

**RECOMMENDED  
FINDINGS OF FACT**

**PLN17-0003  
100 Halcyon Drive  
T. Jodry, Tramell Crow Co (Applicant)  
100 Halcyon Owners, LLC (Property Owner)**

The Board of Zoning Adjustments hereby approves PLN17-0003, subject to the following findings:

**CEQA ENVIRONMENTAL REVIEW**

Pursuant to Section 15063 of the California Environmental Quality Act (CEQA) Guidelines, an Initial Study (preliminary environmental analysis) was completed by the City to determine what form of environmental review is required for a Project. The Initial Study contains the project description, description of environmental setting, identification of environmental effects by checklist, explanation of environmental effects, discussion of mitigation for significant environmental effects, and evaluation of the Project's consistency with existing and applicable land use controls. On the basis of this initial evaluation: The City as lead agency finds that, although the proposed Project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the City. A Mitigated Negative Declaration was prepared.

**CONDITIONAL USE PERMIT**

- 1. That the proposed location of the use is in accord with the objectives of the Zoning Code and the purposes of the district in which the site is located.**

The proposed location, being zoned IG(AU) Industrial General, Assembly Use Overlay District, will result in development of an industrial business park on a property that has historically been industrial usage. The proposed uses for the project are permitted or conditionally permitted uses that comply with the purpose of the IG base zoning district, which is to provide and protect existing industrial sites and allow for continued operation of existing general industry, subject to performance standards and buffering requirements. The Conditions of Approval will provide control of the project's impact on the immediate vicinity and uses. The proposal to eliminate certain permitted and conditionally permitted IG(AU) uses will ensure that the development will remain high quality and will not adversely impact nearby uses.

The height exception the Zoning Enforcement Official may grant for the industrial buildings being between 35 feet to 50 feet tall is being considered by the Board of Zoning Adjustments in addition to the Conditional Use Permit to consider granting the height exception for the overall project for the cellular facility on Building 1 and a portion of the southeastern corner of Building 2 meets the objectives of the Zoning Code. The 43.5- to 44.5-foot building height is appropriate for new industrial development which maintains a majority of the minimum required setbacks and landscaping so there is no effects on adjacent properties. The 70 foot tall architecturally integrated wireless tower on Building 1 is located centrally on the site, away from street frontages and perimeter property lines. The 2,000 square feet of the southeast corner of Building 2 having a height of 44.5 to 46.5 feet where 25 feet is the maximum height when within 100 feet from the residential buildings (14871-14875 Olivia Street) would still maintain 75- to 80-foot separation from each other and is presently separated by an existing 12 foot tall soundwall

(approxim.) and existing mature trees. Furthermore, the proposed buildings will be significantly lower in height and less bulky and massive in comparison to the previous development which has heights of 90- to 127-feet tall for the multi-story buildings.

2. **That the proposed location of the use and the proposed conditions under which it would be operated or maintained, will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City.**

The proposed location of the use and the conditions of how the new development will be operated are consistent with the City's stated goals and policies related to Innovation in the Land Use section and the Economic Development section listed in the General Plan. The following are the specific General Plan goals and policies found applicable to the proposed project:

### **Land Use Section - Innovation Districts**

**Goal LU-7: Sustain dynamic innovation districts which place San Leandro on the leading edge of the Bay Area's manufacturing and technology economy.**

#### **Policies:**

**LU-7.1 Leveraging Locational Assets.** Build on the locational strengths and transportation features of San Leandro's industrial area to support the area's continued development as a major advanced manufacturing, technology, and office employment center.

**LU-7.2 Adaptive Reuse.** Encourage private reinvestment in vacant or underutilized industrial and commercial real estate to adapt such property to changing economic needs, including the creation of flex/office space and space for technology-driven businesses.

**LU-7.3 Zoning Flexibility.** Ensure that industrial zoning regulations are flexible enough to achieve the vision of San Leandro's industrial area as an "innovation ecosystem", where new methods of production, operations, and design are supported.

**LU-7.8 Sense of Place.** Create a stronger sense of place and a more positive regional image in the industrial districts through improved site planning, landscaping, architecture, façade improvements, fencing and screening, and design, as well as investments in streetscape improvements.

**LU-7.11 Mid-Washington Business District.** Sustain the mid-Washington corridor between San Leandro Boulevard and Halcyon Drive/Floresta Boulevard as a mixed industrial and commercial district. While the existing commercial zoning may be retained in this area, it is envisioned as a diverse business corridor including a variety of uses, including manufacturing, warehousing and distribution, heavier commercial activities, and general commercial and service uses.

### **Economic Development Section**

**GOAL ED-1 Attract jobs and investment across all economic sectors.**

**Policies:**

**ED-1.1 Leveraging San Leandro's Assets.** Build on San Leandro's strengths, including its central location, transportation infrastructure, affordability, industrial land supply, and business-friendly reputation to leverage economic growth and private investment in the city.

