



**DATE:** May 5, 2015

**CATEGORY:** New Business

**DEPT.:** Community Development

**TITLE:** **North Bayshore Precise Plan Bonus Floor Area Ratio Applications**

### **RECOMMENDATION**

Adopt a Resolution Regarding the Eligibility of Proposed North Bayshore Precise Plan Bonus Floor Area Ratio Applications to Apply for Planned Community Permits, to be read in title only, further reading waived (Attachment 1 to the Council report).

### **PURPOSE**

The purpose of this meeting is for the City Council to determine which North Bayshore Precise Plan Bonus Floor Area Ratio (FAR) applications are eligible to move forward and apply for Planned Community Permits.

### **BACKGROUND**

#### *Executive Summary*

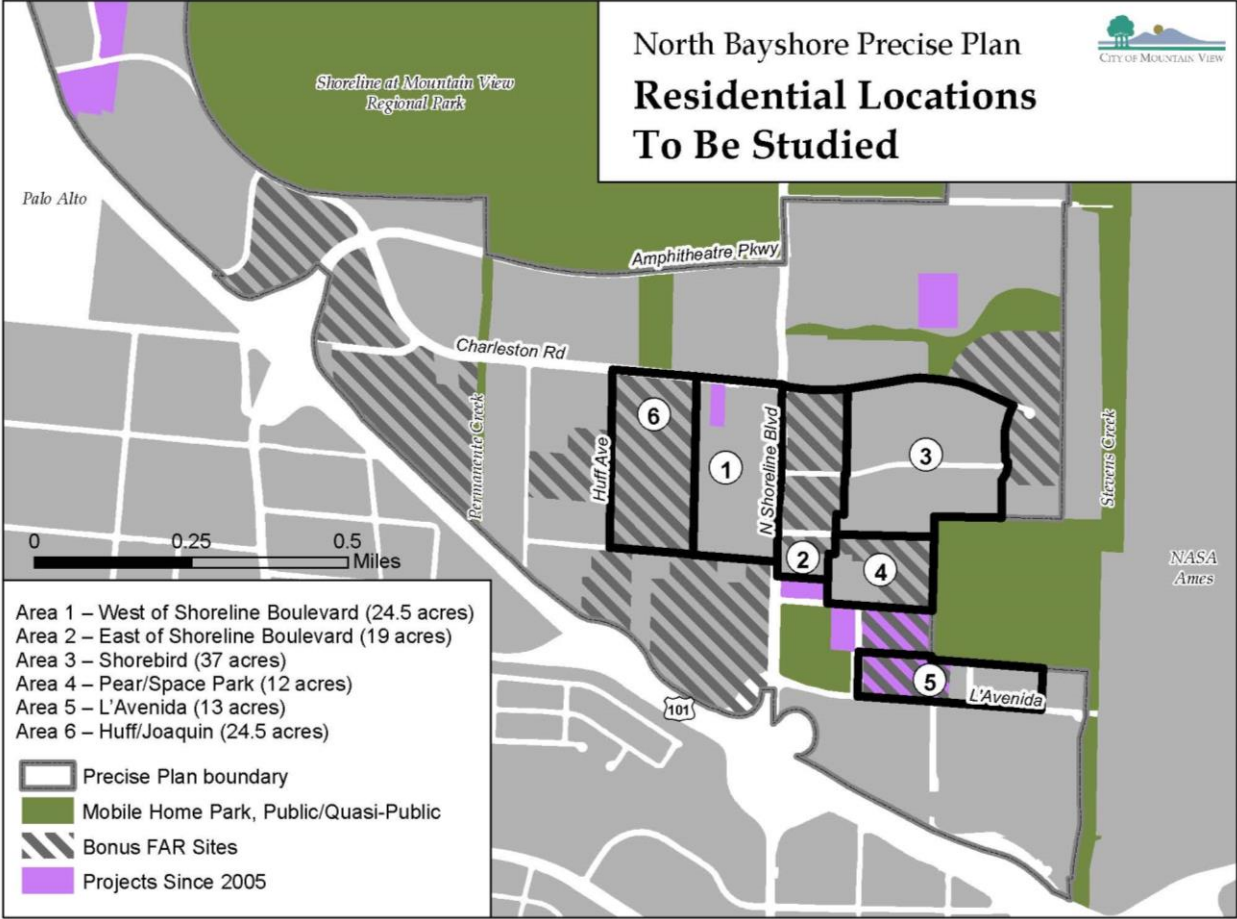
- The City identified North Bayshore as a “change area” in the City’s 2030 General Plan. The City Council adopted the North Bayshore Precise Plan in November 2014 to implement this vision.
- The Precise Plan includes a “base” FAR of 0.45 for all sites. The Precise Plan also includes a voluntary “Bonus FAR” system where applicants may request additional FAR in return for providing greater amounts of sustainable measures, key transportation improvements, or community benefits.
- The General Plan and Precise Plan Environmental Impact Reports (EIR) studied a maximum 3.3 million square feet of net new office development in North Bayshore. Recent development and other factors have reduced the amount of available net new office development in North Bayshore to approximately 2.2 million square feet.

- The City received 10 Bonus FAR applications totaling approximately 5.8 million square feet of net new development, which exceeds the available office development capacity. This report includes options for the City Council regarding this available capacity.
- This report includes an analysis to determine which applications qualify for Bonus FAR. This analysis is “high-level” and is not a detailed review of the project’s compliance with Precise Plan development standards, potential traffic impacts, building code compliance, or environmental review. The analysis provides a summary of the proposals and their key differences. A comprehensive review of projects determined eligible to apply for Planned Community Permits will take place during the formal Development Review Process.
- As specified in the Council resolution adopting the Precise Plan, any entitled project in the North Bayshore Precise Plan area that does not receive building permits within one year of approval shall become void. If a permittee has made a good-faith effort to comply with the conditions of the permit during the initial one-year time limit, the permittee may request two (2) one-year extensions as provided for by the Mountain View City Code.

