

MEMORANDUM

DATE: October 5, 2021

TO: Christine Daniel, City Manager

FROM: Charles S. Bryant, Director of Community Development

SUBJECT: Study Session – Atrium Longfellow Mixed Use Project Planned Unit Development, 1650 65th Street

RECOMMENDATION

Staff requests that the City Council consider this staff report and provide direction by responding to the questions posed under the section "Issues to be Considered".

BACKGROUND

The project assembles three existing parcels to create a 7.268 acre site that is bounded by Interstate 80 on the west, 65th Street on the south, and the existing Public Storage parcel on the east. (Please see Sheet 4 of plan set). The adjacent property to the north is the "Nady" site at 6701 Shellmound Street, where construction of 186 residential units is currently underway. Across 65th Street is the Bridgewater condominiums and the Bay Center office complex. Across Shellmound Street to the east are the Union Pacific main line railroad tracks.

The table below outlines the size of the project parcels and details of existing development:

	APN	Parcel Size	Existing Buildings Square Footage
Parcel A (Expressions College)	49-1490-1	1.333 acre (58,501 sq. ft.)	33,619 sq. ft.
Parcel B (Expressions College)	49-1490-3	0.931 acre (40,587 sq. ft.)	29,700 sq. ft.
Parcel C (Atrium Building)	49-1490-4	5.004 acre (217,974 sq. ft.)	127,260 sq. ft.
Total		7.268 acre (317,062 sq. ft.)	190,579 sq. ft.

Table 1: Existing Site and Building Data

Project Description

The applicant proposes to demolish existing one-story buildings that currently accommodate office and life science uses in the Atrium Building (Parcel C) as well as the two buildings to the north (Parcels A and B) that house SAE Expressions College. There

are no existing tenants in the Atrium building and SAE Expressions College currently has a 5-year lease.

The project proposes to construct two office and life science towers and one residential tower with 1.66 acres of public open space. The property will be divided into two parcels: one accommodating the residential tower, and the second accommodating the two office/life science towers and the public open space (See Sheet 7: *Property Plan*).

The two office/life science towers are oriented east-west on the site with the residential tower and the public open space fronting 65th Street (See Sheet 6: *Site Plan*). The three towers will be constructed over podium parking.

Building	Square Footage	Height and Stories
Office/Lab Building 1 (North)	351,119 sq. ft.	203 ft (8 stories)
Office/Lab Building 2 (South)	398,203 sq. ft.	223 ft (9 stories)
Residential Building	216,000 sq. ft. (144 rental units)	185 ft (16 stories)
Total	965,322 sq. ft.	n/a

Table 2: Proposed Building Size and Height

Some unspecified ground floor retail space in the residential tower is also envisioned.

<u>Parking and Circulation:</u> The project accommodates 1,497 parking stalls for office and life science uses and 144 spaces for residential units within a podium. For the residential building, both the lobby and vehicular entrance is located off 65th Street. For Office/Lab Building 1 (North) the lobby is off Shellmound Street, whereas the lobby of Office/Lab Building 2 (South) fronts the public open space (See Sheet 8: *Circulation Plan*). Sheet 8 also illustrates vehicular movement to and within the site.

Sheets 9 and 10 show building massing from an aerial perspective and Sheets 13 to 19 provide renderings of the building massing as seen from various viewpoints.

<u>Open Space</u>: The project provides a 1.18-acre public park on the south-west corner of the site fronting 65th Street. In addition, a greenway (26,540 sq. ft.) along the western property line is also provided. Open space for residents is provided on the roof top (2,880 sq. ft.) and on the parking podium (8,270 sq. ft.); and open space for employees is provided on the parking podium for the two office/life science buildings (52,360 sq. ft.). Please see Sheet 12: *Open Space Summary*.

