

**DATE:** March 23, 2021

**CATEGORY:** New Business

**DEPT.:** Community Development

TITLE: Google North Bayshore Precise Plan

Nonresidential Bonus Floor Area

Ratio Requalification and Preliminary Master Plan and

Amendments to the North Bayshore Nonresidential Bonus Floor Area Ratio Allocation Guidelines

#### **RECOMMENDATION**

Staff recommends that the City Council:

- 1. Adopt a Resolution of the City Council of the City of Mountain View Authorizing the North Bayshore Precise Plan Nonresidential Bonus Floor Area Ratio Requalification Request of 1.3 Million Square Feet from Google LLC Subject to a Minimum Community Benefit Value of \$42 Million, to be read in title only, further reading waived (Attachment 1 to the Council report).
- 2. Provide input on key questions regarding:
  - a. Potential amendments to the North Bayshore Nonresidential Bonus Floor Area Ratio Allocation Guidelines; and
  - b. The Google Preliminary North Bayshore Master Plan for a 122-acre site generally located in an area bounded by Charleston Road to the north, Stevens Creek to the east, Plymouth Street and Space Park Way to the south, and Huff Avenue to the west. The Plan area also includes portions of the Gateway Master Plan located at the northwest corner of Shoreline Boulevard and the U.S. 101 freeway northbound on-ramp in the P-39 (North Bayshore) Precise Plan.

## **BACKGROUND**

In 2014, the City Council adopted the North Bayshore Precise Plan (NBPP or Precise Plan) including Bonus Floor Area Ratio (FAR) Guidelines. The Precise Plan included a significant amount of new office square footage and key infrastructure improvements to

transform the area from a predominantly suburban employment area to a more urban, mixed-use, and pedestrian-oriented environment.

In 2015, the City established a Bonus FAR program to allocate approximately 2.2 million square feet of nonresidential floor area authorized in the Precise Plan to interested North Bayshore property owners. The nonresidential Bonus FAR program was created to help implement the broad land use and development goals of the General Plan and Precise Plan for North Bayshore.

In <u>May 2015</u>, the City Council considered 10 Bonus FAR applications and allocated 2.2 million square feet of nonresidential (office) Bonus FAR to five of these applications. The largest allocation was given to the Gateway area, owned in part by LinkedIn and SyWest, which received approximately 1.45 million square feet of nonresidential floor area.

The 2015 Bonus FAR allocation was based on the 2014 Precise Plan, which, at the time, did not allow residential uses. In 2017, the Precise Plan was amended to allow up to 9,850 residential units. The 2017 amendments also revised the Bonus FAR Guidelines criteria to clarify submittal deadlines and to add new residential uses as a key criterion when evaluating Bonus FAR applications (see Attachment 2—North Bayshore Precise Plan).

In 2016, LinkedIn and Google swapped various land holdings. As a result, Google ended up owning LinkedIn's portion of the Gateway site. After this land swap, SyWest and Google attempted to work together to develop a Gateway Master Plan utilizing the 1.45 million square feet of nonresidential Bonus FAR previously allocated to the Gateway area. Those attempts failed, and both SyWest and Google independently submitted nonresidential Bonus FAR Requalification requests to amend the amount of nonresidential Bonus FAR each property owner could develop. As proposed, the combined requalification requests exceeded the 1.45 million square feet of nonresidential Bonus FAR originally authorized on the Gateway site. Google's proposal also included 100,000 square feet of nonresidential Bonus FAR from outside of the Gateway area that was authorized in 2015.

The City Council considered the two requalification requests at the February 26, 2019 meeting. Google's request included Bonus FAR spread throughout North Bayshore, including the Gateway Master Plan area, while SyWest's request focused only on the Gateway Master Plan area. At this meeting, the City Council discussed the importance of determining the appropriate nonresidential Bonus FAR allocation for the Gateway site before the remaining Bonus FAR could be allocated in the remainder of the North Bayshore Area. Ultimately, the City Council denied both Google's and SyWest's

nonresidential Bonus FAR Requalification requests and asked staff to work with both property owners on a Master Plan for the Gateway site using the concepts submitted by SyWest and Google. Council gave both parties up to two weeks to respond to whether the parties would be interested in a mediated process, and if the parties declined, Council directed staff to initiate a City-led Gateway Master Plan. At this meeting, the Council also discussed setting up a future Study Session to review Google's Master Plan application for parcels outside the Gateway area to address the allocation of Bonus FAR, housing, open space, etc.

Following the February 26, 2019 meeting, staff continued working with the two applicants on creating a mediated process. SyWest declined to participate and, as a result, as Council had directed, staff began work on the City-initiated Gateway Master Plan in summer 2019. At the November 5, 2019 meeting, the City Council endorsed the general land use program for the Gateway Master Plan, which included reserving 500,000 square feet of nonresidential Bonus FAR for the Gateway area (to be divided evenly between the two property owners).

During this time, staff also continued informal discussions with Google on Google's future development plans within North Bayshore, which included a mix of office and residential land uses, including the balance of the nonresidential Bonus FAR that was not allocated to the Gateway. Google's Preliminary Master Plan is, therefore, being brought to the Council to determine the nonresidential Bonus FAR allocation, after which Google can submit a formal Master Plan application.

Google's application requests included: (i) approval of requalification of 1.3 million square feet of nonresidential Bonus FAR; and (ii) feedback on a Preliminary Master Plan that provides an overview of where the office (including the nonresidential Bonus FAR), housing, open space, and other uses would be located over 122 acres of their property within and outside the Gateway area (see Figure 1 – Map).

Google is seeking Council input on several key issues before submitting a formal Master Plan application for City action. As one of the two property owners in the Gateway area, Google has the opportunity to present their proposal for requalification of their nonresidential Bonus FAR allocation. If Council approves the requalification request, Google intends to submit a formal Master Plan application for development throughout the area.

#### **ANALYSIS**

This report is divided into three sections:

- <u>Section I</u> discusses the 1.3 million square foot nonresidential Bonus FAR requalification request by Google that is before Council for approval;
- <u>Section II</u> suggests amendments to the Bonus FAR Review Guidelines for Council feedback; and
- <u>Section III</u> describes aspects of the Google Preliminary Master Plan where Council feedback is requested.

The topics addressed in Section II and III of this report will be discussed in a Study Session format.

