

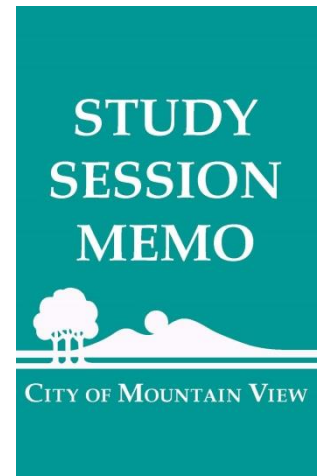
DATE: November 5, 2019

TO: Honorable Mayor and City Council

FROM: Martin Alkire, Advanced Planning Manager
Aarti Shrivastava, Assistant City Manager/
Community Development Director

VIA: Daniel H. Rich, City Manager

TITLE: Gateway Master Plan



PURPOSE

The purpose of this report is to provide input to the City Council on land use and transportation issues regarding the Gateway Master Plan.

BACKGROUND

In 2015, the North Bayshore Precise Plan allocated Bonus FAR office to a number of properties, including 1.45 million square feet to the “Gateway” area at Shoreline Boulevard and Highway 101. The 2017 North Bayshore Precise Plan added housing to the area, including the Gateway site, which is zoned for the highest density in North Bayshore. The redevelopment of the original area using this Bonus FAR stalled, and the two property owners in the Gateway (Google and SyWest) applied to have this amount of Bonus FAR requalified. The City Council denied these Bonus FAR requalification requests and on May 7, 2019 directed staff to begin a City-initiated Gateway Master Plan for this area.

The City’s General Plan and North Bayshore Precise Plan identify the Gateway area as significant to the City because of its entry into North Bayshore and the diverse land uses envisioned for the site. These land uses include office, residential, hotel, entertainment, retail/services, fitness, and open space. These land uses will implement the City’s vision of North Bayshore as one including several “complete neighborhoods.” The North Bayshore Precise Plan also includes guiding principles to help evaluate new development in the area.

A major constraint to development of the Gateway is the different property owners and parcel configurations. This makes it difficult to plan a fully integrated site given the different property owner objectives and diverse land uses being considered. Additionally, analysis of the Gateway Master Plan area indicates that transportation

and economics are also key constraints to redevelopment of the area. For transportation, there is limited vehicle trip capacity at the three Gateway streets into North Bayshore. Because of this, future redevelopment at this location will be very challenging. Further modeling of proposed land uses at the Gateway will help determine what future uses and necessary transportation strategies are needed to make redevelopment feasible.

Initial economic analysis also indicates there are substantial challenges in making a Gateway project financially feasible. To achieve the Precise Plan goals for new development, substantial investments in public infrastructure will be needed. Total development costs make it challenging for a project with this mix of uses (office, residential, entertainment, hotel, open space, and retail) to be financially viable at this time. More detailed economic analysis will continue as the overall Master Plan is tested and refined in the coming months.

This report outlines the following key strategies and questions for the City Council to consider to help guide continued development of the Gateway Master Plan:

- **Placemaking Elements:** What are the elements needed to create a great place for residents, employees, and visitors?
- **Locations of Land Uses:** Where should the diverse mix of land uses be located?
- **Draft Land Use Program:** What is the desired mix of land uses?
- **Parking Strategy:** How much parking should be required?
- **The Highway 101 Bicycle/Pedestrian Bridge:** Does the Council support the preferred alignment of this bridge?

Development of the Gateway Master Plan will continue to be an iterative process. Further work will commence following City Council direction on the topics discussed in this Study Session report.

Previous City Council Direction

In April 2015, the City Council allocated approximately 1.45 million square feet of office Bonus FAR to the Gateway area based on the redevelopment proposal from LinkedIn for this area. LinkedIn subsequently swapped landholdings with Google, and Google became a property owner within the Gateway area along with SyWest.

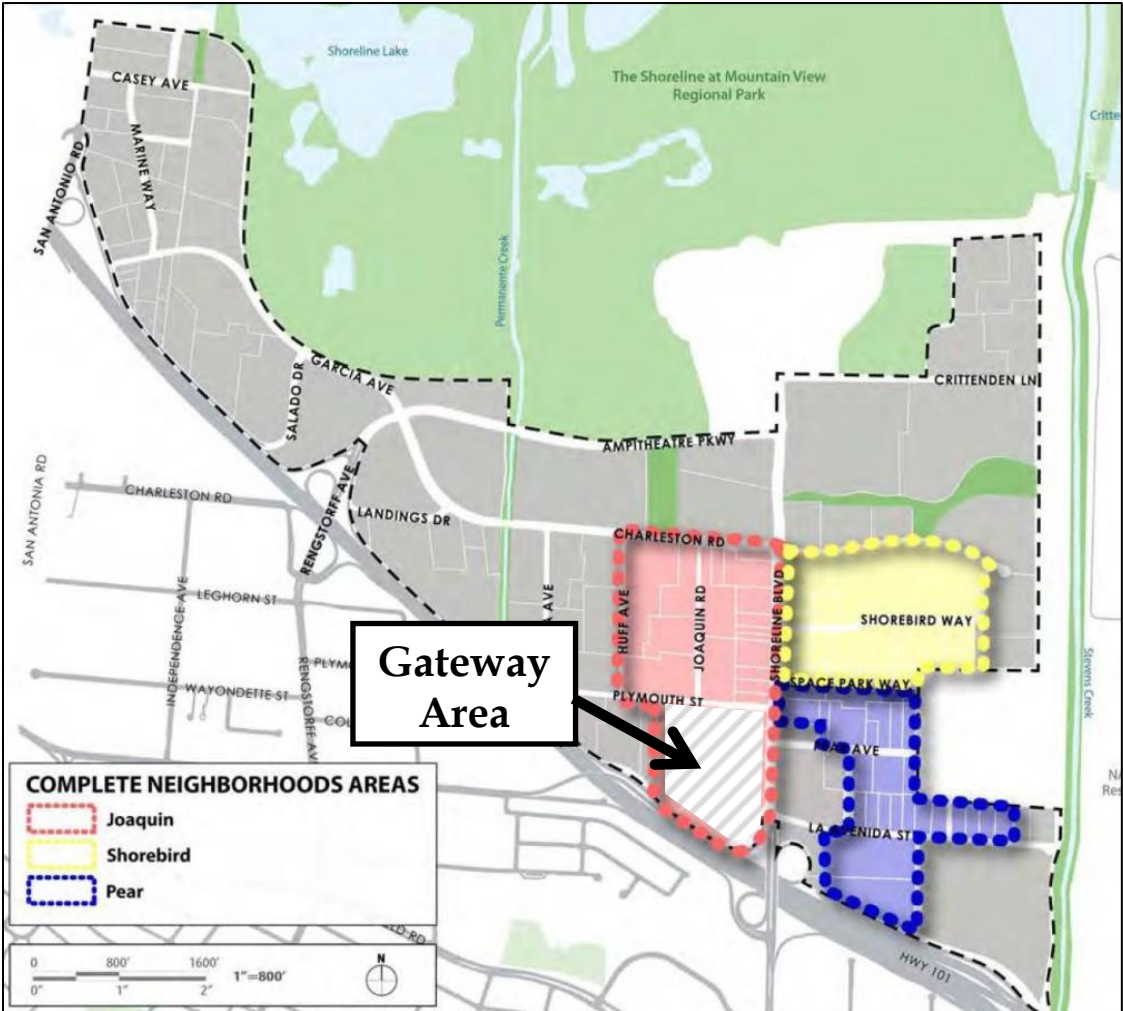
Google and SyWest, major property owners in the Gateway area, had attempted to agree on a Gateway Master Plan utilizing the 1.45 million square feet of Bonus FAR. Despite several years of discussions, no agreement was reached. The North Bayshore Precise Plan also included a requirement that 2015 Bonus FAR recipients submit a planning application, an extension, or a request to requalify the allocation by December 1, 2018. Google and SyWest submitted applications to the City by this deadline in order to have their previous Bonus FAR allocations requalified.