April 14 City Council Meeting Summary: Potential Residential Study Areas

The City Council identified the following six (6) areas on Map 1 below to be studied for residential uses during the Precise Plan update process.

Map 1



### *Bonus FAR Guidelines Summary*

When Council adopted the Precise Plan in November 2014, they also adopted Bonus FAR guidelines. The following are the qualifying criteria from this resolution that provide general guidance for how the City Council may consider Bonus FAR proposals:

- How the proposal meets the Precise Plan's vision and guiding principles;
- The number of vehicle trips associated with the development and proposed improvements to implement the capital improvement project (CIP) Action Plan, and the effect on trip cap and roadway performance;
- Size/scope of habitat enhancements;
- Small business preservation and enhancements;
- Non-auto transportation improvements and performance;
- Enhanced community benefits;
- District-wide improvements, which could include transportation, habitat, or utility projects in collaboration with different companies;
- Phasing of proposed improvements and development;
- Impacts to staff resources; and
- The quality and thoroughness of submitted application materials.

The Analysis section later in the report factors in these criteria, as well as other criteria identified by staff that we believe reflects the intent of the Precise Plan.

*North Bayshore Precise Plan Allowable Development Square Footage*

The General Plan and Precise Plan EIRs studied a maximum of approximately 3.4 million square feet of net new building floor area in the North Bayshore Area. This number has since been reduced, as shown below.

**Table 1**

<b>NORTH BAYSHORE PRECISE PLAN ALLOWABLE OFFICE DEVELOPMENT SQUARE FOOTAGE</b>		
<b>Floor Area Category</b>	<b>Amount (SF)</b>	<b>Notes</b>
Allowed in Precise Plan	3.3 million*	
Projects approved and leased	746,000	Includes the Charleston East site and recent projects such as Intuit
Microsoft proposal	128,000	Currently under review as a 0.45 FAR proposal; not a Bonus FAR proposal
1625 Plymouth Street at 0.45 FAR	101,000	– These are both vacant sites with Bonus FAR applications – SF must be reserved for these sites to redevelop if not selected as Bonus FAR sites; if they are selected, then this 0.45 FAR gets returned to the remaining office floor area amount
Huff Avenue at 0.45 FAR	148,000	
<b>Remaining Office Floor Area</b>	<b>2,180,000</b>	

\*23,000 SF for retail uses is also permitted in addition to this office SF.