### I. Nonresidential Bonus FAR Requalification Request

There is a total of 1.55 million square feet of remaining nonresidential Bonus FAR in the NBPP. Google is requesting requalification of 1.3 million square feet of this remaining nonresidential Bonus FAR total. This requalification request includes the following nonresidential Bonus FAR:

- The balance of the nonresidential Bonus FAR originally allocated to SyWest and LinkedIn (originally 1.45 million square feet), minus the amount allocated to the Gateway (500,000 square feet) = 950,998 square feet;
- 250,000 square feet of nonresidential Bonus FAR from the Gateway Master Plan area (representing one-half of the square footage that was to be divided between the two property owners, SyWest and Google); and
- 102,248 square feet of nonresidential Bonus FAR from the "Rees" parcel (owned by Google) that was originally allocated in 2015.

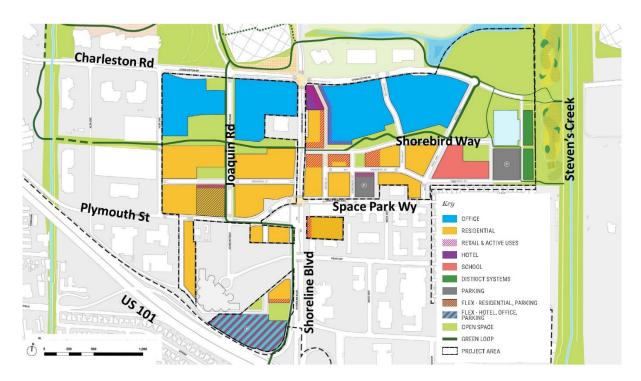


Figure 1: Proposed Preliminary Master Plan

## Google North Bayshore Master Plan

This requalification request is accompanied with a Preliminary Master Plan which also proposes 7,000 residential units along with other substantial improvements to help create the new mixed-use complete neighborhoods as envisioned by the Precise Plan. Google has large land holdings in the area, and Google's requalification request is composed of a significantly larger area across the two Complete Neighborhood Areas of Shorebird Way and Joaquin Road.

Below is a summary of the key features of this Master Plan:

- 7,000 residential units (including 1,400 affordable units);
- 3.15 million square feet of office (including 1.3 million square feet of Bonus FAR, 1.56 million square feet of existing office rebuilt, and 196,200 square feet of office FAR transfer);
- 285,000 square feet of retail and community spaces;

- \$35 million community benefit contribution towards Charleston Transit Corridor construction as well as other items (discussed later in the report);
- Four-acre open space and elementary school site (including a 1-acre open space park for joint use by the City and the school district, and a 3-acre site for an elementary school site); and
- District parking and consolidated utility corridor.

#### **Bonus FAR Review Guidelines**

The NBPP includes Bonus FAR Review Guidelines as an appendix. These guidelines include criteria that the City Council may consider when reviewing Bonus FAR proposals, including requalification requests. These criteria include, among other topics, how well the proposal meets the Precise Plan's vision and guiding principles; each of the Character Area goals and objectives; and the strategies for providing new residential uses in North Bayshore. The guidelines are attached with the complete list of qualifying criteria (see Attachment 3—NBPP Bonus FAR Review Guidelines).

Staff notes that the Bonus FAR proposal from Google substantially advances many of the Precise Plan's vision and guiding principles described in more detail below.

North Bayshore Precise Plan

The Precise Plan includes key guiding principles to create a complete community in a highly sustainable environment with transportation options to provide a framework for implementing the vision for North Bayshore. In general, Google's nonresidential Bonus FAR proposal, including the layout of land uses and community benefit strategy, substantially complies with these principles and helps implement the vision for North Bayshore.

- <u>Complete Neighborhood Creation</u>: The Master Plan proposal spans across two
  complete neighborhood areas (Shorebird and Joaquin) as well as a portion of the
  Gateway area, and includes a mix of office, residential, retail, and community uses
  and a robust network of open spaces and pedestrian connections.
- <u>Promote Housing Affordability</u>: The proposal requests Tier 1 residential Bonus FAR and exceeds the NBPP's Tier-1 affordable housing requirement by providing 20 percent of the project's residential units as affordable, instead of the 15 percent required. In compliance with the NBPP affordable housing strategy, the

Preliminary Master Plan proposes a combination of land dedication for affordable housing and inclusionary units.

• <u>Make Area Highly Sustainable</u>: The Preliminary Master Plan integrates a mix of uses with a supporting network of pedestrian paths and open spaces to achieve a reduction in vehicle trips and provides retail, community, and civic spaces for social interaction and to create a sense of community. The proposal also includes district-scale infrastructure to achieve NBPP and Google sustainability goals.

A complete listing of the Precise Plan principles, including a high-level assessment of how Google's Master Plan complies with them, is included in Attachment 4.

Consistency with Draft Gateway Master Plan

As noted earlier, at the November 5, 2019 meeting, the City Council endorsed the general land use program for the Gateway Master Plan ("Plan"), which included reserving 500,000 square feet of nonresidential Bonus FAR for this area. The Draft Plan also includes 2,800 residential units; 300,000 square feet of retail/entertainment; and a 200-unit hotel. Council further directed that the development program should be divided along property lines in the event that the two property owners did not agree on a combined Master Plan.

Google's proposal includes a mix of residential (1,000 units), office (250,000 square feet), a hotel, and retail within the Gateway Master Plan, to be developed independently of SyWest, the other major landowner within the Gateway area. Google's land use plan is generally consistent with the land use locations and amount of development being proposed within the draft Plan.

The City is proceeding into 35 percent of the design for the new bicycle and pedestrian overcrossing of U.S. 101 at Shoreline Boulevard. The bicycle/pedestrian bridge ramp and landing will run along the west side of Shoreline Boulevard, adjacent to Google's proposed land uses, including an open space area. As the bicycle/pedestrian bridge proceeds into final design, staff will coordinate with Google about access from the bridge ramp to the open space and/or other areas in the Gateway site.

Staff will continue to work with Google during the Master Plan process to refine Google's proposal, including the uses, phasing, and vehicular access, after receiving Council feedback on the Preliminary Master Plan.

## **Community Benefits**

The table below provides a comparison of the community benefits value included in the 2015 Bonus FAR package versus the current proposal.

