

EMERYVILLE PLANNING COMMISSION

STAFF REPORT

Agenda Date: January 24, 2019

Report Date: January 17, 2019

TO: Planning Commission

FROM: Community Development Department
Miroo Desai, Senior Planner

SUBJECT: **Marketplace Redevelopment Project: Approving new Final Development Plan for “Parcel B” (Office and Garage Building) (FDP18-001) and Rescinding Previous Final Development Plan FDP15-001**

PROJECT LOCATION: 6200 Shellmound Street
(APN: 49-1556-16)

APPLICANT: City Center Realty Partners, (CCRP) (Mark Stefan)
170 Grant Avenue, Sixth Floor
San Francisco, CA 94108

OWNER: AG-CCRP Public Market, L.P.
170 Grant Avenue, Sixth Floor
San Francisco, CA 94108

PROJECT DESCRIPTION: Consideration of a new Final Development Plan (FDP) for “Parcel B” of the Marketplace Redevelopment Project Planned Unit Development (PUD04-12) to replace and rescind Final Development Plan FDP15-001 that was approved by the Planning Commission on June 23, 2016. The previously approved FDP included 26,000 square feet of retail space and 300 parking spaces. The proposed FDP includes 15,800 square feet of rentable retail space, 150,000 square feet of rentable office/lab space, and 560 parking spaces.

GENERAL PLAN: Mixed Use with Residential and Major Transit Hub

ZONING DISTRICT: Planned Unit Development (PUD-2)

**ENVIRONMENTAL
STATUS:**

Environmental Impact Report for Marketplace Redevelopment Project PUD certified by City Council on January 15, 2008 (Resolution No. 08-126). CEQA Guidelines Section 15164(e) provides that a brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record. The Kimley Horn Trip Generation Evaluation Memo dated December 12, 2018 and the Environmental Checklist Public Market Proposed Final Development Plan Project enclosed as Attachments 2 and 3, respectively, provide support for the decision not to prepare a subsequent EIR pursuant to Section 15162.

RECOMMENDED

**COMMISSION
ACTION:**

1. Open public hearing and take testimony regarding the project.
2. Close public hearing and consider Staff Report and Resolution.
3. Adopt Resolution CPC No. FDP18-001 approving the project and rescinding Resolution CPC No. FDP15-001.

MARKETPLACE PUD/PDP

On August 5, 2008, the City Council approved the Marketplace Redevelopment Project Planned Unit Development (PUD)/Preliminary Development Plan (PDP). Between February 2015 and June 2016, the Planning Commission approved a number of Final Development Plans (FDPs) to allow for a grocery store (Parcel C1), realignment of Shellmound Street, creation of 62nd Street, 63rd Street and Market Drive, construction of three residential buildings (Parcel A, Parcel C2, and Parcel D); a parking structure with ground floor retail (Parcel B); and the redevelopment and expansion of Christie Avenue Park (Parcel E). The grocery store (Parcel C1) and the realignment of Shellmound Street and creation of 62nd and 63rd Street are now complete, and two residential buildings (Parcel C2 and Parcel D) are under construction. The grand opening for Christie Park was held on November 29, 2018.

The last FDP (FDP15-001) was approved on June 23, 2016 for Parcel B, which accommodated parking with ground floor retail. This parking garage would provide parking for existing commercial uses that have been served by previous surface parking lots (Parcel C) and are being served by existing surface parking lots (Parcel A). It is for this reason that the residential building on Parcel A cannot be built until the parking garage on Parcel B has been constructed. The approved FDP for this building included 26,000 square feet of retail space and 300 parking spaces.

The master developer and land owner, City Center Realty, has indicated that they now wish to replace the approved FDP for Parcel B to accommodate 150,000 square feet of office/lab space in addition to ground floor retail space and parking. The Planning Commission held a study session on this new proposal at the December 13, 2018 meeting. The section below summarizes changes that have been made to the project as a result of the Commission's comments at the study session.

