

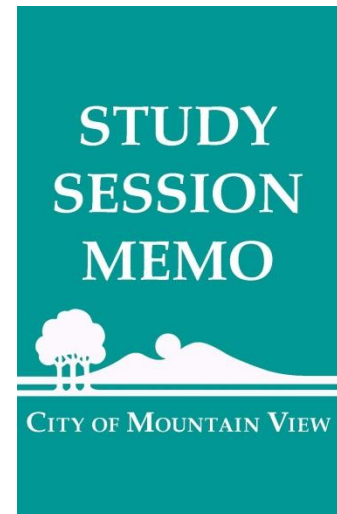
DATE: February 26, 2013

TO: Honorable Mayor and City Council

FROM: Margaret Netto, Planner
Peter Gilli, Planning Manager (Acting)
Randal Tsuda, Community Development
Director

VIA: Daniel H. Rich, City Manager

TITLE: **700 East Middlefield Road (RREEF) Project
and East Whisman Road 1.0 FAR
Considerations**



PURPOSE

The purpose of this memorandum is to provide the City Council with information on the RREEF proposal presented at the February 12, 2013 Study Session, as well as the TMG proposal for 625 Clyde Avenue, in order to provide direction on potential requirements for 1.0 floor area ratio (FAR) projects in the East Whisman Change Area. This discussion will assist staff and the applicant on Council expectations regarding East Whisman area community benefits and projects requesting a 1.0 FAR.

BACKGROUND

On February 12, 2013, the City Council received a presentation from staff and RREEF for a proposed 1.0 FAR office project at 700 East Middlefield Road (see Attachment 1 – City Council Study Session Memorandum on 700 East Middlefield Road Dated February 12, 2013). Three Councilmembers were able to ask questions of staff and the applicant before the Council continued the item to February 26, 2013 due to time constraints.

Suggested Meeting Procedure

1. Brief staff presentation on the TMG project focusing on potential requirements for 1.0 FAR (staff presentation on RREEF was provided at previous Study Session).
2. Continuation of Council questions of staff and applicants.

3. Public comments.
4. Council discussion and input on the topics contained in the Recommendation section of this report.

DISCUSSION

At the February 12, 2013 Council meeting, Council discussed the following topics:

- Building heights in comparison to other projects.
- Types of improvements that can be considered a public benefit.
- The rationale to reduce required parking spaces.
- Potential financial contributions to Santa Clara Valley Transportation Authority (VTA) projects.
- Accessibility of the open space area to the public.
- Inclusion of parking structures in the floor area ratio calculation.
- Traffic impacts.

Council directed that the TMG project at 625 Clyde Avenue be discussed in general at the continued Study Session, in addition to the RREEF project, to allow Council to provide direction on two topics that affect the overall East Whisman area: community benefits and Council expectations for projects proposing a 1.0 FAR.

625 Clyde Avenue

TMG received Gatekeeper authorization on March 6, 2012 to proceed with an office project with an FAR up to a 1.0. The project would result in 390,000 square feet of office area replacing 115,000 square feet of existing area (net increase of 275,000). In September 2012, TMG announced that the buildings had been leased to Samsung Information Systems.

The 625 Clyde Avenue project was reviewed by the Environmental Planning Commission (EPC) on February 6, 2013 at a public hearing where the EPC recommended adoption in a 7-0 vote of the Final EIR and approval of the rezoning and

project with conditions, along with a recommendation that the project provide a fair-share contribution to the VTA express lane project planned for Highways 101, 237, and 85 (see Attachment 2—Environmental Planning Commission Staff Report on 625 Clyde Avenue Dated February 6, 2013).

General Plan 2030 allows projects to have a 0.35 FAR, with the potential to go up to 1.0 FAR for highly sustainable, transit-oriented projects, as well as reduce trip generation through TDM programs. The following is a summary of TMG's proposal:

Community Benefits

1. T Zone Contribution—Project will contribute approximately \$900,000, which the Council can allocate to transportation-related studies or improvement projects in the East Whisman area. The T Zone contribution originated from the 0.50 FAR T Zone overlays, which included a required contribution by the developer of \$3.62 per net new square foot.
2. Off-Site Improvements—Valued at approximately \$350,000, the developer would be required to install sidewalks along public streets leading from the Clyde Avenue project to the Middlefield Light Rail Station, and the installation of signage and sharrows (markings on the public street that indicate the road is intended to be shared by vehicles and bicycles) (see Attachment 3).
3. Transportation Studies or Projects—There are discussions between City staff and the VTA to determine if there are specific studies or projects toward which the Clyde Avenue proposal may financially contribute.

