

<b>Location:</b>	<b>Two blocks bounded by West Grand Avenue, Broadway, Valley and 24<sup>th</sup> Streets.</b>
<b>Proposal:</b>	Redevelopment of the site with a phased mixed-use project including up to 475 for-sale residential units, 40,000 square feet of ground-floor commercial space, and 675 structured parking spaces.
<b>Applicant:</b>	Signature Properties, Inc.
<b>Owner:</b>	Negherbon Lincoln Mercury, Inc.
<b>Planning Permits Required:</b>	Planned Unit Development (Preliminary Development Plan and Final Development Plan), Design Review, Major Conditional Use Permit for inconsistency between zoning classification and General Plan land use designation, Variances for the construction of new live-work units and a reduction in the number of required loading spaces, and a Subdivision Map.
<b>General Plan:</b>	Central Business District/Community Commercial
<b>Zoning:</b>	C-40 Community Thoroughfare Commercial Zone/C-55 Central Core Commercial Zone/C-60 City Service Commercial Zone/S-4 Design Review Combining Zone/S-17 Downtown Residential Open Space Combining Zone
<b>Environmental Determination:</b>	Draft EIR comment period began on August 26 and ends on September 27, 2004.
<b>Historic Status:</b>	Site includes buildings considered historic resources under CEQA.
<b>Service Delivery District:</b>	II – North Oakland/North Hills
<b>City Council District:</b>	3
<b>For further information:</b>	Contact case planner <b>Lynn Warner</b> at <b>510-238-6168</b> or by e-mail at <b>lwarner@oaklandnet.com</b>

**SUMMARY**

The purpose of this report is to provide a summary of the potential environmental impacts of the proposed project, as identified in the Draft Environmental Impact Report (EIR), and to receive feedback from the Planning Commission and the public on the EIR and the project. The mixed-use project is located on a two-block site bounded by West Grand Avenue, Broadway, 24<sup>th</sup> and Valley Streets. The approximately 5-acre site is located at the southern end of Broadway Auto Row and is surrounded by a mix of commercial and residential uses. The almost two-block project site is currently comprised of auto-related sales and services, surface parking, small-scale retail and commercial services, and 16 residential units. Signature Properties is proposing a phased redevelopment of the site with up to 475 for-sale residential units, 40,000 square feet of ground-floor commercial space on West Grand Avenue and Broadway, and 675 structured parking spaces. The parking levels will be partially wrapped with commercial space and residential units. The project sponsor is also proposing to widen portions of Valley Street adjacent to the project, and to provide curb bulb-outs along the Broadway, Valley, and 23<sup>rd</sup> Street project frontages.

A Notice of Preparation of a Draft EIR was issued on March 5, 2004. Several comments were received on the scope of the EIR which guided the preparation of the Draft EIR. The topics included in the DEIR analysis include aesthetics, transportation, air quality, noise, cultural resources, hazardous materials, and shadow. Topics screened out through the Initial Study

checklist and not further studied in the Draft EIR include: agricultural resources, biological resources, geology and soils, some hazardous materials issues, hydrology and water quality, land use and planning, mineral resources, population and housing, public services, recreation, and utilities and service systems. The project would result in significant unavoidable impacts on cultural resources.

Insert location map

## PROJECT SITE AND SURROUNDING AREA

The approximately 5-acre site is bounded by West Grand Avenue, Broadway, Valley and 24<sup>th</sup> Streets. The almost two-block project site is comprised of auto-related sales and services, surface parking, small-scale retail and commercial services, and 16 residential units. The site includes all lots on both blocks, with the exception of one lot housing a Saturn dealer at the southwest corner of Broadway and 24<sup>th</sup> Street. In addition, a parcel at Broadway and 23<sup>rd</sup> Street, occupied by the Lucky Goldfish store, is not currently under the control of the project sponsor, but may be acquired and included as part of the project. The project site is located at the southern end of Broadway Auto Row and is surrounded by a mix of commercial and residential uses. Buildings in the surrounding area range in height from one to ten stories. There are seven CEQA historic resources located on the project site. The project site is also adjacent to, but not within, the 25<sup>th</sup> Street Garage District (see Environmental Review section below).

