Whisman area office developments, National Avenue and Samsung.

The development will include a TDM program to reduce the number of vehicles commuting to the site and will be required to join the TMA. Consistent with other projects in the East Whisman area, the target will be a 20 percent peak-hour trip reduction, unless otherwise directed by Council. The details of this program are not available yet, but will be developed as the project continues through the review process. The project approval will also include TDM enforcement and monitoring, the details of which will be determined prior to the City Council decision.

EPC Transportation, Access, and Parking Direction

At the June 17, 2015 Study Session, the EPC provided the following direction on transportation, access, and parking.

1. The EPC was asked whether the project should provide public bicycle and pedestrian access across the site to support future connections across the City block. The EPC recommended that on-site bicycle and pedestrian paths should be provided.

Since the EPC meeting, the developer has agreed to provide the public access easements shown on the previous page.

2. The EPC was asked to recommend a parking ratio for this project. The EPC recommended conducting an analysis of parking and TDM performance data at Samsung and other projects.

The earliest TDM and parking data from the Samsung project will be available in March 2016. That data will be available to the EPC and City Council prior to the decision on this project.

Question for City Council: Transportation, Access, and Parking

Does the City Council support the project's TDM trip-reduction target of 20 percent?
Does the City Council have any additional transportation, access, and parking direction?

Public Benefits

Previous developments seeking higher FAR than what is allowed under existing zoning have provided public benefits, such as off-site pedestrian and bicycle improvements. The table below summarizes the public benefits provided by the Samsung and 600 National Avenue projects, and their estimated value. The National Avenue project was lower since it was a smaller project (0.67 FAR compared to 1.0 FAR).

Table: Public Benefits at Similar Projects (dollars per net new square foot)

| Project | Off-Site Transportation Improvements | Other Public Benefits | Total |
|---|---|------------------------------|--------------|
| Samsung (approved 3/19/2013) | Funding: \$3.62 Improvements: \$1.36* | Set up TMA: \$0.93* | \$5.91 |
| 600 National Avenue (approved 5/27/2014) | Funding: \$4.74 | None | \$4.74 |

*These amounts were estimates at the time of approval. Actual cost may have been different.

Taking these projects as examples and adjusting for inflation, this project would provide from \$4.86 per net new square foot (about \$500,000) to \$6.25 per net new square foot (about \$650,000) as public benefits. The project’s requested FAR (0.8) could be used to determine the value in this range, but the City Council may have other considerations.

For its public benefit, R&H initially pursued an agreement with the SFPUC to provide public trails between Ellis Street and Clyde Avenue over and along the Hetch Hetchy right-of-way. This public benefit would be consistent with the General Plan direction to increase pedestrian and bicycle access across blocks in the East Whisman area. The SFPUC has not agreed to make this land available for public trails.

R&H is now pursuing the following other options for their public benefit.

- R&H can contribute to the enhancement of TMA facilities and services, such as improved shuttle service. R&H has not yet proposed a specific facility or service. However, a TMA workshop scheduled for October 22, 2015 would have the potential to inform this proposal. Since the workshop is after this report’s posting, more information about these options can be provided during the Study Session.
- R&H can provide additional contributions to affordable housing. The project will be required to pay \$25 per net new square foot to the City’s affordable housing program as an impact fee. The applicant could provide funds in excess of this as a public benefit.
- The City is working with the applicant to identify bicycle and pedestrian improvements in the East Whisman area. One location is the interchange between Maude Avenue and State Route 237. This interchange is difficult for bicycles to traverse, and it is an important bicycle connection between the East Whisman area and Sunnyvale.

EPC Public Benefits Direction

At the June 17, 2015 Study Session, the EPC was asked for public benefit recommendations. The EPC recommended that public benefits should include new pedestrian and bicycle paths through the block, additional funding/service for TMA, or funding for future improvements in the East Whisman area.

Question for City Council: Public Benefits

What is the City Council's direction on the project's public benefits? How much should the project's public benefits be worth (is \$500,000 to \$650,000 the appropriate range)? Does the City Council have any additional recommendations for public benefits?

Environmental Review

This project is subject to review under the California Environmental Quality Act. An Initial Study will be prepared documenting any potentially significant impacts to traffic, air quality, and other topics. The environmental review will also identify any mitigation measures needed to reduce impacts to a less-than-significant level.

CONCLUSION

Staff is seeking City Council feedback and direction on the following topics based on the discussions in this report.

1. **Design:** Does the City Council support the project's overall design direction, including the EPC's comments and subsequent project revisions? Does the City Council have any additional design direction, especially as it relates to green building, site plan, or architecture and landscaping?
2. **Transportation, Access, and Parking:** Does the City Council support the project's TDM trip-reduction target of 20 percent? Does the City Council have any additional transportation, access, and parking direction?
3. **Public Benefits:** What is the City Council's direction on the project's public benefits? How much should the project's public benefits be worth (is \$500,000 to \$650,000 the appropriate range)? Does the City Council have any additional recommendations for public benefits?

NEXT STEPS

Following any feedback received from Council at this Study Session, the project will move forward in submitting plans to go through the development and environmental review process. The project and associated environmental documents will be reviewed by the EPC, who will make a formal recommendation to the City Council for final action. Public hearings are anticipated for 2016.

PUBLIC NOTICING

The Council's agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners within a 300' radius and other interested stakeholders were notified of this meeting.

EA-MMD-RT/3/CAM

899-10-27-15SS-E

- Attachments:
1. 2030 General Plan East Whisman Section
 2. Project Plans
 3. EPC Meeting Summary
 4. Public Comment