DISCUSSION

Conformity to General Plan and Planning Regulations

General Plan

Land Use: The General Plan Land Use Diagram (Figure 2-2) classifies the project site as "Mixed Use with Residential", which is described as (Section 2.4): "One or more of a variety of residential and nonresidential uses, including but not limited to offices, retail and hotels. On larger sites, a mix of residential and non-residential uses is required; on smaller sites, a single use may be permitted." The project is consistent with this description as two of the three new buildings will house Office and Research and Development and associated uses and rental housing units will be accommodated in the third building.

<u>Other Park Opportunity</u>: The General Plan Land Use Diagram also designates this location as an Other Park Opportunity site. This is implemented through the Parks and Recreation Strategic Plan, which calls for a one-half acre public park at this location and outlines potential park programs and elements (See Attachment 1: Excerpt from Parks and Recreation Strategic Plan, Page 77). The applicant is proposing a 1.18 acre (or 51,400 sq. ft.) public park as well as a bicycle and pedestrian path along the western perimeter that totals approximately 26,250 sq. ft. (0.60 acres). Please see further discussion below under "Public Park".

<u>Pedestrian Path</u>: The General Plan Circulation Diagram (Figure 3-1) indicates a "Pedestrian-only Trail" through this site in an inverted "L" shape extending north from Christie Avenue and west from 66th Street. The project plans indicate bike and vehicular circulation, but they do not indicate pedestrian circulation. In order to comply with the General Plan, pedestrian access will need to be provided through the site from Shellmound Street on the east in the vicinity of 66th Street to 65th Street on the south in the vicinity of Christie Avenue, although it does not need to follow the precise alignment shown on the Circulation Diagram, since this diagram is "general".

Zoning District

The base zoning district for the site is "Mixed Use with Residential" (MUR), which allows for a variety of commercial uses including office space and Research and Development (life science) use as well as multi-unit residential use. On sites of five acres or more, the MUR district requires a mix of uses, one of which must be residential. (Planning Regulations Section 9-3.303(b)(2)c.) Other uses must come from the retail, office, research and development hotel, recreational, and/or industrial and agricultural mixed-use groups, as listed in the Planning Regulations under Article 8 of Chapter 2. The exact mix of uses is not specified but is to be determined by the Planning Commission and City Council as part of the entitlement process (Article 8 is attached for the full list of uses). At this stage, the project envisions Research and Development (749,322 sq. ft.) and residential (216,000 sq. ft. or 144 units) as the major uses.

Planned Unit Development (PUD) Process

Section 9-3.303(b)(2)c requires that projects on sites of five acres or more in the MUR Zone must be approved pursuant to the Planned Unit Development (PUD) procedure at Article 10 of Chapter 7 of the Planning Regulations. A PUD is established by Ordinance and constitutes a rezoning of the site. However, the uses permitted in the PUD must conform to the uses permitted or conditionally permitted in the MUR zone in which the site was located prior to establishment of the PUD.

A PUD is a two-step process consisting of a Preliminary Development Plan (PDP), followed by one or more Final Development Plans (FDPs). The PDP is adopted by the City Council, following a recommendation from the Planning Commission, as part of the ordinance establishing the PUD zone, and constitutes the "master plan" for the site. Subsequently, one or more FDPs, which contain additional details about each phase of development, are approved by the Planning Commission and are only considered by the City Council if they are appealed.

In order to approve a PUD/PDP, the following findings must be made (Section 9-7.1004(a)):

- (1) The proposed planned unit development is consistent with the General Plan and any other applicable plans.
- (2) The proposed planned unit development will provide for a cohesive, integrated, well-planned development that will contribute to the general well-being of the surrounding neighborhood or community.
- (3) The subject property is suitable for the uses permitted in the proposed planned unit development in terms of access, size of parcel, and relationship to similar or related uses.
- (4) The location, size, coverage, density, design and operating characteristics of the proposed planned unit development will be compatible with, and will not adversely affect, the surrounding area, including neighborhood character, street design and capacity, safety, noise, and lighting.
- (5) The subject property will be developed with due regard for aesthetic quality and landscaping so as to reduce, to the extent feasible, significant negative impacts on the environmental quality, value, or stability of the site or the environmental quality or value of improved or unimproved property in the area.
- (6) The proposed planned unit development will be developed to allow originality which does not have significant adverse impacts on the environmental quality or value of improved or unimproved property in the area or prevent appropriate development and use of such areas.
- (7) The proposed planned unit development has been designed to include open space, parking, pedestrian walks, signs, illumination, and landscaping (including irrigation) to enhance the environmental quality of the site.