SUMMARY OF CHANGES AND APPLICANT RESPONSE TO PLANNING COMMISSION'S COMMENTS AT DECEMBER 13, 2018 STUDY SESSION

Architecture

- a) Rooftop solar/PV panels have been added per Commission comments.
- b) Primary servicing to retail areas are now provided from the back, per Commission comments.
- c) EV parking spaces included and identified per Commission comments.
- d) North and South elevations were developed and revised by the applicant in response to Commission comments. Vertical circulation towers have been revised with walls articulated like the main building. Windows have been added to stairs per Commission comments.
- e) Additional sheets have been added to define the base of building, including Shellmound Street storefront designs with bigger drawings, more views and more labels. See Sheets A3.09, A3.10, A3.11, A6.03. The applicant notes that lighter colors were studied, per one Commission comment, but the design included in the FDP represents what they believe is the best outcome. The building base and storefront design represents their attempt to provide a coherent, consistent framework with a reasonable and refined typical front wall onto the street. It is anticipated that a variety of tenants will occur and provide unique signage and potentially revised storefront wall designs.
- f) Trash room location has been revised to have adjacency to the exterior wall and trash service area, per the City's Discards Collections guidelines. See Sheets A2.20 and A2.21.
- g) Slight increase in retail area, from approximately 14,000 sq. ft. to 15,800 sq. ft.
- h) Entry "notch" has been moved south one bay to better align with pedestrian route at crosswalk.
- i) Bike room has been moved north, with better access from lobby.

Art

- a) Placeholder art has been removed from elevations and renderings to avoid confusion.
- b) Sheet A7.00 added to show art locations and short-listed artists have been included. These artists and their works were described by Ms. Dorka Keehn of Keehn On Art at the December 13, 2018 study session.

Landscape

- a) Landscape plan is now developed and described with enlarged plans. See new Sheet L1.02.
- b) Landscape palette included. See new Sheet L2.01.

PROJECT PROPOSAL

This new FDP application is for a 113-foot tall, 8 story building that includes 15,800 square feet of ground floor rentable retail space, structured parking on four levels accommodating 560

parking spaces, and office/laboratory space totaling 150,000 rentable square feet on the top three levels (See Sheets A2.00 - A2.05 of attached plans).

Circulation, loading and servicing pattern. Vehicles will enter the building from the north end only, while exiting will be accommodated at both the north and south ends (Sheets A2.11). Sheet A2.11 shows bicycle circulation and about 1,000 square feet is designated for secured, internal employee bicycle storage. Pedestrian circulation is shown on Sheet A2.12. Vertical circulation for pedestrians to and from parking levels occurs at the north and south ends and central lobby via staircases, and at the north end and central lobby via elevators.

Short term deliveries and trash areas are located along the eastern side of the building with delivery and trash vehicles entering from the north end and exiting from the south end (See Sheets A2.14, A2.20 and A2.21).

The applicant is also proposing a valet parking program that initially will involve a “valet assist” strategy where drivers drive up into the garage to the upper two levels and drop off their cars with an attendant. This is planned primarily for busy lunch hours. Sheet A2.13 also shows the option of on-street drop off spaces along Shellmound Street if operations warrant this service. Under this option, valeted vehicles would enter the garage from the north end and would be returned to an off-street pick-up point at the south end. The applicant anticipates a management company to be contracted as needed to operate the valet service.

Design: This is a rectangular building with a glass curtain wall entry in the middle. A 17-foot first floor ceiling clearance is maintained to accommodate retail storefronts. The four levels of concrete parking structure will each be 12 feet in height, and will be articulated by using some type of art panels on the east and west elevations. Sheet A7.00 shows work examples of seven artists that have been short-listed to do this work.

The top four levels of office/laboratory will each be 16 feet in height, and are articulated using an industrial type window grid system. The overall building height will be 113 feet from grade to the roof. Roof top equipment is also proposed, with stacks visible behind a screen at the mechanical penthouse level. The screen would extend an additional 15 feet above the roof, and the stacks would extend an unspecified distance above the screen. (Sheets A3.01-A3.03). East and west elevation details are provided on Sheets A3.07 and A3.08. Ground level storefront details are outlines on Sheets A3.09, A3.10 and A3.11). Renderings are provided on Sheets A6.01 to A6.04. Sheets A3.04 to A3.06 provide three cross sections of the proposed building.

Materials include three shades of stone, glass curtain wall, metal and glass window system, and structural concrete (as opposed to board formed). Sheet A8.01 provides materials and colors for the proposed project.

Landscaping: Sheet L1.01 and L1.02 illustrates the existing streetscape planting to remain along Shellmound Street and a stormwater catchment area at the north end of the site, which is consistent with the landscape plan for Shellmound Street that was approved as part of the Tentative Map. Sheet L2.01 provides a plant palette.

