

Peery Park Specific Plan EIR Alternatives Community Benefits

CITY COUNCIL STUDY SESSION

AUGUST 18, 2015

Council Feedback

EIR Land Use Alternatives:

- Do the alternatives adequately capture the range of land use possibilities for evaluation in the Peery Park Specific Plan EIR?

Community Benefits:

- Is the framework for community benefits and incentive zoning appropriate?
- What should be the priorities for community benefits for Peery Park?

EIR Land Use Alternatives

PEERY PARK SPECIFIC PLAN

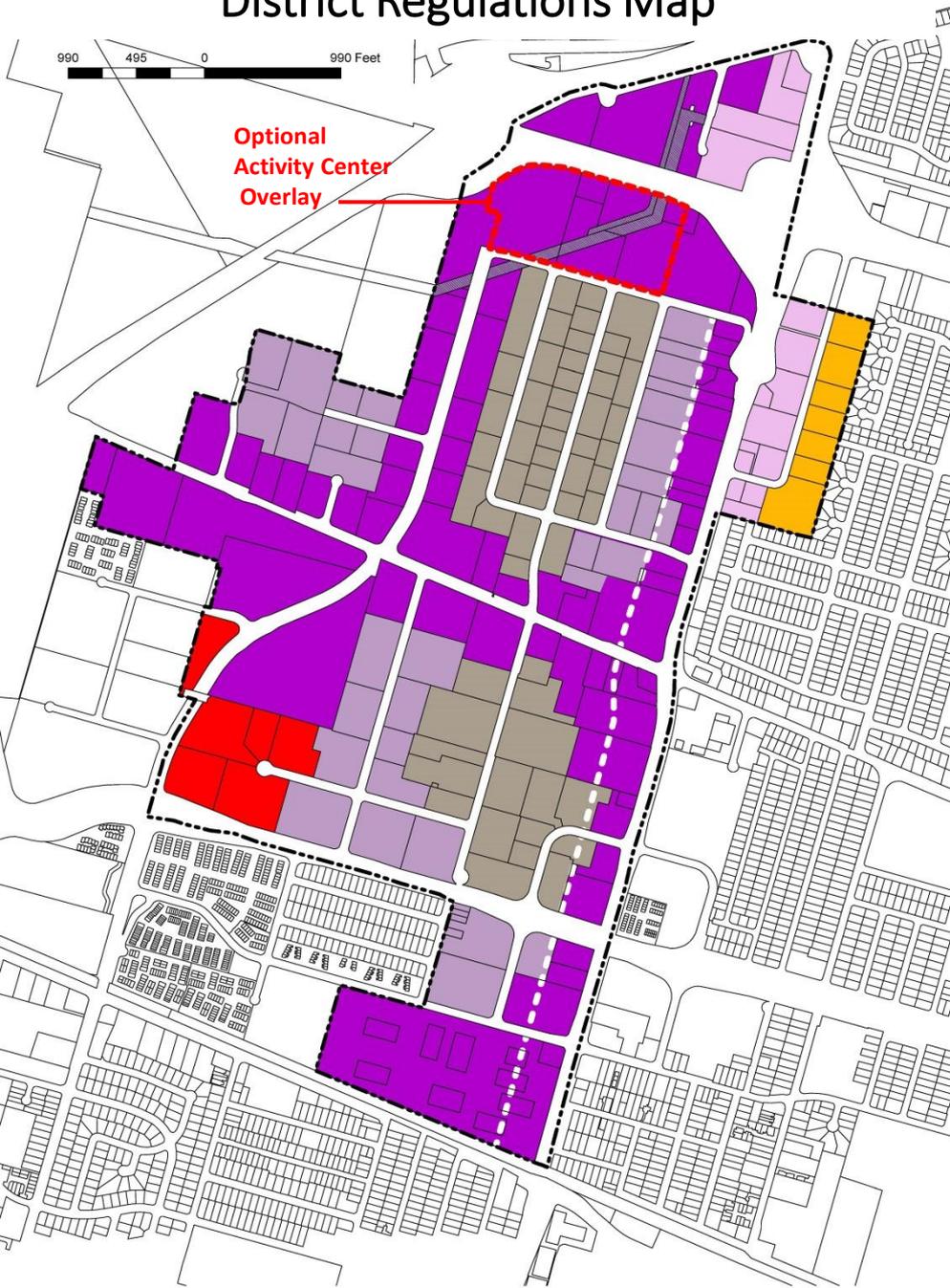
PEERY PARK VISION

A cutting edge workplace district that has been physically re-shaped to align with 21st century workplace trends and the innovation economy.