Table 1: Community Benefit Proposal Comparison Between 2015 and 2021 Requests

	Community Benefits Value per Square Foot (sq. ft.)	
2015 LinkedIn/SyWest 1.45 million square foot Bonus FAR benefits @ \$18.88/sq. ft.	\$27,394,842.24	
Google's 1.3 million square foot Bonus FAR benefits @ \$18.88/sq. ft.	\$22,674,842.24	
2015 Rees 102,248 square foot Bonus FAR benefits @ \$102.31/sq. ft.	\$10,429,296.00	
Total Google's 1.3 million square foot Bonus FAR benefits	\$33,135,835.12	
Google's 2021 Community Benefit value adjusted for inflation @ 4% CPI	\$41,927,402.37	

The value of the community benefits package adjusted for inflation (using a conservative factor of 4 percent annually) from 2015 to the 2021 time frame is estimated at \$42 million in 2021. Google's proposed community benefits are not quantified in Google's Preliminary Master Plan; the only item that has a value assigned to it is the \$35 million contribution towards construction of Charleston Transit Corridor. Additionally, the community benefits proposal includes 5 percent inclusionary housing units above the required 15 percent affordable units, a small business diversification program, and a public art program.

Consistent with past practice, staff recommends that the Bonus FAR requalification be conditioned on requiring a minimum value of \$42 million in community benefits.

A discussion of the listing of community benefits is provided later in the Preliminary Master Plan discussion of this report where staff is seeking Council input on the elements of the proposed community benefit program.

### **Timeline**

Staff is additionally proposing that the Formal Master Plan be submitted within 12 months of the authorization of the Bonus FAR (as per NBPP Section 3.5.2—Master Plan), after which the Bonus FAR authorization will expire.

### **Staff Recommendation**

The nonresidential Bonus FAR request from Google substantially implements many important elements to create a vibrant community and complete neighborhood(s) in North Bayshore and addresses key Bonus FAR Guidelines qualifying criteria. If the nonresidential Bonus FAR request is granted by the City Council, staff will continue to work on the many details of the proposal that require further analysis and coordination with Google.

Staff recommends that the Council authorize requalification of the 1.3 million square feet of nonresidential FAR, conditioned on provisions of a minimum \$42 million value as the base line for the community benefit package proposal, and a Formal Master Plan submittal within 12 months of the requalification as part of the formal Master Plan.

Question No. 1: Does Council approve requalification of 1.3 million square feet of nonresidential Bonus FAR?

## II. Nonresidential Bonus FAR Guidelines – Suggested Amendments

The Bonus FAR Guidelines were initially adopted in 2014 and then later amended in 2017. As noted, these Guidelines provide a process and criteria for the City Council to consider when qualifying properties for Bonus FAR.

Due to the continued property owner interest in development, staff is suggesting the following Bonus FAR strategy to resolve the remaining unallocated nonresidential Bonus FAR of 250,000 square feet in North Bayshore:

• North Bayshore Precise Plan Bonus FAR Conclusion. The Bonus FAR program and guidelines have served the City well in that Bonus FAR projects have included substantial community benefits to the City. Nevertheless, there is complexity and uncertainty related to the Bonus FAR program and process. Staff believes it is in the City's best interest to dispense the remaining unallocated nonresidential Bonus FAR in a timely manner and with specific performance timelines to fully implement the City's vision for North Bayshore.

- <u>Gateway Master Plan</u>. As noted, this plan proposes 500,000 square feet of nonresidential Bonus FAR, split equally between the two property owners, Google and SyWest, within the Gateway area. Google's North Bayshore Master Plan proposes to utilize the 250,000 square feet of nonresidential Bonus FAR located within Google's Gateway Master Plan area properties. To date, SyWest has not indicated an interest in redeveloping SyWest's Gateway Master Plan properties with office uses. This provides an opportunity to consider the remaining 250,000 square foot nonresidential Bonus FAR to be allocated to other interested parties in North Bayshore under the nonresidential Bonus FAR guidelines.
- <u>Bonus FAR Guidelines Complete Neighborhoods Amendment</u>. In order to ensure that the applications are in keeping with the vision for North Bayshore, staff suggests an amendment to the Bonus FAR Guidelines that would include the following key elements:
  - Process. The City would establish a process for interested North Bayshore property owners to request any remaining Bonus FAR that has not been allocated via City Council Bonus FAR authorization and secured through an approved entitlement or development agreement. The process would invite property owners (including SyWest) to submit an application within a certain timeline. The City would follow the Bonus FAR allocation process to determine which applications would be authorized to move forward.
  - Complete Neighborhood Focus. The process would limit nonresidential Bonus FAR allocations to the Complete Neighborhoods (Joaquin Road, Shorebird Way, and Pear Avenue). Limiting the nonresidential Bonus FAR within the Complete Neighborhoods area supports the Precise Plan sustainability vision to concentrate development in close proximity to future transit service along Shoreline Boulevard. It also incentivizes applicants for Bonus FAR allocation to include new residential uses within their proposed application since residential uses are only allowed within Complete Neighborhood areas, and said uses are also a key qualifying criterion listed in the Bonus FAR Guidelines.
  - <u>Timing</u>. Based on Council feedback on these potential amendments, the Bonus FAR Guidelines Complete Neighborhoods Amendment would be brought forward for City Council consideration concurrently with the Gateway Master

Google North Bayshore Precise Plan Nonresidential Bonus Floor Area Ratio Requalification and Preliminary Master Plan and Amendments to North Bayshore Precise Plan Bonus FAR Guidelines

March 23, 2021

Page 11 of 30

Plan (currently anticipated to come before Council in August/September 2021).

Question No. 2: Does Council have any feedback on the suggested amendments to the Nonresidential Bonus FAR Guidelines?

### III. Google Preliminary Master Plan

In February 2021, Google LLC submitted the Preliminary Master Plan to the City in partnership with LendLease, an international real estate development and investment group (collectively referred to as Google) to develop 122 acres of land in North Bayshore. The Master Plan proposals include a mix of uses to create complete neighborhoods in the Precise Plan area. A Master Plan is a high-level plan that identifies key components of a future development, such as the location and distribution of development, land uses, parking and circulation networks, and coordination of improvements. A master plan is also required for any new nonresidential development requesting Bonus FAR in the area.

Staff is seeking input from Council on key issues outlined below. These will help Google make a decision on their formal Master Plan submittal and guide staff and the applicant.