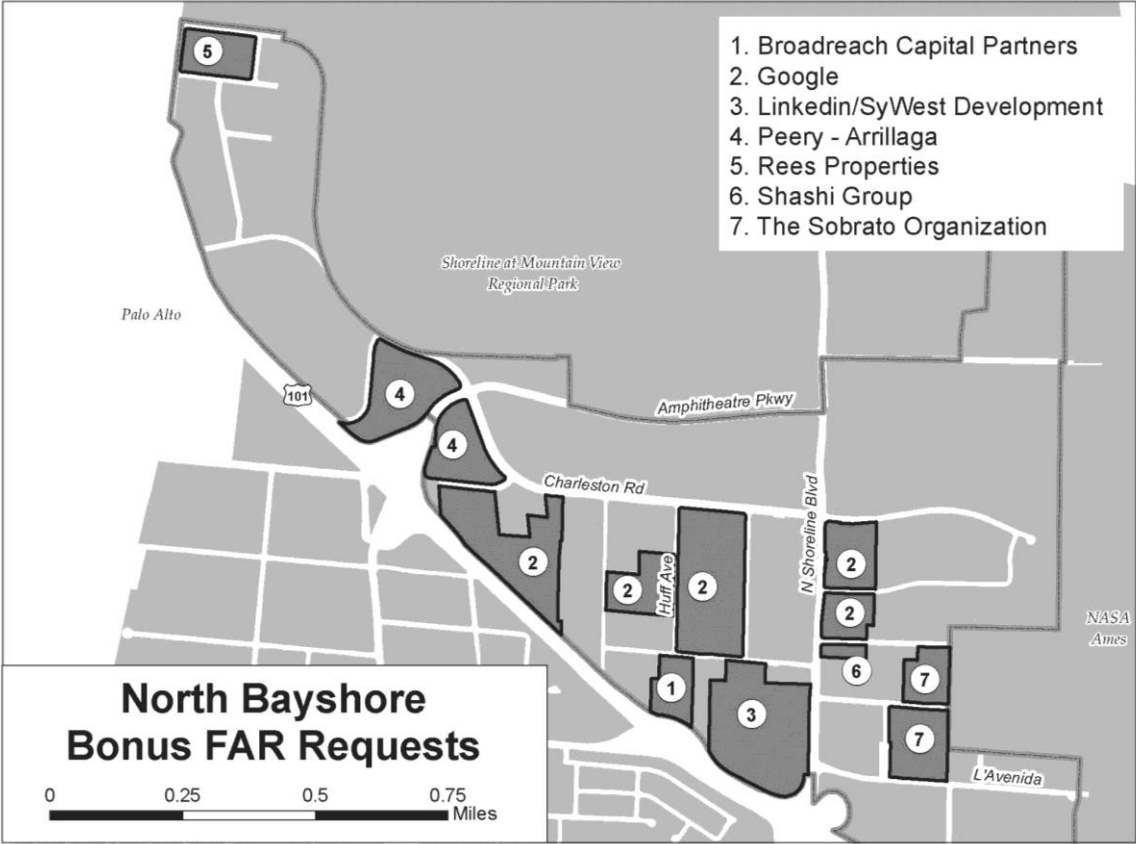
**ANALYSIS**

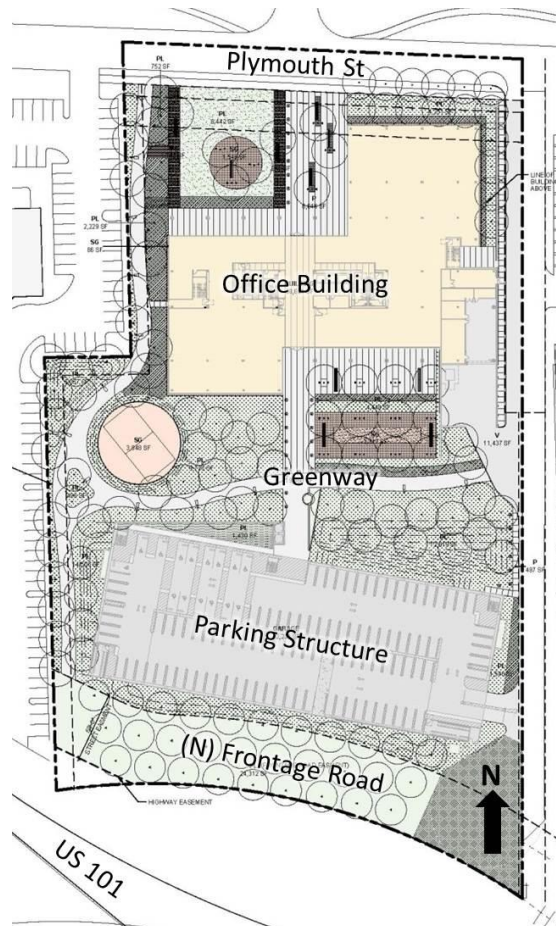
*Introduction*

The following Bonus FAR applications were submitted to the City by the February 27, 2015 deadline. These applications total approximately 5.8 million square feet of net new development, which exceeds the capacity of approximately 2.2 million square feet of net new office development. A more detailed description of each of these applications is attached to this report (Attachment 5). Complete project plans are available on the Bonus FAR page of the City’s website at:

<http://www.mountainview.gov/depts/comdev/planning/activeprojects/bonusfar/bonusfarprojects.asp>.

Map 2





## 1. Broadreach Capital Partners

Project Site: 1625 Plymouth Street

Request for 1.0 FAR for a 224,505 (net new) square foot, 6-story office building and a new structured parking garage on a 5.1-acre vacant site. The project site is located on the south side of Plymouth Street between North Shoreline Boulevard and Alta Avenue, adjacent to U.S. Route 101.

Note: The applicant submitted a revision to their application after the February 27, 2015 deadline that includes additional community benefits (Attachment 5). The applicant previously proposed a cash payment of \$6.8 million to be used by the City for transportation improvements; the revised cash payment is \$10.2 million.



## 2. Google Inc.

Project Sites: 1500 Charleston Road, 100 Huff Avenue, 10 and 20 Landings Drive, 1899 and 1901 North Shoreline Boulevard

**Site 1**—Landings Drive: Request for 1.0 FAR for an 803,004 square foot, 8-story office building (553,780 net new square feet) with two levels of underground parking on a 18.4-acre site. The project site is located adjacent to U.S. Route 101 to the south, Charleston Road to the north, Landings Drive to the west, and Permanente Creek to the east.

**Site 2**—Huff Avenue: Request for 1.0 FAR for a 328,369 square foot, 5-story office building (233,890 net new square feet) with 22 surface parking spaces on a 7.5-acre site. The project site is located between Alta Avenue to the west, Huff Avenue to the east, Charleston Road to the north, and Plymouth Street to the south.



**Site 3**—Charleston Drive: Request for 1.5 FAR for a 1,436,601 square foot, 6-story office building (1,103,934 net new square feet) with 20 surface parking spaces on a 21.9-acre site. The project site is located between Huff Avenue to the west, Joaquin Road to the east, Charleston Road to the north, and Plymouth Street to the south.

**Site 4**—North Shoreline Boulevard: Request for 1.5 FAR for an 821,865 square foot, 7-story office building (633,344 net new square feet) on a 12.5-acre site. The project site is located on the east side of North Shoreline Boulevard between Space Park Way and Charleston Road.