District Regulations Map

990 495 0 990 Feet

Optional
Activity Center
Overlay



Primary Land Uses



Activity Center/Core

- Ground Floor Retail Shopfronts
- Office, R&D



Innovation Edge

- Office, R&D, Light Industrial
- Small scale activity clusters



Production Core

- Office, R&D, Light Industrial



Mixed Workplace Transition

- Office, R&D, Light Industrial



Grand Boulevard

- Office, Commercial, Hotel,
Limited "Retail"



Neighborhood Transition

- Attached/Stacked Residential,
Office

Policy Framework - Development Capacity

	Workplace (msf)	Housing Units
Existing 2015	7.0	0
Under Construction/Approved	0.5	0
Existing GP: Permitted Above Existing/Approved	~0.9	0
Proposed PPSP: Net Increase Over Existing GP	~1.3	215
Total PPSP Build-out	9.7	215

TDM Goals & Parking Maximums

Project Size (gross sq. ft.)	TDM Trip Reduction Goal*	Parking Maximums** (spaces/1,000 sf)
Over 750,000	35%	3.0
300,001 to 750,000	30%	3.2
100,001 to 300,000	25%	3.4
Up to 100,000 and intensification of prior use	20%	3.6

* Trip reduction goals based on Institute of Transportation Engineers (ITE) AM/PM peak hour rates for each development.

** Additional parking allowed up to 3.6/1,000 with structured parking.

EIR Alternatives

Scenarios	Total Net Non-Residential (million sq. ft.)	Total Residential (dwelling units)
Policy Framework with 20-35% TDM Goal	2.2	215
Alternative 1: No Project/General Plan	0.9	0
Alternative 2: Mixed Use Housing	1.7	855
Alternative 3: Higher Intensity Build-out with 30% TDM goal	3.2	215

Alternative 1: No Project

Advantages:

- Incrementally fewer environmental and traffic impacts
- No change to existing General Plan or zoning
- Some development potential in Peery Park

Disadvantages:

- No new development policies and standards for Peery Park
- Limited potential community benefits
- Reduced tech-based job opportunities

Alternative 2: Mixed Use Housing

Activity Center:
Replace 500,000 sq.
ft. office with 640
residential units @
40 units/acre



Alternative 2: Mixed Use Housing

Advantages:

- Responsive to community comments
- Increased housing opportunities
- Potential TDM benefits (jobs near housing)
- Mixed use activity center near residents and employees

Disadvantages:

- Potential conflicts between residential and office/industrial uses
- Additional residential impacts (fiscal, schools)
- Reduced tech-based job opportunities

Alternative 3: Higher Build-out

Advantages:

- Increased development potential to meet current market demand
- Increase in potential community benefits
- Aggressive TDM goals and expanded support for TMA
- More tech-based jobs

Disadvantages:

- Incrementally greater environmental and traffic impacts
- Potential decrease in lower intensity R&D and industrial uses
- Potential increase in housing demand

Community Benefits

PEERY PARK SPECIFIC PLAN

Financial Analysis

- ❖ What are community benefits?
- ❖ Real estate development economics
- ❖ Community Benefit Incentive Zoning
- ❖ EPS Study Findings

Definitions

Value Capture: ability for cities to gain community benefits by capturing a portion of added market value

Community Benefits: contribution of community facilities, services or impact fees in exchange for added development capacity or intensity

- Prescriptive (impact fees)
- Flexible (project specific)

Incentive Zoning: implementation tool for community benefits - additional development capacity or bonus linked to offer of public benefits

Cities with Community Benefit Programs

LARGE CITIES:

Chicago

Portland

San Diego

San Francisco

San Jose

Seattle

MEDIUM-SIZE CITIES:

Berkeley

Menlo Park

Mountain View

Palo Alto

Redwood City

Santa Monica

Sunnyvale

Examples of Community Benefits

Affordable housing fees

School fees above state
requirement

Park fees

Parks, open space, pathways
(publicly accessible)

Transportation improvements

TDM, shuttle, shared/unbundled
parking

Mobility – bike, pedestrian, transit

Sustainability

Community facilities

Community program funds

Streetscape improvements

Public art

Childcare

Social equity

In-lieu fees

Peery Park Specific Plan Community Benefit Goals

- ❖ Provide settings that bring people together.
- ❖ Provide new district amenities and uses.
- ❖ Contribute to community sustainability.
- ❖ Place priority on TDM and alternative transportation.
- ❖ Enable feasible development and provide clear direction for investors.