### **Master Plan Boundary**

The approximately 122-acre Preliminary Master Plan (Master Plan) area is generally located in an area bounded by Charleston Road to the north, Stevens Creek to the east, Plymouth Street and Space Park Way to the south, and Huff Avenue to the west. The Master Plan is spread across two complete neighborhoods (Shorebird and Joaquin) identified in the NBPP and includes portions of the Gateway Master Plan located at the northwest corner of Shoreline Boulevard and the U.S. 101 freeway northbound on-ramp.

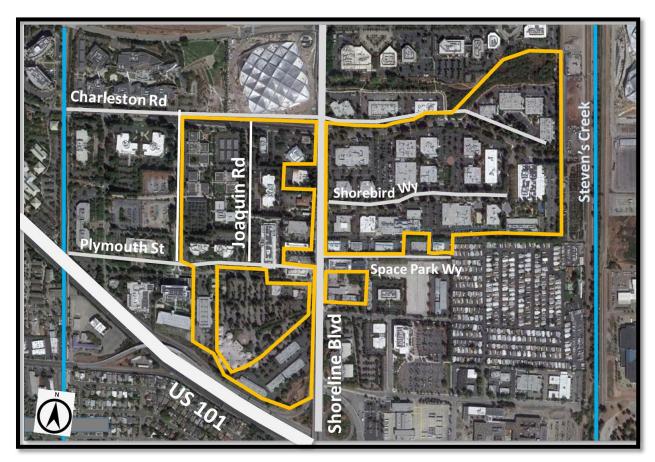


Figure 2: Project Location

The preliminary Master Plan area is currently developed with office and commercial buildings. A majority of the existing buildings are occupied by Google.

# **General Plan and Zoning**

The General Plan envisions North Bayshore as a key change area within the City, with a more intensive mix of commercial and residential land uses; preservation and enhancement of surrounding habitat areas that help sensitive species remain and thrive; a new mix of different open space types; and a new network of streets and greenways that break up the large existing blocks in the areas.

A majority of the Preliminary Master Plan area has a General Plan Land Use Designation of North Bayshore Mixed-Use, and a portion of the project is Mixed-Use Center (North Bayshore), which envisions a variety of land uses. The proposed Preliminary Master Plan submitted by Google supports the General Plan vision for the area. The Master Plan aligns with the General Plan and NBPP by blending residential, commercial, and office

uses, creating a diversity of land uses and open spaces to support complete neighborhoods.

### **Precise Plan**

As mentioned earlier, the proposed Preliminary Master Plan spans two complete neighborhoods (Joaquin and Shorebird) and all four character areas (Edge, Core, and Gateway, and General) of the NBPP. A majority of the plan is within the Core, Gateway, and General character areas with a few parcels in the Edge character areas (discussed later in this report). The Joaquin neighborhood consists of Gateway and Core character areas, whereas the Shorebird neighborhood is primarily General and Core character areas. The proposed land uses are in compliance with the individual character areas.

The Gateway area proposal includes high-intensity mixed-uses (residential, retail, open space, hotels, and office) with pedestrian connections to adjacent parcels to facilitate a NBPP vision of a mixed-use center at this site.

The Core and the General character area proposals in both neighborhoods also include a similar mix of uses equally dividing residential and nonresidential uses in the area with supporting ground-floor retail and open spaces. Both areas in the proposal include a robust network of open space and pedestrian connections and comply with the vision of each of the NBPP character areas.

A few parcels in the proposal are within the Edge character area. In compliance with the NBPP vision, these parcels are proposed to be developed with lower-intensity uses (such as a school, open space, residential district parking garage, and district utility systems) that are generally compatible and less impactful to the adjacent sensitive habitat area.

# **Project Overview**

The Preliminary Master Plan proposes to demolish a majority of the existing square footage on-site in order to construct a mix of integrated land uses (see Figure 3.1.5 of Attachment 5—Project Plans). Details and refinements to the Master Plan will be provided with a formal Master Plan following Council direction at this meeting. Key aspects of the Preliminary Master Plan proposal are as follows:

• <u>Nonresidential</u>: 3,150,000 square feet of office space, including 1,303,250 square feet of net new office, 1,561,000 square feet of existing office use for redevelopment, 196,200 square feet of office FAR transfer, and 89,500 square feet of retained office space.

- <u>Residential</u>: 7,000 new residential units, including 14,000 affordable units (20 percent).
- <u>Retail</u>: 265,000 square feet of retail and 20,000 square feet of community spaces. Regional destination at Gateway and active street frontage with ground-floor retail and neighborhood-serving uses.
- <u>School Strategy</u>: Support the Citywide school strategy through four-acre land dedication for an elementary school, inclusive of one acre of land to create a joint-use park between the school district (Mountain View Whisman School District (MVWSD)) and the City.
- Open Space: Dedication of 18 acres of public open space and 7.6 acres of privately owned, publicly accessible (POPA) open space, and an additional 9.2 acres of other trails and open space expanding on the green loop. The proposal also requests a 100 percent credit for the POPA open space and four acres of land to be dedicated to MVWSD for a future school site.
- <u>Sustainability</u>: LEED Platinum<sup>®</sup> buildings and other sustainability measures to use 100 percent renewable energy and all electric for all office and residential uses.

### • Transportation and Mobility:

- Bike-pedestrian paths connecting to Permanente and Stevens Creek Trails.
- \$35 million in community benefits contribution towards the construction of the Charleston Transit Corridor.
- Compliance with trip caps through combination of existing and new Transportation Demand Management (TDM) strategies.
- Expand multi-modal transit alternatives and new parking management strategies.

# Parking:

 Office Parking – Limited on-site office parking (10 percent), four shared district parking garages at Shorebird Way, Shoreline Commons, Amphitheatre Parkway, and Marine Way.

- Residential Parking—Two district-serving residential parking garages in Shorebird Way and Joaquin Road neighborhoods. Podium parking with residential buildings.
- Retail Parking The residential parking garage at Shorebird Way would also accommodate retail parking.
- Parking Ratios—Reduced car parking ratios in accordance with parking maximums recommended in the Precise Plan.