In order to approve an FDP, the following findings must be made (Section 9-7.1004(b)):

- (1) The final development plan substantially conforms to the preliminary development plan.
- (2) Changes and conditions of approval specified by the City Council in its approval of the preliminary development plan have been met.

Residential Density

The maximum residential density for the site is 70 units per acre (base) and can be increased to 135 units per acre (bonus) with a conditional use permit and the provision of affordable units and community benefits, based on the number of bonus points needed. Based on 7.268-acre site, the permitted base density calculates to 509 units and 981 units with bonus points. The proposed density of 144 units on 7.268 acres calculates to 20 units per acre, which is well under the base residential density of 70 units per acre and will not require bonus points for residential density.

Floor Area Ratio (FAR)

The maximum base Floor Area Ratio for the site is 3.0 and can be increased to a bonus FAR of 6.0 with a conditional use permit and the provision of affordable units and community benefits. The permitted base floor area for the 317,062 square foot site calculates to 951,186 square feet and the maximum bonus floor area for the site is 1,902,372square feet. The total floor area for the proposed project including the proposed residential tower, and two commercial towers is 965,322 square feet. The proposed FAR for the project is therefore 3.0 (965,322/317,062) and will not require bonus points for FAR.

Height

The base height for the project site is75 feet which can be increased to 100 feet and more with bonus points. All three building heights are well above 100 feet, with the residential tower standing at 185 feet, and the commercial towers at 203 and 223 feet as outlined in Table 2. The project therefore will require 100 bonus points for height.

Bonus Points

Pursuant to Section 9-4.204, the project as proposed requires 100 bonus points for height as calculated above.

Pursuant to Section 9-4.204(d), the applicant will need to obtain half of the bonus points, rounded up to the next increment of five, by providing affordable units in the project. For the project as proposed, requiring 100 bonus points, this equates to 50 bonus points to be earned from affordable units. For the residential portion of the project, the affordable housing must be provided in the project. In order to obtain 50 bonus points the project will be required to include 17% affordable units, consisting of 3.9% Very Low Income, 5.9% Low Income, and 7.2% Moderate Income units. For 144 units, this equates to 24 affordable units, including 6 Very Low Income, 8 Low Income, and 10 Moderate Income units. For the

nonresidential portion, the affordable housing must be provided by paying an increased Affordable Housing Impact Fee. In order to obtain 50 bonus points, the project will be required to pay an additional fee of 100% (i.e. doubled). The current fee for Research and Development is \$4.83 per square foot, so the increased fee would be \$9.66 per square foot at current rates. The actual fee would be based on whatever was in effect at the time that the building permit for each nonresidential building was issued.

The remaining bonus points must be earned through the provision of community benefits, pursuant to Section 9-4.204(e). Possible benefits include additional public open space, zero net energy, public improvements, utility undergrounding, additional family friendly units, a contribution to the City's small business fund, or a currently undefined "flexible community benefit" proposed by the applicant. The applicant has not yet specified how they propose to obtain the community benefit bonus points.

Parking

Vehicular Parking:

<u>Commercial Uses</u>: Typically research and development (R&D) laboratory businesses need space for laboratory and office on a half and half basis, and the City has used this criterion for other such projects, including the recently approved BMR Emeryville Center of Innovation project.

The proposed project contains 749,332 square feet of R&D space, consisting of 351,119 square feet in Building 1 and 398,203 square feet in Building 2. It is assumed that half of this space (374,661 square feet) would be office, and half (374,661 square feet) would be lab. The estimated demand for parking for 374,661 square feet of office space is 896 spaces (2.4 spaces per 1,000 square feet of office space excluding the first 1,500 square feet of new office buildings), ((374,661-1,500) x 2.4/1000); and for laboratory space the estimated demand is 560 spaces ((1.5 spaces per 1,000 square feet excluding the first 1,500 square feet), ((374,661-1,500) x 1.5/1000). This calculates to an estimated total parking demand of 1,456 spaces for the office and lab space.