Community Benefits Program Framework

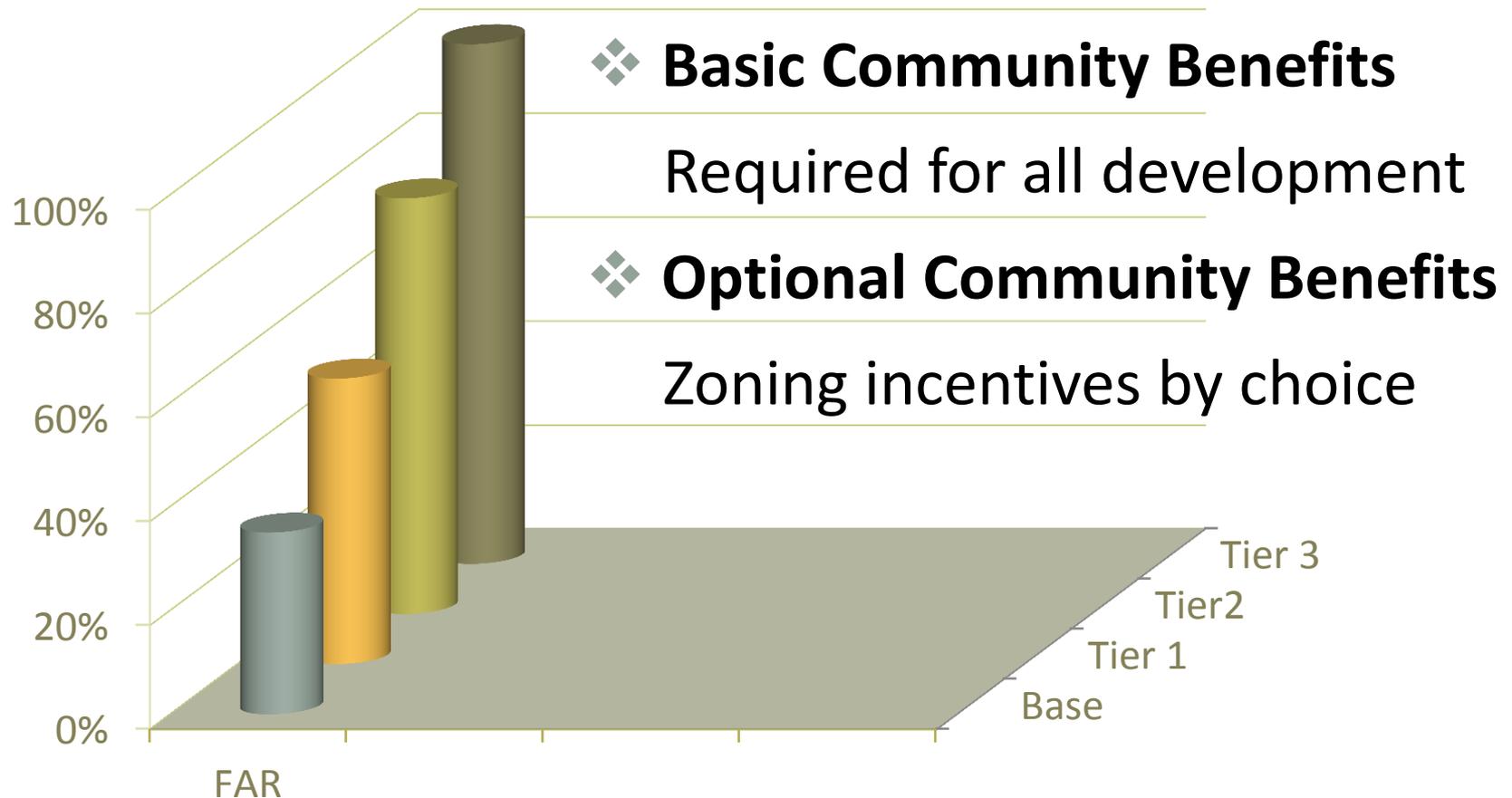
- ❖ Establish base zoning below market potential.
- ❖ Allow additional development capacity above base zoning by choice.
- ❖ **Economics** - Cost of community benefits or value recaptured must be within added market value.
- ❖ **“Sweet Spot”** – Maximize public benefits while preserving project feasibility.