At their February 26, 2019 meeting, the City Council denied the Bonus FAR Requalification requests from Google and SyWest, and directed staff return with a scope of work for a City-initiated Gateway Master Plan, a policy document that could lead to redevelopment of the Gateway area.

At their May 7, 2019 meeting, the City Council authorized the scope of work and budget for the Gateway Master Plan work. The high-level goal of the project is to establish a Master Plan for the Gateway site, as shown in Maps 1 and 2 below. The Master Plan will include development standards and guidelines to help implement the General Plan and Precise Plan goals and objectives for this site.

The Environmental Planning Commission (EPC) considered this item on October 16, 2019. EPC comments on key questions in this report are included under each topic.

Map 1 – North Bayshore Precise Plan: Gateway Area



Map 2 – Gateway Master Plan Study Area Boundaries (Red Boundary)



Map 2 shows the Gateway area parcel lines and key ownership. Staff notes that Council directed that the 1555 Plymouth Street parcel be studied for potential inclusion into the Gateway Master Plan study. After initial review, staff is recommending this parcel be included because it creates an overall better site plan for the Gateway area by integrating this narrow parcel with surrounding parcels, while also allowing a new potential Gateway access road from Plymouth Street through the parcel.

The Gateway Site and North Bayshore

The Gateway site is a priority redevelopment site in North Bayshore near Highway 101 and North Shoreline Boulevard. The entire site is approximately 28 acres. SyWest owns approximately 15 acres and Google owns approximately 13 acres.

The Precise Plan's Gateway character area was established to implement General Plan Policy LUD 16.7, which states: "Support the creation of a gateway development with a diverse mix of uses near Highway 101 and North Shoreline Boulevard." The General Plan included this policy because the Gateway area was identified as one of several key opportunity sites during early General Plan meetings. During the development of the 2014 Precise Plan, the City Council noted the importance of the Gateway site and its priority relative to the rest of North Bayshore. The resulting General Plan and Precise Plan policies were adopted to increase the land use mix and intensity for the site to help spur its redevelopment. A diverse mix of land uses at the site would help support the large number of surrounding area employees and visitors with services and amenities; create a welcoming, "gateway" entry into North Bayshore; and help internalize trips to mitigate traffic impacts and congestion.

The General Plan Land Use designation for the area is North Bayshore Mixed-Use Center, allowing a broad range of land use uses, including commercial, office, residential, hotel, retail, and entertainment at the General Plan's highest land use intensities. The Gateway's intensity and diversity of land uses, especially the entertainment and retail components, make it unique as a subarea of the broader Joaquin complete neighborhood and the Precise Plan overall.

DISCUSSION

KEY OPPORTUNITIES AND CONSTRAINTS

The issues surrounding the Gateway Master Plan involve a number of complex variables and key policy decisions. The following is a list of the major opportunities and constraints to help the City Council better understand the larger policy issues framing the Gateway Master Plan discussion. Key questions on specific topics are also included.

Key Opportunities

1. **Complete Neighborhoods in North Bayshore.** Redevelopment of the Gateway provides a key opportunity towards creating a complete neighborhood in North Bayshore.

The North Bayshore Precise Plan includes strategies to develop North Bayshore into three complete neighborhoods with a mix of office, residential, services, and open space in each neighborhood according to the following land use targets. By way of reference, the Gateway area is located in the Joaquin neighborhood.

Table 1 – Complete Neighborhoods Land Use Targets

	JOAQUIN NEIGHBORHOOD	SHOREBIRD NEIGHBORHOOD	PEAR NEIGHBORHOOD
Size	68 acres	43 acres	43 acres
Residential Units*	3,950 units	2,950 units	2,950 units
Affordable Housing Units**	790 units	590 units	590 units
Employment***1	2,500,000 sf	1,500,000 sf	1,000,000 sf
Retail and Entertainment****1	240,000 sf	15,000 sf	35,000 sf
Hotel	200 rooms	0	200 rooms
Public Open Space (minimum)	Community park; Neighborhood park	Neighborhood park	Neighborhood park

*The North Bayshore district has a housing unit mix goal of 40% micro-unit/studios, 30% 1 bedroom units, 20% 2 bedroom units, and 10% 3 bedroom units.

