2720 San Pablo Avenue, October 2019 Project Update

The original project proposal for 2720 San Pablo Avenue was made in January of 2016, when construction pricing for a podium-based project was $325 per square foot. At that time, the Planning Department staff’s interpretation (as stated in the staff report to the DRC – who approved the design unanimously) of the Affordable Housing Mitigation Fee was 10% of the base project market rate units with an in-lieu fee of $28,000 per unit. In December 2016, when the project was being scheduled for ZAB, the project team received a phone call stating that the staff had revised their reading of the AHMF ordinance and that the project’s AHMF requirement was actually 20% of the base project market rate units. In addition, in 2017 the City Council further revised the AHMF to include that the in-lieu fee or BMR unit requirement was based on 20% of total project units. In addition, the City Council raised the in-lieu fee, which is currently $37,962 per unit. As a result of the increased affordability requirement and increased in-lieu fee, the project’s processing was suspended while the project team considered revised development options in an attempt to maintain the project’s financial feasibility.

Subsequently, the project was redesigned to reflect a more varied unit portfolio, which includes units with higher bedroom counts that might be used in a co-living model or as a standard apartment rental project. Once the revised project was resubmitted there was a great deal of discussion with staff relevant to the appropriate level of CEQA review. Fortunately, with recent modifications to the state laws (see staff’s report) the project is able to be considered with an infill exemption. Additionally, the staff’s revised approach to density bonus applications has allowed for a partial sixth story that has been placed along the San Pablo Avenue edge of the property. However, during this time the construction pricing for the project has increased from $325 per square foot to over $400 per square foot today.

When the project was submitted it was subject to an AHMF of $420,000. If the same unit configuration were still proposed the AHMF for the project would be $722,000, which, together with the increase in construction pricing, renders this project infeasible, primarily because it is such a small project. The project’s current AHMF is still $569,000, which is still significant relative to the size of the project. In addition, the project’s likely construction costs have increased from $12,000,000 to $15,000,000.
Overview and Project Information

Rhoades Planning Group is pleased to present this proposal for a new mixed-use and transit-oriented infill development project located at 2720 San Pablo Avenue. The project will replace a former gasoline and automotive service station. The proposed project will include ground floor residential amenity space, a small commercial space, and five stories of transit-oriented residential apartment units. The project site is zoned West Berkeley Commercial (C-W). The project furthers the goals of the West Berkeley Plan and C-W zoning by providing housing and commercial development in a transit-oriented location and improving the San Pablo Avenue street frontage.

The proposed project is located between two recent infill projects. The project at 2700 San Pablo Avenue was completed in 2008. The four story residential project west of the proposed project was approved in 2014 by the Zoning Adjustments Board. This proposed project has been designed to work within the constraints imposed by those two projects while providing a high quality living environment and new commercial presence along one of Berkeley’s most significant transit corridors.

Project Description

The proposed project is a six story mixed-use infill building that includes residential units with ground floor residential amenity space and one small commercial space for use as neighborhood-serving retail. Vehicle and bicycle parking will be provided at the ground level. The project includes 25 residential apartments, with 2 studios, 8 three-bedroom, 8 four-bedroom, 3 five-bedroom, and 4 six-bedroom units. A second level courtyard and two roof deck areas provide shared open space for residents.

The project will include two affordable apartments at 50% of Area Median Income, and is therefore entitled to a State Density Bonus, which provides additional housing on the project’s sixth floor. Further discussion is provided below.

The project will include demolition of one small existing building previously used as a gas station, and more recently as a pottery studio. The building was previously approved to be demolished in July 2007 by the Zoning Adjustments after being referred to the Landmarks Preservation Commission in December 2006. In 2007, 2720 San Pablo Avenue was approved for development of a four story development project with 18 dwelling units and 2,370 square feet of ground-floor commercial space.

Transportation Demand Management and Sustainability Features

The project at 2720 San Pablo Avenue is located on one of Berkeley’s best connected regional corridors. The site provides access and connectivity with West Berkeley, Oakland, San Francisco, Richmond, El Cerrito and Emeryville, and the Downtown Berkeley/Campus environs. As a result, the project site incorporates a range of Transportation Demand Management features to balance the needs of residents.

Bus Transit – The project site is within one half mile of the Ashby/San Pablo intersection that is served by AC Transit’s 72 Rapid bus line, Z, J, 49, 72, 72M, and 802 lines, and the Golden Gate Transit 580 line.