Managing Expectations and Balancing Priorities

- ❖ Goal and policy based
- ❖ Market and financial sensitivity
- ❖ Community-driven expectations
- ❖ Predictability and transparency
- ❖ Priorities: foundation for zoning incentives



Peery Park Specific Plan Community Benefit Tiers



Properties: Existing 35% FAR

Level	FAR	Community Benefits	Project Application	Approval Authority
Base	Up to 35%	Basic Requirements	Design Review	CD Director
Tier 1	Up to 55%	Prescriptive only	Design Review	CD Director
Tier 2	Up to 80%	Prescriptive and flexible	Special Development Permit	Planning Commission
Tier 3	Over 80%	Prescriptive and flexible	Special Development Permit*	City Council

* May require development agreement also.

Properties: Existing 70-100% FAR (Futures)

Level	FAR	Community Benefits	Project Application	Approval Authority
Base	Up to 55%	Basic requirements	Design Review	CD Director
Tier 1	Up to 75%	Prescriptive only	Design Review	CD Director
Tier 2	Up to 100%	Prescriptive and flexible	Special Development Permit	Planning Commission
Tier 3	Over 100%	Prescriptive and flexible	Special Development Permit*	City Council

* May also require development agreement.

Basic Requirements for All Projects

EXISTING

Transportation Impact Fee

School Mitigation Fee

Art in Public Spaces

Housing Impact Fee

Green Building Program

Frontage improvements

EIR Mitigation measures

PROPOSED

Sense of Place Fee

Infrastructure Fee

Specific Plan Fee

Transportation Demand
Management (20-35%)

Transportation Management
Association (membership)

Prescriptive Community Benefits

Open Space/Landscaping

Publicly Accessible Open
Space

Public Access Easement

Retail/recreation/childcare

Shared parking

Community Benefits Fund



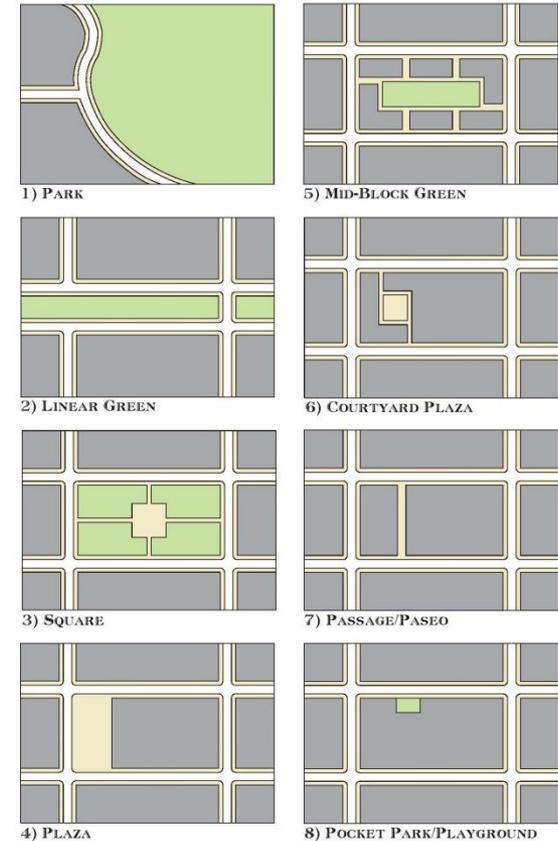
Yahoo Sunnyvale Campus

Open Space/Landscaping

Open Space/ Landscaping (% of total site)	Additional FAR* (building/site SF)
40%	10%
30%	5%
20%	0%

*Higher Floor Area Ratio (FAR) available for publicly accessible open space

Open Space Design



Flexible Community Benefits

Transportation/streetscape improvements
(bicycle, pedestrian, transit, sense-of-place)

TMA programs and facilities (shuttle, parking, apps)

