

EXHIBIT B

RECOMMENDED FINDINGS OF FACT FOR APPROVAL

PLN17-0020
2756 Alvarado Street
Paceline Investors (Applicant) and
IPT Alvarado Commerce Center LP (Property Owners)

The Board of Zoning Adjustments hereby approves PLN17-0020, subject to the following findings:

CALIFORNIA ENVIRONMENTAL QUALITY ACT 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. The proposed location of the use is in accord with the objectives of this Code and the purposes of the district in which the site is located.~~

~~The proposed location, is zoned IG Industrial General District, will result in development of an industrial building in an existing industrial area of the city. The proposed uses for the project are permitted or conditionally permitted uses that comply and are in accord with the purpose of the IG Industrial General 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 proposed project would be subject to certain limitations through the recommended conditions of approval to avoid adverse effects on adjacent uses and properties. The recommended conditions of approval will maintain the character of the industrial area, promote the use of the existing industrial area, and prevent impacts to the adjacent industrial uses.~~

~~The height exception the Zoning Enforcement Official may grant for the industrial building being between 35 feet to 50 feet tall is being considered by the Board of Zoning Adjustments for granting the height exception for the overall height of the new industrial building. The proposed 40-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.~~

- ~~2. 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 project site at 2756 Alvarado Street is designated Light Industrial in the City's General Plan Land Use Map. Light Industrial areas are characterized by uses such as "wholesale activities, distribution facilities, research and development or e-commerce uses, business services, technology, and manufacturing operations which produce minimal off-site impacts" (General Plan page 3-30). The surrounding properties are zoned IG Industrial General District and most are designated as Light Industrial in the General Plan, and are developed with various industrial uses including manufacturing, distribution, warehousing & storage, delivery & trucking, and building materials. Alameda County Industries, Inc. (ACI) parcel to the east is designated as PI Public/Institutional in the General Plan since the facility processes and transfers recyclables, organics, and waste.~~

~~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 General Plan goals and policies will apply:~~

~~**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.~~

~~**Policy 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.~~

~~**Policy 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.~~

~~**Policy 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.~~

~~**Goal LU-10** – Ensure that commercial and industrial projects are attractively designed and are sensitive to surrounding areas.~~

~~**Policy LU-10.4** – Industrial Sanctuary. Protect the City’s major industrial areas from encroachment by uses that are potentially incompatible with existing viable industrial activities, or which may inhibit the ability of industry to operate effectively.~~

Economic Development Section

~~**Goal ED-1** – Attract jobs and investment across all economic sectors.~~

~~**Policy 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.~~

~~**Policy ED-1.2** – Maintaining San Leandro’s Competitive Advantage. Maintain and protect San Leandro’s inventory of larger scale 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.~~

~~**Policy 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.~~

~~**Policy 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.~~

~~**Policy 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.~~

~~**Policy 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 165 parking spaces, exceeds the 160 required parking spaces. The subject property is situated in the center of an existing industrial area where the new industrial development should have no effect on residences, open space, or other zoning districts. 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 building that includes new landscaped areas. The site will be adequately served with public services, including utilities, and public transportation. The proposed development, with the recommended conditions of approval, will not be detrimental or injurious to property and will not be detrimental to the public health, safety, welfare or convenience of those working or residing in the area.~~

~~**3. 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 Industrial General District permits various industrial uses such as business services, equipment sales, food processing, manufacturing, research and development, and business and professional offices. The IG District conditionally permits warehouse storage facilities and warehouse wholesale and retail distribution uses which tend to have low employment density per square foot. The proposed use of the property will be various industrial uses such as advanced manufacturing, logistics, or warehouse uses with a condition of approval that the site does not become primarily warehouse storage or warehouse wholesale and retail distribution uses. Any other conditionally permitted uses shall require approval of an amended Conditional Use Permit, as identified in the San Leandro Zoning Code. In addition, parking adequacy will be evaluated prior to the City's issuance of a Business License and/or Administrative Review approval. Additional parking and/or alternative parking options may be required by the Zoning Enforcement Official to compensate for parking deficiencies prior to issuance of a City Business License or Administrative Review approval. These options may include, but are not limited to, the provision of employee shuttle services to BART, parking shelf systems, or the redesign of existing parking and loading areas in order to ensure the property has adequate parking.~~

~~**4. 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 impact study report was prepared by TJKM. The warehouse uses is expected to generate a net of 18 weekday A.M. peak hour trips (13 inbound, 5 outbound) and a net of 23 weekday P.M. peak hour trips (4 inbound, 17 outbound). The advanced manufacturing uses, would generate an estimated net of 55 weekday A.M. peak hour trips (50 inbound, 5 outbound) and a net of 71 weekday P.M. peak hour trips (6 inbound, 65 outbound). The TJKM report concluded that the proposed project would have a less than significant impact on nearby intersections and roadway segments.~~

~~The subject property has adequate off-street parking with a total of 165 on-site parking spaces. Further, the San Leandro Links provides a free shuttle service from the San Leandro BART station to a nearby stops at Alvarado Street and Montague Avenue and Alvarado Street and Teagarden Street during regular commuting hours. Overall, there are 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 through the business license process for 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 new 159,450 square foot industrial building as shown in the plan sets is in conformance with the underlying IG Industrial General District. The proposed setbacks, lot coverage, landscaped areas, vehicle circulation and parking, are in conformance with the Zoning Code, with the exception of the building height for which an exception is requested. The placement of the building, driveways, and parking areas provide for a harmonious and orderly development that maintains the required setback from the Alvarado Street and Aladdin Avenue frontages. The area to the south of the building would be used for accessing the building by trucks and includes 21 dock loading doors. The site planning and the architecture place the loading dock doors and activity on the south side of the building, to provide the architectural attention and aesthetic features to the east and north elevations facing Alvarado Street and Aladdin Avenue.

2. **The building(s) has(have) 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 east and north elevations that face Alvarado Street and Aladdin Avenue will be appointed with various features that lessen its expansive appearance such as recessed areas. The use of the color and materials scheme, window glazing, eyebrows above windows, canopies, metal panels, and recesses of the building mitigates the appearance of the elevations. The design is modern and it blends in and also complements the existing immediate industrial area. All roof mounted equipment has been conditioned to be screened.

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.**

The developer is proposing to have a total of 33,019 square feet of landscaping at the subject property. The new landscaped areas amounts to 11 percent of the 6.9 acre site area that will be developed and exceeds the 5 percent landscape minimum required. The conceptual landscape plan includes adding trees, shrubs, perennials, and ornamental grasses to the site. The project will retain the existing mature street trees, which will add to and improve the visual quality of the property. Further, landscaped setbacks from the perimeter property line will be provided including the street frontages and at the interior property lines. The frontage landscaped setbacks will enhance the Alvarado Street and Aladdin Avenue frontages. Also, the perimeter landscaped areas will provide attractive buffering from adjacent properties. Prior to issuance of building permits, a final landscape and irrigation plan is to be submitted for review. The plan shall provide adequate landscaping that will be sufficient to continue to provide a contextually appropriate level of landscaping with a variety of plant material at the subject property.

- 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 proposed 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 for review their location, height, decorative features, and construction details. No site lighting will be permitted to spill offsite or shine above the horizontal plane. Also, the design and materials used for the trash enclosures will be required to be blend in and be compatible with the proposed new building.