- The project will provide one AC Transit bus pass per dwelling unit.
• All on site employees will be provided an AC Transit bus pass.
• Ashby BART Station is a ten-minute bike ride from the site.

On Site Parking:

• The project will include 40 secure bicycle parking spaces on the ground level, adjacent to the residential lobby, for use by residents.
• The project will include 10 bicycle spaces on the sidewalk available for use by patrons of the commercial space.
• The project provides 14 ground level parking spaces for residents.
• The project provides 1 parking space associated with the commercial use.
• Residential parking will be unbundled from the apartments, allowing residents to choose not to pay the cost of a parking space if they do not own a car, and providing an attractive housing option to non-driving individuals.

Project Sustainability Features and Benefits:

The project’s primary sustainability features, consistent with the City of Berkeley Climate Action Plan, is that it is a transit-oriented development project. The project’s TDM program, as described above, help the project best utilize the corridor’s proximity to transit infrastructure. The project’s green building features include:

• Rooftop solar photovoltaic system
• Drought tolerant and Bay-friendly landscaping and materials
• LED and low voltage lighting where possible
• Low/No VOC finishes and materials
• Exceed Title 24 Energy Standards
• Mechanical automobile lift parking system to reduce land reliance for automobile parking

These elements, as well as the provision of transit-oriented housing, will help the City of Berkeley to meet Climate Action Plan goals.

Architectural Program

The project architecture will provide a contemporary infill building. High-quality materials including aluminum storefront systems, perforated corten gates, painted metal fascia and smooth finish cement plaster, with stainless steel perforated corrugated metal accents. The residential lobby and commercial spaces will activate the sidewalk and improve the pedestrian experience. The building is designed specifically in conjunction with the existing four-story mixed use development adjacent to the north and the four-story residential project adjacent to the west.

Use Permits Requested

22.12.060 (UPPH)—Demolition Permit for Existing Commercial Structures.
23E.64.030 (UPPH)—Mixed Use Developments (Residential/Commercial) 20,000 sq. ft. or more.
23E.64.050 (UP)—Construction of gross floor area more than 5,000 sq. ft.
23E.04.020. (AUP)—Rooftop Equipment

Waivers and Modifications Requested to Accommodate Density Bonus

1. **Height** – increase to 63 feet and six stories to accommodate density bonus units where 4 stories and 50’ are allowed.
2. **Parking** – reduce parking requirement associated with the residential density bonus to provide 14 residential parking spaces, rather than one per unit at 25 spaces.
3. **FAR** – allow increased FAR from the allowable of 3.0 to 3.9 to accommodate residential units associated with the Density Bonus.

Housing Affordability/Density Bonus Statement

The proposed project is entitled to a density bonus pursuant to California Government Code Section 65915(b). The proposed project will provide 2 dwelling units on-site that are affordable to households earning not more than 50% Area Median Income, which entitles the project to a 35% housing density bonus (11%, or 1.98 units of its 18 base project units, at 50% AMI per GC Sec. 65915(f)(2), rounding up to 2 units).

Because Berkeley’s C-W zoning district does not include a housing density standard, the project uses the floor areas of the its base project envelope to calculate the floor area for the density bonus, and then divides that space by the average dwelling unit size of the base project units. The proposed project’s base project, density bonus, and total residential floor areas are shown in the table below:

<table>
<thead>
<tr>
<th>Base Residential GFA/Dwelling Units</th>
<th>Density Bonus FA/Dwelling Units (35% of Base GFA)</th>
<th>Total Allowable GFA/Dwelling Units</th>
<th>Total GFA/Dwelling Units Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>26,559 sf/18 units</td>
<td>9,295.6/7 units</td>
<td>35,855/25.1 units</td>
<td>35,699 sf/25 units</td>
</tr>
</tbody>
</table>

The project is requesting the waivers and modifications discussed above to accommodate the units and floor area for the density bonus portion of the project (height, parking, and floor area ratio).
## Zoning Standards

