



# COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: October 4, 2005

Staff Report #: 05-160

Agenda Item #: C1

**STUDY SESSION: Discussion of and Possible Direction on a General Plan Amendment and Zoning Ordinance Amendment to Create a New General Plan Land Use Designation and a New Zoning District that Allows a Maximum Floor Area Ratio of 110 Percent for Uses Comprised of Offices, Research and Development, Light Industrial Uses, Hotels and Ancillary Uses such as Fitness Centers and Restaurants; a Rezoning from M-2 General Industrial to the New Zoning District; and a Development Agreement to Guarantee Development Rights over a 15-Year Period in Exchange for Demonstrable Benefits to the City for Property Located at 101-135 Constitution Drive and 100-190 Independence Drive.**

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This is a study session item and no action will be taken at this time. The study session will provide an opportunity for the Council to become familiar with the project and for the applicant and staff to understand questions, ideas or concerns of the Council.

## ANALYSIS

Bohannon Development Company is proposing a new General Plan designation and a new Zoning district that would apply to two sites in Bohannon Park east of US 101 totaling 13.5 acres. The first site is located on Independence Drive and is comprised of five properties with addresses ranging from 110 Independence Drive to 190 Independence Drive. The second site is located on Constitution Drive and is comprised of three parcels with addresses ranging from 101 Constitution Drive to 135 Constitution Drive. The existing site plans are included as Attachment B.

The properties have a General Plan land use designation of Limited Industry and the properties are zoned M-2 (General Industrial District). Information pertaining to the existing General Plan land use designation and zoning district is included in Attachment C. The applicant has prepared draft language of the proposed General Plan and Zoning Ordinance Amendments to create a new zoning district (M-3 Mixed Use Commercial Business Park) (Attachment D). The following is a summary table comparing the development standards of the existing M-2 zoning and the proposed M-3 zoning.

### Development Regulation Comparison

	<b>Proposed M-3 District Requirements</b>	<b>Existing M-2 District Requirements</b>
<b>Lot Area</b>	0 sf min.	25,000 sf min.
<b>Lot Width</b>	0 ft. min.	100 ft. min.
<b>Lot Depth</b>	0 ft. min.	100 ft. min.
<b>Setbacks</b>		
<b>Front</b>	0 ft. min.	20 ft. min.
<b>Rear</b>	10 ft. min.	0 ft. min.
<b>Sides</b>	5 ft. avg.	10 ft. avg.
<b>Height</b>	90 ft. max.	35 ft. max.
<b>Floor Area Ratio (FAR)</b>		
<b>Office</b>	100% max.	45% max.
<b>Hotel</b>	100% max.	Not applicable
<b>Other</b>	10% max. additional	55% max. total
<b>Coverage</b>	0% min.	30% min.
<b>Paving</b>	0% max.	0% max.
<b>Landscaping</b>	30% min.	0% min.

The applicant has not yet designed a specific development project, but has submitted an application for a Development Agreement based on the attached Land Use Concept (Attachment E). The project would include the demolition of the existing buildings on the sites. The proposed uses include office on the Constitution Drive site and office, hotel, restaurant/café and health club on the Independence Drive site. The M-3 zoning proposed by the applicant would allow these uses as permitted uses. Therefore, the only discretionary review would be for architectural control. In order to secure entitlements for an extended period of time, the applicant is pursuing a legally binding Development Agreement. Under State law, development agreements enable the City to grant a longer-term approval in exchange for demonstrable public benefits. The applicant proposes that a hotel has the potential to provide public benefits through revenue generated from transient occupancy taxes.

The proposed project would require the following applications to be reviewed by the Planning Commission for its recommendation to the City Council for final action:

- General Plan Amendment: Create a new Mixed Use Commercial Business Park land use designation and change the designation of the subject properties from Limited Industry to Mixed Use Commercial Business Park;
- Zoning Ordinance Amendment: Create a new M-3 (Mixed Use Commercial Business Park District)
- Rezoning: Change from M-2 (General Industrial District) to M-3 (Mixed Use Commercial Business Park District);
- Development Agreement; and
- Environmental Review of the proposed project in the form of an Environmental Impact Report (EIR).

Throughout the process, there will be opportunities for public input. The following public meetings have been scheduled or are planned:

- EIR Scoping Session conducted by City staff and the environmental consultants. – July 14, 2005
- City Council Study Session – October 4, 2005
- Planning Commission Public Hearing to review the Draft EIR and the requested development applications.
- Planning Commission Public Hearing to make recommendations on the Final EIR, incorporating responses to comments on the Draft EIR, and the requested development applications.
- City Council Public Hearing on the Final EIR and the requested development applications, including introduction of the ordinance to rezone the property.
- City Council Meeting to adopt the ordinance to rezone the property.