### • <u>Utility Infrastructure</u>:

- Consolidated utility corridor and integrated district systems to serve Shorebird and Joaquin neighborhoods. Could include power, recycled water, sanitary sewer, waste collection systems, and thermal hydronics.
- A central utility plant (CUP) combining various district systems.
- <u>Development Agreement</u>: A 20-year development agreement to facilitate the delivery of a long-term, multi-phased project. Terms of the Development Agreement would be submitted as part of a Formal Master Plan. A more thorough review of the timeline and Development Agreement terms will be brought for Council discussion and input when additional details are provided with the formal Master Plan submittal.

# Plan Compliance

The Preliminary Master Plan provides a very high-level technical assessment of the project against the requirements of the Precise Plan. A detailed review of plan compliance with the NBPP will follow after a formal Master Plan submittal. The proposal is in general compliance with the NBPP guiding principles, such as complete neighborhood creation, sustainability, connectivity, promoting housing affordability, and development standards (allowed FAR, maximum building heights, maximum parking ratios, minimum open space, land use distribution, allowed development intensity, required affordable housing, etc.).

Based on the available information in the Preliminary Master Plan, there are some known areas of noncompliance discussed below. These may require further refinements to the Plan or amendments to the City's General Plan, Precise Plan, and/or other ordinances.

## Complete Neighborhoods Strategy:

NBPP provides a complete neighborhoods strategy for different land uses envisioned in the Precise Plan for each of the three neighborhoods—Joaquin, Pear, and Shorebird. This strategy was included in the Precise Plan to ensure that North Bayshore be developed with complete neighborhoods where future residents and employees would be provided with many of their required daily needs and services in close walking or biking distances.

Google's proposal primarily focuses on contributing to the complete neighborhoods strategy within the Shorebird and Joaquin areas (the proposal does include 300 residential units and 5,000 square feet of retail along Shoreline Boulevard in the Pear Avenue complete neighborhood). An excerpt from Tables 1-A and 1-B of the Precise Plan describes the high-level character and strategy for the Joaquin and Shorebird neighborhoods, including Google's Master Plan proposal to implement these strategies.

Table 1-A: Joaquin Neighborhood Character Area Google Master Plan Proposal

Joaquin	Precise Plan	Google's Master Plan
Neighborhood Character	<ul> <li>A Gateway area with a mix of retail, entertainment, office, hotel, recreational, and residential uses.</li> <li>A mix of higher-intensity residential, office, and mixed-use buildings.</li> <li>A neighborhood-serving retail core area accessible from Shoreline Boulevard.</li> <li>Ground-floor retail extending from the Gateway area retail core into the adjoining neighborhood.</li> </ul>	<ul> <li>Substantially compliant;</li> <li>Broad mix of uses;</li> <li>No entertainment;</li> <li>Limited retail; and</li> <li>Includes a hotel at Gateway</li> </ul>
Open Space	A central public open space and publicly accessible, smaller neighborhood park.	<ul> <li>Substantially compliant;</li> <li>Partial open space in Gateway area; and</li> <li>Other open space included with green loop.</li> </ul>
Mobility	<ul> <li>New street and pedestrian and bicycle connections that break up large blocks and create a fine-grained network of human-scale streets.</li> <li>A reconfigured Plymouth Street and Space Park Way intersection.</li> <li>A pedestrian and bicycle bridge over U.S. 101.</li> </ul>	<ul> <li>New bike/pedestrian connection from bike/pedestrian bridge;</li> <li>New green loop that breaks up blocks; and</li> <li>Reconfigured Space Park Way and Plymouth Street.</li> </ul>

Table 1-B: Shorebird Neighborhood Character and Google Master Plan Proposal

Shorebird	Precise Plan	Google's Master Plan	
Neighborhood Character	<ul> <li>A mix of high- to moderate-intensity residential and office buildings with building scale and intensity decreasing towards the egret rookery habitat overlay zone (HOZ).</li> <li>A more "campus-like" character than the Joaquin neighborhood but with a comparable mix of uses.</li> </ul>	<ul> <li>Intensities transition towards Stevens Creek habitat areas; and</li> <li>Broad mix of land uses.</li> </ul>	
Open Space	A publicly accessible neighborhood park located near Shorebird Way.	New open space near Shorebird Way.	
Mobility	<ul> <li>New street and pedestrian and bicycle connections that break up large blocks and create a fine-grained network of human-scale streets.</li> <li>A new north-south connection from La Avenida to Charleston Road.</li> <li>A transit boulevard along Charleston Road.</li> </ul>	<ul> <li>New green loop connections to break up blocks;</li> <li>New north/south public streets; and</li> <li>Transit Boulevard on Charleston Road.</li> </ul>	

The Table 2 excerpt from the Precise Plan also includes numeric "targets" for complete neighborhood development, including Google's Master Plan (MP) proposal to implement these strategies.

Table 2: Complete Neighborhood Targets - NBPP and Google Master Plan

	Joaquin	Google's MP	Shorebird	Google's MP
Size	72 Acres	53 Acres	43 Acres	66 Acres
Residential	3,950	4,500	2,950	2,200
Units				
Affordable	790	900	590	440
Units				
Employment	2,500,000 sq. ft.	1,517,000 sq. ft.	1,500,000 sq. ft.	1,633,00 sq. ft.
Retail/	240,000 sq. ft.	60,000 sq. ft.	15,000 sq. ft.	200,000 sq. ft.
Entertainment	-	-	_	
Hotel	200 rooms	220 rooms	0	180 rooms
Public Open	Community	Community	Neighborhood	Three
Space	park;	park; four	park	neighborhood
(minimum)	neighborhood	neighborhood		parks; habitat
	park	parks		conservation

Staff notes that the goal of the Precise Plan complete neighborhoods strategy is not to require detailed compliance with every numeric target. Rather, the targets include a clear "road map" for the complete build-out of these areas into the broad mix of land uses and other improvements envisioned by the Precise Plan.

As new development is proposed, this strategy will allow the City to assess how well the overall goals and targets will be achieved and can highlight areas where additional or modified land uses, or other improvements, might be considered by the City Council. Key elements of any proposed Master Plan should include new residential units, open space, services, and mobility improvements per the Precise Plan.

In broad terms, Google's Master Plan substantially complies with the complete neighborhood strategy for the Joaquin and Shorebird complete neighborhoods.