**Assumes 20% of the residential units are built as affordable.

*** Includes office, R&D, industrial, and service uses.

**** Includes retail, restaurant, and movie theatre uses.

1- Includes new and existing building square footage.

Staff notes that these numbers are flexible “targets,” not strict requirements. Some variation in the actual target numbers is expected between neighborhoods, but the general idea is that each neighborhood will develop with a mix of different land uses.

2. **Office and Residential Uses Linkage.** Staff also notes that these land use targets essentially established a proportionality between residential and office land uses in North Bayshore. As context, the overall Precise Plan ratio of housing to office is approximately 1 residential unit per 368 square feet of office (though the targets for each complete neighborhood differ). However, in reality, there is 1.55 million square feet of Bonus FAR office remaining and approximately 9,000 allowed residential units (9,850 units minus the approved 635 units at 1255 Pear Avenue, including approximately 150 units on the parcel dedicated for affordable housing; plus an approximate 100 units being planned on the La Avenida affordable housing site). This roughly equates to 1 residential unit per 172 square feet of office.

This issue is important because, at this time in our local economic cycle, office is more valuable than residential in North Bayshore. Therefore, granting office Bonus FAR allocation as a de facto “currency” on the condition that new residential is also built is one strategy to help implement the full build-out of complete neighborhoods as envisioned in North Bayshore.

The other factor is that the Gateway by definition includes diverse land uses besides residential important to North Bayshore. These uses include entertainment, hospitality, and service uses within the Gateway site area, so the ratio of office to residential noted earlier for other parts of North Bayshore may be similar but not the exact ultimate ratio for the Gateway area due to limited space in the Gateway area to accommodate diverse land uses.

Key Constraints

1. **Different Property Ownership.** A key constraint to redevelopment of the Gateway area has been the different property owners at the site. Google and SyWest, the principal land holders in the area, have been discussing redevelopment of this area for some time. Each has different objectives and goals and, to date, there has been no resolution of their differences. The City is attempting to create a Master Plan that can be implemented to satisfy both property owners. Additional discussions will continue between the property owners and the City as the Master Plan process continues.
 2. **Transportation Constraints and Assumptions.** The North Bayshore Precise Plan has ambitious goals for reducing vehicle trips and for implementing key multi-modal infrastructure improvements. A key implementation challenge is aligning the timing of new growth with these physical improvements and looking for creative strategies, such as reduced parking or congestion pricing, to help the area transform from a largely suburban office environment to a more urban district.
- **North Bayshore Vehicle Trip Monitoring.** The City monitors vehicle trips into/out of North Bayshore across the three gateways (Shoreline Boulevard, Rengstorff Avenue, and San Antonio Road). As noted in recent annual monitoring reports, there is limited to no available vehicle capacity along Shoreline Boulevard, which is adjacent to the Gateway Master Plan area. Additionally, currently the Single-Occupancy Vehicle (SOV) rate into North Bayshore is approximately 56 percent, with an ultimate goal of 45 percent.

- **Gateway Transportation Conditions – Shoreline Boulevard.** The North Bayshore Circulation Study 2.0 is under way and is analyzing the internal North Bayshore Area circulation based on planned area growth and studying new possible gateways into the area (Stevens Creek Transit Bridge and a potential undercrossing of Highway 101 at Charleston Road). Initial “**baseline scenario**” modeling (i.e., including already allocated Bonus FAR projects and approved projects but without any Gateway Master Plan land uses or unapproved transportation projects) confirms that the Shoreline Boulevard vehicle trip cap would likely be reached during the a.m. peak hour, which is consistent with recent North Bayshore trip cap monitoring work and the updated modeling work done for the Sobrato project at 1255 Pear Avenue (September 10, 2019 City Council meeting). The Circulation Study baseline scenario also includes different, more refined information and metrics, such as vehicle queue back-up length and travel distance times, *which become worse*, but the overall conclusions of both studies are the same.

Both the Circulation Study baseline scenario and Sobrato analyses assume the same key transportation infrastructure improvements such as the Highway 101 off-ramp realignment; Plymouth Street realignment; Shoreline Boulevard Bus Lanes; Inigo Way extension; and the Highway 101 bicycle/pedestrian bridge. Both analyses also include the same projects (i.e., Charleston East; Microsoft; Sobrato, etc.). The main difference between the two is that the baseline scenario includes the proposed Google Landings project, where new vehicle trips from this project would be shifted to the Rengstorff Avenue Gateway.

As noted, the Shoreline Boulevard Gateway capacity would be reached in the a.m. peak hour *before any new development in the Gateway area is considered*. This is the result of several factors, including the planned concentration of development along the Shoreline Boulevard corridor and the inability, so far, of fully achieving a districtwide 45 percent SOV rate.

- **Strategies for Further Evaluation.** The Baseline Scenario did not include the unallocated 1.55 million square feet of North Bayshore Precise Plan office space, including the space that may be allocated for the Gateway Master Plan. While this traffic analysis is preliminary, it appears that new strategies will be needed to accommodate new office space in terms of vehicle trip capacity. These strategies should be designed to ensure that no net new external vehicle trips are generated (other than any new capacity that can be gained at the Rengstorff Avenue Gateway). Some of these potential strategies, which could be used in combination, include:
 - Reduce or eliminate uses generating peak vehicle trips;

- Improve operational capacity at the Rengstorff Avenue Gateway;
 - Reduce SOV rates for existing traffic (e.g., congestion pricing, expanded TMA programs);
 - Establish stronger TDM requirements for Gateway and other office projects (e.g., reducing the districtwide SOV requirement below 45 percent);
 - Link office to housing that demonstrates potential external trip reduction (see trip internalization discussion below);
 - Significant parking reductions and/or paid parking;
 - Greatly expanded use of Caltrain and connecting service (MVgo; future AGT); and
 - Implement triggers on new office occupancy (e.g., tied to completion of housing).
- **Trip Internalization Rate Assumption.** During development of the North Bayshore Precise Plan, various trip internalization rates were estimated. “Trip internalization” in this context means the expected percentage of commute trips that would begin and end locally due to locating new residential uses in North Bayshore. The North Bayshore Precise Plan used a conservative estimate of a 27 percent internalization rate. Trip internalization rates are difficult to estimate in North Bayshore due to its unique suburban character that will be transforming to a more urban condition—there are not a lot of reliable studies verifying internalization rates in this context, as opposed to, say, downtown environments, where data is more reliable. However, by locating residential units in North Bayshore, a larger percentage of those new residents would likely work in North Bayshore and would not be a new vehicle trip entering North Bayshore during congested commute periods.
 - **Next Steps.** The North Bayshore Circulation Study 2.0 will continue further modeling of the final Gateway Master Plan land uses as directed by the City Council. This information will be brought back to the EPC and City Council in early 2020, with more specific recommendations on policies, strategies, or infrastructure improvements that can be included or referenced in the Gateway Master Plan.

