



# City of Emeryville

CALIFORNIA

## MEMORANDUM

**DATE:** October 19, 2021  
**TO:** Christine Daniel, City Manager  
**FROM:** Charles S. Bryant, Community Development Director  
**SUBJECT:** Study Session – Bay Street Grocery Store, 5603 Bay 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 Bay Street project (officially known as the South Bayfront Retail/Mixed Use Project) is located on a 19-acre site bounded by Shellmound Street to the west and the Union Pacific Railroad tracks to the east, with the IKEA store to the south and a vacant City-owned parcel (“Site B”) to the north. On September 21, 1999, the City Council adopted Ordinance No. 99-009 establishing a Planned Unit Development - Mixed Use zoning designation (PUD) and approving a Preliminary Development Plan (PDP) for the retail/entertainment/mixed-use project. The site is divided by Temescal Creek, and development to the south of the creek, identified as Block 1, consists of retail and entertainment uses including a multiplex theater and restaurant uses (Parcels A and B). Development to the north of the creek, Block 2, consists of retail, commercial and residential uses along Bay Street (Parcels C, D, and E). See Attachment 1: *Bay Street Parcel Locations*.

A Final Development Plans (FDP) for the retail development on Parcels A, B, C, D, and E was approved by the City Council on April 20, 2000, and an FDP for the residential development above the retail development on Parcels C, D, and E was approved by the City Council on December 19, 2000. Subsequently, an FDP for a furniture store (“West Elm”) was approved on August 7, 2007, on the parcel identified as Pad Number 1, and an FDP for a 171-room hotel (“Hyatt Place”) was approved on April 24, 2014, on the parcel identified as the “Hotel Site” in Attachment 1.

The new ownership of the Bay Street project, CenterCal, is now requesting a Final Development Plan (FDP) for a new grocery store on Parcel B by demolishing the existing building housing the EQ3 furniture store and other retail stores, and that formerly housed the Old Navy store and Elephant Bar restaurant.

### Project Proposal

Project Plans. The attached plans include several sheets that provide context for the overall Bay Street development, which include administratively approved Food Terrace improvements for which a building permit was recently issued, as well as ownership’s plans

for the portion of Bay Street north of the creek, as envisioned in the long term. These plans also show a proposed cycle track on the south side of Ohlone Way, connecting Shellmound Street to the new bridge over the railroad.

The proposed grocery store plans begin on Sheet 25 and end on Sheet 53 of the attached plans.

Project Description. The project includes a new 48,446 square foot grocery store with open rooftop parking that will accommodate approximately 112 parking spaces. It will also involve demolition of the existing approximately 49,420 square foot building housing the EQ3 furniture store and other retail stores.

In addition, the project will involve removal of the existing plaza area in front of the Barnes and Noble bookstore to accommodate ground level parking spaces and vehicular circulation. Sheet 26 entitled *Grocery Development Project Scope* provides the footprint of the existing building to be demolished and indicates the plaza area that will be demolished (Note # 3). In addition, it shows the portion of Bay Street that will be reopened to vehicular traffic to accommodate circulation for the grocery store patrons (Note #1).

Sheet 31 entitled *Site Plan – Existing and Proposed*, shows that loading for the grocery store will occur in the same location as the existing loading that occurs off Shellmound Street. However, the proposed loading will now be covered. This Sheet also shows approximately 15 parking spaces fronting the southern side of the building and the main building entry occurring at the southeast corner. Sheet 35 (*Focused Ground Floor Plan and Roof Plan*) provides a floor and roof plan of the proposed building showing indoor loading along Shellmound Street, back of house functions along the north side of the building, and outdoor stairs connecting the roof level parking to Bay Street.

A small, landscaped plaza area is proposed near the entry (Sheet 33: *Grocery Plaza Features*) and a rendering can be seen on Sheet 29 (*Grocery Store Main Entry – Southeast Corner*). Sheet 37 provides streetscape sections along the east side of the building indicating a clear 8-foot sidewalk and a wider 13' 5" sidewalk at the corner.