Staff notes a few areas where the Master Plan differs from these strategies:

### <u>Joaquin</u>

The proposal within the Gateway area includes key land uses (residential, hotel, retail) and some open space. The large central open space and retail/entertainment hub envisioned for the Gateway is only partially satisfied. However, this is due to the fragmented Gateway area property ownership. Other future Gateway development may offer the chance for the area to include a large, centrally located open space and additional retail/entertainment uses.

#### • Shorebird

Google's Master Plan includes a substantial amount of new retail (approximately 100,000 square feet), which is much more than the 15,000 square feet noted within the Precise Plan. Additionally, a new hotel is proposed within this area that was not envisioned by the Precise Plan. Staff notes that these additional commercial services in Shorebird will provide more diverse and complementary land uses to help achieve the goals and objectives of the complete neighborhood strategy.

# Building Heights

Proposed building heights in the Preliminary Master Plan meet the NBPP building height caps, except the building heights proposed at the school site, a residential parcel located at the intersection of Monarch Street and Inigo Way, and residential

district parking locations proposed in the Shorebird neighborhood. All four of these sites are proposed to have an average building height of 20' to 65', whereas the allowed building height on these sites is up to 45'. Additionally, NBPP parking guidelines also state that a parking structure height should not exceed 45' in height.

### • 1555 Plymouth Street Parcels

The parcel at 1555 Plymouth Street is located in the Core area of the Precise Plan, adjacent to the western boundary of the Gateway Master Plan area. At the November 5, 2019 meeting, the City Council endorsed the general land use program for the Gateway Master Plan. Council supported the 1555 Plymouth Street parcel being included in the Gateway Master Plan study area. In addition, Council also supported permitting residential development on this parcel as 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 from Plymouth Street through the parcel. Accordingly, the proposed project incorporates this parcel into the Gateway character area and proposes residential development at this location. An amendment to the General Plan and the NBPP will be required to permit residential development at 1555 Plymouth Street. This would be part of the Gateway Master Plan project.

# Master Plan Edge Area

A portion of the project area extends beyond the boundary of the Shorebird complete neighborhood to the east. This portion of the Master Plan includes an Eco Gem, a district office parking garage and the district system's central utility plants (CPU). Although outside the complete neighborhood boundaries, the proposal is consistent with the Edge character area of the NBPP with lower development intensity and campus character compatible with natural open spaces.

Another area proposed outside the complete neighborhoods is the proposed district parking at Marine Way and Shoreline Amphitheatre Lot C. Marine Way parcels are within the General character area of the NBPP wherein parking structures are an allowed use. The district parking proposal at Shoreline Amphitheatre would require Council direction as noted, and staff would follow up with any potential General Plan or zoning amendments that may be needed for this use and location as the Master Plan is formally processed.

A formal Master Plan would be required to comply with the Precise Plan requirements and guidelines unless specific exceptions are granted by the City Council. Any required

amendments to the General Plan or the Precise Plan would be processed with the Master Plan. Specific amendments in the Gateway area would be processed as part of the Gateway Master Plan.

### Land Use Layout

The Preliminary Master Plan land use layout is based upon a Precise Plan vision for creating complete neighborhoods with integrated land uses, services, and open spaces. The layout proposes office land uses consolidated to the north and residential uses to the south of the main social spine, Shorebird Way, and the green loop (see Figure 2.1.2 of Attachment 5—Project Plans). Residential uses are oriented towards existing and proposed residential uses along Space Park Way in the Shorebird neighborhood.

The proposed land use distribution within the Plan area is consistent with the Precise Plan land use vision, including land use distribution in both complete neighborhoods (Shorebird and Joaquin). The proposal includes use of gradient in building height with focus on pedestrian scale and experience. Higher-density buildings would be focused along the transit corridor (Shoreline Boulevard), and lower-density buildings would be located near habitat areas east of the Shorebird neighborhood. Active street frontages with ground-floor retail and neighborhood-serving uses are proposed in the Shorebird neighborhood with a series of open spaces. Two community spaces are proposed in Shorebird Square and Shorebird Greenway.

The Gateway Master Plan area is envisioned as a regional destination. Fifteen (15) acres of Google's land holding in the Gateway site is included in the Preliminary Master Plan and proposes a mix of uses, including hotel, office, residential, retail, and open spaces.

# **Open Space Proposal**

A network of open spaces and gathering spaces is proposed within each neighborhood (see Figure 3.1.7 of Attachment 5—Project Plans). This accounts for 18 acres of public open space, 7.5 acres of POPA open space, and 9 acres of trails and other open space. The proposed public open space dedication includes at least one publicly accessible neighborhood park in each of the neighborhoods along with central open space in the Gateway area, a robust network of pedestrian paths, and bike trails for improved internal and regional connectivity.

Three POPA open space areas proposed with the following credit request:

- Shorebird Greenway at 2.6 acres (100 percent), made up of two separate contiguous spaces;
- Joaquin Greenway and Field at 4.5 acres (100 percent), made up of two separate contiguous spaces; and
- Charleston Quad at 0.6 acre (75 percent), one contiguous space.



Figure 3: Proposed Open Space Plan

Google is requesting a 100 percent credit for the 7.6 acres of POPA and park land credit for the 4-acre site. At a recent <u>Council meeting on March 9, 2021</u>, the City Council amended the City's Park Land Ordinance to allow up to 75 percent credit for POPA. Therefore, the request for 100 percent POPA credit is not compliant with the recent Council direction.

It is difficult to completely assess the compliance of the POPA request with the current Park Land Ordinance due to lack of details in the Preliminary Master Plan. However, staff notes that the location of the proposed open spaces is primarily on the office parcels with few spaces directly on or adjacent to residential parcels. Staff recommends better open space distribution within, and/or between, office and residential uses.

The Master Plan proposal includes a 4-acre site dedicated to the Mountain View Whisman School District (MVWSD). The 4-acre school site would be inclusive of a 1-acre joint-use park area located at the end of Shorebird Way, closer to the habitat area and connected to rest of the area via the greenway and the bike and pedestrian pathways. Google is requesting 100 percent park land credit for the four acres.

The City's current Park Land Ordinance does not currently allow a third-party dedication to count toward City park land requirements. As an option, the land could be dedicated to the City to make the decision about a potential partnership with the school district. The issue of park land credit for a partnership with the schools will require additional research of the City's current ordinances, adopted plans, and State laws, which staff will follow up on based on Council direction.

Question No. 3: Does Council have any comments on the proposed land uses, their layout, and open space strategy for the preliminary Master Plan?