<table>
<thead>
<tr>
<th>Standard (BMC Section 23E.64)</th>
<th>Existing</th>
<th>Proposed Total</th>
<th>Permitted/Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Area (sq. ft.) – Total</td>
<td>9,576</td>
<td>9,576</td>
<td>NA</td>
</tr>
<tr>
<td>Commercial Floor Area (sq. ft.)</td>
<td>1,800</td>
<td>963</td>
<td>NA</td>
</tr>
<tr>
<td>Residential Gross Floor Area (sq. ft.)</td>
<td>0</td>
<td>35,699</td>
<td>NA</td>
</tr>
<tr>
<td>Gross Floor Area (sq. ft.) – Total</td>
<td>1,800</td>
<td>36,662</td>
<td>NA</td>
</tr>
<tr>
<td>Floor Area Ratio</td>
<td>.2</td>
<td>3.9</td>
<td>3.0 Max, Density Bonus waiver/mod</td>
</tr>
</tbody>
</table>

### Dwelling Units
- **Affordable**: 0
- **Total**: 0

### Building Height
- **Maximum (ft.)**: Approx 12’
- **Stories**: 1

### Yards
- **Front**: Approx 25’
- **Side**: Approx 40’
- **Rear**: 0’

### Usable Open Space
- **Second level common courtyard & common sitting areas**: 0, 1,197.1
- **Shared roof deck level 6**: 0, 1,039.1
- **Total (sq. ft.)**: 0, 2,236.2

### Parking
- **Residential**: 0, 14
- **Commercial**: Approx 12, 1
- **Total**: 12, 15

### Bicycle
- **Residential**: 0, 40
- **Commercial**: 10

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City of Berkeley: 5 units (25 units x 20% = 5; or payment of in-lieu fee);
SDBL: 18 base units x 11% = 1.98, rounded up = 2 units @ 50% AMI

1/unit = 25, Density Bonus waiver/mod

2/1000 commercial = 1

26, Density Bonus waiver/mod

1/2000 commercial gsf = 1
Residential units represent a mix of unit sizes to provide flexible housing options.

As indicated above, the project requests additional height and reduced parking as part of the Density Bonus. Additional height allows the creation of transit-oriented housing opportunities at this key transit corridor, and reduced parking reflects the transit-oriented nature of the site.

**Policy Analysis**

The site is designated by the City of Berkeley’s General Plan Avenue Commercial. The proposed project fulfills the following policies of the General Plan:

- **Policy LU-3 Infill Development**: Encourage infill development that is architecturally and environmentally sensitive, embodies principles of sustainable planning and construction, and is compatible with neighboring land uses and architectural design and scale. (Also see Urban Design and Preservation Policies UD-16 through UD-24.)

The proposed infill development project will redevelop an auto-oriented property to provide a mixed-use building with housing opportunities and commercial space, featuring a pedestrian oriented design that will enhance the San Pablo Avenue street frontage. The project embodies sustainable planning by providing housing located near services and public transportation, and by providing bicycle parking and bicycle-friendly amenities. The project’s construction will also include sustainable building materials and systems, including solar PV panels, and will be designed to incorporate cross-ventilation and daylight on at least two sides for all units.

- **Policy LU-27 Avenue Commercial Areas**: Maintain and improve Avenue Commercial areas, such as University, San Pablo, Telegraph, and South Shattuck, as pedestrian-friendly, visually attractive areas of pedestrian scale and ensure that Avenue areas fully serve neighborhood needs as well as a broader spectrum of needs.

The project contributes to the San Pablo Avenue commercial corridor by replacing an auto-oriented use with a pedestrian- and transit-oriented development of an attractive mixed-use building. The commercial space will add to the mix of commercial uses in the vicinity.

The project also meets a number of goals of the West Berkeley Plan and C-W zoning by creating mixed-use developments on the commercial corridor while protecting the surrounding residential neighborhood.
Project Setting

The project site is located within a diverse mixed-use setting, which borders a residential neighborhood to the west and is surrounded by a variety of commercial uses to the north, east, and south.

The site is currently vacant, and includes one small 1 story commercial structure that was previously used as an automotive facility, followed by its use as a pottery studio.

Structure History

There is no indication that any of the structures on the site are historically significant or worth preserving as part of the neighborhood fabric. The structure was previously approved for demolition by the ZAB after review by the LPC. No new information that could have the potential to change that determination has surfaced since that action was taken.

Green Building Requirements

Project components that will contribute to environmental sustainability include the provision of transit-oriented housing and commercial spaces, interior and exterior finishes and materials, solar PV panels, flow-through planters, and bicycle parking.