Transportation Demand Management Program (TDM)

In order to justify the proposed 1.0 FAR, TMG must demonstrate a significant reduction in vehicle trips. The Greenhouse Gas Reduction Program (GGRP) requires a reduction of peak-hour commute trips by a minimum of 9 percent. The 9 percent reduction would be required for any new office project, including a project with a 0.50 FAR as allowed under the current T Zone. Therefore, staff believes that a 1.0 FAR project should significantly reduce peak-hour trips beyond the minimum of 9 percent. Staff recommended that TMG pursue a 20 percent trip reduction target and that a transit shuttle service must be a component of the TDM measures.

TMG has proposed a TDM program that includes a shuttle service, which is likely to bring their TDM program to the 20 percent reduction target. TMG has agreed to fully

fund the shuttle system for this site, which is estimated to be a \$100,000 to \$200,000 annual expense. Over time, additional property owners may choose to participate with the applicant for an area-wide shuttle system. This would allow the cost of the system to be shared among users.

The shuttle service is one component of the overall TDM program for the project. The proposed program also includes standard TDM features such as bicycle parking, showers and changing rooms, parking for carpools, car-sharing vehicles, web portal, transit coordinator, and transit pass subsidies. Attachment 4 is the proposed TDM program for the Clyde Avenue project.

RECOMMENDATION

Council direction on the adequacy of the Clyde Avenue improvements will assist staff in its review of the RREEF proposal. RREEF is proposing to add a net increase of 620,000 square feet, which is greater than the Clyde Avenue project; therefore, the off-site improvements would be expected to be proportionally greater. Staff recommends that the City Council provide feedback and direction on the following topic areas for 700 East Middlefield Road and the East Whisman Change Area:

1. Appropriateness of the 1.0 FAR intensity and building heights up to eight stories on this site. If the 1.0 FAR is not appropriate, the City Council can reduce the FAR and/or the building height. If the 1.0 FAR is appropriate, provide input on the following topics:
 - a. Expectations for the scope of TDMs/trip reductions to justify 1.0 FAR, including the provision of greater peak-hour trip reduction, a shuttle program for the property, or a shuttle program to serve the East Whisman area (20 percent trip reduction with regular shuttle service from the site to Caltrain and light rail stations).
 - b. Direction on reducing the supply of vehicle parking to further reinforce the expectation that the owner and tenant will make every effort to reduce single-occupancy vehicle trips to and from the site (10 percent reduction is provided in the Clyde Avenue project).
 - c. Expectations for the scope of off-site improvements to justify 1.0 FAR, including any vehicular, bicycle, pedestrian, or transit station improvement(s) that would lead to increased transit usage or alternative modes of

- transportation throughout the Whisman area (Clyde Avenue improvements and contributions were described above).
2. Appropriateness of conceptual project design:
 - a. General acceptance of the overall site plan, building locations, open spaces, and its relationship to Heritage tree removals.
 - b. General acceptance of the building heights as related to open space. Council can direct the applicant to pursue shorter buildings with larger footprints, which would reduce the overall open space area. Alternatively, the overall FAR and building heights can be reduced while maintaining the open space.
 - c. Establish sustainability goals for the project related to water and energy consumption and a potential LEED target.
 3. Appropriateness of the amount of square footage that should be analyzed in the Subsequent Environmental Impact Report (SEIR) for the General Plan.
 - a. Direction on analyzing the project plus the authorized Gatekeeper (Symantec) in the SEIR, approximately 1.1 million square feet or analyzing the project plus the authorized Gatekeeper (Symantec), and an additional buffer for future office projects in the SEIR, approximately 1.9 million square feet.
 4. Staff requests feedback and direction from Council on the types of community benefits and off-site improvements desired in the East Whisman Change Area.