**ED-1.2 Maintaining San Leandro's Competitive Advantage.** Maintain and protect San Leandro's inventory of largescale industrial sites and buildings with easy access to freeways, rail, airports, and seaports. Discourage the conversion of industrial uses to commercial and residential uses except where part of a carefully targeted citywide strategy.

**ED-1.3 Industrial Land Use Efficiency.** Encourage more efficient use of the City's industrial land supply, creating higher employment densities and high quality jobs, while discouraging the use of large sites and buildings for storage and other low intensity uses. Ensure that zoning and other development regulations support higher utilization of sites zoned for commercial and industrial activities.

**GOAL ED-3 Adapt, reimagine, and reinvent traditional business models to put San Leandro on the leading edge of the innovation economy.**

**Policies:**

**ED-3.1 Innovation Ecosystem.** Foster the creation of an "innovation ecosystem" in San Leandro's employment districts, where businesses collaborate with one another to improve their products, workplace performance, and the quality of the work environment.

**ED-3.2 Business Infrastructure.** Develop the infrastructure necessary to transform San Leandro into a center for innovation and creativity, including high-speed communications, sustainable energy systems, high performing utilities, and convenient access to business networks and support services.

**ED-3.3 Leading Edge Economic Sectors.** Continue efforts to attract businesses on the leading edge of the Bay Area economy, including advanced fabrication, clean tech, information services, advanced transportation, and maker businesses.

The project would provide San Leandro greater opportunities to expand or locate new manufacturing and technology businesses. The new development will be improved with adequate access and off-street parking. The proposed parking supply of up to 689 parking spaces exceeds the 682 required spaces and the applicant has demonstrated alternative parking designs that can accommodate additional parking. The development will result in an improvement to the appearance of the property with the removal of the existing structures on the property and the subsequent redevelopment of the property with a new industrial business park that includes new landscaped setbacks and the presence of three new modern warehouse/office buildings. In addition, the architecture will be supplemented with large artwork in the form of wall murals facing off of the site to enhance the project's appearance.

The project's building heights are less than the existing industrial facility and will conform to the height and setback requirements for the IG base district with approval from the Board of Zoning Adjustments. The proposed plans include a height exception for the 70 foot tall cellular tower which can only exceed the parapet (42 feet) by 15 feet more. The 70 foot tall tower is a comprehensive co-location plan for the multiple wireless carrier's facilities in a single architectural tower with a small footprint proposed at the center of the property on Building 1, a location that poses the least visual impact on surrounding properties. The design plan avoids multiple monopoles and lattice towers which would clutter the new development. As proposed, the design is architecturally-integrated into the building design and unobtrusive. In addition, the height exception for approximately 2,000 square feet of the Building 2 southeast corner is a minor amount at 1.5 percent of the floor area of the building. The 25 feet height limit is a requirement when an industrial building is 100 feet from a residential building. The exceedance of building height by 18.5 to 19.9 feet, above the 25 feet height limit, when based on its floor area is a negligible amount. The overall height is 43.5 to 44.5 feet, below what is typically permitted in the IG District (50 feet). The separation from the residential buildings would be 75- to 80-feet and includes an existing 12 foot tall soundwall and mature trees. Thus, the exceedance in height should not have a visual effect on the three residences within 100 feet of it.

A Phase I Environmental Assessment was performed for the project site, with only minimal contaminations found, all of which are fully mitigatable and addressed in the conditions of approval and through the permit process. Any asbestos containing building materials and lead-based paint contained in existing buildings will be properly remediated and disposed of prior to the demolition of the buildings. If hazardous materials are encountered during construction or accidentally released as a result of construction activities, the contractor is required to implement the best management practices (BMPs) such as to cease work within the area; identify the scope and immediacy of the problem; coordinate with responsible agencies (e.g., City Environmental Services, Department of Toxic Substances Control, San Francisco Bay Regional Water Quality Control Board, or Environmental Protection Agency); and conduct the necessary investigation and remediation activities to resolve the situation before continuing construction work. The new business park has been designed, and will be constructed and equipped to provide an adequate level of safety and security for the future occupants. The site will be adequately served with public services, including utilities, and public transportation. Based on these findings, the proposed project will not be detrimental to the public health, safety or welfare. The application of current construction practices will prevent disturbances from significant levels of noise emanating from within the completed buildings. Sufficient off-street parking and landscaping will be provided.

**3. That the proposed use will comply with the provisions of this code; including any specific condition required for the proposed use, in the district, in which it would be located.**

The Zoning Code provides that the IG(AU) District permits various business services, equipment sales, food processing, manufacturing, and business and professional offices. The IG(AU) District conditionally permits warehouse and distribution uses which tend to have low employment density per square foot. The proposed use of the property will be various industry and manufacturing, new technologies, and advanced manufacturing with a condition of approval that the project does not become a majority of purely warehouse and distribution uses which tend to have low employment density per square foot. As proposed in the application and as it will be conditioned by the use permit, some of the permitted and conditionally permitted uses in the IG(AU) District were eliminated in order to provide a more attractive business park setting and

to preclude traffic-generating uses such as retail. In addition, as cited in a previous finding the project co-locates wireless facility antennae's in a single architecturally integrated tower on Building 1. The proposal conceals the multiple facilities and prevents the cluttering-up of the new development with monopoles and lattice towers.