3. **Economic Feasibility Constraints.** Land and construction costs, combined with City requirements, have made new development in North Bayshore less feasible in recent years. The following is an initial, high-level economic feasibility analysis associated with redevelopment of the Gateway Area from Seifel and Associates. Key economic feasibility assumptions used in this analysis are attached to this report (see Attachment 1).

- **Residual Land Value Analysis.** The consultant team used a residual land value analysis approach to help understand economic feasibility constraints. This type of analysis results in a residential land value for a development after all development costs, including developer margin/return, are factored in, as shown in Table 3.
- **Economic Feasibility Study Alternatives.** The analysis reviewed the economic feasibility of redevelopment of the Gateway under several alternatives. The mix and amount of land uses were selected based on the City’s broad existing Gateway land use policies, property owner interest, and initial feasibility based on the strong local office market. All of the alternatives include modified property lines that maximize the efficient location of new streets and land uses.

Table 2 – Economic Feasibility Study Alternatives

	Office	Housing Units	Retail/ Entertainment	Hotel Rooms	Nonresidential Parking Spaces
Low Office	300K	1,700 - 2,100	300K	150-200	1,800 - 2,100
Medium Office	500K	1,700 - 2,100	300K	150-200	2,100 - 2,600
Medium Office – Reduced Retail	500K	1,700 - 2,100	200K	150-200	2,100 - 2,600
High Office	900K	1,300 - 1,600	300K	150-200	2,800 - 3,200

- **Overall Costs and Revenues.** The following is a preliminary summary table of the total Gateway project revenues and costs for the economic feasibility study alternatives.

Table 3 – Revenues and Costs

Total Development Project	Low Office 300K	Medium Office 500K	Medium Office 500K Reduced Retail	High Office 900K
Projected Development Revenues	\$2.0B	\$2.26B	\$2.20B	\$2.43B
Projected Development Costs				
• Total Direct Costs	\$1.24B	\$1.37B	\$1.31B	\$1.45B
• Total Indirect Costs	\$425M	\$466M	\$451M	\$475M
Developer Margin	\$367M	\$405M	\$388M	\$423M
Total Projected Development Costs	\$2.03B	\$2.24B	\$2.15B	\$2.35B
Residual Land Value per Acre	(\$817)	\$473K	\$1.9M	\$2.8M

- **Revenues and Costs.** Projected development revenues include the value of the total site improvements following redevelopment. Direct costs include off-site public improvements, site improvements, building and parking construction, and tenant improvements. The required improvements include upgrades to water, sewer, recycled water, and storm drain systems; and transportation infrastructure. Indirect costs include development impact fees and other soft costs.
- **Tradeoffs.** The four economic feasibility alternatives include the following broad tradeoffs for consideration:
 - **Low Office.** Less parking; about the same housing as the medium option; lower and less costly buildings; and not enough revenue.
 - **Medium Office.** Less parking; more housing and internal trip capture; lower buildings; better urban design; and potentially mitigatable traffic impacts. The reduced retail option removes the fitness use which reduces traffic impacts and is more economically viable.
 - **High Office.** Requires more parking; taller buildings; less housing; more expensive buildings; and significant traffic impacts.
- **Key Findings.** As shown in Table 3, the residual land value per acre ranges from -\$817,000 to \$2.8 million. The assumed current value per acre in North Bayshore at this time is approximately \$10 million. Using this comparison, redevelopment is challenging under these assumptions because the residual

land value after development is much less than the current market value per acre. However, staff also believes that the two Gateway property owners may be able to propose creative strategies or partnerships moving forward that could result in feasible redevelopment of the area.

- **Strategies—Moving Forward.** Further economic feasibility analysis will continue based on City Council direction.

KEY STRATEGIES

The Gateway Master Plan team has identified the following key strategies to focus the development of the Gateway Master Plan, with key questions for the City Council.

1. Placemaking

The high-level design goal for the Gateway area is to create a clear sense of place by implementing key Precise Plan principles and urban design strategies. The following images depict what a “Gateway” development might mean to the North Bayshore Area.

The Gateway Master Plan area can help create an identifiable, welcoming “gateway” entry into North Bayshore visible from Shoreline Boulevard. This approach can include new streets and entries into the site to key destinations such as entertainment or other uses such as publicly accessible civic or open space.



Civic, Community Gathering Space



Landmark Entry Building

As discussed later in this report, another Gateway entry design opportunity may include the planned Highway 101 bicycle/pedestrian bridge. This will be a very visible sustainable transportation infrastructure project, and it could include

special architectural material treatments, public art elements, or unique welcoming signage.

- **General Circulation and Wayfinding.** The area will include new public streets in a “grid” system that allows for easy navigation and convenient access via smaller blocks as shown in Map 3. The circulation system will include new “complete” streets for all users—pedestrians, bicyclists, and vehicles.

Map 3—New Gateway Streets and Connections to Surrounding Areas



- **Building and Place Types.** The Gateway Master Plan will include a mix of uses and building place types. These will add to the overall urban character of the Gateway area by locating new buildings close to sidewalks and streets, with strong ground-floor design elements. Future Gateway development will also comply with the Precise Plan’s general and urban design principles which are summarized in Attachments 1 and 2 of this report.

The following images show different building place types that might be expected with future Gateway development.



