# ITEM 8-A

#### CITY OF ALAMEDA

Memorandum

- To: Honorable President and Members of the Planning Board
- From: Jennifer Ott Chief Operating Officer – Alameda Point
- Date: May 14, 2012
- Re: Recommend Approval of Zoning Ordinance Amendment, General Plan Amendment, and Addendum for Alameda Point

#### BACKGROUND

On January 4, 2012, the Alameda Reuse and Redevelopment Authority (ARRA) and the United States Navy (Navy) entered into a second amendment to the 2000 Economic Development Conveyance Memorandum of Agreement (EDC MOA), authorizing a no-cost conveyance of the 918-acre portion of the former Naval Air Station Alameda (NAS Alameda), commonly referred to as Alameda Point. Pursuant to the EDC MOA, it is expected that conveyance of significant portions of the Alameda Point property will occur during 2012.

Currently, the land is zoned M-2/G (General Industry/Government Overlay) to reflect the Navy's prior industrial uses at Alameda Point. Once the land is conveyed to the City of Alameda, reuse and redevelopment of that land in a manner that implements the City of Alameda General Plan and 1996 NAS Alameda Community Reuse Plan (Reuse Plan) (collectively, Plans) will require that the City amend the zoning for the property.

The Plans envision a mix of employment, open space, recreational, residential, and retail uses at Alameda Point. To effectively guide and manage redevelopment of Alameda Point, the City will adopt a variety of zoning standards and requirements that may be used by future City decision makers and prospective Alameda Point business and developers to ensure that each area of Alameda Point is redeveloped in a manner that implements the community goals and values as articulated in the Plans.

The preparation of the needed zoning regulations and standards for the different areas will require a significant investment of time and resources, not just by City staff, but also by the Planning Board, the City Council, and the Alameda community. Given that time and resources are limited, the City Council gave direction to pursue a phased approach to the zoning and development planning for Alameda Point.

The first phase includes an initial rezoning of the entire base to reflect the basic arrangement of sub-areas and land uses as envisioned in the Plans. The Plans envision "sub- districts" that provide lands for a variety of different uses.

This initial zoning effort provides a foundation for later, more detailed, and more expensive planning efforts, for certain sub-districts. For example, the "Town Center" and the "Residential" sub-districts require additional, detailed development standards. Staff believes that these areas in particular should be guided by detailed form-based design and development standards (i.e., "master plans") with clear standards and requirements to ensure that the ultimate development of these areas reflects the transit-oriented, pedestrian-friendly, environmentally sustainable, mixed-use vision described in the Plans. Likewise, to proceed with any new construction (or demolition) within the NAS Alameda Historic District (Historic District) requires clear standards and requirements to ensure that the integrity of the Historic District is not compromised. These later, more detailed plans and regulations will require a major investment of resources and time and careful community review and discussion.

In contrast, other sub-districts and/or activities may not require such detailed or prescriptive standards. In particular, the initial "base" zoning will be sufficiently clear about the types of permitted and conditional uses that are appropriate, and the development standards that are required for the "Employment" and "Employment – Adaptive Reuse" sub-districts. With the "base" zoning in place and a careful project by project site plan and architectural review (similar to the process for the Harbor Bay Business Park), the City can begin to actively market and promote employment opportunities at Alameda Point. While the immediate opportunities within the "Employment – Adaptive Reuse" sub-district, due to the Historic District, will be substantially limited to adaptive reuse opportunities for new business, the "Employment" sub-district will focus on new job-generating construction opportunities that become available similar to the Lawrence Berkeley National Laboratory (LBNL) 2<sup>nd</sup> Campus process.

# DISCUSSION

The Zoning Ordinance attached to this staff report is designed to serve as the initial "base" zoning for Alameda Point. In addition to the recommended amendment to the Zoning Ordinance, staff is recommending minor amendments to the General Plan to enable the City to achieve the jobs growth the City previously planned for and projected.

The draft amendment to the Zoning Ordinance (Attachment 1) proposes six sub-districts each designed to address the variety of new uses and improvements envisioned for Alameda Point. Although each sub-district permits or conditionally permits a variety of uses, each sub-district also emphasizes predominant land uses to address different needs and/or development constraints, such as the need for a retail center or major transit corridor, or the presence of Pubic Trust lands or the Historic District. A map of the Alameda Point zoning sub-districts is provided below.