Design and Signage. The proposed building is rectangular with the main materials being dark modular thin glazed brick and metal panels. The east and south façade have storefront windows with decorative window graphics proposed for visual interest. A total of six signs are proposed: two each on the south and east facades and one each on the north and west facades. (See Sheets 38 and 39: *Proposed Building Facades*). The applicant has not yet revealed what brand of grocery store is being proposed. It is anticipated that the store will be open seven days a week from 7:00 am to 10:00 pm.

Landscape Plan. There four existing palm trees along south edge of the existing building that will need to be removed to accommodate the new building and the removal of the plaza area. A preliminary landscape plan on Page 36 (*Landscape Plan and Planting Concept*) shows relocation of these palm trees to the southwest corner of the proposed building. In addition, some new trees and landscaping are proposed along the south building façade. Existing landscaping including trees along Ohlone Way will remain. There

are four existing, mature poplar trees along Shellmound Street behind the bus stop that will be removed as part of the project. Sheet 31 (*Existing and Proposed Site Plan*) shows the location of the existing poplar trees and four palm trees that are proposed to be relocated.

Note that all existing trees to be removed are on private property, and therefore will not require approval of a Tree Removal Permit from the Planning Commission. However, Section 9-4.503(c) of the Planning Regulations allows the Planning Commission to “require that existing healthy on-site trees be preserved and incorporated into the project unless this is shown to be infeasible.” An arborist report assessing the condition of all existing trees on the site has not yet been prepared but will be required as part of the FDP approval process.

Circulation. Vehicular entry to the rooftop parking occurs at two points: an entry ramp at the northeast corner of the building off Bay Street, and from an entry/exit ramp along the southern edge of the building. As noted above, the proposal opens the southern portion of Bay Street to vehicles, which will allow vehicles from Shellmound Street to turn onto Ohlone Way and then make to a right turn onto Bay Street to enter the building either through the ramp on the northern end, or to keep driving south and make another right turn to either park in the surface parking spaces or enter the building through the ramp along the southern side. See Sheet 51: *Circulation Plan – Vehicles*.

A bicycle circulation plan with locations for bicycle parking is provided on Sheet 50 and the pedestrian circulation is shown on Sheet 53. A preliminary loading and trash plan is shown on Sheet 52.

## **DISCUSSION**

### **Conformance with the Preliminary Development Plan (PDP)**

The proposal involves replacement of different types of retail stores within a 49,420 square foot building with a new 48,446 square foot grocery store. As the type of use remains the same (retail) and the size is also approximately the same (974 square feet less), the proposed use and building size are consistent with the PDP.

The project includes provision of 112 parking spaces on the rooftop. This is additional parking that is not contemplated by the PDP, as parking for the retail/entertainment uses is provided within the existing garage. This is not considered to be inconsistent with the PDP, since it does not alter the use or general size of the building on Parcel B.

However, the project involves removal of the existing plaza area between the Barnes and Noble building and Parcel B, and its replacement with surface parking and vehicular circulation. The PDP plans delineate this area as “PLAZA” and provide a section drawing showing the Plaza width to be 60 feet, in addition to an adjacent roadway that is 54 feet wide. See Attachment 2. The applicant suggests that removal of this plaza is compensated for by a smaller plaza area near the new building, the enhanced plaza area at the bridge landing, enhanced food terrace area and future activation of spaces along the northern portion of Bay Street. Please see Page 14: *People Space Expansion and Activation*.

Nonetheless, staff believes that removal of the existing plaza area is a significant deviation from the PDP and would require a PDP amendment.

Staff has suggested that one way to preclude the need for a PDP amendment would be to close Bay Street to vehicle traffic south of the proposed northern ramp to the rooftop parking, and to turn that area into a new plaza. The surface parking on the south side of the grocery store could then be retained, and access into the project area adjacent to West Elm could be reconfigured to allow left turns into the southern grocery store rooftop parking ramp. This would create a pedestrian space at the base of the “grand staircase” from the food terrace of approximately the same size as the existing plaza, although slightly narrower (about 52 feet as opposed to 60 feet). (See Attachment 3.) In staff’s view, this could be found to be in conformance with the intent of the PDP for a pedestrian plaza in Block 1 of the South Bayfront Retail/Mixed Use Project, south of Temescal Creek.