Given the prominence of the project site and the potential for the project to generate substantial benefits to the City, the project will be considered a high-priority project for staff review.

### **IMPACT ON CITY RESOURCES**

The applicant is required to pay planning permit fees, based on the Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project. The applicant would bear the cost of any required environmental review. The proposed use has the potential to generate substantial revenue for the City in terms of transient occupancy tax. The applicant has prepared a Fiscal Impact Report that staff will evaluate in the course of negotiating a Development Agreement.

### **POLICY ISSUES**

The proposed project will ultimately require a policy decision to change the General Plan Land Use designation and the Zoning classification for the property. The implications associated with this decision will be analyzed through the project review process.

### **ENVIRONMENTAL REVIEW**

An Environmental Impact Report (EIR) is being prepared for this project. The Notice of Preparation of the EIR, including the Initial Study, was released on June 28, 2005.

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Report Author

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Community Development Director

## **PUBLIC NOTICE**

Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed. In addition, notices of the study session were mailed to all property owners, residents and businesses within 300 feet of the area bounded by Bayfront Expressway, Chilco Street, Dumbarton Rail Line, US 101 and Marsh Road.

## **ATTACHMENTS**

- A. Location Map
- B. Existing Site Plans
- C. Existing General Plan Land Use Designation and Zoning District
- D. Proposed General Plan Land Use Designation and Zoning District prepared by the applicant
- E. Land Use Concept

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## ATTACHMENT C

### Chapter 16.46

#### M-2 GENERAL INDUSTRIAL DISTRICT

##### Sections:

- 16.46.010 Permitted uses.
- 16.46.015 Administratively permitted uses.
- 16.46.020 Conditional uses.
- 16.46.030 Development regulations.

**16.46.010 Permitted uses.** Permitted uses in the M-2 district, all within a building and not requiring new construction or structural alterations therefor (except for those structural alterations enumerated below) and not having any noxious or hazardous character, are as follows:

- (1) General industrial uses including but not limited to warehousing, manufacturing, printing, assembling;
- (2) Offices;
- (3) All of the uses listed above involving any of the following structural alterations:
  - (A) seismic or Americans with Disabilities Act (ADA) compliant upgrades,
  - (B) structural alterations that affect 10,000 square feet or less of gross floor area of a building during a 12-month period measured from final inspection to building permit issuance, or
  - (C) structural alterations that affect more than 10,000 square feet of gross floor area of a building, where said alterations do not both change the use and increase the intensity of a building.

**16.46.015 Administratively permitted uses.** Uses allowed in the M-2 district, subject to obtaining an administrative permit, are as follows:

- (1) Any outside storage of material, equipment or vehicles associated with the main use.

**16.46.020 Conditional uses.** Conditional uses allowed in the M-2 district, subject to obtaining a use permit, are as follows:

- (1) All of the uses listed in Section 16.46.010, for which new construction or structural alterations are required, except for the structural alterations permitted therein;
- (2) Activities similar to those listed in Section 16.46.010, but involving the use of hazardous material, provided there are adequate safeguards therefor;
- (3) Cafes, intended to serve the employees of the immediate area;
- (4) Convenience stores to serve the employees of the immediate area and limited to hours of operation between the hours of 7:00 a.m. and 7:00 p.m., Monday through Saturday;
- (5) Personal services such as barber, beauty, launderette, dry cleaning and shoe repair meant to serve the employees of the immediate area and limited to hours of operation between 7:00 a.m. and 7:00 p.m., Monday through Saturday;
- (6) Day care facilities to serve the employees of the immediate area;
- (7) Public utilities in accordance with Chapter 16.76;
- (8) Special uses in accordance with Chapter 16.78.

**16.46.030 Development regulations.** Development regulations in the M-2 district are as follows:

- (1) Minimum lot area -- Twenty-five thousand square feet;
- (2) Minimum lot dimensions -- One hundred feet width; one hundred feet depth;
- (3) Required minimum yards -- Twenty feet front; rear, none except twenty feet where abutting residential districts; side, ten feet, except that side yard may be reduced to zero feet provided the side yard is correspondingly increased;
- (4) Land cover by all structures shall not exceed fifty percent of building site;
- (5) Height of structures shall not exceed thirty-five feet; however, additional height may be permitted subject to obtaining a conditional development permit;
- (6) In the case of conditional uses, additional regulations may be required by the planning commission.
- (7) The floor area ratio shall not exceed fifty-five percent for general industrial uses, including but not limited to, warehousing, manufacturing, printing, assembling, related office and laboratory uses, and shipping and receiving, and forty-five percent for offices.