NEXT STEPS

Following feedback from the City Council at this Study Session, the RREEF project at 700 East Middlefield Road will revise their project as necessary in response to Council comments, refine their plans, and continue with the development review process. The environmental review process will commence as well, with the preparation of an EIR for the project and a Subsequent EIR for the General Plan.

The TMG application, 625 Clyde Avenue, is currently scheduled for a Council public hearing on March 19, 2013.

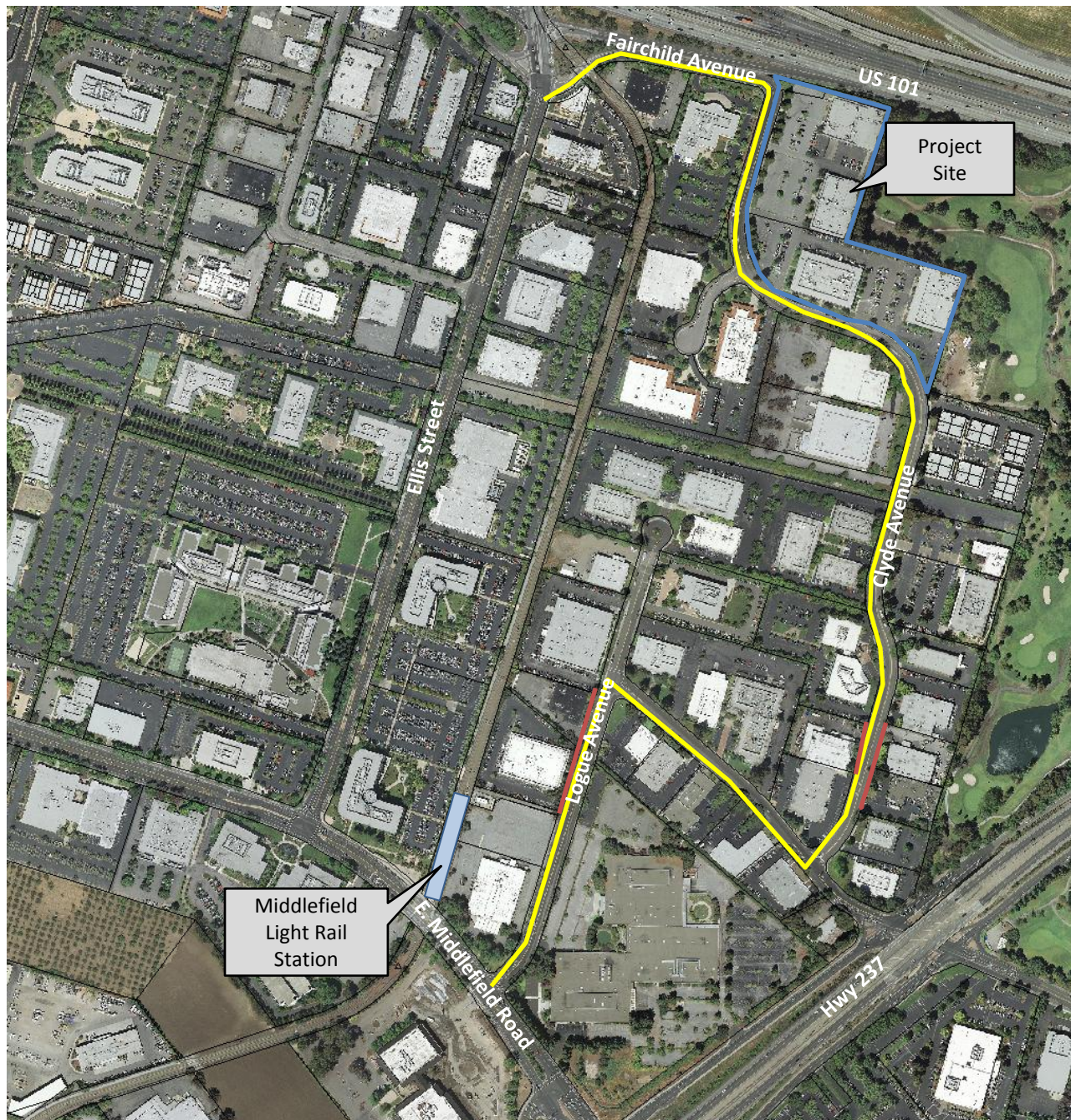
PUBLIC NOTICING

Agenda posting and mailing to interested parties and all property owners within 300' radius of the RREEF and TMG project.