## Housing

The Preliminary Master Plan boundary spans across more than one character area of the Precise Plan and is allowed a flexible FAR based on weighted average of the parcels. Based on the maximum tier-based FAR, the applicant is proposing is 1.38 FAR using a weighted average. The applicant is proposing 7,000 residential units (rental and for-sale) in the Preliminary Master Plan. The proposed 7,000 residential units would provide 71 percent of total residential units planned in the Precise Plan area. See Attachment 6 for approved/planned housing in North Bayshore showing approved/planned housing in the NBPP.

The Precise Plan includes a goal of a minimum of 20 percent affordable housing units within the entire NBPP. The North Bayshore Density Bonus Program for Tier 1 Bonus FAR projects requires at least 15 percent affordable units.

New residential development in North Bayshore can satisfy the Precise Plan's affordable housing requirements (15 percent inclusionary units) by either complying with the Citywide affordable housing requirements or choose one of the two density bonus options: a City density bonus option or a North Bayshore Bonus FAR option (15 percent inclusionary units or through donated land).

Google's Preliminary Master Plan proposes to meet the North Bayshore FAR Bonus affordable housing option with a target of 20 percent Below-Market-Rate (BMR) target (1,400 affordable housing units) through a combination of land dedication to achieve 15 percent of the BMR units, and 5 percent inclusionary component within market-rate residential buildings. The units will be spread across the two complete neighborhood areas of Shorebird and Joaquin. Specific location of site(s) for land dedication has not been identified in the preliminary Master Plan. Further details on the unit mix, size/bedroom count, and locations will be included in the formal Master Plan.

Projects are eligible for a Tier 1 Bonus FAR if the projects provide at least 15 percent of the total residential units—on-site or through the land dedication provisions of the Guidelines—at affordable rent or sales prices. The Precise Plan's Base FAR of 1.0 would allow 4,900 residential units, including 735 affordable units (15 percent of total units). Google is proposing a Tier 1 Bonus Residential FAR to achieve 7,000 units. Google's proposal, therefore, exceeds the 15 percent affordable housing requirements for the Tier 1 residential Bonus FAR by 5 percent.

The BMR proposal will require further details (such as unit mix, unit size, income classification, land location, etc.) and review to confirm compliance with BMR regulations. Additionally, the approach of combining some on-site units with land dedication would provide delivery of some units at the same time as the market-rate units, while also achieving the Precise Plan goal of land ownership for affordable housing.

An economic feasibility study conducted during preparation of the North Bayshore Affordable Housing Guidelines in 2019 indicated significant challenges in developing inclusionary housing in North Bayshore. Therefore, the current land dedication proposal would be a more feasible option and may result in a higher yield of units. Additionally, this option provides the greatest flexibility to the City to preserve affordability in the long term and target specific affordable housing options.

Question No. 4: Does Council support the preliminary Master Plan's BMR strategy as part of the Master Plan's affordable housing obligations?

# **District Parking and Shoreline Amphitheatre**

In compliance with the Precise Plan, the proposal includes shared parking facilities for office and residential uses and a district parking approach to help manage parking demand. A district-serving residential parking garage will be provided in each of the neighborhoods to support residential parking. Only 10 percent of the office parking will

be provided on-site, with the other 90 percent of office parking in four shared district office parking structures, including one at Shoreline Amphitheatre Lot C.

The proposal includes a request for a 40-year ground lease at fair market value to allow district office parking at Shoreline Amphitheatre Lot C. Under the proposal, Google would construct and operate a 3,500-stall parking garage on Lot C. This proposed multilevel parking structure would be available for shared use with Live Nation and the City during nonbusiness hours. The Lot C surface parking lot is currently leased by Live Nation and subleased by Google until 2025 under similar arrangements. Prior to the COVID-19 shelter-in-place public health orders, Google used the parking lot during business hours and Live Nation used the parking during nonbusiness hours. This arrangement has not interfered with parking for events at the Amphitheatre.

The lease between the City and Live Nation for the Amphitheatre expires in 2025 but includes a provision for a City-approved five-year extension to 2030 if requested by Live Nation. Allowing Google to build a parking structure on Lot C will not preclude the City's option to extend the lease to 2030, although it would require Live Nation's concurrence and a modification to Live Nation lease terms post-2025. A parking structure on Lot C is also unlikely to limit future City opportunities or decisions for the Amphitheatre property. In addition, this will not affect the City's current safe parking program, which does not include Lot C.

The benefits of a district parking garage on Lot C include:

- It would allow more land within the project area to be used for housing and/or open space development while providing parking located close to the office uses. The location of Lot C meets the Precise Plan's requirement that all parking garages be located within one-quarter mile of the project area.
- It will further the Precise Plan's parking strategies. The district parking plan includes a substantial reduction in total parking capacity below the maximum allowed in the Precise Plan, which will help support the needed vehicle trip reductions. Additionally, district parking can be better managed to ensure that parking is efficiently used.

Staff, therefore, supports consideration of the use of the Shoreline Amphitheatre Lot C for a district parking garage in the Master Plan.

Question No. 5: Does Council support the inclusion of the Shoreline Amphitheatre parking in the District Parking proposal for the Master Plan?

## **Community Benefits**

NBPP allows additional Bonus FAR for nonresidential projects to be granted for projects that provide community benefits which meets the following Precise Plan requirements:

- 1. Higher-level building environmental performance (LEED Platinum® or alternative green building standard);
- 2. Contribute public benefits or district-level improvements (such as affordable housing units, public art, habitat expansion or enhancement, district sustainability systems, new open space, construction or contribution to shared district parking facilities, district transportation improvements, and expansion of existing TDM Programs to other properties, etc.); and/or
- 3. Transfer of development rights from the Edge Area to Core Area of the Precise Plan.

In accordance with the Precise Plan, Google is proposing:

- A contribution for construction of the Charleston Transit Corridor improvements (up to \$35 million);
- LEED Platinum® or equivalent green building standards;
- Five percent (5%) inclusionary affordable housing in addition to the required 15 percent Tier-1 residential Bonus FAR affordable housing requirement;
- A small business diversification program by providing funding and below-market rent structures to support small businesses, nonprofit business, and community support organizations located within the project area;
- A public art program for supporting local artists through the commissioning of sitespecific installations above NBPP requirements; and
- A district utility system and shared district parking structures.

