

ITEM 7-B

CITY OF ALAMEDA

Memorandum

To: Honorable President and
Members of the Planning Board

From: Andrew Thomas
City Planner

Date: April 13, 2015

Re: **PLN14-0305 – 2350 Harbor Bay Parkway – Applicant: Mina Patel.** Study Session for a Final Development Plan and Design Review to allow the construction of a 99-room hotel on the Harbor Bay Business Park shoreline. This project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332 – Infill Development Projects.

EXECUTIVE SUMMARY

On February 23, 2015, the Planning Board held a public hearing to review the site plan and architectural design of a new hotel proposed for a vacant parcel located at 2350 Harbor Bay Parkway. At the hearing, the Planning Board raised a number of concerns about the proposed site plan, landscape plan, and parking. The Planning Board also provided extensive comments regarding the architectural design of the building, and concluded that the design required major changes.

Since the February 23, 2015 meeting, the applicant has been working to resolve the issues raised by the Planning Board. Staff believes that the applicant has sufficiently resolved all of the issues related to the site plan, landscape plan and parking plan. Each of these issues is discussed in the following sections of this report.

At the April 13, 2015 meeting, staff will ask the Planning Board if it concurs that the site plan, landscape and parking issues have been adequately resolved. However, staff is not prepared to recommend approval of the architectural changes to the proposed hotel. Staff does not believe that the current proposed design successfully achieves the Planning Board's direction of February 23rd. The applicant, Mina Patel of RAM Hotels, architect have asked for a study session with the Planning Board to discuss potential design solutions for the building that might better achieve the City's objectives.

At the April 13, 2015 meeting, the project architect will present some design concepts for Planning Board review and comment. Based upon the Board's direction regarding potential design concepts, staff is confident that the City and the applicant will be able to develop an architectural design solution, and return at a future meeting with an architectural design that meets both the City's and the applicant's objectives.

BACKGROUND

The proposed project consists of a new 99-room hotel to be constructed on a waterfront property in the Harbor Bay Business Park. The new hotel features guest rooms and suites to accommodate short-duration stays, indoor pool, gym, meeting rooms and other guest amenities. (The Final Development Plan and Design Review plans are attached as Exhibit 1.) The applicant is planning to operate the new hotel under the Fairfield Inn and Suites brand, a product of the Marriott hotel chain. Fairfield Inn and Suites is a standard guest rooms and suites hotel featuring contemporary accommodations for both business and family travel.

The project site is comprised of two parcels totaling 65,796 square feet. The hotel and parking, and associated landscaping, will be located on a 50,958 square foot parcel. Bay Trail and landscaping improvements will be located on the adjacent 14,837 square foot parcel. Once the improvements have been completed on the smaller waterfront parcel, the applicant proposes to dedicate the parcel to the City to be included as part of the Shoreline Park. The existing Shoreline Park borders the properties on the east and west.

The Harbor Bay Industrial Park Development Plan, approved by Planning Board Resolution No. 1203 in 1981, establishes the development standards for the Harbor Bay Business Park and this property. The 1981 plan was amended by Resolution No. 1533 in 1985. These development standards and entitlements were then vested by the City Council-approved 1989 Development Agreement, which specifically references Resolutions No. 1203 and No. 1533. By vesting the 1981 and 1985 standards, the 1989 Development Agreement exempts the property from new standards in either the General Plan or Zoning Ordinance that the City may have adopted after 1989. Therefore, the following analysis considers project conformance with the requirements of the 1989 Development Agreement. Where these requirements differ from current requirements in the General Plan or Zoning Ordinance, those differences are noted.

ANALYSIS

On February 23, 2015, the Planning Board held a public hearing to review the plans for the new hotel. At the hearing, the Planning Board continued the discussion to a future date, to allow time for the applicant to respond to a number of specific issues and questions raised at the public hearing. Since the February hearing, the applicant has revised its plans to respond to the Board's comments and requests.

A summary of the Planning Board's comments and a brief description of the applicant's responses and proposed changes to the plan are provided below.

February 23, 2015 Planning Board Comments

Provide a more detailed Landscape Plan. The applicant has upgraded and improved the landscape plan to provide more detail about the Bay Friendly Landscape Plan and plant

materials. The revised landscape plan and plant list include a mix of trees, shrubs, grasses, and other low-lying ground cover vegetation that is consistent with Bay Friendly Landscaping Guidelines, which promote native, drought-tolerant species.