CONFORMITY TO THE GENERAL PLAN AND CONSISTENCY WITH THE APPROVED PUD

The General Plan land use designation is Mixed Use with Residential (MUR), where residential, retail, and office uses and associated parking are permitted. The zoning for this site is PUD-Mixed Use that was approved by the City Council in August 2008. The current proposal is consistent with this land use designation. Office and research laboratory uses are explicitly listed in the PUD conditions of approval as permitted uses.

The approved PUD/PDP calls for a building up to 120 feet tall on Parcel B, containing 120,000 square feet of office space, 29,150 square feet of commercial (retail) space, and 518 parking spaces. Compared to the approved PUD/PDP, the proposed building will have approximately 13,350 square feet less commercial space (15,800 square feet versus 29,150 square feet), 30,000 square feet more office space (150,000 versus 120,000 square feet), and 42 more parking spaces (560 spaces versus 518 spaces). The building height of 113 feet is consistent with the approved PUD/PDP height of 120 feet.

While the proposed FDP for Parcel B would contain 30,000 square feet more office space than the PDP calls for, the overall intensity of the PUD buildout would still be less than allowed by the PDP, as illustrated in the table below:

Use	PDP	FDPs	Difference
Residential	674 units	649 units	-25 units
Retail	180,000 sq. ft.	59,800 sq. ft.	-120,200 sq. ft.
Office	120,000 sq. ft.	150,000 sq. ft.	+30,000 sq. ft.
Parking	2,082 spaces	1,559 spaces	-523 spaces

The total amount of commercial space in the PUD, including both office and retail space, will be 209,800 square feet under the various approved and proposed FDPs (150,000 square feet of office plus 59,800 square feet of retail), while the PDP allows for up to 300,000 square feet of commercial space (120,000 square feet of office plus 180,000 square feet of retail), so in all there will be 90,200 square feet less total commercial space (office and retail) than allowed by the PDP.

CONFORMITY WITH SHELLMOUND STREETSCAPE DESIGN GUIDELINES

The Shellmound Streetscape Design Guidelines outline sidewalk widths, paving materials, pedestrian amenities, streetscape furniture, landscaping, and design of multi-modal facilities such as bus stops. The Guidelines call for a minimum sidewalk width of 12 feet with a typical width of 16 feet. In cases where a parking lane is proposed, a clear width of 8 feet is required. The project plans are consistent with the Tentative Map approval that was previously determined to be consistent with the Shellmound Streetscape Design Guidelines. (The Planning Commission approved the Tentative Map on October 22, 2015. The Phase I Final Map (Tract 8327) was recorded on August 23, 2016, and the Phase 2 Final Map (Tract 8334) was recorded February 9, 2017.)

ENVIRONMENTAL STATUS

On July 15, 2008, the City Council certified the Final Environmental Impact Report (FEIR) for the Marketplace Redevelopment project as adequate under the California Environmental Quality Act (CEQA), following the Planning Commission's recommendation on May 22, 2008 (Resolution Number 08-126). The EIR was applied to the Project as part of the City's actions and in doing so, the City adopted Findings of Fact Regarding Impacts and Mitigation Measures, a Mitigation Monitoring and Reporting Program for the project, Findings of Fact Concerning Alternatives, and a Statement of Overriding Considerations. The impacts that could not be mitigated to a less than significant level related to traffic and air quality were deemed acceptable because the project would advance local plans for the City, create jobs, and generate revenue.

CEQA Section 21166 and its corresponding CEQA Guidelines Section 15162 provide that once an EIR has been prepared, no subsequent or supplemental EIR shall be required by the lead agency unless: (1) substantial changes are proposed in the project which will require major revisions to the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or (3) new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

- (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
- (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

CEQA Guideline Section 15164(e) provides that a brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record.

The Marketplace EIR applies to the proposed FDP for Parcel B. Attached to this report is an Environmental Checklist Public Market Proposed Final Development Plan Project ("Marketplace

Checklist”) which more particularly discusses whether there have been substantial changes in the proposed project, or to the circumstances under which the project will be undertaken, or whether new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified as complete, exists and thus preparation of a subsequent EIR is required pursuant to CEQA Guidelines Section 15162. As detailed in the Marketplace Checklist (Attachment 4), there have been no substantial changes in the proposed project, or to the circumstances under which the project will be undertaken, and no new information of substantial importance exists which would require preparation of a subsequent EIR.