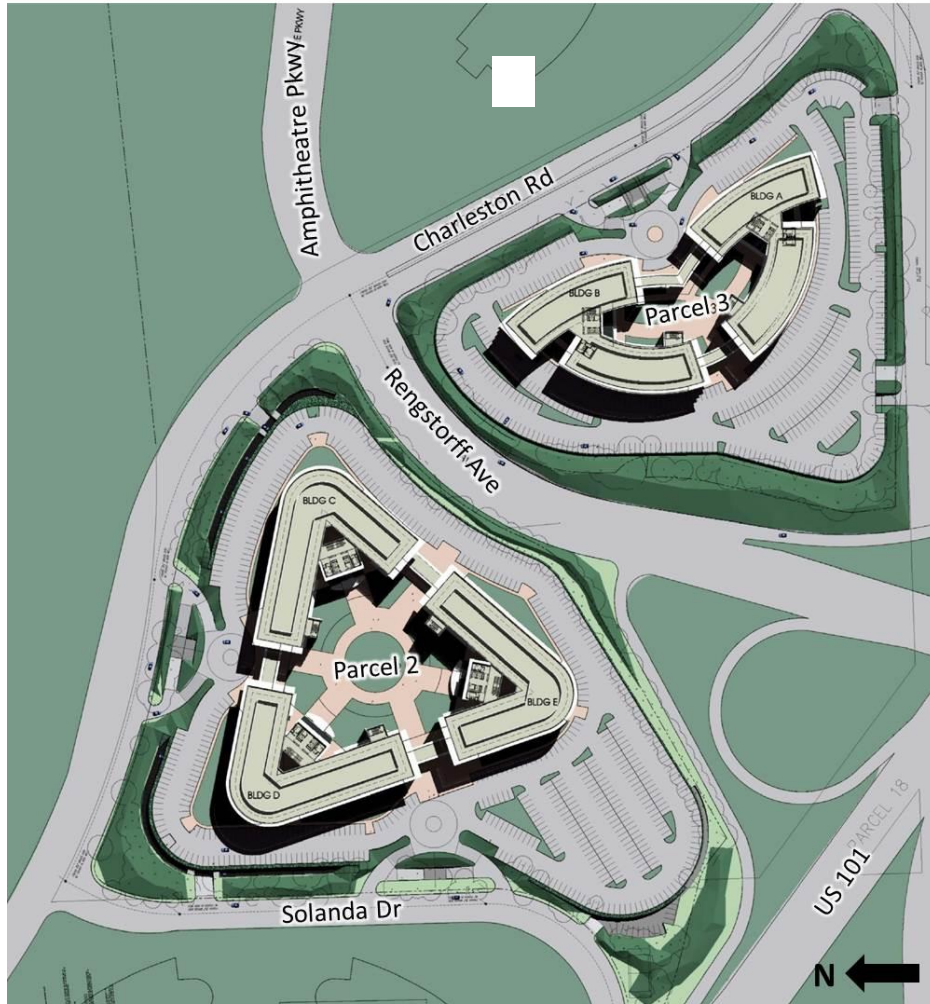


### 3. LinkedIn/Sywest Development

Project Sites: 1431 Plymouth Street, 1400 and 1500 North Shoreline Boulevard

Request for 1.6 FAR for a mixed-use development consisting of a hotel (added to the original application after February 27, 2015), 148,000 square feet of entertainment/retail (97,090 net new square feet), an 88,500 square foot movie theater (3,743 square foot net reduction), and 1,652,000 square feet of office in six 8-story buildings (1,611,518 net new square feet). The project also includes a 6-level parking structure and two levels of underground parking on the entire 23.7-acre site. The property is located adjacent to U.S. Route 101 at the intersection of North Shoreline Boulevard and Plymouth Street.

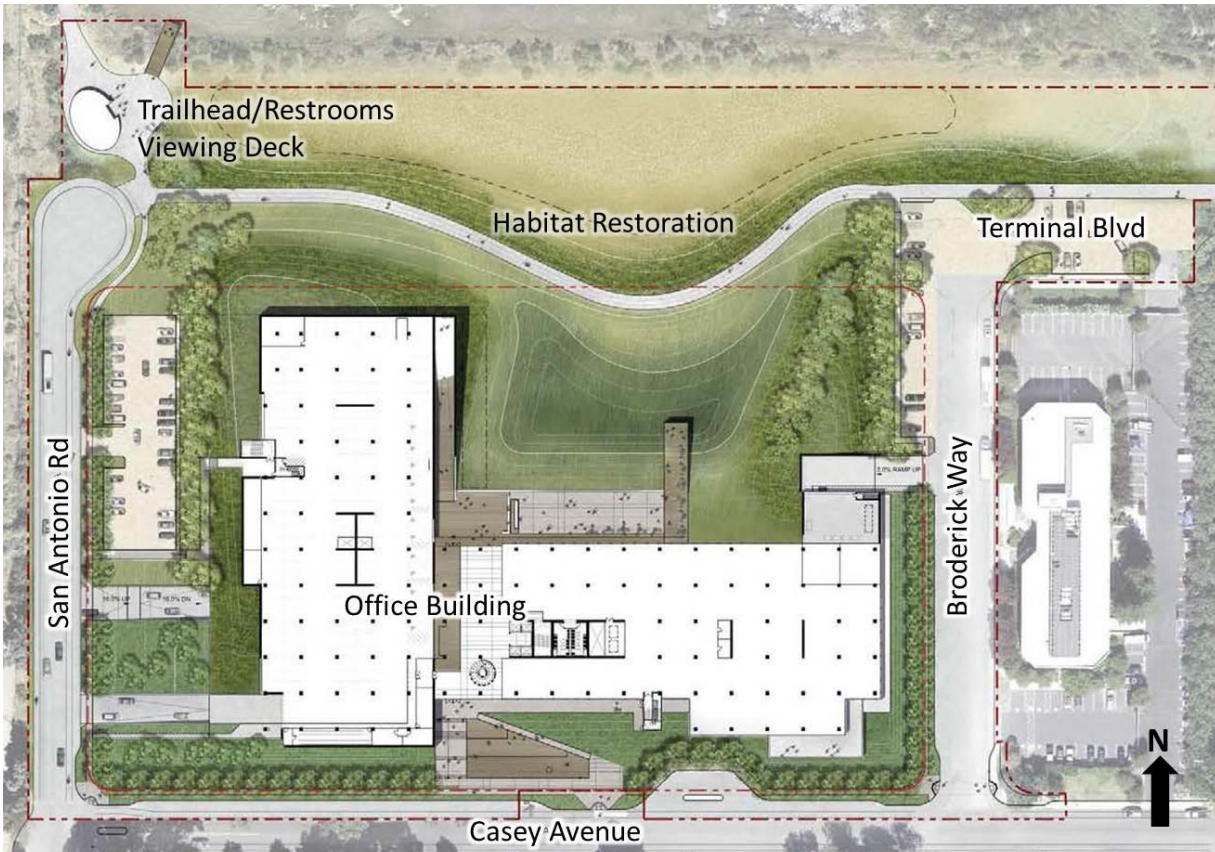
Note: The applicant submitted a revision to their original application after the February 27, 2015 deadline that includes additional community benefits (Attachment 6). Staff has not analyzed the monetary value of this latest submittal but notes that the applicant is proposing additional, significant sustainability measures.