As presented in the Zoning Ordinance Amendment (Attachment 1), each sub-district includes a purpose statement, a list of permitted and conditionally permitted uses, the types of buildings allowed, development standards, other applicable requirements (e.g., historic regulations, affordable housing, etc.), and the entitlement requirements and processes necessary to develop land in the sub-district (e.g., master plan, multi-modal transportation implementation plan, site improvement plan, and design review).

The purpose and intent of each of the proposed sub-districts is described in greater detail below:

**AP Town Center**. The purpose of this sub-district is to create a mixed-use center that draws residents, employees and visitors to the waterfront and adjacent open space, retail, and recreational facilities. The Town Center is the retail center and the "gateway" to Alameda Point that will also be the primary location for entertainment, lodging, restaurants, stores, and recreational uses, such as the Bladium. Multifamily housing is envisioned in the Town Center along the West Atlantic corridor leading into Alameda Point and along the Seaplane Lagoon. As the "gateway," the Town Center is also envisioned as the heart of the transportation system that includes buses and shuttles that connect to Bay Area Rapid Transit (BART) and ferry service at the Main Street

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terminal. The zoning also focuses retail use in the Town Center (and limits retail in other sub-districts) to facilitate a "critical mass" of activity in the Town Center.

As described above, the AP Zoning District requires a detailed master plan for this subdistrict before any new construction occurs in this area given the importance and complexity of this sub-district. In April, the City applied for a grant from the Metropolitan Transportation Commission (MTC) to prepare a detailed master plan with form-based and transit supportive development standards for this sub-district and some of the adjoining waterfront areas.

**AP Residential**. The purpose of this sub-district is to provide lands for a variety of housing types with complementary, small-scale, neighborhood-serving uses, urban agriculture, and parks uses. This area is adjacent to the existing Bayport residential neighborhood to the east and the Main Street Ferry Terminal to the north, and is currently occupied by 200 units of transitional housing for formerly homeless populations, an urban farm and commercial nursery, and 65 units of former Navy family housing, including the historic "Big Whites" officer housing. The Zoning Ordinance also requires preparation of a detailed master plan for this area before any new construction can commence to ensure that residential development is appropriately designed and developed consistent with the pedestrian friendly, sustainable, diverse, "Alameda-style" neighborhood design objectives described in the Plans.

**AP Adaptive Reuse Employment**. The purpose of this sub-district is to allow for a range of commercial, institutional, and educational uses that create employment opportunities, adaptively reuse existing historic buildings, and preserve the contributing elements of the NAS Alameda Historic District. The "Administrative Core" of the NAS Alameda Historic District to a university or other institutional campus user. The western row of hangars, home to a number of wineries and distilleries, is also restricted by the 1999 Biological Opinion (1999 BO) issued by the United States Fish and Wildlife Service related to the nearby presence of the nesting grounds of the endangered California Least Tern.

**AP Employment**. The zoning for this sub-district is designed to support high quality industrial, office, and research and development laboratories that will bring new, high paying jobs to Alameda. The primary purpose of this zone is to create an area that will be attractive to a wide range of new businesses that provide good jobs. For these reasons, the draft zoning does not allow a number of uses that may not be compatible with certain types of businesses. For example, Peet's Coffee located in the Harbor Bay Business Park largely because residential uses are not allowed in the business park. The LBNL process used distance from residential uses as a key criteria in selecting a preferred site for a Second Campus, and the successful Mission Bay development in San Francisco also provides for an appropriate separation between employment uses and nearby residential uses because many research and development laboratories and/or bio-technology firms require that they be located a suitable distance from residential uses. Therefore, to create an area that will be attractive to new employers,

the "Employment" sub-district's list of permitted and conditionally permitted uses is carefully crafted to minimize potential conflicts for these kinds of new businesses.

AP Maritime and Visitor-Serving. The purpose of this sub-district is to provide lands for active maritime and visitor-serving uses consistent with the State of California's Public Trust (or State Lands) restrictions<sup>1</sup> and compatible with the uses planned within the adjacent sub-districts. All the lands with the Maritime and Visitor Serving District are State Lands property. This sub-district also creates important linkages combined with the AP Open Space sub-district, which together provide a network of public spaces that connect all of the different sub-districts. The portion of this sub-district that is adjacent to the AP Town Center sub-district allows for an active waterfront promenade with restaurants and cafes with views of the Seaplane Lagoon. The north-south corridor within this sub-district that runs through the AP Adaptive Reuse Employment sub-district contains contributing structures to the Historic District that will be preserved and/or reused similarly to the reuse of buildings proposed for the AP Adaptive Reuse Employment sub-district. Lastly, the portion of this sub-district abutting the AP Employment sub-district will contain compatible maritime industrial uses, including the Maritime Administration (MARAD) ready reserve fleet, its supporting facilities and other existing and new maritime commercial users. These users generate significant lease revenue and, in some instances, create significant jobs.