Provide a more detailed Storm Water Management Plan. The revised landscape plan includes a storm water control plan to comply with city and regional agency requirements for storm water treatment and filtration.

Provide a more detailed Lighting Plan. A lighting plan has been included that includes low height bollard lighting and pole lighting to illuminate the parking lot and landscape areas.

Provide a better interface with the Bay Trail. Currently, the Shoreline Park Bay Trail is interrupted by the subject property. A temporary substandard asphalt path has served over the years to connect the concrete bike and pedestrian path located on either side of the property along the property's Bay frontage.

The project applicant is proposing to construct the needed improvements to the Bay Trail and dedicate the improved 14,837-square foot property to the City upon completion of the improvements, which will close the existing gap in the Bay Trail and complete the Shoreline Park in this area.

In response to the Planning Board comments, the applicant shifted the concrete trail to the edge of the existing rip rap, which widens the space between the trail and the building and eliminates a small strip of landscaping between the rip rap and the trail that would not thrive in this location adjacent to the salt water environment. The applicant added an outdoor deck on the rear of the building, between the building and the Bay Trail, which will improve the transition between the trail and building. The applicant also increased the landscaping between the public trail and the building.

Provide additional off-site shared parking. The parking is located on the north, east and west sides of the property and screened from the public right-of-way with landscaping and trees. A bicycle parking area is located at the front of the property on the north side of the property.

Parking plans for the site have been the subject of much discussion and study during the project review process. Given the unique location of the property adjacent to the Shoreline Park, the project is designed to minimize the need for, and amount of, off-street, surface parking lots. By reducing the demand for parking, the project is designed to minimize automobile traffic and minimize the amount of asphalt parking areas adjacent to, and surrounded by, the Shoreline Park and Bay Trail.

Pursuant to Alameda Municipal Code Section 30-7.13, the Planning Board can reduce the required amount of parking to reflect the expected demand for the project. To reduce the need for parking, the project provides on-demand, free shuttle services from the hotel to the Oakland International Airport, Airport BART Extension, Harbor Bay Ferry Terminal,

Park Street restaurants and entertainment, and all Harbor Bay Business Park occupants. (A prior study conducted for the hotel at 1700 Harbor Bay Parkway determined that approximately 60% of hotel patronage is generated by visitors doing business with the nearby businesses in Harbor Bay Business Park.) The on-demand shuttle services will be available from 4:00 am to 1:00 am daily (21 hours per day). In addition, the hotel is served by the commute hour Harbor Bay Business Park free shuttle that provides service between the Ferry Terminal and Coliseum BART. The hotel will also be providing bicycles free of charge for visitor use.

In October, Abrams & Associates prepared a parking demand study for the project (Exhibit 3) that determined that with the free shuttle service, and convenient location near the airport and nearby businesses, the demand for parking would be approximately 0.66 parking spaces per room. Since October, the project has been revised to provide 0.81 spaces per room on site, or 80 spaces for 99 rooms, which reflects the parking to room ratio recently approved by the Planning Board for the hotel expansion at 1700 Harbor Bay Parkway. In the event that additional parking is needed to accommodate special events, the hotel operator is required to lease at least 20 additional parking through shared parking agreements with nearby businesses, whose parking is underutilized during the evening and late night hours. With the additional 20 spaces, the hotel will provide one space per room, which exceeds the ratio provided by the neighboring hotel.

To minimize the need for large surface parking lots next to the park, the project includes 14 parking lifts. Parking lifts allow the operator to park two vehicles in one space. To eliminate the visual impact of the parking lifts from the Bay Trail and Harbor Bay Parkway, the portion of the parking area that includes the lifts is enclosed in a structure adjacent to the hotel.

At the February 23 meeting, the Planning Board directed the applicant to pursue an off-site shared parking agreement with neighboring property owners with large parking lots in the event that the hotel needed overflow parking spaces for special events. A similar requirement was placed on the neighboring hotel. With the leased off-site parking, the neighboring hotel's ratio of rooms to on- and off-site spaces is 0.99.

To respond to the Planning Board's direction, the applicant entered into a contract to purchase an unimproved lot on North Loop Road that could be improved to create a permanent off-site parking lot for 35 to 45 additional parking spaces. With the 35 additional parking spaces, the project will own and operate a total of 110 parking spaces. Since the number of parking spaces would increase to 110, the applicant requested that the City consider increasing the number of rooms in the hotel to 110.