Mixed-Use Retail/Residential



Entertainment Uses



Residential



Office

- **Open Space.** The Master Plan will include publicly accessible open space areas. These are envisioned as smaller, more urban spaces to allow residents, nearby employees, and visitors the chance to gather in an intimate outdoor setting. Open space will be located in key areas where people are expected to congregate, such as near building entries and restaurants/retail, and will also be located in areas visible from public streets.



Examples of urban plazas as open space

- **Active Required Ground-Floor Uses/Pedestrian Design Elements.** Active uses, such as retail, restaurants, cafés, and services, will be required on key ground floors to activate and enliven pedestrian areas and streets. Both commercial and residential buildings will also include strong pedestrian design elements such as lobby/entries; porches; arcades; seating areas; public art; and other elements.



Examples of active ground-floor uses and pedestrian activity

- **Parking Location.** Parking will be located towards the interior of the site to deemphasize its visual importance and to maximize site efficiency. Parking structures will include architectural treatments to ensure they are compatible with the designs of surrounding buildings.
- **Sustainable Transportation.** New bicycle and pedestrian infrastructure to/from, and within the Plan area, is strongly emphasized to reflect the vision

of North Bayshore as a place that values and supports sustainable transportation options.

EPC Comments on Placemaking Strategies:

- Overall support for the proposed placemaking strategies.
- Urban spaces should be made as inviting as possible, as seen in places like San Francisco.
- Concerned about the costs of some of the strategies; for example, instead of saying theater/fitness/retail, just include retail and allow the market to respond accordingly.
- Desire to make the project as financially feasible as possible, and using off-site FAR to make placemaking elements more viable.
- Mixed support of the fitness center with some feeling it adds vitality; others concerned about its traffic generation and regional draw.
- Interest in a grocery store as part of the retail.
- Consider making spaces so people will gravitate and use them; examples include outdoor restaurant seating and the dog park at San Antonio Center. Prefer clustered retail, and synergy of different uses close to retail.
- Consider the phases of development to avoid incomplete or missing phases that make placemaking difficult.
- Concern over the size and function of Shoreline Boulevard; that it will become a “mini-101” and detract from placemaking.
- Complementary retail is important to create synergy with existing Pear Avenue retail; create spaces for people to sit, relax, enjoy in an urban setting.

Council Question No. 1: Does the City Council support the placemaking strategies for the Master Plan, as noted above?

2. Recommended Land Use Locations

The following is a conceptual map of locations for land uses at the Gateway, with an analysis below.

Map 4 – Recommended Land Use Locations

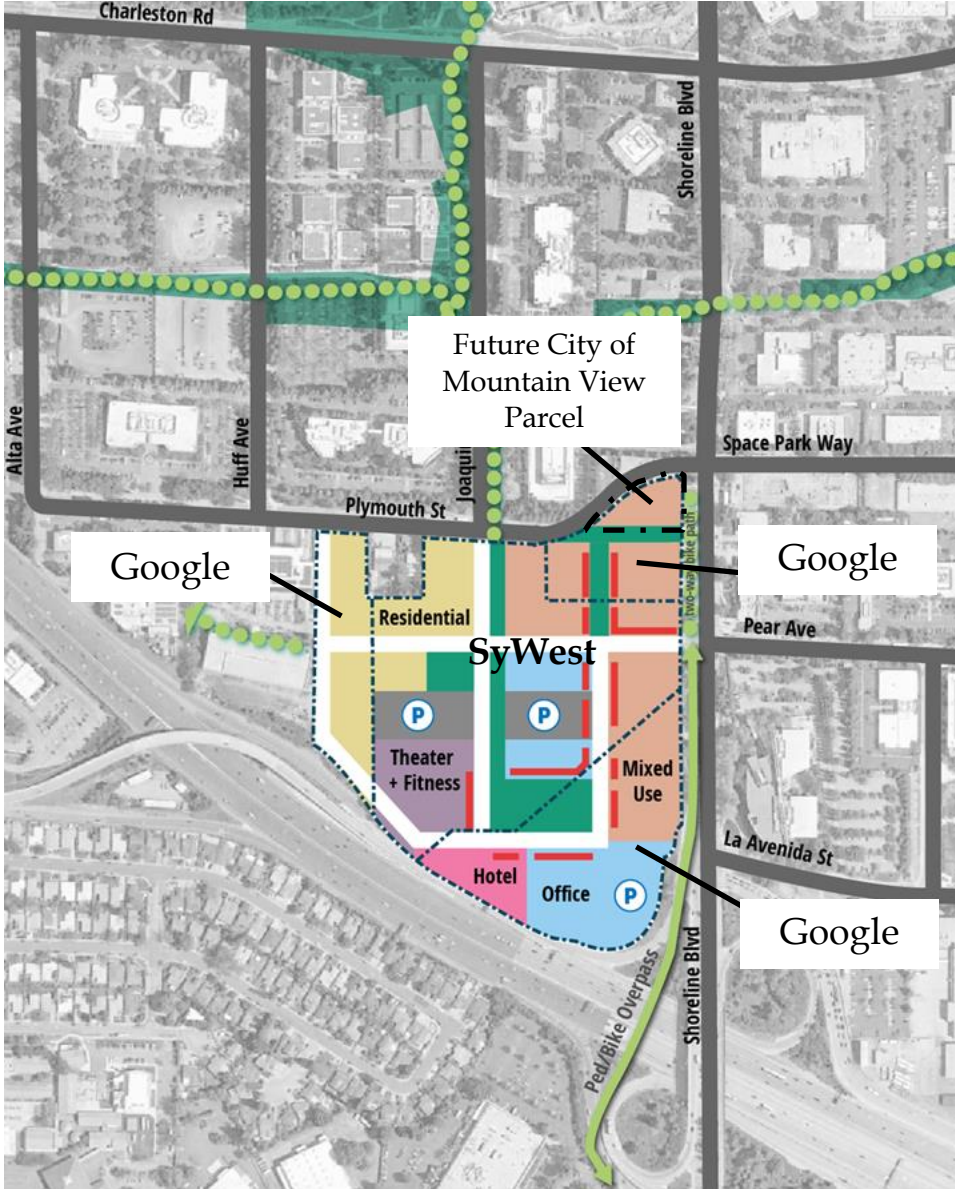


Note: Red lines indicate ground-floor retail uses. "P" represents parking.