MN-PG-RT/7/CAM
802-02-26-13SS-E

- Attachment:
1. [City Council Study Session Memorandum on 700 East Middlefield Road Dated February 12, 2013](#)
 2. [Environmental Planning Commission Staff Report on 625 Clyde Avenue Dated February 6, 2013](#)
 3. Off-Site Clyde Avenue Improvements
 4. 625 Clyde Avenue TDM Program

ATTACHMENT 3
625-685 Clyde
Avenue Proposed
Off-site
Improvements



— Bicycle
— Sidewalk

625-685 Clyde Avenue**Traffic Demand Management (TDM) Summary**

The purpose of the Project's TDM program is provide alternative transportation access to the Property, shifting commuting employees from single occupancy vehicles to public transit, pedestrian and biking, and low-emitting vehicle alternatives. The program described below is targeted to achieve a 15% reduction in vehicle trips, which is 65% above the City's 9% requirement. The following outline provides a summary of the sponsor's TDM program for the Project:

- **Shuttle:** Project commits to operating a "last mile" peak-period employee shuttle to operate between Cal Train and VTA locations and the subject property. Project will include the construction of covered shuttle stops on Clyde Avenue.
- **Bicycle Incentives:**
 - Provide secured bicycle storage of 65 long term and 13 short term parking spaces.
 - Provide showers and changing rooms.
 - Install Bike FIXIT stations near bike storage facilities with repair tools and instructions.
 - Purchase and maintain bicycles for employee use to access transit and local amenities.
- **On-Site Features:**
 - Preferred parking for low emitting and fuel-efficient vehicles for 5% of the total vehicle parking capacity.
 - Preferred parking for carpools or vanpools, for 3% (40) of total parking spaces.
 - Passenger loading zones in front of buildings.
 - Transportation and Commute information kiosk, containing Emergency ride home information, ECO pass information, transit schedules, bicycle maps, and 511.org ridematch information.
- **Amenities**
 - Planned on-site cafeteria
 - Planned on-site fitness center
 - Near-by Amenities include:
 - Specialty's Café
 - Peet's Coffee and Tea
 - Wells Fargo bank
- **On-Site Commute Coordinator**
 - TDM training for tenant

- New Facility Kick-off event
- At 75% occupancy applicant will host commute alternative kick-off event
- **Commute Programs:**
 Building owner will encourage tenant to participate in regional and local commute programs such as:
 - VTA ECO pass program (or comparable program)
 - Commuter Choice-Pre-tax options
 - 511 Regional Carpool and Vanpool Incentive Programs
 - San Mateo County Free Try Transit Program
 - Transit Commute Incentives
 - Bicycle Resources
 - Carpool and Vanpool ride-matching
 - Mobile services (personal services)
 - Use the 511.org programs
- **Non-Mandatory TDM Programs**
 - Flextime and Off-Peak Commuting
 - Teleworking/Telecommuting
 - Compressed workweek
 - Car Share services
 - Mobile personal services
- **Emergency Ride Home**
 - Program to be implemented by the applicant.
- **Off-Site Improvements**
 The Project's off-site improvement fees shall be applied to construct the following:
 - Hetch-Hetchy Trail Improvements, including installation of Class I bike path along the Hetch-Hetchy Trail between Ellis Street and Light Rail, and lighting improvements.
 - Bicycle improvements such as sharrows and/or signage from the Middlefield Light Rail station on Clyde Avenue, Maude Avenue and Logue Avenue to the project site.
 - Install new curbs, gutters and sidewalk on Clyde and Logue Avenue where the sidewalk is missing.
- **Monitoring Program**

- Conduct annual survey of trip behavior of employees to be reported to the City to evaluate success of TDM program and target improvements for subsequent years.