Staff does not think that purchasing a development opportunity site in the Business Park for a satellite parking lot for this hotel is necessary, or in the best interests of the City or the Business Park, for the following reasons:

- Development of the North Loop site for business purposes instead of for a parking

lot would increase job opportunities in Alameda and increase property taxes generated by the property.

- The Business Park already has large areas paved for parking, which are not fully utilized and that could be better utilized through shared parking agreements.
- The Planning Board requested a shared parking agreement; the Planning Board did not request development of a satellite parking lot.

For these reasons, staff is recommending a condition of approval which requires the applicant to secure a shared parking agreement for 20 additional spaces prior to building occupancy. With the additional 20 shared spaces, the project will be parked with a ratio of just over one space per room, which exceeds the amount of parking required for the prior hotel and well within the expected demand for parking for this hotel.

Provide a greater setback between the on-site parking and the sidewalk on Harbor Bay Parkway. The parking plan has been revised to provide a landscape setback between the parked cars and the Harbor Bay Parkway sidewalk along the north-east side of the site.

Provide Bicycle Parking Facilities on the Plans. The plans have been revised to include bike racks outside the building and space within the building on the first floor to store “bike share” bicycles for use by hotel customers and employees’ bicycles.

Explain the Universal Design Components. Facilities for the disabled in commercial hotels are strictly regulated by the California Building Code, which requires rooms with mobility features, rooms with roll-in showers, and rooms with communication features for the disabled, and parking spaces for the disabled. Staff does not believe it is necessary for the Planning Board to impose additional requirements to support the disabled.

Explain the Sound Mitigation Strategies. The design of this project has been reviewed by Wilson, Ihrig, & Wilson, Acoustical and Vibrations Consultants, which is a nationally known and well respected expert on these issues. The building will be constructed in a manner to ensure compliance with all City of Alameda, State of California, and Alameda County Airport Land Use Commission (ALUC) standards and requirements for noise insulation. Similar acoustical design standards were required and implemented for the other hotel in the Harbor Bay Business Park that is a similar distance from the Oakland Airport runways and flight paths.

Explain the Purpose of the Meeting Rooms. The meeting rooms on the first floor are provided as an amenity for guests of the hotel. A condition of approval has been added to restrict the use of these spaces to guests to avoid the Planning Board’s concerns that the use of the rooms by non-guests could create an over-flow parking problem.

Improve the Building Sign Program. The applicant has redesigned the sign program to remove the north facing (neighborhood facing) illuminated sign on the front elevation. A wall sign remains on the east side elevation, which would be viewed by visitors

approaching from the Oakland Airport on Harbor Bay Parkway. A six-foot high monument sign would be placed in the landscaped area at the main driveway. The proposed design of the sign is included in Exhibit 1.

Architectural Design

At the April 13, 2015 Planning Board hearing, staff has asked that the architect provide design options for a Planning Board design workshop. The current proposal provides a architectural style to complement the existing contemporary Business Park buildings that face Harbor Bay Parkway and the site. Staff agrees that the architectural design for this building should be contemporary.

The current building elevations provide a series of bays and a variety of building forms that provide visual interest and dramatic shadow lines along the façade. Several floors are also articulated with landscaped patio elements that accent the facade at the second, fourth and fifth levels. Staff believes that the architectural design provides enough variation along each façade. Staff is also not concerned by the building height, which is well within the height limit for the site.

Staff believes that the overall design of the project could be improved with some careful changes and adjustments to the following architectural elements:

1. **Building Form**: The building is relatively tall compared to the other buildings in the Business Park. The building is also fairly rectangular in shape. The overall form of the building might be improved by increasing the size of the second and third floors and reducing the size of the upper floors to create a more “sculptured” building form.
2. **Roof Design**: In an effort to reduce the apparent height of the building, the architect removed the roof elements from the prior design. Although staff appreciates the intent of this change, staff believes the overall design of the building suffered from the removal of the roof elements. In staff’s opinion, the roof elements provide an important “cap” for the building.
3. **Building Materials**: Recent developments in the Harbor Bay Business Park have successfully used a variety of high quality materials in interesting combinations to create visually interesting facades. Examples include the VF Campus, Peets Coffee and the first of the Esplanade waterfront buildings. The current hotel design does propose a variety of building materials, but the primary surface material is a smooth plaster finish.
4. **Window Design**: Window design is critical to a good architectural design. Given the waterfront location, a different window design that includes larger expanses of glass might be both attractive and appreciated by the future guests.