- **Nonresidential Uses and Highway 101.** Nonresidential uses such as office, fitness, theater, and parking are located towards the freeway, and residential uses are located towards the interior and north of the site. This reflects the general desired land use principle of locating residential uses away from freeway noise and emissions. The nonresidential uses are located to give them more visibility from the freeway and the Shoreline Boulevard corridor.
- **Residential Uses.** Residential uses are clustered towards the northern and western parts of the site, creating a more cohesive neighborhood. This also includes the assumption that land dedication (two 1-acre parcels) would occur for new affordable housing units, resulting in approximately 160 to 320 new affordable units.
- **Retail Uses.** Retail uses are clustered together near the Pear Avenue extension on a new north/south street and around the central square/plaza. This makes them visible from Shoreline Boulevard and connects to the existing retail uses across Shoreline Boulevard.
- **Open Space.** A total of roughly 1-1/2 to 2 acres of open space are proposed. These are envisioned as more urban-type plazas—smaller and more intimate than a typical Mountain View neighborhood park. Two key open spaces are proposed: one a smaller, approximately one-half-acre area surrounded by residential uses and an approximately one-acre central square/plaza that will be located close to theater/fitness and hotel uses to maximize pedestrian use of the spaces.
- **General Circulation.** As noted earlier, the site will be broken up into smaller, more walkable blocks averaging approximately 200' to 300'. The site will be accessed from two entry drives on Plymouth Street. Pear Avenue is extended, but will have either no or limited left turns from northbound Shoreline Boulevard to discourage turning movements that would disrupt traffic flow. The assumption is that required TDM measures will direct the vehicle trips from the site's office land uses to the Rengstorff Avenue or San Antonio Road Gateways and to Plymouth Street, which will shift vehicles away from Shoreline Boulevard.
- **Parking.** Parking is located next to the theater and Highway 101, and is accessed primarily from Plymouth Street and the "back" of the site nearest the Rengstorff Avenue Gateway.

- **Existing Property Lines.** As noted earlier, discussions between SyWest and Google on potential redevelopment of the Gateway did not result in success. While staff believes this is the optimal land use configuration, and it should be possible through land swaps or lease deals, the property owners may not agree with the land uses shown in Map 4. If that is the case, then redevelopment using existing property lines may be another, but less desired option, as shown below in Map 5. Using the existing property lines option results in less housing units (20 to 25 percent less); a less walkable urban design; larger block lengths; and less efficient buildings and parking.

Map 5 – Existing Property Ownership and Land Use Locations



EPC Comments on Land Use Locations:

- Map 4: Preferred land use locations:
 - Parking needs to move more to the center and be accessible to retail.
 - Some retail should have Shoreline Boulevard frontage, or be directly visible from Shoreline Boulevard. Do not repeat mistake of San Antonio Center, where retail along California Street is empty.
 - Likes the shorter streets/blocks shown.
 - Supports this option because of approximately 200 more units.
 - Concern that Theater/Fitness are locked into the program, particularly if it is making it more difficult for a successful deal and in urban design execution.
 - Interest in potential City parcel at Plymouth Street/North Shoreline Boulevard as site for residential, especially affordable housing.
- Map 5: Existing property line option:
 - Most realistic given the complexities involved.
 - Concerned you would be walking down a long block with parking garages on either side of the street.

Council Question No. 2: Does the City Council support the recommended general locations of land uses as shown in Map 4?

3. Draft Gateway Master Plan Land Use Program

The following is a list of the approximate mix and amounts of draft land uses for the Gateway area. This is an initial starting point to assess, both from a policy and technical perspective, how well these draft land uses meet the vision for the Gateway area given various constraints.

Staff notes that further discussions with property owners about property line configurations and building locations will take place once there is Council

direction on the desired set of land uses. Additionally, the City Council will ultimately determine how much of the remaining unallocated 1.55 million square feet of Bonus FAR may be allocated to both the Gateway and other areas in North Bayshore to facilitate the optimal build-out of the Precise Plan’s vision. For example, some of the Bonus FAR could potentially be allocated to Google holdings elsewhere in North Bayshore if this achieves the Gateway and other Precise Plan area redevelopment objectives.

Table 4 – Draft Gateway Master Plan Land Use Program

Land Uses	Total
Office	500,000 square feet
Retail/ Active/Small Business	100,000 to 150,000 square feet
Theater	100,000 square feet
Fitness	100,000 square feet
Hotel	150 to 200 rooms (150,000 square feet)
Residential	1,700 to 2,000 units
Open Space	1.5 to 3 acres

- General Plan and Precise Plan Vision.** Overall, the draft land use program responds to the General Plan and Precise Plan vision for the Gateway area as a destination with uses providing a diverse set of amenities for future residents, nearby employees, and visitors. This draft land use program focuses on a desired and complementary mix of uses for the area, taking into account property owner interests, with an eye towards feasible implementation.
- Office Square Footage.** The draft office square footage for the Gateway is recommended to be tested at approximately 500,000 square feet. This is less than the 1.45 million square feet initially allocated to the site in 2015 through the Bonus FAR process. The 500,000 square feet of office reflects a midrange amount tested during economic feasibility analysis and is likely the maximum that could potentially be supported by the North Bayshore transportation network and trip internalization at the site.
- Residential Uses.** The amount of residential uses is roughly determined by the size of the Gateway area, the residential building types, and the amount of area reserved for other competing land uses. A ratio of office to housing can be a key guide in general, but does not necessarily need to be the only deciding factor in a project as complex as the Gateway Master Plan. As a

reference point, if the 172 square feet of office to one housing unit metric discussed earlier were applied to the Gateway, then the 1,700 to 2,000 housing units in the draft land use program would equate to roughly 290,000 to 340,000 square feet of office.

- **Heights and Intensities.** In determining the mix of uses and sizes, the draft land uses assume that all proposed uses meet the North Bayshore Precise Plan building height and intensities for the Gateway Character Area. Building heights in this area permit up to eight stories (140') for nonresidential uses, and up to 15 stories (160') for residential uses. Initial analysis indicates that the site could include buildings within these height limits. Approximately 8 to 10 residential midrise buildings up to eight stories, three to five residential high-rise buildings up to 15 stories, and five commercial buildings up to 140' in height could be accommodated within the area. Some of these buildings could include two to five stories of parking below other uses, and/or eight-story parking structures. All parking is assumed above ground due to the high cost of below-grade parking, a high water table, and environmental concerns at the site.