**4. Peery-Arrillaga**

Project Sites: 1945 Charleston Road and 1501 Salado Drive

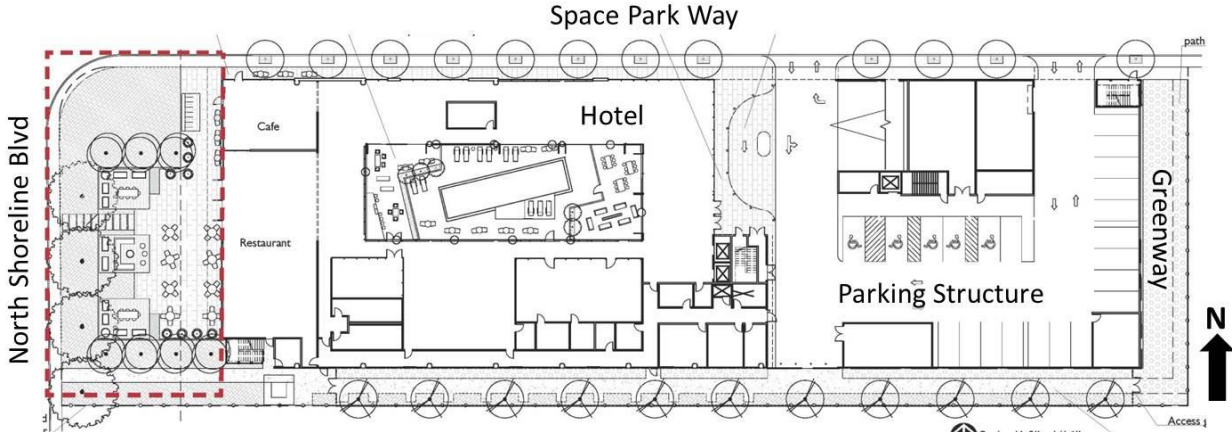
Request for 1.0 FAR for a 600,000 square foot, 6-story office building (416,424 net new square feet) and one level of underground parking on a 13.7-acre project site (Parcel 2) and a 407,000 square foot, 6-story office building (283,444 net new square feet) with one level of underground parking on a 9.3-acre site (Parcel 3). The project sites are located along North Rengstorff Avenue north of U.S. Route 101 at the intersection of Amphitheatre Parkway and Charleston Road.



## 5. Rees Properties

Project Site: 2629 Terminal Boulevard

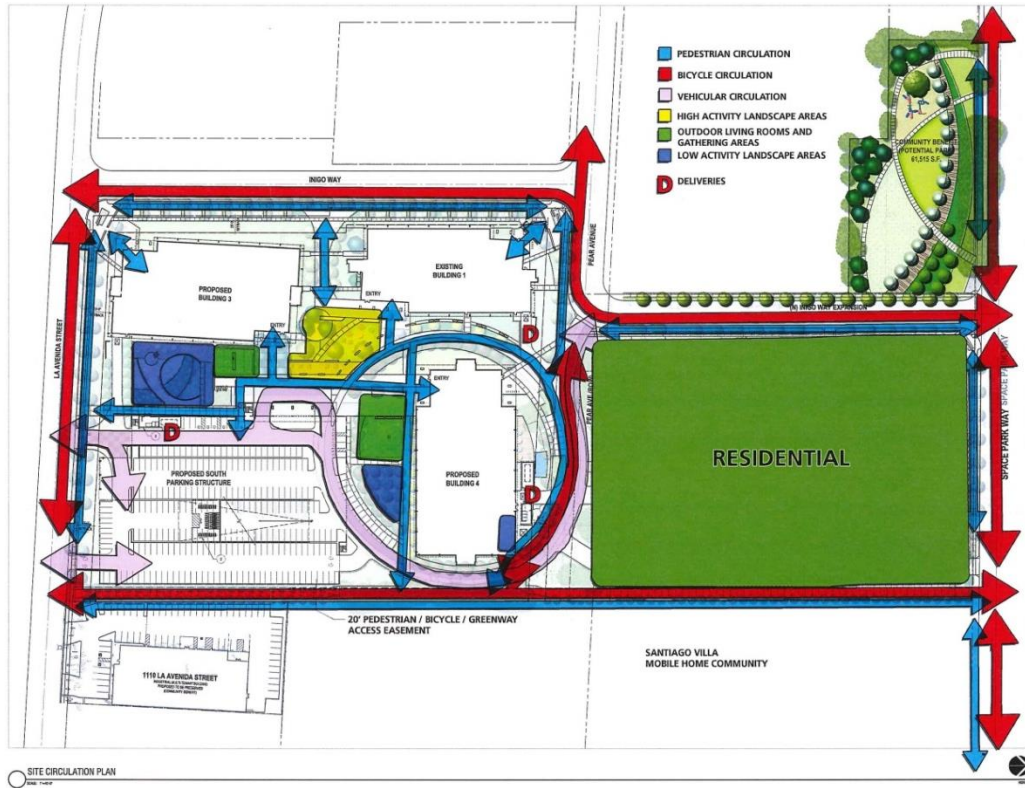
Request for 0.65 FAR for a 190,876 square foot, 3-story office building (116,745 net new square feet) and one level of underground parking on a 6.74-acre site. The project site is between Terminal Boulevard to the north, Casey Avenue to the south, San Antonio Road to the west, and Broderick Way to the east.



**6. Shashi Group**

Project Site: 1625 North Shoreline Boulevard

Request for 1.78 FAR for a 108,100 square foot, 5-story hotel with 200 rooms (70,170 net new square feet) and a 4-level structured parking garage on a 1.3-acre site. The project site is located on the southeast corner of North Shoreline Boulevard and Space Park Way.



## 7. The Sobrato Organization

Project Sites: 1255 Pear Avenue and 1305 Space Park Way

Request to construct two new 3- to 5-story buildings and a new 4-level parking structure on a 10.2-acre project site at an overall FAR of 0.92. The applicant revised their application after the February 27, 2015 submittal deadline to remove the parcel north of Pear Avenue from the project. The applicant has stated that this parcel, which originally was planned to have two office buildings, will be reserved for future residential uses and has submitted a Gatekeeper request to proceed with a residential project. Gatekeeper requests will be scheduled for a Council meeting in June. The revised project includes retention of the 18,047 building at 1110 La Avenida and the 156,000 square foot building at 1255 Pear Avenue, and construction of two office buildings totaling 228,953 square feet of new office development for a total project floor area of 403,000 square feet.

The project site is located between Pear Avenue to the north, La Avenida to the south, Inigo Way to the west, and borders the Santiago Villa mobile home community to the east.