In particular, the applicant has submitted a traffic study prepared by Kimley Horn that concludes that the proposed changes will not result in trip generation and traffic impacts that were not analyzed in the 2008 Environmental Impact Report (EIR) prepared for the Marketplace project. (See Attachment 3: Kimley Horn Memo). All other impact areas are evaluated in the Environmental Checklist and, as noted, there have been no substantial changes in the proposed project, or to the circumstances under which the project will be undertaken, and no new information of substantial importance exists which would require preparation of a subsequent EIR.

STAFF COMMENTS

Public Art: The Development Agreement approved by the City Council allows the use of public art funds for the building’s east elevation. The proposal includes public art on the east and west elevations. The Development Agreement outlines the procedure for installation of public art for the Public Market property in general, and for Parcel B in particular. To the extent that the treatment of the east and west elevations are intended to satisfy the public art requirement, they are not subject to Planning Commission approval; however, any façade treatment that is not part of this public art program will need Planning Commission approval. Please see Condition of Approval Number VII.A.2.

At their January 10, 2019 meeting the Public Art Committee recommended approval of the Public Market Public Art Final Plan that identified approximately \$750,000 to be spent towards the west elevation of Parcel B building and \$250,000 towards the eastern elevation. The Plan also identified the artists that will be selected to do the work. (See attached “Public Market Public Art Final Plan. Please note that the Parcel B building is identified as “Life Sciences Building With Parking” in the Plan).

Traffic and Circulation: Staff noted that the design of the garage is consistent with the Transportation Assessment done by Fehr and Peers dated May 18, 2015, and that the following recommendations have been incorporated with modifications as conditions of approval:

- Six months following the completion and occupancy of Parcel B, the Project Applicant shall conduct a crosswalk assessment of the uncontrolled pedestrian crossings of Shellmound Street. Monitoring shall be performed under direction of the Public Works Director and shall include information such as levels of pedestrian, bicycle and vehicle activity along and across the Shellmound Street corridor between the Hyatt House hotel driveway and 63rd Street. The extent

of vehicle queues that form at the crossing locations during periods of peak activity shall also be noted. Should vehicle queues at uncontrolled pedestrian crossings extend to adjacent intersections, the Project Applicant shall work with the Public Works Director to identify treatments that would better allocate the right-of-way between vehicles and pedestrians. The Project Applicant shall also be responsible for the installation of identified treatments. (Condition of Approval Number VI.C.2)

- Signage should be installed on northbound Shellmound Street approximately 150 feet south of the northern parcel B driveway alerting drivers of the all-way stop-controlled intersection at the northern Parcel B garage driveway. (Condition of Approval Number IV.A.1(d))

Staff further recommends that electronic signage regarding availability of parking spaces should be installed at appropriate locations to minimize cruising for parking. (Condition of Approval Number VI.A.2)

FDP PROCESS:

Under the Emeryville Planning Regulations, Emeryville Municipal Code, Section 9-7-1004(b), a decision on a Final Development Plan (FDP) is made by the Planning Commission and would only go to the City Council if an appeal is filed.

RESCINDING PREVIOUS FDP:

Planning Regulations Section 9-7.211(b) stipulates that “Unless otherwise specified, the approval of a new use shall terminate all rights and approvals for previous uses no longer occupying the same site or location, including conforming uses, nonconforming uses, and any previous entitlements granted under these Planning Regulations or any previous regulations.” Thus, approval of a new FDP for Parcel B will automatically terminate the previous FDP. Staff feels that it would be prudent to explicitly include the rescission of the previous FDP with the approval of the new FDP. Therefore, the attached resolution includes a provision rescinding FDP15-001, previously approved by the Commission on June 23, 2016.

RECOMMENDATION:

After hearing a presentation from the applicant and receiving public testimony, Staff recommends that the Planning Commission approve the project subject to the attached Conditions of Approval and rescind Final Development Plan FDP15-001 approved for Parcel B on June 23, 2016.

Attachments:

1. Approved 2008 Marketplace PUD/PDP Site Plan
2. Public Market Public Market Public Art Final Plan
3. Kimley Horn Trip Generation Evaluation Memo dated December 12, 2018
4. Environmental Checklist Public Market Proposed Final Development Plan Project
5. Draft Resolution with Exhibit A: Conditions of Approval
6. FDP Plans