May 22, 2022

Members of the Board of Zoning Adjustments and Planning
City of San Leandro
835 E. 14th Street
San Leandro, California 94577
E-Mail: c/o amogensen@sanleandro.org

Re: Applicant Statement in Support of 1919 Williams Street Project

Dear Commissioners :

Duke Realty is pleased to be working with the City of San Leandro on this applicationto build a new state-of-the-art warehouse at 1919 Williams Street ("Project" and "Project Site").

Duke Realty, a national industrial real estate leader, is looking to be part of San Leandro's economic development renaissance by investing in a state-of-the-art warehouse at 1919 Williams Street—replacing a long-vacant warehouse just west of the 880 freeway near the Marina Boulevard industrial hub, caddy-corner from the 21st Amendment Brewery.

Project Background

The Project design features a highly flexible space that can cater to various industries. Flexibility has become a key issue as companies upgrade their technology and transform their business operations - the current industrial/warehouse building stock is inadequate for this increasing pace of change. To that point, the existing Project Site is vacant and has been vacant for over twenty (21) months. Once redeveloped, the subject property will provide large, modern, unobstructed industrial/warehouse spaces to accommodate many types of activities that support changing operations in a rapidly shifting business landscape.

Duke, with the help of the leasing agent, Cushman & Wakefield, has fully marketed the existing building for immediate occupancy for nearly two years. We ultimately decided to submit a planning application to the City of San Leandro for redevelopment of the property due to a lack of tenant interest in the existing building. Several tenants toured the building, and the feedback was unanimous and consistent: the building has too many internal structural walls, making it difficult for potential users to layout their ideal operations. Tenants prefer a blank canvas, which allows them to build out the space to suit their needs. Flexible contiguous floorplates, modern amenities, and heavy power to accommodate operations drive tenant demand.

The new building will provide an architectural style that resonates with a corporate headquarters look. Lanterns of glass accentuate the office corner of the facility, creating a play of solid and void in the massing. Clearstories of glazing occur high on the concrete tilt up panels between the corners, providing natural light deep into the building offices and footprint. The design includes brick, metal plate siding and black mullion elements as main accents to break down the scale of the concrete tilt up walls. The overall design will provide a distinctive image for corporate users and generous setbacks with thoughtfully designed landscaping along Merced and Williams will provide consistent visual identity for the Project site.

This new, more efficient warehouse will encourage the highest and best use of the City's industrial land and maintain the City's overall inventory of larger-scale industrial sites with easy access to freeways, rails, airports, and seaports. It will support and retain industrial uses and employment in the industrial sector of San Leandro.

Project Description

The project would involve the demolition of the existing office and warehouse building and associated dock doors and surface parking followed by the construction of a 220,495 square-foot industrial warehouse and associated site improvements and landscaping.The proposed warehouse structure would have a maximum height of 47.5 feet and include 4,200 square feet of speculative ground floor office space and 4,200 square feet of speculative office space on the second floor, with the ability to expand if a future tenant desires. Additionally, the project would include the construction of 31 dock high loading doors and surface parking. Surface parking would be comprised of 73 standard parking stalls, 59 compact parking stalls, five accessible standard stalls,one accessible van stall, one accessible standard electric vehicle stall, one accessiblevan electric vehicle stall, 15 electric vehicle charging stations, and 14 clean air/vanpool stalls. The project requires a Conditional Use Permit and Site Plan Review.

The Project Site is being developed on a speculative basis, and there is currently no proposed tenant for this Project. We anticipate potential uses could include a variety of industrial uses such as manufacturing, cleantech assembly, digitization/technology, fulfillment, warehousing and wholesale trade distribution.

Consistency with Zoning Code

The Project site is zoned as an Industrial General District. According to the San Leandro Zoning Code, areas zoned as Industrial General Districts are allowed to contain the following uses: accessory uses, other than entertainment events, whenin conjunction with a permitted use; adult-oriented business; emergency and non- emergency ambulance services; artists' studios; automobile parts sales; building materials and services; business services; business and trade schools; catering services; communications facilities; emergency health care; equipment sales; retailfinancial institutions; general and limited food processing; government offices; health and

fitness centers; home improvement and interior decoration; custom, general, limited, and research and development industry; laboratories; maintenanceand repair services; marine sales and services; medical supply stores; nurseries; offices, business and professional; parcel processing and shipping centers; preexisting residential uses; big box retail sales; telecommunications,architecturally-integrated antennas and/or co-locations on existing tower structures;minor utilities; new vehicle/heavy equipment dealers; and storage and wholesale/retail distribution warehouse.

The Project also seeks a conditional use permit to allow for warehouse and distribution uses to allow for maximum flexibility for final users.

Very truly yours,

Jason Bernstein

Director of Development Services
Duke Realty