## PROJECT DESCRIPTION

Signature Properties is currently proposing a phased redevelopment of the site with up to 475 for-sale residential units, 40,000 square feet of ground-floor commercial space on West Grand Avenue and Broadway, and 675 structured parking spaces (545 residential and 130 commercial). The project site consists of almost two entire blocks, which are designated Parcel A and Parcel B. Parcel A is the block bounded by West Grand Avenue, Broadway, Valley and 23<sup>rd</sup> Streets, and would be developed in Phase I of the project. Parcel B is the block bounded by West Grand Avenue, Broadway, Valley, 23<sup>rd</sup> and 24<sup>th</sup> Streets, and would be developed in Phase II of the project. Up to 13 existing buildings on the entire site (if the Lucky Goldfish parcel is acquired) would be demolished, but the facades of the two buildings at the corners of 23<sup>rd</sup>/Valley Streets would be retained and incorporated into the project development. Five historic resources would be demolished and two would have the facades preserved; none of the historic resources would be preserved in their entirety.

The buildings are between six and seven stories tall, with a maximum height of about 94 feet to the top of the mechanical penthouses. This height would provide a transition between the high-rise office buildings and the smaller scale commercial and residential structures in the surrounding area. The residential levels will be constructed on a podium over the retail and parking levels. The parking levels will be partially lined by commercial space and residential units. The proposed units range in size from approximately 754 to 2,118 square feet and are a combination of one-, two-, and three-bedroom units. Most of the ground-floor units on Parcel B have street entrances. Vehicle access and loading berths will be provided on 23<sup>rd</sup> and 24<sup>th</sup> Streets. Open space will be provided via a combination of private balconies and common interior courtyards at the podium level. The project sponsor is also proposing to widen portions of Valley Street adjacent to the project, and to provide curb bulb-outs along the Broadway, Valley, and 23<sup>rd</sup> Street project frontages.

## GENERAL PLAN ANALYSIS

There are two General Plan designations for the project site: Central Business District and Community Commercial. The Central Business District designation, which applies to Parcel A, allows a maximum floor area ratio (FAR) of 20.0 (which includes both residential and nonresidential floor area). The Community Commercial designation, which applies to Parcel B, allows a maximum FAR of 5.0, and a maximum residential density of 166.67 units per net acre. The proposed project is within the allowable FAR and residential density for each parcel, and the uses are consistent with the General Plan designations.

## **ZONING ANALYSIS**

There are several zoning designations for the site including: C-40 Community Thoroughfare Commercial/C-55 Central Core Commercial/C-60 City Service Commercial/S-4 Design Review/S-17 Downtown Residential Open Space. All of these zoning districts permit the proposed uses except for the C-60 zone, which does not allow residential or retail uses. However, because the uses are consistent with the Community Commercial General Plan land use designation they are allowed with an interim Conditional Use Permit. The Guidelines for Determining Project Conformity with the General Plan and Zoning Regulations include the C-40 zone as a possible best-fit zone for the Community Commercial land use designation. Staff proposes to apply the C-40 zone as the best-fit zone for the portion of Parcel B currently zoned C-60 because the rest of Parcel B is currently zoned C-40. The FAR is within the maximum FAR allowed of 7.7 for Parcel A, and 3.3 for Parcel B. The density is within the maximum allowable residential density of 1 unit per 450 square feet of lot area for Parcel B.

The proposed project will require the following planning approvals: a Planned Unit Development (PUD) (including both a Preliminary Development Plan (PDP) and a Final Development Plan (FDP)), a Major Conditional Use Permit (for inconsistency between the zoning classification and the General Plan designation), Design Review, Variances for the construction of new live-work units and a reduction in the number of required loading spaces, and a Subdivision Map. All applicable criteria for these entitlements will be analyzed and appropriate findings will be made in conjunction with review by the full Planning Commission, at a future meeting.