## Evaluation Criteria

Based on the Precise Plan and the Bonus FAR guidelines, the Precise Plan team has utilized the following evaluation categories:

- Bonus FAR Eligibility – Does the proposal meet Bonus FAR requirements?
- Priority Transportation Improvements – If priority transportation improvements are proposed, how significant are they?
- Shoreline Boulevard Gateway – How likely will the proposal reduce or avoid impacts to the Shoreline Boulevard gateway, which is already at capacity?
- TDM (Transportation Demand Management) Plan – How likely will the TDM plan meet the Plan's 45 percent Single-Occupancy Vehicle (SOV) mode shift goals?
- Character Area Consistency – Does the proposal meet the purpose and intent of the character area?
- Sustainability – Does the proposal meet the Plan's sustainability vision, principles, and green building and site design standards and guidelines?
- Transportation, Connectivity, and Transit – Does the proposal meet the Plan's mobility vision, principles, mobility standards, and guidelines?
- Habitat and Ecosystems – Does the proposal meet the Plan's habitat vision, principles, and habitat and biological resources standards and guidelines?
- Community and Public Spaces – Does the proposal meet the Plan's community and public space vision and principles?
- Community Benefits – What is the per-square-footage amount of community benefits?
- Key Location – Is the project site critical to implementing key transportation improvements?
- Potential Residential Location – Is the area identified by the City Council as a potential residential study location?

The last two categories were added to this list because of their importance in implementing the vision for North Bayshore. Potential residential locations are significant because they reflect recent Council policy direction and you may not want to allow buildings there until the housing issue is settled. Key location was added because of their importance in implementing key transportation improvements that can help the district achieve Precise Plan transportation objectives and TDM measures.

Table 2 below includes these categories and questions, and staff's high-level analysis of how each Bonus FAR application addresses these key Precise Plan categories. Staff notes that consideration should be given to all of these categories when determining how well Bonus FAR applications propose to implement the Precise Plan.

The analysis compared each application against the Precise Plan. Evaluation criteria used in the analysis are attached to this report (Attachment 3).



**Table 2: Bonus FAR Application Summary Evaluation**

Category:	Bonus FAR Eligibility	Key Location	Precise Plan: Transportation			Precise Plan compliance: Objectives & Principles					Other	
			Priority Transportation Improvements	Shoreline Gateway	TDM Plan	Character Area Consistency	Sustainability	Transportation, Connectivity & Transit	Habitat & Ecosystems	Community & Public Spaces	Potential Residential Location	Community Benefits
Key Question:	Does the proposal meet Bonus FAR requirements?	Is the project site critical to implementing key transportation improvements?	If priority transportation improvements are proposed, how significant are they?	How likely will the proposal reduce or avoid impacts to the Shoreline Blvd gateway?	How likely will the TDM plan meet the Plan's 45% SOV mode shift goals?	Does the proposal meet the purpose and intent of the character area?	Does the proposal meet the Plan's sustainability vision, principles, and green building and site design standards and guidelines?	Does the proposal meet the Plan's mobility vision, principles, mobility standards and guidelines?	Does the proposal meet the Plan's habitat vision, principles, and habitat and biological resources standards and guidelines?	Does the proposal meet the Plan's community and public space vision and principles?	Is the area identified by the City Council as a potential residential study location?	What is the per square footage amount of community benefits?
<b>GATEWAY</b>												
1. LinkedIn/Sywest	Yes	Yes	Very Significant (1)	Likely, with conditions	Likely	Exceeds expectations	Exceeds expectations	Exceeds expectations	Meets expectations	Exceeds expectations	No	\$20.97 *
<b>CORE</b>												
2. 1625 Plymouth	Yes	No	Very Significant (2)	Questionable	Not likely	Meets expectations	Meets expectations	Exceeds expectations	Meets expectations	Meets expectations	No	\$55.48 *
3. Google - Shoreline	Yes	Yes	Very Significant (3)	Likely	Likely	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Yes	\$39.39
4. Shashi Hotel	No (4a)	Yes	None required	Not likely (4b)	Not likely	Meets expectations	Meets expectations	Partially complies	Meets expectations	Meets expectations	Yes	\$0.00
<b>GENERAL</b>												
5. Google - Landings	Yes	Yes	Very Significant (5)	Likely	Likely	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	No	\$80.49
6. Google - Huff	Yes	No	Significant (6)	Likely	Likely	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	No	\$72.19
7. Google - Ch South	Yes	Yes	Not priority (7)	Likely	Likely	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Exceeds expectations	Yes	\$36.30
8. Peery-Arrillaga	No (8a)	Yes (8b)	(no further analysis due to lack of submitted information)								No	\$0.00
9. Sobrato	Yes	Yes	Very Significant (9)	Not likely (4b)	Likely, with conditions	Partially complies	Meets expectations	Exceeds expectations	Meets expectations	Exceeds expectations	Yes	\$78.34 **
<b>EDGE</b>												
10. Rees	Yes	No	None required	Likely	Likely	Exceeds expectations	Exceeds expectations	Meets expectations	Exceeds expectations	Meets expectations	No	\$116.82
			Color codes: Green = Best alignment with Precise Plan objectives Yellow = Alignment with Precise Plan objectives White = Does not or partially aligns with Precise Plan objectives, or does not apply									

**NOTES**

- |  |   |
|--|---|
| (1) Shoreline improvements; bike/ped bridge landing area<br>(2) Proposing cash for use as City desires to fund priority improvements<br>(3) Shoreline improvements, E-W greenway connection<br>(4a) No community benefits identified      (4b) Additional information needed | (5) Frontage Road; VTA collaboration on Inigo off-ramp<br>(6) San Antonio Road bike/ped improvements<br>(7) Community shuttle expansion proposed; not identified as a priority improvement<br>(8a) Application missing required information      (8b) Sites located along Transit Boulevard<br>(9) Includes new north-south connecting street |
|--|---|

\* Revised community benefit info was submitted but not analyzed by staff

\*\* Revised site plan was submitted which altered original number

### Bonus FAR Eligibility

The first level of analysis is regarding Bonus FAR eligibility. The Precise Plan includes requirements for Bonus FAR applications, including how much Bonus FAR can be requested and what measures are needed to qualify for the FAR, based on the site's "character area." Attached to this report (Attachment 4) are the Bonus FAR requirements by character area, including how each Bonus FAR applicant proposes to comply with these requirements.