Proposed Commercial Space Program

Although no tenant has been selected at this time, we propose the following general program and operating standard conditions for the commercial space:

- Commercial uses shall operate within the hours of 7:00 am and 11:00 pm.
- The total number of employees will be between approximately 3 and 5, with approximately 1-2 employees per shift.
- Approximately 2-8 customers are expected at one time.
- The majority of customers are expected to be from the adjacent neighborhood.
Required Use Permit Findings

Findings to Authorize Approval of Use Permits – Section 23B.32.040. This section authorizes the approval of Use Permits upon finding that the establishment, maintenance or operation of the use, or construction of a building, will not be detrimental to the health, safety, peace, morals, comfort or general welfare of persons residing or working in the area or neighborhood or be detrimental or injurious to property and improvements of the adjacent properties, the surrounding area or neighborhood or to the general welfare of the City. Approval of a Use Permit also requires making the findings that the project is consistent with the purposes of the District.

Response: The proposed project will not be detrimental to the health, safety, peace, morals, comfort, or general welfare of the neighborhood or the City as a whole. The proposed project replaces an auto-oriented use and inactive street front in a commercial district with a mixed-use project that adds vitality, housing opportunities, economic development, and pedestrian-oriented commercial space to the neighborhood, and encourages the continued diversity of uses that currently exists in the neighborhood.

Section 23E.64.090.A requires that the following findings are required prior to approval of a Use Permit:

- **Compatibility Findings to Authorize Use Permits in the C-W District – Section 23E.64.090.B.** A proposed use or structure must:
  1. Be consistent with the purposes of the District;
  2. Be compatible with the surrounding uses and buildings;
  3. Be consistent with the adopted West Berkeley Plan;
  4. Be supportive of an increase in the continuity of retail and service facilities at the ground level to the degree feasible and does not substantially degrade the existing urban fabric of the street and area;
  5. Be, for projects which include construction of new floor area, providing an intensity of development which does not underutilize the property; and
  6. Be capable of meeting any applicable performance standards for off-site impacts;
  7. Not exceed the amount and intensity of use that can be served by available traffic capacity and potential parking supply.

Response: The proposed project is compatible with the purposes of the District, which support mixed-use residential and commercial uses. The project is compatible with the surrounding uses and buildings: the project is designed based on the design for the multi-family building currently under construction directly to the west of the project site. The building helps to complete the transformation of the block that was initiated by the development of the multifamily building directly to the north of the site, and creates continuity of pedestrian-oriented design.

- **Findings to Authorize Reduced Off-Street Parking Requirements – Section 23E.64.090.D**

Response: Not applicable, the proposed minor parking reduction is requested as a waiver or modification associated with the Density Bonus.
Finding to Allow Rooftop Equipment – Section 23E.04.020 (AUP)

Response: Rooftop equipment will meet the requirements of Section 23E.04.020.C, with a maximum area of 15% of the average floor area of all the building’s floors, and shall not be used as habitable space for any commercial purposes other than that which may accommodate the mechanical needs of the building.

Neighborhood Meeting & Community Outreach

The project team held a neighborhood meeting on November 30 from 5:15-6:15 in the evening. Prior to the meeting, notices were sent to all property owners and occupants within 300 feet of the site based on a list of addresses provided by the City of Berkeley. The meeting was held on the parking lot at the project site. Two area residents stopped by the site during the meeting time. To each of these neighbors, the project architect presented the project. Draft floor plans and renderings were posted for attendees to view and the project team answered questions and discussed the proposal with the attendees. The sign in sheet and flier that was mailed are included in this application. One neighbor expressed enthusiasm about the redevelopment of this currently vacant corner. The second neighbor asked questions about noise related to mechanical equipment on the roof.

Project Team

<table>
<thead>
<tr>
<th>Owner</th>
<th>Applicant Representative/Contact</th>
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<tbody>
<tr>
<td>2720 SPA LLC</td>
<td>Rhoades Planning Group</td>
</tr>
<tr>
<td>Xin Jin, managing member</td>
<td>Mark Rhoades</td>
</tr>
<tr>
<td></td>
<td>46 Shattuck Square, Suite 11</td>
</tr>
<tr>
<td>Architect</td>
<td></td>
</tr>
<tr>
<td>Devi Dutta</td>
<td></td>
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