Sustainability project elements

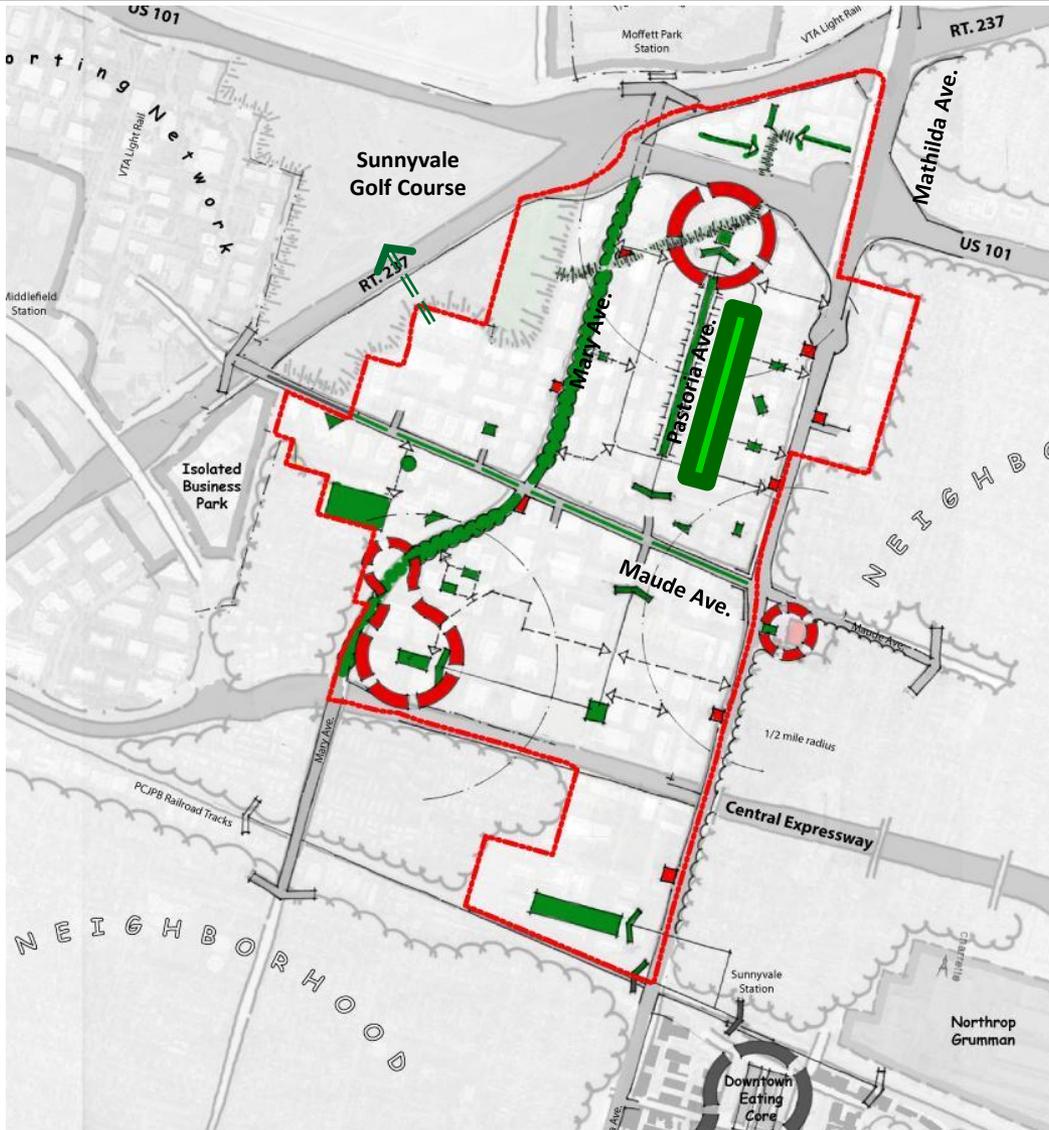
Community facilities

Community programs

Other community benefits



Transforming the Workplace Environment



Interaction & Activity



District Identity



Lunch & Short Breaks

Administration & Implementation

Balance between *certainty* and *flexibility* with prescriptive and opportunistic benefits.

Review and adjust regularly to respond to changing costs, market conditions and shifting community priorities.

Keep it simple to administer.