### ***Planned Unit Development (PUD) Process***

If it is ultimately determined that a PDP amendment is required, it would follow the same process as was followed originally to establish the PUD and PDP. The proposed FDP would then be processed pursuant to the amended PDP. If it is determined that a PDP amendment is not required, then the FDP can be processed under the existing PDP. The PUD process is described below.

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 an amendment to the 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.

It is also possible to process a PDP amendment and an FDP concurrently. In this case, the Planning Commission would make a recommendation to the City Council on the PDP amendment, and would make a tentative decision on the FDP. The City Council would then make a decision on the PDP amendment, and, if it were approved, the Planning Commission's decision on the FDP would take effect.

## **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 September 15, 2021, Development Coordinating Committee meeting. Staff from the Economic Development and Housing (EDH) Division noted that vacancy rates at Bay Street are high and that typically a grocery store is known to trigger revitalization of a mall that is not doing well. As grocery proprietors are cognizant of their impact, they tend to demand a store configuration, provision of parking, and a circulation pattern that is tailored to their needs. Public Works staff stated that the proposed circulation and opening of the south end of Bay Street to vehicular traffic could create increased conflicts between vehicles, bicycles, and pedestrians. Police staff noted that the existing circulation creates such conflicts particularly during busy weekends and various holiday seasons, especially at the intersection of Bay Street and Ohlone Way. The proposal could further exacerbate this situation. Public Works staff noted that a transportation study is likely to identify a need for a traffic signal at Bay Street and Ohlone Way. Given the identified modal conflicts, and the applicant's proposal for the two vehicular entries into the building, plus "teaser" surface parking in front of the building, it was suggested that the relocated plaza concept described above could be a compromise that would retain these features and still provide a large pedestrian plaza space. It was noted that the "teaser" parking was most likely to be used by gig delivery vehicles who would not

need the south end of Bay Street to be open to access those spaces. Staff also suggested that the applicant consider providing secure employee bicycle parking at a centralized location for all Bay Street tenants, instead of asking individual tenants to provide employee bicycle parking.

Alameda County Fire Department staff noted that the applicant needed to verify whether the proposed cycle track addition to Ohlone Way would meet the turning radius needed for fire trucks. Their written comments are attached to this staff report. Staff also noted that there were existing covenants on the site with regard to prior hazardous material clean-up that the project would need to meet, and that the Volatile Organic Compound (VOC) regulations had changed since the site was cleaned up. Planning staff noted that CEQA analysis would be needed for the proposed project and the hazardous materials issue would be addressed at that time. Public Works Environmental Services staff noted that the project would need to provide a Discards Plan as the project is further refined, and that the project would need to comply with the applicable stormwater provisions. Public Works staff noted that the proposal to relocate palm trees is ill-advised because the trees will not do well if relocated; they suggested that these trees be replaced with other species in the proposed new locations.

### **Planning Commission Comments**

The Planning Commission reviewed this project at a study session on September 23, 2021. The Commission asked a few clarifying questions regarding the need to demolish the existing parking, need for “teaser” surface parking and rooftop parking, and a possible need for a signal at Bay Street and Ohlone Way.

Three members of the public spoke on this item. One resident of the Bay Street condominiums stated that this was a transformative project and that the new ownership had been engaging well with the homeowners’ association. However, the speaker was not in favor of opening the southern portion of Bay Street to vehicular traffic. Another issue of concern was the proposed surface parking that could potentially lead to parking “wars” and make shoplifting easier. A renter at Bay Street apartments also liked the proposed grocery store use but expressed concern for removal of the plaza and the level of overall traffic, and felt that a traffic signal was necessary at the current level of activity. The third public commentator stated that it was a good proposal with several positive elements but expressed concern regarding circulation and supported the staff recommendation regarding keeping Bay Street closed to vehicular traffic south of the proposed ramp. Four written comments were also submitted and are attached to this staff report. The letters were in support of the use but had concerns regarding traffic and circulation, and one of them did not support opening of Bay Street to vehicular traffic and supported the staff suggestion for a relocated plaza.

