From:

To: , City Clerk

Cc: "Jeff Morris"; "Matthew Visick"

Subject: TIME SENS: Following up re: Proposed Changes to Bonus FAR Review Guidelines on Dec. 7th

Date: Monday, November 29, 2021 3:15:37 PM

Attachments: MORRIS GROUP LTR RE BONUS FAR GUIDELINES AMENDMENT 11.12.21 SIGNED.pdf

CAUTION: EXTERNAL EMAIL - Ensure you trust this email before clicking on any links or attachments.

On behalf of Jeff Morris, owner of a 2 acre property at in North Bayshore, please find attached our comment letter expressing concerns regarding the proposed draft revisions to the <u>Bonus FAR Review Guidelines</u> for the North Bayshore Precise Plan, which is expected to come before the City Council for consideration on December 7, 2021.

We respectfully request that this letter be <u>included as part of the agenda packet</u> for the upcoming hearing.

<u>Please confirm receipt</u> and thank you for the opportunity to comment.

Kerry

Kerry M. Williams Consulting, LLC

Principal

Development Management Services

Entitlements & Public Affairs

Project Management

Site Planning & Product Design

Due Diligence for Acquisitions

Burlingame, CA

The Jeffrey A. Morris Group 2500 Sand Hill Road, Suite 240 Menlo Park, CA 94025

November 12, 2021

Mr. Martin Alkire, Advanced Planning Manager Community Development Department City of Mountain View 500 Castro Street Mountain View, CA 94041

Re: Draft Amendment to North Bayshore Precise Plan Bonus FAR Review Guidelines

Dear Mr. Alkire,

Thank you for the opportunity to provide comments regarding the proposed draft amendment to the North Bayshore Precise Plan ("NBPP") Bonus FAR Review Guidelines which Staff is expected to bring to Council for consideration on December 7, 2021. As you know, I am a long-time property owner in the North Bayshore area, with an approximately 2.0 acre property located at 1808 N. Shoreline Boulevard in the Core Character Area. I am one of the few remaining, non-Google property owners in the Plan. For more than 35 years, I have owned and operated a single-story, 21,800 square foot office building on the site. Over the past two years, I have consulted with Planning staff and Council members regarding my interest in redeveloping the site into a first class, six story, 109,000 square feet office building consistent with the goals and objectives of the NBPP. I've also been engaged in discussions with Google's urban design team to ensure that my project integrates seamlessly into the new North Bayshore Framework Master Plan.¹ I plan to compete in the upcoming Bonus FAR competition, seeking a total of approximately 69,600 square feet.

At the August 18, 2021, Environmental Planning Commission hearing on the Gateway Master Plan, Staff introduced a set of proposed draft text amendments to the NBPP, including new threshold language ("<u>Proposed Threshold Language</u>") to be inserted into Exhibit F: Bonus FAR Review Guidelines². I am concerned that this new provision will effectively prohibit small property owners like myself from qualifying and competing for Bonus FAR, and ensure that Google, SyWest, and only a handful of other large property owners will be eligible to receive allocations in the future.

While I fully support the Plan's goal of incentivizing the production of housing, the City must take in to account the disparity between large and small landowners or it will inadvertently exclude small property owners from participating in the Bonus FAR competition. As currently drafted, the Proposed Threshold Language implicitly assumes that all property owners, regardless how much land they own, are able to meet the housing goals of the NBPP using the same strategies that past Bonus FAR applicants have used. This assumption is incorrect. In fact, smaller property owners will need to rely on more creative solutions to deliver housing as part of their proposals. The clarifications to the Proposed Threshold Language we propose below would still address the goal of producing housing but would give

¹ North Bayshore Framework Master Plan, August 2021.

² Environmental Planning Commission Staff Report, August 18, 2021

smaller property owners flexibility in meeting that goal, consistent with the Council's stated commitment to support a diversity of ownerships and projects in the NBPP area.