Building intensities of a maximum FAR of 4.50 is permitted for both residential and mixed-use commercial-residential projects. Initial analysis shows that the total 28-acre site could accommodate approximately 4 million square feet of building area within the Gateway area's maximum building envelope area. The Draft Land Use Program assumes roughly 3 million square of total building area, inclusive of residential parking. Commercial parking represents approximately 900,000 additional square feet. The amount of developable land is approximately 65 percent to 70 percent of the overall site area, with 30 percent to 35 percent of the site are being used for internal roads, active circulation, and open space areas.

EPC Comments on Land Use Program:

- Support for the mix of uses and the approximate 1,700 to 2,000 housing units to 500,000 square foot office ratio.
- Ideal to have as close to 2,000 residential units as possible.
- Be clear that office FAR "currency" can be used/traded to help implement the desired land use program.

Council Question No. 3: Does the City Council support the Draft Gateway Master Plan Land Use Program in Table 4?

4. **Parking and Vehicle Trips.** The different iterations of the Precise Plan over time included a “car-lite” theme—that parking supplies would be limited in order to meet the broad sustainability goals of reducing vehicle trips in the area. To that end, the Precise Plan includes a number of key policies and transit, bicycle, and pedestrian infrastructure projects to support different travel modes besides private vehicle usage. Notably, the Precise Plan also limits office parking to a maximum of 2.7 spaces per 1,000 square feet.

One of the challenges is trying to balance this larger policy goal against the parking demands of new uses at the Gateway location. Additionally, the many multi-modal infrastructure improvements envisioned by the Precise Plan, such as the Shoreline Boulevard dedicated bus lane project; enhanced Mountain View Transportation Management Association (TMA) bus service for new residential uses; Highway 101 bicycle/pedestrian bridge; and Shoreline Boulevard cycle track improvements will take several years to implement, so there are currently limited viable options for those who want to travel to North Bayshore without using their private vehicle.

The following are the key parking strategies for the Gateway Master Plan:

- **Parking Amount.** Based on the draft land use program discussed earlier, the following table is a shared parking district table for the Gateway Master Plan. The amount of parking is based on several data points, including more typical suburban ULI (Urban Land Institute) parking demand rates; previous proposed parking rates for the site; and a proposed parking demand rate that anticipates North Bayshore as a more urban, walkable district with a mix of residential and service uses.

Table 5 – Draft Shared Parking District Demand¹

Land Use/ Strategy	Typical Suburban Parking Rates/ ULI Rates	Proposed Gateway Master Plan Standard
Office	2.8 parking spaces/1,000 sf	2.0 parking spaces/1,000 sf
Retail	3.6 spaces/1,000 sf	3.6 spaces/1,000 sf
Restaurant	18 spaces/1,000 sf	10 spaces/1,000 sf
Theater	0.20 space per seat	0.20 space per seat
Fitness	7 spaces/1,000 sf	5 spaces/1,000 sf
Hotel	1.25 spaces per room	0.6 space per room
Total Demand	~4,000 spaces	~2,800 spaces
Shared Parking Assumption	28% reduction + 10% circulation factor	28% reduction + 10% circulation factor
Total Spaces	~3,200 spaces	~2,300 spaces

¹ Residential uses will include parking within their buildings and are not part of the shared parking district.

- **Parking Strategies.** The following are key potential parking strategies assumed in the Gateway Master Plan Parking Standards:
 - **Reduced Parking Rates.** Parking ratios more restrictive than typical suburban parking ratios should be used in order to reduce the amount of parking at the site and limit vehicle trips to the Gateway.
 - **Shared Parking Reduction.** Parking for commercial uses, including office, hotel, retail, restaurants, and entertainment uses, will be consolidated into a shared parking district. The shared parking district will allow for a further reduction of parking demand number based on use patterns. The shared parking would be located in three to four parking structures that may be integrated into office and entertainment use buildings.
 - **Residential Parking.** Residential parking will be located with residential buildings and not as part of the shared parking district. Residential parking rates are assumed to be approximately 0.4 to 0.6 space per unit. The Precise Plan requires the following maximum residential parking spaces: 0.25 space per unit (micro unit); 0.50 space per unit (1-bedroom); and 1.0 space per unit (2- and 3-bedrooms). The Precise Plan recommends a mix of 40 percent micro-unit, 30 percent 1-

bedroom, 20 percent 2-bedroom, and 10 percent 3-bedroom units. This table assumes a mix of **rental** units of 20 percent micro-units, 40 percent 1-bedroom, 35 percent 2-bedroom, and 5 percent 3-bedroom, and an **ownership** mix of 35 percent 1-bedroom, 55 percent 2-bedroom, and 10 percent 3-bedroom units.

- **Parking Location.** Parking should be located towards the western and southern portions of the Gateway area. This location prioritizes vehicle access via the Rengstorff Avenue Gateway, away from the most congested Shoreline Boulevard Gateway.
- **Flexible Design.** Parking structures should be designed so they can be converted in the future to different land uses.
- **Unbundled Parking.** Require new residential development to implement unbundled parking (i.e., separating out the cost of renting an apartment and any parking spaces associated with units).
- **Monitor/Manage.** Require that the Gateway Master Plan include active monitoring of parking facilities to ensure they are efficiently used and managed, and require that a parking update be included in annual TDM reports.

EPC Comments on Parking:

- Support for proposed parking standards.
- The high number of spaces for theater and fitness are appropriate since they would be regional draws.
- Study the benefits of including all land uses in a shared parking district and if that would further reduce demand; could be similar to San Antonio, which has some dedicated residential parking and other residential parking as part of the shared district.
- Incentivize the flexible design of parking garages so they can be converted later to different uses.

- Employ parking technology to help drivers navigate areas and find empty spaces.
- Further work needed on how to achieve a good internalization rate.