### Key Features

The Bonus FAR tiers require certain measures such as highly sustainable development or district improvement projects in order to receive additional FAR. The purpose of the following section is to include a high-level narrative of the key Bonus FAR features to accompany Table 2.

Every Bonus FAR application is not mentioned under all categories below due to differences in character area expectations and requirements. For example, applications in the Edge character area are expected to do more regarding habitat restoration than applications in the Gateway character area, so there is not the expectation that Gateway applications will include any habitat enhancements.

### *Character Area Compliance*

- Broadreach—Precise Plan exception needed for required building frontage along street.
- Google—all four sites require Precise Plan exception for building height, build to area, and interpretation of floor area calculation.
- LinkedIn—includes mix of diverse land uses at Gateway location.
- Shashi—new active space (restaurant, seating area) along frontage; additional development review needed for design and massing.
- Sobrato—lack of cohesive integration of site design elements (open space, buildings, circulation); amount of common usable open space is lacking; additional development review needed regarding compatibility with adjacent mobile homes.

### *Sustainability*

- Broadreach—solar panels, high-efficiency heating/cooling systems, Electric Vehicle (EV) charging stations.
- Google—all sites propose net zero water; unique efficient exterior building canopy system.
- LinkedIn—net zero energy use planned for future; geothermal system.
- Rees—geothermal system for heating and cooling.
- Shashi—two public EV stations on Space Park Way.

### *Transportation*

- Broadreach—includes substantial payment for the City to flexibly spend on key transportation improvements; dedicating land for future frontage road.
- Google
  - Landings Drive—includes consolidated parking for all four Google sites; proposed frontage road to connect to Plymouth Street; more bicycle parking provided than required; new Permanente Creek bicycle bridge; collaboration with VTA on the Inigo Way off-ramp; 1.0 parking space per 1,000 square feet across all four sites.
  - Huff Avenue—“soft grid” pilot project to retrofit street.
  - Charleston South—new greenway through building; community shuttle expansion.
  - North Shoreline Boulevard—new Shorebird Way to Stevens Creek Trail connection.
- LinkedIn/Sywest—new bicycle tracks and bicycle/pedestrian bridge along frontage; realigned Space Park Way-Plymouth Street connection; new frontage road; U.S. 101 off-ramp feasibility study; 2.0 to 2.48 spaces per 1,000 square feet.
- Rees—relocated public parking areas for Bay visitors.

- Shashi – North Shoreline Boulevard dedication for bicycle tracks.
- Sobrato – new Inigo Way north-south connection.

#### *Habitat*

- Google
  - Landings Drive – Permanente Creek enhancements; complies with Habitat Overlay Zone setbacks.
  - Charleston South – Transfer of Development Rights (TDR) from 1200-1210 Charleston Road; burrowing owl area created.
  - North Shoreline Boulevard – TDR from 1220-1230 Charleston Road at 1201 Charleston Road.
- Rees – proposed site plan replaces impervious surface street with new landscaping and open area that transitions to the Bay.

#### *Community and Public Spaces*

- Broadreach – publicly accessible plaza located along Plymouth Street.
- Google:
  - Landings Drive – new public park next to creek; 40,000 square feet public retail; auditorium.
  - Huff Avenue – retail canopy area fronting greenway; local business/public meeting space.
  - Charleston South – new greenway through building; central plaza area.
  - North Shoreline Boulevard – large public plazas and retail space.
  - New open-air canopy, plazas, and public bicycle and pedestrian access at Huff Avenue, North Shoreline Boulevard, Landings Drive, and Charleston South.

- LinkedIn— 30,000 to 50,000 square feet provided for small businesses.
- Rees— public Bay Trail improvements (new trail, trailheads, new restroom).
- Shashi— new retail/restaurant space along North Shoreline Boulevard.
- Sobrato— new public park; subsidized rents in perpetuity for small businesses at 1110 La Avenida.

### Community Benefits

Staff has evaluated proposed community benefits based on the following criteria: (1) Is any proposed community benefit a highly sustainable development feature, site design, or character area expectation of the Precise Plan? If so, then they are not considered a community benefit; (2) Is any proposed community benefit a frontage requirement? If so, then this is not considered a community benefit; and (3) Is the proposed improvement needed to successfully implement the TDM plan? If so, then the improvement will be allocated a certain approximate percentage that may count toward community benefit.

Staff received estimated community benefit values from Bonus FAR applicants and later adjusted these estimates based on the criteria outlined above. This was not a detailed evaluation and is only intended to consider the order of magnitude of the value of each proposal.

Staff includes a per-square-foot cost evaluation to each proposed community benefit. These numbers vary considerably based on the size of the proposed project and estimated costs.

### *Bonus FAR Evaluation Process*

As noted, there are Bonus FAR proposals totaling approximately 5.8 million square feet and 2.2 million square feet of net new office allowed. The following table describes a suggested process to help Council determine which Bonus FAR proposals should be allowed to submit for Planned Community Permits.

### **Step 1: Which projects are not in compliance with the Bonus FAR Requirements?**

Staff determined that two Bonus FAR applications do not meet the Bonus FAR requirements. The Shashi proposal did not include any community benefits as required for hotels in the Core Character area. A further discussion of a recommended process

for the Shashi proposal is included later in this report. The Peery-Arrillaga proposal did not include the required submittal information and, therefore, could not be analyzed for compliance with Bonus FAR requirements.

**Step 2: Which projects are within areas to be studied for residential uses?**

Three projects are located within areas to be studied for residential uses: Google-Shoreline, Google-Charleston, and the Sobrato office building proposed on La Avenida (the second Sobrato building on Pear Avenue is not in a residential study area). Staff recommends that these three projects not move forward with Bonus FAR at this time.