**AP Open Space**. The purpose of this sub-district is to provide lands for parks, recreation, and trails. The extent of the Open Space zone mirrors the lands designated "Parks and Open Space" in the General Plan. Portions of this area are restricted by the Public Trust restrictions and are limited by the biological restrictions due to the 1999 BO. As depicted on the Zoning Map, this area combined with the AP Maritime and Visitor-Serving sub-district described below create the network of public space that link the different sub-districts together.

# **Response to Planning Board Comments:**

At its March 12, 2012 meeting, the Planning Board provided a number of comments on staff's initial concepts for the proposed Alameda Point zoning amendment. The following section provides a summary of the comments provided by the Planning Board and community at the March 12<sup>th</sup> meeting and a response from staff on how the proposed amendment to the Zoning Ordinance, contained in Attachment 1, addresses these issues:

<sup>&</sup>lt;sup>1</sup> State Lands areas are subject to California's Public Trust doctrine, which protects the rights of the public with regard to the State's waterways, including current and former tide and submerged lands (Public Trust Lands). The permitted uses on Public Trust Lands will be limited to harbor-related uses, such as marinas and shipyards, maritime related industry, warehouses, and water-oriented commerce; hospitality uses, such as hotels, restaurants, and other visitor-serving facilities; and ecology-related uses, such as wetlands, wildlife preserves, fishing areas, habitat and open space preservation, passive parks, greenways, and water-related recreation. Public Trust Lands may not be used for general-purpose industrial, retail, commercial, office or housing.

 Maximize waterfront access and experience, and water orientation of development, and, in particular, explore residential opportunities along waterfront, including taxiways along the northern shoreline of the Seaplane Lagoon.

The Zoning Ordinance allows for extensive waterfront access and new land uses that will create an attractive, accessible waterfront. The AP Town Center subdistrict contemplates residential development along the taxiways in front of the Seaplane hangars oriented along the waterfront, taking advantage of the water views. The AP Maritime and Visitor-Serving sub-district, subject to Public Trust restrictions, allows for an active waterfront promenade and a row of restaurant and cafes with outdoor seating and other visitor-serving uses overlooking the Seaplane Lagoon. The AP Open Space sub-district will also have trails that maximize public access to the waterfront.

• Consider zoning strategies to minimize potential conflicts between residential and commercial areas.

The zoning ordinance focuses residential development in the Residential and Town Center sub-districts. While all of the sub-districts allow for a mix of uses, the other sub-districts allow for predominantly employment-generating or economic development uses that do not contemplate residential uses. The segregation of heavier industrial or research and development uses from residential neighborhoods will help to minimize these conflicts. It is also expected that as the employment areas are developed, lighter industrial or transitional office or flex uses will be planned in "transition" zones adjacent to existing or planned residential areas or visitor-serving areas to serve as an appropriate buffer zone for heavier industrial or research and development uses.

• Encourage and provide for mixed-use development in all areas and avoid homogenous single-use areas.

All of the sub-districts encourage a mix of compatible uses. For example, the AP Residential sub-district allows for neighborhood retail, small-scale convenience retail, and urban farms, in addition to the full spectrum of residential building types. Additionally, the AP Adaptive Reuse Employment sub-district allows for a diversity of uses ranging from industrial, warehouse, institutional, and live/work uses, affording significant flexibility for reusing and repurposing the existing buildings. While the AP Town Center sub-district prohibits the heavier industrial uses and single-family detached housing, it allows for a mix of apartment, housing over retail, restaurants, retail, office, hotels, and other commercial uses. Finally, the required master plans for the Residential sub-district and the Town Center sub-district should include requirements for vertical mixed use in appropriate locations and circumstances.

• Ensure welcoming and compatible access and linkages to open space through both the residential and commercial/industrial areas.

The AP Open Space and AP Maritime and Visitor-Serving sub-districts together are intended to create a network that will link the entire property together with public spaces and waterfront facilities. There will be trails and pedestrian and bicycle linkages through these and other areas that help to create a welcoming and inter-connected environment for enjoying passive and active public spaces.

• Explore residential opportunities in employment areas (i.e., adaptive reuse and new construction areas), especially as transitions from existing residential neighborhoods and the Town Center area.