Council Question No. 4: Does the City Council support the proposed Gateway Master Plan parking standard and related parking strategies?

5. **Highway 101 Bicycle/Pedestrian Bridge.** The Shoreline Boulevard at Highway 101 Bicycle/Pedestrian Bridge is a project identified in the 2014 Shoreline Boulevard Corridor Study (Study) and the 2014 (and 2017) North Bayshore Precise Plan (NBSPP). The bridge is envisioned to be an integral part of significant mobility and active transportation improvements to reduce reliance on single-occupant vehicles, encourage use of active transportation, and support the planned growth in the North Bayshore Area.

Based on public input and evaluation of alternatives during the development of the Study, the preferred bridge concept envisions a 20' wide Class I bicycle/pedestrian crossing over Highway 101 just west of Shoreline Boulevard. The 20' wide bridge concept creates adequate biking space and comfortable walking environment by providing two 7' bicycle lanes and a 6' pedestrian lane for safe and unimpeded access separate from the high vehicular volume at the Shoreline Boulevard interchange.

In August 2018, the City executed a professional services contract with Biggs Cardosa Associates to prepare the preliminary bridge design. As the preliminary design was being developed, the City initiated a master plan project for the Gateway area, which is adjacent to the proposed bridge on Shoreline Boulevard. One of the target outcomes of the master plan is to integrate and connect on-site and public pedestrian/bicycle facilities. To help achieve this outcome, the Gateway Master Plan and bridge design teams have been collaborating during the development of the master plan design alternatives.

Overall Objectives and Key Bridge Design Parameters. The primary objectives and key design parameters of the proposed bridge are:

- Create a functional and safe pedestrian/bicycle linkage between the City's Transit Center and the North Bayshore Area;
- Create functional connections between the existing and planned public accessible pedestrian/bicycle network and open space;

- Improve traffic operation in the North Bayshore Area;
- Provide required clearances for the bridge for existing and planned infrastructure that includes the crossing of the Highway 101 northbound on-ramp from southbound Shoreline Boulevard; and
- Minimize negative impacts, such as right-of-way acquisition, on the local communities.

Current Bridge Alignment

The current bridge design begins with a two-way protected off-street cycle track along the west side of Shoreline Boulevard (beginning north of Terra Bella Avenue). The bridge then ramps up to the west away from Shoreline Boulevard as it curves along the Highway 101 southbound off-ramp. It then turns north and the alignment straightens as it crosses over the freeway.

Figure 1 – Preliminary Bridge Alignment



One key design consideration to keep the bridge elevated until La Avenida is that there are no plans for an at-grade bicycle/pedestrian crossing of Shoreline Boulevard at La Avenida as this could significantly constrain the gateway capacity of Shoreline Boulevard and impact the operations of the planned reversible transit lane. The current design allows a connected overcrossing to be added to the bridge in the future to allow bicycles and/or pedestrians to travel east/west across Shoreline Boulevard. If it is decided not to preserve the option for a future Shoreline Boulevard overcrossing, the bridge can start to descend as soon as it crosses the Highway 101 southbound off-ramp.

Pedestrian/Bicycle Connections

The Gateway Master Plan design alternatives incorporated the current bridge design as described above. Bicycles and pedestrians using the bridge will be able to access the Gateway development via Pear Avenue as a main entrance. In addition, various options are being studied to provide a direct connection into the Master Plan area.

The direct pedestrian/bicycle connection options into the Master Plan area could change depending on whether to keep the bridge elevated for the future pedestrian/bicycle crossing over Shoreline Boulevard.

Key Points

The proposed alignment would provide a significant mobility and active transportation improvement project parallel to Shoreline Boulevard providing the most direct and accessible bicycle and pedestrian route to North Bayshore. The current bridge design aligns with future improvements on Shoreline Boulevard and Pear Avenue, and includes functional connections between the existing and planned public accessible pedestrian/bicycle network and open space while improving traffic operation in the North Bayshore Area.

Based upon the City Council direction regarding preserving the option for a future Shoreline Boulevard overcrossing at La Avenida at the Gateway Master Plan Study Session, the bridge design will be changed or continue to be refined as presented.

EPC Comments on Bicycle/Pedestrian Bridge:

- Support for both the bridge alignment and potential La Avenida design option in the future.

- Supports proposed alignment in general, but more information would be helpful.
- Concern over Shoreline Boulevard being a “mini-101”; the bridge along Shoreline Boulevard should make it more safe and easy for street users.
- Bridge needs to have wayfinding elements so it is clear where to go when you land.
- Preference for good connection to Terra Bella Avenue and other parts of North Bayshore, such as Shoreline at Mountain View.
- Avoid poor connection issues of San Antonio, where connectivity is confusing and not clear.

Council Question No. 5: Does the City Council support the proposed Highway 101 Bicycle/Pedestrian Bridge alignment with a design that would allow a future bridge crossing of Shoreline Boulevard to La Avenida?

RECOMMENDATION

Staff is seeking Council input on the key issues and questions outlined in this Study Session report:

1. Does the City Council support the placemaking strategies for the Master Plan, as noted above?
2. Does the City Council support the recommended general locations of land uses as shown in Map 4?
3. Does the City Council support the Draft Gateway Master Plan Land Use Program in Table 4?
4. Does the City Council support the proposed Gateway Master Plan parking standard and related parking strategies?
5. Does the City Council support the proposed Highway 101 Bicycle/Pedestrian Bridge alignment with a design that would allow a future bridge crossing of Shoreline Boulevard to La Avenida?

NEXT STEPS

Following this City Council meeting, staff and the consultant team will continue to refine the Gateway Master Plan content and strategies in consultation with the property owners. Further information will then be brought back to the EPC and City Council at additional meetings and/or adoption hearings in 2020.

PUBLIC NOTICING

The agenda and this report appear on the City's Internet website at www.mountainview.gov. All property owners within a 750' radius of the site were notified of this meeting by mailed notice. Notices were also sent to the North Bayshore Precise Plan interested parties list.

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- Attachments:
1. North Bayshore Precise Plan Principles
 2. North Bayshore Precise Plan Urban Design Principles
 3. Economic Feasibility Assumptions