**Table 3**

<b>NORTH BAYSHORE BONUS FAR EVALUATION PROCESS</b>	
<b>Step 1: Proposals Not in Compliance with Bonus FAR Requirements</b>	
	<b>Office Square Footage</b>
Peery Arrillaga	-699,868
Shashi Group	200 rooms*
<b>Step 2: Proposals Identified in Areas for Further Residential Study</b>	
Google – Shoreline	-582,172
Google – Charleston	-1,079,092
Sobrato (Pear Avenue)	-114,500
<b>Step 3: Remaining Bonus FAR Proposals</b>	
Sobrato (La Avenida)	114,500
Broadreach	123,479**
Google – Landings	515,325
Google – Huff	164,905**
LinkedIn/Sywest	1,611,518
Rees	<u>116,745</u>
<b>Remaining Bonus FAR Proposals</b>	<b><u>2,646,472</u></b>
<small>* Hotel uses are a different land use category and not counted against the total 2.2 million SF office cap.            ** Broadreach and Huff show net square footage over 0.45 FAR, since the sites are vacant.</small>	

**Step 3: Remaining Bonus FAR Proposals:**

As shown in Table 3, staff has determined that six projects have met the FAR Bonus requirements and can be considered for an allocation of square footage. The six projects total 2,646,472 square feet, which exceeds the allowable square footage by 466,472.

**Council Question No. 1: Which Bonus FAR applications containing up to 2.18 million square feet are eligible to submit for a Planned Community Permit?**

Council should determine which of the six projects should be granted the 2.2 million square foot allocation to proceed to the Planned Community Permit process. Staff suggests that Council review the criteria and staff's analysis contained in Table 2.

**Council Question No. 2: What is the Council direction for the Bonus FAR requests that exceed 2.18 million square feet?**

**Option 1 – Do Nothing**

Projects not receiving an allocation will not proceed into the Planned Community Permit process with the possible exception of the Broadreach and Huff projects. These two sites are currently vacant and are eligible to build at an FAR up to 0.45.

**Option 2 – Individual Bonus FAR EIR Analysis**

Council may authorize an additional project(s) to proceed to the Planned Community Permit stage and require each additional project to prepare their own Environmental Impact Report to analyze potential impacts and mitigations associated with their project. This information would then become part of the project's Development Review Process and would be forwarded to the City Council with the project for final action.

Individual Bonus FAR applications could also propose additional transportation improvements to increase traffic capacity, such as those studied in the North Shoreline Transportation Study (i.e., new Charleston Road connection under U.S. Highway 101). Additional EIR analysis would still be required of these individual applications. Applicants could also prefund actual improvements, but would not be able to occupy their projects until either the improvement is complete or City gateway monitoring demonstrates additional capacity is available.

**Option 3 – Defer to Precise Plan Endorsement**

Should Council have some interest in allowing additional projects, the final decision on whether or not to proceed could be deferred and then incorporated into the upcoming revised Precise Plan EIR. City Council is scheduled to endorse key Precise Plan land use and transportation strategies in January 2016, including the location and number of new residential uses, in addition to the amount of office area that will be replaced by residential uses. The Council could then allow additional projects to proceed

contingent on adoption of the revised Precise Plan. At that point, Council could also direct that the Precise Plan EIR analyze an additional amount of net new office square footage. If Council is interested in allowing additional projects to proceed, staff recommends this option.

#### **Option 4 – Defer to Adoption of Revised Precise Plan**

Authorization of additional projects could be deferred until after the revised Precise Plan is adopted. This is scheduled for winter 2017. Depending upon the amount of floor area Council wishes to authorize, another EIR may need to be prepared at that time.

#### *Hotel Evaluation*

The Shashi Group and LinkedIn are proposing hotels at their sites. Shashi proposes 200 rooms at approximately 1.78 FAR. At this time, LinkedIn does not have any information on the size of the hotel proposed at their site which was added after the February 27, 2015 submittal. Hotels in the Core Area, such as Shashi, are required to provide a community benefit. However, the Shashi Group has not proposed a community benefit to date. For the LinkedIn site, hotels are not required to provide a community benefit because the Gateway area is encouraged to include different uses to implement the vision of the area as a vibrant, mixed-use destination.

A total of 290 hotel rooms were included in the Precise Plan EIR traffic model; it is likely the combined total number of rooms from the Shashi and LinkedIn proposals will exceed this number. Therefore, additional transportation analysis will be required as part of each Planned Community Permit to identify any potential impacts and required mitigations.

For these reasons, staff is recommending that both hotel proposals be allowed to proceed into the Planned Community Permit process to determine compliance with Precise Plan standards, including the required community benefits for the Shashi proposal. Staff will then update Council on the status of these projects during project Study Sessions. If Shashi does not add a community benefit to their project, it will not be brought forward to the City Council.



### **NEXT STEPS**

Bonus FAR proposals determined eligible to apply for Planned Community Permits will enter the formal Development Review Process including required environmental analysis. It is expected there would be Study Sessions in fall 2015 and the projects could be ready for entitlement hearings in spring through fall 2016.

### **RECOMMENDATION**

Staff recommends that the City Council determine which Bonus FAR applications are eligible to submit for Planned Community Permits.

### **FISCAL IMPACT**

There is no fiscal impact at this time. High-level fiscal information will be evaluated during the Development Review Process for each project.

### **ALTERNATIVE**

Provide other direction to staff regarding the Bonus FAR applications and process.

**PUBLIC NOTICING**

Posting of the agenda and notice of the meeting was also announced via social media. Courtesy notices of this meeting were mailed to the City's North Bayshore Precise Plan interested parties list.

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891-05-05-15CR-E

- Attachments:
1. Resolution Regarding the Eligibility of Proposed North Bayshore Precise Plan Bonus FAR Applications to Apply for Planned Community Permits
  2. Precise Plan Transportation Priorities
  3. TDM Evaluation Summary
  4. Bonus FAR Evaluation Criteria
  5. Broadreach Revised Letter
  6. LinkedIn Revised Letter
  7. Project Overviews
  8. Summary Analysis Table