5. Building Colors: Given the location of the building between the Bay Trail, the San Francisco Bay, and the Harbor Bay Parkway, the building colors must be at once interesting and “calm”. Staff is intrigued by the introduction of a color scheme with waterfront colors such as blue and white, but the application of these colors needs to be done very carefully to create a pleasing appearance for the building.
6. Waterfront Park Setting: The subject site is highly unique: it is a small site, immediately adjacent to the Bay, surrounded on three sides by a waterfront public park. All four sides of the building will be highly visible and no side will ever be screened by another building. An architectural design that might work very nicely on Webster Street or Park Street will not work on this unique site.

In staff’s opinion, the building form, roof design, building materials, window design, and building colors must all work together to embrace and reflect the unique waterfront site. With the Planning Board’s assistance, staff is confident that the design team will be able to refine and improve the current design to meet the City’s expectations for the site.

Compliance with Development Standards

The project as proposed complies with all of the relevant development standards for the site.

Building Height: Under the Harbor Bay Business Park Development Plan, the height limit for the property is 100 feet. The proposed hotel will be 63 feet in height.

Setbacks: The project complies with the applicable setback requirements:

- Per the 1982, 1989, and current standards, projects must maintain a 50-foot wide landscaped front setback from Harbor Bay Parkway. The proposed hotel is located on a curve in Harbor Bay Parkway and will maintain the required 50-foot setback.
- Per the 1982, 1989, and current standards, the parking for the building may be adjacent to the side and rear property lines if the adjacent properties provide 15 feet of landscaping adjacent to the property line, which is the case for this project.

Lot Coverage: Lot coverage measures the amount of the lot that is covered by the building footprint. At 17,211 square feet, the footprint of the building and parking structure represents less than 26% of the total site area of 65,796 square feet. Per the City’s requirements, the project should not cover more than 50% of the lot.

Floor Area Ratio (FAR): FAR is the ratio of the total floor area enclosed within the structure to the size of the lot. The General Plan and 1989 Development Agreement allows an FAR of between 0.5 and 2.0, depending on the amount of parking enclosed within a structure. The proposed development plan encloses 35% of the required parking, resulting in a maximum FAR for this project of 1.02. The proposed FAR is 0.98.

Off-site Roadway Improvements: Pursuant to the Harbor Bay Development Agreement, a portion of the property taxes and building permit fees from this project will fund the Harbor Bay Business Park Transportation Improvement Fund (TIF). The purpose of the TIF is to fund transportation and signal improvements in the Business Park. A signal will be necessary in the near future at the currently impacted intersection of Harbor Bay Parkway and North Loop Road. The unsignalized intersection currently operates at an unacceptable level of service during peak hours. Per the Development Agreement and the Infrastructure Agreement for the Business Park, the necessary traffic signal improvements will be funded by the TIF.

Airport Safety: The project is located within the Airport Safety Zone of the Oakland Airport and triggers the review of both the ALUC and the Federal Aviation Administration (FAA). The ALUC deemed the project consistent with airport land use regulations upon the FAA issuing a Determination of No Hazard to Air Navigation for the proposed location and maximum building height (see Exhibit 4, ALUC Letter). The FAA has determined in its letter dated October 1, 2014, that the project will not pose a hazard to air navigation at the Oakland International Airport or in Bay Area airspace (see Exhibit 5, FAA Letter). The project, as conditioned, will comply with all regulatory requirements pertaining to airport safety.

PUBLIC NOTICE AND COMMENTS

Property owners and residents within 300 feet of the project's boundaries were notified of the public hearing and given the opportunity to review and comment on the proposal. Project notification was also provided to the responsible regulatory agencies including the ALUC, FAA, and the Port of Oakland. Public comment letters received on the proposal over the last 90 days are attached as Exhibit 6.