The Proposed Threshold Language Should Provide Flexibility for Small Sites

The Proposed Threshold Language amends the existing Bonus FAR criteria to require that any Bonus FAR proposal must "include a number of new residential units to help balance the amount of any new office FAR in a manner similar to the maximum development amounts allowed by the North Bayshore Precise Plan and/or consistent with recent North Bayshore mixed-use office and residential projects, including any previous Bonus FAR allocations" (see excerpt below, shown in its entirety in the attached Exhibit A from the August 18, 2021 EPC Staff Report).

F. Qualifying Thresholds and Criteria

- 1. Thresholds. To be considered for a Bonus FAR allocation by the City Council, Bonus FAR proposals must meet the following thresholds: The City Council may consider the following criteria in evaluating Bonus FAR applications, including but not limited to:
 - Proposals submitted after March 23, 2021 shall be limited to properties within the North Bayshore Precise Plan Complete Neighborhood boundaries.
 - The proposal must demonstrate substantial compliance with the Precise Plan's vision and guiding principles. The proposal must also include a number of new residential units to help balance the amount of any new office FAR in a manner similar to the maximum development amounts allowed by the North Bayshore Precise Plan and/or consistent with recent North Bayshore mixed-use office and residential projects, including any previous Bonus FAR allocations.
 - How the proposal meets the Precise Plan's vision and guiding principles, including each of the Precise Plan's
 Character Area goals and objectives and the Plan's strategies for new residential uses in North Bayshore;

In recent discussions with Staff seeking clarification regarding this amendment, we were advised to "look at what has been submitted in various forms" by other projects that received Bonus FAR allocations, specifically Google's Preliminary Master Plan, Sobrato's 1255 Pear Avenue Phase II mixeduse project, and a prior proposal by SyWest entitled the Shoreline Gateway Master Plan dated November 30, 2018³.

Unfortunately, all of these proposals are for significantly larger sites, and therefore do not provide meaningful guidance as to what strategies might work to deliver housing through a proposal for a smaller site, like 1808 N. Shoreline. To illustrate, the Google North Bayshore Framework Master Plan is a 127-acre plan with an anticipated 20+ year buildout, which has not yet been approved by the City Council⁴. In contrast, my project is located on just 2.0+/- acres and is constrained in terms of what uses will fit and function practicably on the site. Additionally, to my knowledge, Sobrato may have encountered challenges to the construction of the housing component of its Phase II project, and the City Council did not approve SyWest's Bonus FAR proposal for requalification.

³ City of Mountain View website, North Bayshore Precise Plan Bonus FAR, https://www.mountainview.gov/depts/comdev/planning/activeprojects/northbayshore/nbppbonusfar.asp SyWest Shoreline Gateway Master Plan, November 30, 2018 https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=28002

⁴ North Bayshore Framework Master Plan, August 2021.

To ensure that landowners with smaller sites are not at a competitive disadvantage in the competition, we request that the City provide flexibility for smaller landowners to meet any qualifying threshold through a range of alternatives. This will allow smaller property owners to compete in the Bonus FAR competition even though they are not similarly situated to these larger property owners, and therefore may not have adequate land or resources to employ the same strategies those property owners used in their proposals.

Specifically, for your consideration, we propose the following additional paragraph with requirements that would be applicable only to sites less than three acres in size:

F. Qualifying Thresholds and Criteria

- Thresholds. To be considered for a Bonus FAR allocation by the City Council, Bonus FAR proposals
 <u>must meet the following thresholds:</u> The City Council may consider the following criteria in evaluating
 Bonus FAR applications, including but not limited to:
 - ◆ <u>Proposals submitted after March 23, 2021 shall be limited to properties within the North Bayshore Precise Plan Complete Neighborhood boundaries.</u>
 - ◆ The proposal must demonstrate substantial compliance with the Precise Plan's vision and guiding principles. The proposal must also include a number of new residential units to help balance the amount of any new office FAR in a manner similar to the maximum development amounts allowed by the North Bayshore Precise Plan and/or consistent with recent North Bayshore mixed-use office and residential projects, including any previous Bonus FAR allocations.
 - ◆ For properties less than three acres in size, residential units may be located off-site, with the priority given for units located within the North Bayshore Precise Plan area. The Council may also consider creative proposals that support housing production outside the Plan area. As an alternative to building new residential units, an applicant with a property less than three acres in size may submit a proposal to dedicate land for new housing, partner with other residential developers, provide other resources in furtherance of the City's housing policies, pay fees in excess of the North Bayshore Non-Residential Housing Impact Fee, preserve existing housing stock, or other alternatives at the Council's discretion.
 - How the proposal meets the Precise Plan's vision and guiding principles, including each of the Precise Plan's Character Area goals and objectives and the Plan's strategies for new residential uses in North Bayshore;

Applicants Should have at Least 90 days to Submit Bonus FAR Proposals

So that applicants may have sufficient time to prepare thorough proposals to establish compliance with the Plan's principles, we respectfully request that landowners be given ninety (90) days to submit a Bonus FAR application for the upcoming competition. As the competition can only benefit from the participation of all interested landowners, we further ask that Staff provide guidance to applicants, perhaps through a preliminary review process, as to the minimum requirements needed to qualify for the competition.

Thank you for the opportunity to provide these comments and to share the needs and concerns of smaller landowners in the NBPP. I share Staff's and Council's enthusiasm and eagerness to see the vision for North Bayshore emerge from the ground as quickly as possible. I am confident that my property can contribute to that vision and look forward to participating in the upcoming Bonus FAR competition.

Very Truly Yours,

Jeffrey K. Morris

The Jeffrey A. Morris Group

Kerry M. Williams

Kerry Williams

Entitlements & Development Consultant

w/Encl: Exhibit A, Proposed Amendment to Exhibit F: Bonus FAR Review Guidelines,

Environmental Planning Commission Staff Report, August 18, 2021

Cc: Mayor Ellen Kamei

Vice Mayor Lucas Ramirez

Mountain View City Council Members

Kimbra McCarthy, City Manager

Aarti Shrivastava, Assistant City Manager/Community Development Director

Diana Pancholi, Senior Planner

Matthew Visick, Reuben, Junius & Rose, LLP

Exhibit A

Proposed Amendment to Exhibit F: Bonus FAR Review Guidelines Mountain View Environmental Planning Commission Staff Report August 18, 2021

F. Qualifying Thresholds and Criteria

- I. Thresholds. To be considered for a Bonus FAR allocation by the City Council, Bonus FAR proposals must meet the fol thresholds: The City Council may consider the following criteria in evaluating Bonus FAR applications, including but not limit.
 - Proposals submitted after March 23, 2021 shall be limited to properties within the North Bayshore Precise Plan
 Complete Neighborhood boundaries.
 - The proposal must demonstrate substantial compliance with the Precise Plan's vision and guiding principles. The proposal must also include a number of new residential units to help balance the amount of any new office FAR in a manner similar to the maximum development amounts allowed by the North Bayshore Precise Plan and/or consistent with recent North Bayshore mixed-use office and residential projects, including any previous Bonus FAR allocations.
 - How the proposal meets the Precise Plan's vision and guiding principles, including each of the Precise Plan's
 Character Area goals and objectives and the Plan's strategies for new residential uses in North Bayshore;
- Criteria The City Council may consider the following public benefit criteria in evaluating Bonus FAR applications, including, but not limited to:
 - An amount of affordable housing that exceeds the requirements listed in the North Bayshore Precise Plan;
 - The number of vehicle trips associated with <u>the</u> development and <u>any</u> proposed improvements to implement the CIPAction 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; and
 - Phasing of proposed improvements and development;