**4. That the proposed use will not create adverse impacts on traffic or create demands exceeding the capacity of public services and facilities, which cannot be mitigated.**

As the proposed project is consistent with the prior industrial use of the property, it will not result in significant changes to traffic patterns or traffic generation or place a higher demand on the capacity of public services and facilities.

As part of the requirement for the environmental analysis, a traffic report was prepared for the developer by Kittleson & Associates Transportation Engineers. That report concluded that with the proposed mitigation measures that includes 40 foot wide driveways to access the site via Halcyon Drive and Washington Avenue, widening and improving the north side of Halcyon Drive, and optimizing the signalization of the intersection, safe and acceptable traffic operations would continue at the study intersections after the construction of the project.

Features incorporated into the design of the project, such as bicycle parking and improved pedestrian access to the planned East Bay Greenbelt, will encourage non-motorized commuting. There is adequate public service to the proposed development, including but not limited to; the gas and electric company, the water district, waste disposal, sanitary sewer, storm sewer, and police and fire departments. The project has been appropriately conditioned to ensure that parking and circulation are monitored by the City with each new tenant. The project is appropriately conditioned to adjust to conditions including requirements to modify parking and provide expanded alternative commuting options such as an employee shuttle service to transit connections, should the need arise with future tenants.

## **SITE PLAN REVIEW**

**1. Site plan elements (such as but not limited to: building placement, yard setbacks, size and location of landscape areas, parking facilities and placement of service areas) are in compliance with the minimum requirements of this code, and are arranged as to achieve the intent of such requirements by providing a harmonious and orderly development that is compatible with its surroundings. Parking, loading, storage and service areas are appropriately screened by building placement, orientation walls and/or landscaping.**

The layout of the proposed three buildings that will comprise 553,200 square feet shown on the 30.74 acre site plan is in conformance with the underlying IG(AU) District. The proposed setbacks, site coverage, height of the building, landscaped areas, vehicle circulation and parking, are in conformance with the Zoning Code, with the exception of the vertical architectural feature to Building 1 to co-locate and conceal multiple wireless carrier's antennas and to a small southeast corner of Building 2 which is over the height limit due to it being within 100 feet of a residential building. The required Conditional Use Permit was applied for to request the exception to the height requirements. The placement of the buildings, driveways, and parking areas provide for a harmonious and orderly development that maintains required setbacks from the Halcyon Drive and Washington Avenue frontages. The site planning and the architecture place the truck loading docks and truck activity to the center of the site, to provide the

architectural attention and aesthetic features to the elevations facing the highly traveled and prominent Halcyon and Washington Avenue corridor.

- 2. The building has adequate articulation, with appropriate window placement, use of detailing and/or changes in building planes to provide visual interest. The exterior materials, finishes, detailing and colors are compatible with those of surrounding structures. Visually incompatible elements, such as roof mounted utilities, are fully screened from public view.**

The building design is articulated. The prominent south and west elevations that faces Halcyon Drive and Washington Avenue, respectively, will be appointed with various features that lessen its expansive appearance. The use of the color scheme, the two-story glazing, canopies, the vertical architectural features especially at the corners of the building mitigates, and the large ground-to-parapet painted wall murals prevents the buildings from appearing expansive and massive appearing elevation. The design is a geometric and modern design that blends in and also complements the existing immediate industrial area along the Mid-Washington Business District, described in the City's General Plan. All roof-mounted equipment has been conditioned to be screened if the parapet is not adequate. The wireless telecommunications tower has been conditioned to be appropriately designed with minimal impact and functionality as a clock tower.

- 3. The landscaping complements the architectural design, with an appropriate balance of trees, shrubs and living ground covers, and provides adequate screening and shading of parking lots and/or driveways.**

Landscaped setbacks from each perimeter property line will be provided including the street frontages and the interior property lines. The frontage landscaped setbacks will enhance the Halcyon Drive and Washington Avenue frontages; the perimeter landscaped setbacks will provide attractive buffering from adjacent properties. The project will incorporate street trees to improve the visual quality of the property. The new landscaped areas comprise 2.45 acres which amounts to 8 percent of the 30.74 acre site area that will be developed and exceeds the 5 percent minimum required. The conditions of approval will require that the tree planting be specimen size with a minimum of 24 inch box.

- 4. Detail features, such as signs, fences and lighting for buildings, parking lots and/or driveways are visually consistent with the architectural and landscape design, and minimize off-site glare.**

The sign program including monument signs for identification and directional signs in landscaped planters, and wall signs ensure the signs are of good aesthetic and high quality in appearance, to match or blend in with the new architecture of the building. On-site exterior lighting has been conditioned to review their location, height, decorative features, and construction details. No site lighting will be permitted to spill offsite or shine above the horizontal plane. The design and materials used for the trash enclosures will be required to be blend in and be compatible with the proposed new building.