There is no minimum parking requirement and the maximum allowed is 10% more than the estimated demand. So, the maximum parking permitted for the R&D portion of the project is 1,602 spaces (1,456 + 10%). The project proposes 1,497 spaces and therefore complies with the City's parking requirements.

<u>Residential Uses:</u> The 144-unit project will trigger an estimated parking demand of 144 resident spaces (1 space per unit), plus 29 guest spaces (0.2 spaces per unit), for a total estimated demand of 173 spaces. Again, there is no minimum parking requirement and the maximum allowed is 10% more than the estimated demand. So, the maximum parking permitted for the residential portion of the project is 190 spaces (173 + 10%). The project proposes 144 spaces as residential parking and therefore complies with the City's parking requirements. (The project has not yet assigned parking for residential guest parking.)

Bicycle Parking:

<u>Commercial Uses</u>: The project will trigger one short-term and one long term bicycle parking space for every ten automobile parking spaces indicated as the estimated parking demand. As the estimated demand is 1,456 spaces for non-residential uses, 146 long term and 146 short term bicycle parking spaces will be required.

<u>Residential Uses</u>: Bicycle parking requirements for residential use is one long term space for each unit and one short term space for every 10 automobile parking spaces indicated as estimated parking demand. This calculates to 144 long term bicycle spaces for residents and 14 short term bicycle spaces for residents' guests.

The applicant has not yet identified number and location of bicycle parking spaces.

Open Space

<u>Commercial Uses</u>: Section 9-4.303(a)(3) requires new commercial buildings or additions that exceed 100,000 square feet to provide a minimum area of common open space and/or Privately Owned Public Open Space (POPOS) that totals at least five percent of the gross floor area. Included in this requirement, the developer must provide a minimum area of POPOS that totals at least one percent of the gross floor area. For the proposed 749,322 square foot office and life science uses, this equals to 37,467 square feet of open space, including a minimum of 7,493 square feet of POPOS. The project proposes 52,360 sq. ft. of common open space on the parking podium, which complies with the minimum open space requirement. However, it is unclear whether any portion will be designated as POPOS.

<u>Multi-Unit Residential Uses</u>: Section 9-4.303(a)(2) requires new Multi-Unit Residential buildings to provide a minimum of 60 square feet of open space per dwelling unit or live/work unit, consisting of 40 square feet of private open space and 20 square feet of common open space. Where infeasible to provide private open space, common open space may be substituted for private open space at a ratio of 2:1, or 80 additional square feet of common open space per non-compliant unit.

This translates to 5,760 square feet of private open space (144×40) and 2,880 square feet of common open space (144×20) . If no private open space is provided then the project can provide an additional 11,520 square feet of common open space (144×80) , for a total of 14,400 square feet of common open space. The project proposes 11,150 square feet of common open space on the roof and the podium. Private open space is not indicated on the plans.

The proposal will need to be refined to comply with the open space requirements as the project is further developed.

Design Guidelines

The Citywide Design Guidelines will also apply to this project. Provisions applicable to the project include:

- Sidewalks and Landscaping
- Parking and Access
- Site Planning
- Building Massing
- Building Form and Articulation
- Architecture and Building Materials
- Open Space
- Signs
- Greenways and Green Streets
- Freeway/Railway Adjacent
- Mixed Use Developments
- Local Streets
- Bicycle Boulevards, Paths and Routes

<u>Green Street:</u> The General Plan designates 65th Street and Shellmound Street as "Green Streets" and the Design Guidelines outline the following guidelines for Green Streets:

- *I-19* Building and unit entrances (though not necessarily primary entrances) should front the public pathway;
- *I-20* Public oriented uses should be located at the ground level (e.g. workshops, lobbies, and common areas);
- *I-21* Street trees and landscaping designs should employ Bay Friendly Landscaping practices;
- *I-23* Maintaining a minimum 15-foot sidewalk corridor with 8-foot pedestrian pathway, 5-foot landscaping/street furniture strip and 2-foot building entry/public space;
- *I-24* Parks or plazas should be located along greenways and/or green streets, as part of a new or rehabilitation projects, to allow for places to linger, sit, and contemplate;
- *I-25* Site buildings and design pathways to provide sunlight on greenways and green streets;
- *I-27* Public art should be located along greenways and green streets; and
- *I-28* Appropriate crossings should be provided for bikes and pedestrians.

At this preliminary stage there is not enough information to assess the project's compliance with the Design Guidelines.

Public Park

As noted above, the General Plan, Figure 2.2: Land Use Diagram designates the project site as "Other Park Opportunity". The City's Parks and Recreation Strategic Plan envisions a half-acre park at this location that accommodates play for children, socializing and relaxing, picnicking, space for respite and solitude, as well as space for games. The Plan's program elements for this park include sports, gardening, exercise and fitness, and viewing art. Attached is the full description of this park site outlined in the Parks and Recreation Strategic Plan.

The applicant is proposing a 1.18 acre (or 51,400 sq. ft.) public park as well as a bicycle and pedestrian path along the western perimeter that totals approximately 26,250 sq. ft.

Stormwater and WELO Plans

The project will need to submit stormwater plans and show compliance with the Water Efficient Landscaping Ordinance (WELO).

Environmental Review

At this time, we do not have enough information to determine the project's CEQA status.

Staff Comments

The project was reviewed at the June 9, 2021, Development Coordinating Committee meeting. Committee members discussed the proposed site plan and felt driveways along Shellmound Street should be consolidated. They noted that the plans did not include how loading would function for both commercial buildings as well as the residential tower. One member questioned the location of the park and the residential tower and suggested that they switch locations so that the tower would take advantage of the views while providing some protection from wind and noise for park users. There was also a suggestion that, although the applicant had not proposed a phasing plan, that residential building be built first. The Deputy Fire Marshall provided written comments that are attached to this report. It was also suggested that the applicant begin thinking about public art requirements at this early stage, as the project would trigger considerable monetary outlay and some of the design guidelines point to installation of public art on green streets (65th Street and Shellmound Street).

Planning Commission Comments

The Planning Commission reviewed this project at their July 22, 2021, meeting. The Commission was generally supportive of the proposal and asked a few clarifying questions regarding number of employees and trash management plans. It was noted that the mix of

uses was appropriate, as were the three access points to the site. The Commissioners felt that the new park would be a good amenity for the residents of Emeryville, and encouraged the applicant to be creative in park design, including through the use of green walls and public art. Two Commissioners felt that switching the locations of the residential tower and the park was worth exploring, so that the tower could take advantage of Bay views while providing some protection from wind and noise for park users; another Commissioner stated that the proposed locations were appropriate. A comment was made that the "whale" feature at Christie Park has become iconic, and that this park should also include a unique design element. Commissioners expressed concern regarding jobs and housing balance, and asked the applicant to consider reducing parking and developing a robust Transportation Demand Management plan. The Commission noted that, as plans get further developed, attention should be paid to the City's Design Guidelines.

There was one public speaker, a resident of the Bridgewater condominiums across 65th Street, who expressed concerns about the project's impacts on light and air to the existing residents, and the traffic impacts that would result from the employees of the proposed project.