Unlike other recently adopted Precise Plans (El Camino Real and East Whisman), the NBPP does not have a required community benefit amount for Bonus FAR above the Base

FAR. As noted earlier, Google's proposed community benefits are not quantified in Google's Preliminary Master Plan—the only item that has a value assigned to it except for the \$35 million contribution towards construction of Charleston Transit Corridor.

The Precise Plan identifies many important infrastructure improvements required for creating complete neighborhoods and implementing the vision and guiding principles of the Precise Plan. These include Priority Transportation Improvements that are to be funded from a combination of North Bayshore Impact Fees, Shoreline Regional Park Community Fund, and community benefits.

The original LinkedIn/SyWest 2015 Bonus FAR community benefit package included funding for two of the Priority Transportation Improvements: (1) the U.S. 101 bicycle/pedestrian bridge at Shoreline Boulevard; and (2) the U.S. 101/Shoreline Boulevard off-ramp realignment. As the LinkedIn/SyWest 2015 Bonus FAR benefits did not materialize, the City funded the design and construction of both of these projects using the Shoreline Regional Park Community Fund.

The Charleston Transit Corridor is the next major Priority Transportation Improvement in need of funding. The design has been funded and will be completed within the next six months, at which time it will be ready to advertise for construction. However, there is currently not enough funding available for the estimated construction costs of \$35 million. Google's proposal to provide \$35 million in community benefit contribution towards construction of the Charleston Transit Corridor would allow this key project to be completed in the near future.

Staff recommends including this in the community benefits package because it will provide a key transportation project that is needed to support the land uses proposed in the Master Plan.

Other elements that are encouraged in the Precise Plan as part of a community benefits program include:

- Habitat expansion or enhancement;
- Expansion of existing TDM programs to other properties or other projects proposed by the applicant;
- Construction or contribution to shared district parking facilities; and
- District sustainability systems.

While Google's proposal of community benefits aligns with identified community benefits in the Precise Plan, staff is seeking input from Council on the proposed community benefits and any other ideas for consideration when Google submits their Formal Master Plan.

Once a Formal Master Plan is submitted with details about the cost of each item, staff will work with a consultant to conduct an economic analysis to help evaluate Google's community benefit proposal.

Question No. 6: Does Council have any input on the proposed community benefits?

## **Infrastructure Implementation and Funding Strategy**

Achieving the vision of the NBPP requires the City to invest in and deliver the public infrastructure necessary to support the land uses. In particular, the Precise Plan identifies Priority Transportation Improvements that are to be funded with a combination of the North Bayshore Impact Fee, community benefits from Bonus FAR development projects, and the Shoreline Regional Park Community Fund.

In addition, new and upsized water and wastewater utility services will be needed to support the planned growth, which will be funded from the North Bayshore Impact Fee and Shoreline Community Fund.

Google's proposal includes a request that the City commit the necessary Shoreline Community funds to ensure that these infrastructure improvements will be funded and delivered in the same time frame as the Master Plan. Staff concurs that it is essential that the transportation and utility infrastructure be provided prior to or at the same time as the land uses are developed. While the development projects will be responsible for their street frontages and connections to the utilities, it is the City's responsibility to deliver the North Bayshore Area's major transportation improvements and utility systems.

Staff recommends coordinating with Google in developing a City Infrastructure and Funding Strategy that identifies the funding sources to be used for the various infrastructure projects and prioritize the timing of these infrastructure projects to be in sync with the Master Plan's development.

### FISCAL IMPACT

The Preliminary Master Plan does not have enough information to analyze the fiscal impacts of the proposal. However, a high-level assessment of fiscal impacts will be evaluated during the formal Master Plan review process.

#### **RECOMMENDATION**

For Section I, staff recommends that Council authorize requalification of the 1.3 million square feet of nonresidential FAR, conditioned on provisions of a minimum \$42 million value as the base line for the community benefit package proposal, and a Formal Master Plan submittal within 12 months of the requalification as part of the formal Master Plan.

For Sections II and III, the above Preliminary Master Plan discussion gives Council the opportunity to provide input on key project topics to guide the applicant and staff in refining the project further before a formal Master Plan submission.

Staff requests Council feedback on the following questions and any other project-related comments:

- 1. Does Council approve requalification of 1.3 million square feet of nonresidential Bonus FAR?
- 2. Does Council have any feedback on the suggested amendments to the nonresidential Bonus FAR Guidelines?
- 3. Does Council have any comments on the proposed land uses, their layout, and open space strategy for the preliminary Master Plan?
- 4. Does Council support the preliminary Master Plan's BMR strategy as part of the Master Plan's affordable housing obligations?
- 5. Does Council support the inclusion of the Shoreline Amphitheatre parking in the District Parking proposal for the Master Plan?
- 6. Does Council have any input on the proposed community benefits?

## **ALTERNATIVES**

#### For Section I:

- 1. Deny the 1.3 million square foot nonresidential bonus FAR requalification request.
- 2. Authorize less than the 1.3 million square foot nonresidential bonus FAR.
- 3. Provide other direction.

#### **NEXT STEPS**

Following feedback from the City Council at this meeting, the applicant could submit a Formal Master Plan. Staff will then evaluate the Master Plan and schedule hearings with the Environmental Planning Commission and Council. If Council authorizes less than 1.3 million square feet of Bonus FAR to Google, staff will then solicit proposals for the remaining Bonus FAR allocation.

### **PUBLIC NOTICING**

The City Council agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners and tenants within a 750' radius and other interested stakeholders were notified of this meeting. The meeting was also announced on the City's project webpage: <a href="https://www.mountainview.gov/googleshorebird">www.mountainview.gov/googleshorebird</a>.

Prepared by: Approved by:

Diana Pancholi Kimbra McCarthy Senior Planner City Manager

Martin Alkire Advanced Planning Manager

Dawn S. Cameron Public Works Director

Aarti Shrivastava Assistant City Manager/Community Development Director

DP-MA-DSC-AS/6/CAM 807-03-23-21CR 190479

Attachments: 1. Resolution

- 2. North Bayshore Precise Plan
- 3. NBPP Bonus FAR Review Guidelines
- 4. NBPP Precise Plan Compliance Table
- 5. Project Plans
- 6. Approved/Planned Residential Projects in NBPP