The Commissioners all liked the proposed use and expressed the need for a grocery store in this part of the city. Concerns were expressed regarding inter-modal traffic circulation and the removal of the existing plaza. One Commissioner noted that the plaza is used often by children with their families, as well for hosting large events. Another Commissioner commented that widened sidewalks could not be considered a replacement for the plaza. It

was suggested that there should be a clear separation between vehicles, bicycles, and pedestrians. Several Commissioners stated that the staff suggestion of keeping Bay Street closed to vehicles south of the proposed ramp was a good compromise between the needs of the grocery store proprietor and the need to retain the plaza area. The Commission also agreed that, if the applicant incorporated the staff suggestion for a relocated plaza into their design, it would preclude the need for a PDP amendment.

### **Bicycle and Pedestrian Advisory Committee (BPAC) Comments**

The Bicycle and Pedestrian Committee reviewed the project at their October 4, 2021 meeting. BPAC Committee members started with a few clarifying questions regarding removal of the plaza, the necessity of surface parking, a need for a new pedestrian crosswalk and locations of existing micro-mobility corrals at Bay Street. There was one public comment by a resident who stated that the proposed circulation of vehicles will create conflicts with pedestrians and cyclists and recommended that the southern portion of Bay Street not be opened to vehicles. The speaker noted that teaser parking at Berkeley Bowl made it difficult for cyclists and pedestrians to maneuver around the store.

All Committee members stated that the proposed grocery store use was exciting and would be a good addition to Bay Street. However, the Committee felt that the proposal was car-centric, and that the loss of the plaza is unfortunate, as it is one of the few gathering places in Emeryville. They also stated that the proposed circulation would exacerbate existing modal conflicts. It was suggested that the applicant consider only one exit and entrance to the rooftop parking and keep the southern portion of Bay Street closed to vehicles. One Committee member suggested that the applicant consider building a bridge to the existing parking garage. Other comments included assessment of existing transit amenities and potential improvements to bus stops; providing a corral space for electric scooters; and that the location of new bicycle parking be such that it would easily allow shopping carts to be taken to the bike parking. The Committee appreciated the proposed future improvements to the north end of Bay Street.

### **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. *PUD/PDP Amendment***

As noted above, the proposal involves removal of the plaza area and opening of the south end of Bay Street to vehicular traffic to accommodate entry and exit to the roof top parking.

*Does the Council support such an amendment to the PUD/PDP?*

2. *Relocated Plaza*

*Does the Council agree with the staff suggestion of keeping Bay Street closed to vehicular traffic south of the proposed rooftop parking entry ramp and creating a relocated plaza in this area? Does the Council agree that such a change to the proposed plans would avoid the need for a PUD/PDP amendment?*

3. *Building Design*

*Are the choice of materials, color, and proposed design acceptable to the Council?*

4. *Trees*

The proposal includes relocation of four palm trees, removal of several other trees, and planting of new trees. As noted above, a Tree Removal Permit is not required, but the City does have the authority to require existing mature trees to be retained if feasible.

*Does the Council agree with the proposed plans regarding trees?*

5. *Other Issues*

*Does the Council desire to discuss any other issues with the proposed project?*

## **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 September 23, 2021, and by the Bicycle and Pedestrian Advisory Committee on October 4, 2021.

## **CONFLICT OF INTEREST**

None.

## **CONCLUSION**

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



**PREPARED BY:** Miroo Desai, Senior Planner

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



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Christine Daniel, City Manager

**ATTACHMENTS:**

- Bay Street Parcel Locations
- Approved Bay Street Parcel B Plans
- Staff Suggestion for Relocated Plaza
- Comments from Alameda County Fire Department
- Public Comments from Planning Commission Study Session
- Project Plans