ENVIRONMENTAL REVIEW

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332 – Infill Development Projects. The project meets all requirements for the infill exemption, including the following:

a) **The project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with applicable zoning designation and regulations.** The proposed project is consistent with the General Plan, Zoning Ordinance, and Harbor Bay Industrial Park Development Plan, approved by Planning Board Resolution No. 1203 in 1981, which establish the development standards for the Harbor Bay Business Park and this property.

b) **The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.** The project site is located within the Harbor Bay Business Park, an urban commercial office park, and the project site is approximately 1.17 acres in size.

c) **The project site has no value as habitat for endangered, rare or threatened species.** The small parcel for the proposed development is currently vacant and it has no habitat value for any endangered, rare, or threatened wildlife species. The vacant lot is immediately adjacent to the Harbor Bay Parkway. The proposed project will not require any work within the San Francisco Bay. A habitat assessment and survey of burrowing owls conducted by WRA Environmental Consultants (see Exhibit 7) concluded that no burrowing owls are present on the site and that the site provides poor quality habitat for burrowing owls. The findings are consistent with similar findings made by other Biological experts and professionals who have surveyed nearby sites for the recent developments in the Business Park, such as the VF campus, Esplanade Waterfront development and other developments.

d) **Approval of the project would not result in any significant effects relating to traffic, noise, air navigation, air quality or water quality.**

Traffic: The project will not result in any significant transportation impacts. The Abrams & Associates traffic study concluded that there would not be impacts from a 105-room hotel that would generate approximately 61 AM peak hour and 65 PM peak hour trips. With the reduction to 99 rooms, the addition of on-demand shuttle services, bicycle services and off-site improvements funded through business park TIF, the project will not result in any significant traffic impacts.

Noise: The proposed construction and operation of the hotel in the Business Park will not result in any significant noise impacts. The site is immediately adjacent to an active airport that generates significant noise in the area. The construction and operation of the hotel will be subject to the restrictions and requirements of the City of Alameda Noise Ordinance which ensures that no significant noise impacts are generated on-site by the hotel that would impact the adjacent parcels as the result of the hotel construction or operation.

Because the Oakland International Airport creates significant noise in the Business Park and on the subject property, the hotel is designed to shield the occupants of the hotel from Oakland Airport noise. Noise levels within the hotel will be attenuated to 45 dB CNEL. A standard condition of approval for all development in the Harbor Bay Business Park is for the applicant to submit an acoustical noise study with the building permit application to demonstrate that interior noise levels can be attenuated to less than 45 dB. Furthermore, new construction must comply with State of California Title 24, Part 2 of the Administrative Code, which will typically attenuate interior noise levels to less than 45 dB. Therefore, the project occupants will not experience any adverse noise effects from airport operations.

Airport Navigation and Safety: The project is located within the Airport Safety Zone of the Oakland Airport, which requires review of both ALUC and the FAA. The ALUC deemed the project consistent with airport land use regulations upon the FAA issuing a Determination of No Hazard to Air Navigation for the proposed location and maximum

building height (see Exhibit 4, ALUC Letter). The FAA has determined in its letter dated October 1, 2014, that the project will not pose a hazard to air navigation at the Oakland International Airport or in Bay Area airspace (see Exhibit 5, FAA Letter). Therefore, the project, as conditioned, would comply with all regulatory requirements pertaining to airport safety.

Air Quality and Water Quality: Construction and operation of the hotel will be subject to standard construction requirements of the City of Alameda, Regional Water Quality Board, and Regional Air Quality Board. These standards and permit requirements are specifically designed to ensure that urban in-fill projects do not result in air or water quality impacts to the environment. In addition, the landscape design and plant list for the proposal includes a mix of trees, shrubs, grasses, and other low-lying ground cover vegetation that is consistent with state and regional water quality requirements and Bay Friendly Landscaping Guidelines.

e) The site can be adequately served by all required utilities and public services. The project site is located within an urban business park that already has the basic water, sewer, and other utility infrastructure necessary to support the proposed hotel. The site has access to all other public services provided by the City.

RECOMMENDATION

Provide feedback on the current architectural design and confirm that the revisions to the site plan, landscape plan and parking plan are sufficient.

Respectfully submitted,

Andrew Thomas
City Planner

Exhibits:

1. RAM Hotels Design Review Plans
2. Draft Resolution

On File in the Community Development Department and available upon request:

Letter from Harbor Bay Business Park Architectural Review Committee, July 10, 2014

Abrams & Associates, Trip Generation and Parking Letter, October 21, 2014

Letter from ALUC dated October 6, 2014

Letter from FAA dated October 1, 2014

Public Comment Letters

WRA Environmental Consultants, Burrowing Owl Habitat Assessment/Survey, January 7, 2015