



APL-0002

Focused Appeal of BZA Decision for PLN17-0020,
Alvarado Commerce Center
2756 Alvarado Street



City Council Goals

- Place San Leandro on a firm foundation for long-term fiscal sustainability
- Advance projects and programs promoting sustainable economic development, including transforming San Leandro into a center for innovation
- Maintain and enhance San Leandro's infrastructure



Introduction

- ▶ Appellants: Paceline Investors (Applicant) and IPT Alvarado Commerce Center LP (Property Owner)
- ▶ 2756 Alvarado Street – Corner of Alvarado Street and Aladdin Avenue
- ▶ New 159,450 sq. ft. industrial shell building
- ▶ 6.9 acre site
- ▶ Appellants have not yet secured tenants
- ▶ 3/1/18 - BZA, by a 7-0 decision approved proposed project without requested CUP for warehouse-storage facilities and warehouse-wholesale/retail distribution facilities as a permitted use



Appeal

- 3/16/18 – Appellants filed an appeal of the BZA's decision
- Focused appeal regarding Condition of Approval II.B (COA) which places limitations on the Appellant's requested use
- Appellants state COA is inconsistent with application, that sought ongoing non-tenant specific CUP to allow warehouse storage and warehouse distribution on site



Appeal

- Appellants argue this fundamentally compromises their willingness to proceed with plans to redevelop the property
- Appellants propose a compromise - COA be amended to restrict warehouse uses for 6 months following issuance of temporary certificate of occupancy for shell building, which would allow initial marketing to permitted uses

Project





Analysis

- Conditional Use Permits (CUP) are the primary zoning tool used to review and limit impacts of industrial activities on nearby neighborhoods
- Warehouse uses require a CUP because of the potential to adversely impact adjacent properties & City's transportation system, including increased parking demand and truck traffic



Analysis

- Context and operational characteristics of warehouse uses need to be examined to adequately address their potential impacts
- Warehouse and storage uses need to be examined because they tend to be passive, low value-added industrial uses with lower employment densities that provide limited revenue to the City, while maintaining the potential for adverse impacts to adjacent properties & City's transportation system



Analysis

- ▶ Current General Plan Policy discourages large parcels and buildings from being developed purely as passive storage warehouses and low intensity uses, which tend to have lower employment rates than other types of industrial land uses
- ▶ City's goals and policies for new industrial development are to attract advanced manufacturing and related industrial uses with higher employment densities and high quality jobs
- ▶ Next Generation Workplace District Study (2013) reinforces this with policies that support value-added and employment-intensive uses in industrial areas



Staff Recommendation

- Staff does not support or recommend Appellants' proposed compromise to COA or their position arguing the Project is comparable to other previous projects
 - All CUP uses must be individually evaluated and analyzed based on unique characteristics of their operation and impacts
 - Developers for previous projects referenced for comparison, 100 Halcyon Dr. and 2000 Marina Blvd., were in discussion with the City prior to the Sept. 2016 Zoning Code and General Plan update that established the current General Plan policies and CUP requirements for warehouse uses in new buildings and existing buildings expanded over 10,000 square feet
- Providing a blanket CUP for future warehouse storage & distribution uses, as requested by the Appellants, would effectively remove the City's ability to address and resolve potential future adverse impacts to traffic, parking and infrastructure



Staff Recommendation

- Staff recommends that the City Council deny the requested appeal to grant a CUP for warehouse storage & distribution uses and modify the decision of the BZA to remove unnecessary conditions of approval related to granting a CUP for already permitted accessory uses & to remove associated findings of fact and adopt the proposed Resolution
- Staff further recommends this decision be made without prejudice so that the Appellants may reapply for a CUP within one year
- Staff recommends that the Appellants apply for a CUP if needed, when a tenant is known