To facilitate adaptive reuse of certain parts of the Historic District, residential use is conditionally permitted in the Adaptive Reuse Employment sub-district, but the draft Zoning Ordinance is designed to concentrate the residential opportunities in the AP Town Center and AP Residential sub-districts. (The required master plans for these areas will need to address the appropriate scale, density, and configuration of these areas to ensure compatibility with the Plans' goals. The concentration of housing units in these areas will also make the implementation of significant and expensive infrastructure development more financially feasible and create greater demand for transit along the major transit corridors. Also, by segregating the new employment uses from residential uses, the City will have better opportunities to attract high-quality business and jobs.

• Provide for a diversity of housing types that meet the needs of all income levels and avoid concentrations of affordable housing.

The Zoning Ordinance proposes a diversity of housing types that include singlefamily homes, carriage houses, stacked flats, apartment houses, rowhouses, courtyard apartment buildings, live-work, and commercial block building types that allow for residential over retail. While 25 percent of all units built at Alameda Point will need to be made affordable to very-low, low, and moderate-income households, they will be interspersed throughout the sub-districts where residential uses are allowed. The future master plans for the Town center and Residential sub-districts should require that future development include an appropriate range of each type of housing, and that the higher density building types are appropriately located to support transit and the limited retail opportunities at Alameda Point.

• Prefer that the zoning not include caps on development capacity for each area.

The Zoning Ordinance does not place "caps" on development capacity. However, the Zoning Ordinance does include height limits and development standards.

• Provide more information on how transportation planning integrates with this zoning process.

Chapter 2: Administration describes subsequent submittal requirements, including the requirements of a Multi-Modal Transportation Implementation Plan. The Zoning Map contained presented above also provides an illustrative street plan that provides a good baseline for how new streets will be integrated with the rest of the development.

• Pay careful attention to how maritime uses integrate and interact with open space areas, especially along the waterfront.

Existing and any newly proposed heavier maritime commercial or institutional uses, such as the MARAD fleet, in the southern portion of the base in the AP Maritime and Visitor-Serving sub-district will need to be carefully coordinated with the adjacent AP Employment and AP Open Space sub-districts during subsequent entitlement processes. The future master plan for the Town Center and the work proposed under the MTC Grant Application will provide greater detail regarding the design of public spaces adjacent to the water and the design of those areas where access may need to be restricted to accommodate the maritime industry.

• Provide for a cohesive transportation and open space network that ties subdistricts together.

As discussed above and presented in the Zoning Map, the AP Open Space and AP Maritime and Visitor-Serving sub-districts together are intended to create a network of public space that knits the development together. The Zoning Map also provides an illustration of how the transportation network is compatible with the public space network and connects the different sub-districts.

 Provide more information on the zoning in the Town Center and the provision for mixed-use development and transitions between adjacent areas. Efforts should pay special attention to the Town Center as the heart of the surrounding development.

Tables 4-1 and 4-2, and Section 4.6 of the Zoning Ordinance provide detailed information on the uses and building types encouraged in this sub-district. The Zoning Ordinance also requires that a subsequent master plan be prepared for this sub-district and for the AP Residential sub-district so that the Planning Board, City Council and community have the opportunity to discuss further how the design, transportation, and infrastructure standards and guidelines are developed, including the transitions between these areas and the adjacent employment areas. Also, as described above, the City is seeking grant funding from MTC to prepare the AP Town Center Master Plan. • Provide more information on how the proposed zoning will guide and provide a basis for future entitlement efforts.

There is currently only one zoning designation for the entire Alameda Point property: General Industrial (Manufacturing) District with a Special Government District Overlay (M2-G). As the City progresses with disposition and development of initial and subsequent phases, and considers entering into longer term leases in certain areas, it is important to create land use districts that differentiate among sub-areas within Alameda Point by emphasizing predominant, ancillary, and excluded land uses within a given sub-district consistent with the community's vision for the property. The amendment to the Zoning Ordinance will help achieve this goal. Any future disposition and development process will be required to prepare more detailed applications and submittals, such as Development Plans, Design Review applications, subdivision maps, and to address environmental issues at a project level. Any future process will also include additional public hearings with the Planning Board, other relevant boards and commissions, as necessary, and the City Council.

Chapter 2: Administration of the Zoning Ordinance specifically describes subsequent submittal requirements. As mentioned above, the AP Residential and AP Town Center sub-districts require a subsequent master plan so that the entitlements for these areas can be discussed in greater detail. Other entitlement requirements for all sub-districts include an Infrastructure Plan, Green Building and Landscape Plan, and a Multi-Modal Transportation Implementation Plan, among other plans.