Parks and Recreation Committee Comments

The Parks and Recreation Committee reviewed this project at their September 15, 2021 meeting. The Committee asked a few clarifying questions related to the status of the existing Atrium building, anticipated project population, and the status and timing of the Ashby/Shellmound interchange project. It was asked whether cross-laminated timber could be used for construction of the life science buildings, and whether EBMUD would be able to provide recycled water to the site for landscaping purposes. The Committee generally liked the project, although a concern was expressed about the proposed park adjacent to the freeway. Committee members did note that, from the sun exposure viewpoint, the location of the park was appropriate. Several ideas for park design were suggested, which included a nature play area, fitness courts, an amphitheater with a stage, a dog park for large dogs, an area for bicycle training for children, and using building walls for rock climbing. The Committee liked the idea of a kiosk, and suggested including a restroom along with bicycle parking at appropriate places. One member stated that the Hayes Valley and Octavia park precedents shown by the applicant would be good examples of the type of park that would be appropriate at this location. It was suggested that the park should include a feature that would make it a destination park similar to the "whale" feature at Christie Park.

Bicycle and Pedestrian Advisory Committee (BPAC) Comments

The Bicycle and Pedestrian Committee reviewed the project at their September 20, 2021 meeting. There were a few clarifying questions regarding the status of the bike path adjacent to the 6701 Shellmound project that is currently under construction. Committee members stated that there were several locations along Shellmound and 65th Streets that would have increased conflicts between bicyclists, pedestrians, and motor vehicles, and that these should be looked at closely in the transportation analysis. It was clarified that the

location and number of bicycle parking spaces would be included as the plans were further refined, and it was commented that the applicant should identify locations for bike share facilities, including electric bikes. The Committee stated that the park should be programmed for multigenerational uses and should include a restroom. The bicycle connection on the western perimeter that tied in with the path at the 6701 Shellmound project was appreciated. A suggestion was made that the bike path should include a decomposed granite path for joggers and seating for pedestrians. A concern for the proposed motor vehicle parking was expressed, and the need for a robust Transportation Demand Management plan was noted. It was also requested that dimensions for the paths and sidewalks be clearly dimensioned in the plans. Two members of the public made comments. A representative of Bike East Bay suggested that the on-site paths should be oriented towards bicycle parking so as to promote biking by employees, and offered assistance in designing spaces for bicycle training for both adults and children in the park area. Another member of the public had questions for the applicant regarding whether they were familiar with the City's Bicycle and Pedestrian Plan and whether they were in support of bicycle boulevards in general.

Community Meeting

The applicant will be holding a community meeting via Zoom on September 29, 2021. Staff will report verbally on the community meeting at the study session.

Issues To Be Considered

Staff requests that the City Council provide comment on the following issues and any other issues identified by the Council:

1. Mix of Uses

On sites of five acres or more, the MUR district requires a mix of uses, one of which must be residential. Other uses must come from the retail, office, research and development hotel, recreational, and/or industrial and agricultural mixed-use groups. The exact mix of uses is not specified but is to be determined by the Planning Commission and City Council as part of the entitlement process.

Does the Council feel that the proposed mix of uses is appropriate for this site?

2. Site Planning

The proposal includes demolition of all existing buildings and assembles a 7.268-acre site for new development.

Does the Council think that location of the public park and the three towers and the proposed circulation is appropriate for the site?

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3. Bonus Points

Does the Council have any preferences as to how bonus points should be obtained at this early stage?

4. Project Design

Does the Council have any other comments on the overall project design?

5. Findings

Does the Council feel that the required findings for a PUD/PDP can be made?

FISCAL IMPACT

This report is for informational purposes only; there is no fiscal impact.

STAFF COMMUNICATION WITH THE PUBLIC

Staff has had no communication with the public on this City Council item. As noted above, the project was reviewed by the Planning Commission on July 22, 2021; by the Parks and Recreation Committee on September 15, 2021; by the Bicycle and Pedestrian Advisory Committee on September 20, 2021; and at a community meeting held by the applicant on September 29, 2021.

CONFLICT OF INTEREST

None.

CONCLUSION

Staff requests that the Council discuss the issues listed above and provide feedback.

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PREPARED BY:

Miroo Desai, Senior Planner

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:

Christine Daniel, City Manager

ATTACHMENTS:

- Excerpt from Parks and Recreation Strategic Plan, Site B, Page 77
- Article 8 of Chapter 2 of the Planning Regulations, "Mixed Use Groups"
- Project Plans