# **Conclusions:**

In sum, staff is recommending that the Planning Board recommend the proposed amendments to the Zoning Ordinance and the General Plan to the City Council. The amendments represent an important 'next step" toward the eventual reuse and redevelopment of the former NAS Alameda. The Reuse Plan and the 2003 General Plan Amendment were very important "first steps" taken by the Alameda community. This amendment to the Zoning Ordinance implements the policies of these plans and begins the process of translating the community's vision and goals into specific development standards and requirements. The proposed zoning is not intended or designed to be the "final" effort to establish standards and regulations, but it does represent an important step that will inform and guide those future efforts.

# Zoning Amendment Findings:

Staff is recommending the draft amendments to the Zoning Ordinance for the following reasons:

1. The amendments maintain the integrity of the General Plan. The proposed zoning text amendments are necessary to ensure that future reuse and

redevelopment of Alameda Point is consistent with the policies, objectives and standards established by the Plans for Alameda Point.

- 2. The amendments support the general welfare of the community. The proposed zoning text amendment will support the general welfare of the community by establishing appropriate permitted and conditionally permitted uses and development standards to ensure that new uses and new development is consistent with community values and goals for the area and support the general welfare of the community by providing employment, open space, recreation, and other community benefits to all Alameda citizens.
- 3. The amendments are equitable. The proposed zoning amendment is equitable in that it establishes appropriate processes and procedures for the review of future development proposals and new uses that balance the community's need to facilitate reuse and redevelopment or Alameda Point, but also provides appropriate oversight and discretion for individual applications.

## **General Plan Amendments:**

In addition to the Zoning Ordinance amendments, staff is proposing a minor amendment to the General Plan to increase the total amount of non-residential development allowed in the General Plan (Attachment 2). In 2003, the City adopted Chapter 9 of the General Plan for Alameda Point. At the time, the General Plan was amended to cap nonresidential development to approximately 2.3 million square feet, and the 2003 General Plan EIR estimated that the 2.3 million square feet would result in approximately 6,125 new jobs.

Currently, there is almost 2 million square feet of existing buildings at Alameda Point that are occupied by job generating non-residential uses. Unfortunately, these buildings are only generating between 726 and 1,682 jobs at Alameda Point.

To enable Alameda Point to achieve as many as 6,000 jobs and maximize opportunities for the adaptive reuse of historic buildings at Alameda Point, the proposed General Plan amendment is designed to allow construction of 2.3 million square feet of new employment generating uses and up to 3.2 million square feet of adaptive reuse. In combination, the 2.3 million square feet of new construction and the 3.2 million of adaptive reuse should enable the City to approach capacity for 6,126 total jobs at Alameda Point.

Staff is recommending the General Plan Amendment to clarify the City's employment goals for Alameda Point and recapture previously planned for new jobs at Alameda Point in existing buildings or in new buildings.

## General Plan Amendment Findings:

Staff is recommending the draft amendments to the Zoning Ordinance for the following reasons:

- 1. The proposed General Plan Amendment is consistent with other elements of the City's General Plan. The proposed amendments clarify the land use classifications, guiding policies, and implementing policies included in the proposed General Plan amendment to ensure the overall goals of the General Plan are achieved regarding job generation at Alameda Point.
- 2. The proposed General Plan amendments will have acceptable effects on the general welfare of the community. The proposed amendments will facilitate the City's ability to attract new jobs to Alameda Point and facilitate and encourage the adaptive reuse of existing non-residential historic structures at the NAS Historic District.

#### ENVIRONMENTAL REVIEW

In 2003, the City Council certified the Final Environmental Impact Report for the Alameda Point General Plan Amendment (2003 EIR) in accordance with the California Environmental Quality Act (CEQA) (State Clearinghouse # 2001012057).

Pursuant to the provisions of CEQA, the City prepared an addendum to the 2003 EIR. The addendum demonstrates that the amendments to the proposed Zoning Ordinance and General Plan amendments for Alameda Point will only add additional detail to the GPA studied in 2003, and recapture the job growth that was projected and studied in that earlier 2003 EIR. It concludes that no Supplemental or Subsequent EIR is required (Attachment 3).

#### RECOMMENDATION

Recommend approval of Zoning Ordinance amendment, General Plan amendment, and addendum for Alameda Point.

Respectfully submitted,

Jennifer Ott Chief Operating Officer – Alameda Point

Andrew Thomas Planning Services Manager

#### Attachments:

- 1. Zoning Ordinance Amendment
- 2. General Plan Amendment Resolution
- 3. Alameda Point General Plan Amendment Project Addendum