## **ENVIRONMENTAL REVIEW**

The project has undergone review to assess its potential environmental impacts. Based on the results on an Initial Study, a staff determination was made to prepare an Environmental Impact Report (EIR). A Notice of Preparation was issued on March 5, 2004 and several comments were received on the scope of the EIR. The Draft EIR analysis focused on potential impacts of the project on aesthetics, transportation, air quality, noise, cultural resources, hazardous materials, and shadow. Topics excluded from further review as part of the Initial Study checklist include: agricultural resources, biological resources, geology and soils, some hazardous materials issues, hydrology and water quality, land use and planning, mineral resources, population and housing, public services, recreation, and utilities and service systems. See Table II-1 from the Draft EIR for a summary of the environmental impacts and mitigation measures. The Draft EIR comment period began on August 26 and ends on September 27, 2004. The Draft EIR was provided under

separate cover for review and consideration by the Planning Commission, and is available to the public at the Planning Department office. This hearing is to elicit comments on the Draft EIR and the project. The Landmarks Preservation Advisory Board held a hearing on September 13, 2004 to focus on the cultural resource impacts of the project.

### **Significant and Unavoidable Impacts**

The Draft EIR analysis identified significant and unavoidable impacts on cultural resources. The project would result in either demolition or substantial alteration of up to 13 existing buildings on the site. Of these buildings, seven would qualify as historic resources. These buildings include: 1) 2335 Broadway, 2) 2343 Broadway, 3) 2345 Broadway, 4) 2366-2398 Valley Street, 5) 439 23<sup>rd</sup> Street, 6) 440-448 23<sup>rd</sup> Street, and 7) 441-449 23<sup>rd</sup> Street. The location of these buildings is shown in the attached figure (see Attachment B) from the Draft EIR. The historic significance ratings for these buildings are shown in the attached table (see Attachment C) from the Draft EIR. Although retaining the facades at 440-448 and 441-449 23<sup>rd</sup> Street would somewhat reduce the loss of these historic resources, the buildings would be substantially altered. Constructing several stories of residential units above the retained facades would result in a substantial adverse effect on each building's character-defining elements and would render them no longer eligible for listing in the California Register. The proposed mitigation measures (E.3a through E.3f) would require the project sponsor to prepare a Historic American Building Survey for each of the seven affected buildings, prepare a history of the role played by the buildings in the history of automobile sales and repair in Oakland, incorporate historic interpretive elements into the project, salvage architectural elements from the buildings, curate materials and reports at the Oakland History Room, and make any or all of the buildings available for those who may wish to relocate them. Although these mitigation measures would reduce the impacts of the project on historic resources, they would not be mitigated to less-than-significant levels. The demolition or alteration of these historic resources would also result in cumulative project impacts in conjunction with other proposed and approved projects in the general vicinity such as the Uptown Mixed-Use project, the Thomas L. Berkley Square project, and the Bay Place project. The proposed project, in combination with these other projects, would eliminate a total of 15 historic resources in north downtown Oakland.

### **Significant Impacts that Can Be Mitigated to Less-Than-Significant-Levels**

The Draft EIR analysis also identified significant impacts that could be mitigated to less-than-significant levels on transportation, air quality, noise, cultural resources, and hazardous materials. These impacts and proposed mitigation measures are briefly summarized below:

**Transportation:** Increased traffic generated by the project would affect levels of service at local intersections under future 2010 and cumulative 2025 conditions. The project sponsor will be required to contribute its fair share to optimize the signal timing at the West Grand Avenue/Telegraph Avenue intersection. In addition, the project sponsor will be required to contribute its fair share to altering the signalization at the Broadway/West Grand Avenue intersection, and for installation of traffic signals at the 24<sup>th</sup> Street/Telegraph Avenue intersection. Finally, the project sponsor shall prepare a construction management plan for

review and approval by the City Traffic Engineering Division to reduce the impacts of construction-period traffic and parking.

**Air Quality:** Construction activities would generate short-term emissions of criteria pollutants. The project sponsor shall be required to implement standard dust control procedures.

**Noise:** Construction activities would generate short-term noise. The project sponsor shall require its construction contractor to limit the time of construction activities as required by the City, to implement noise control techniques, to prepare site-specific noise attenuation measures, and to submit measures to respond to and track complaints about construction noise.

**Cultural Resources:** Archaeological artifacts, human remains, or fossils may be encountered during project construction activities. The project sponsor is required to conduct an archival cultural resource evaluation prior to construction activity in order to determine whether there are areas of the project site that are likely to contain archaeological resources. In addition, work shall be halted by the project sponsor immediately if human remains or fossils are encountered and appropriate professionals shall be contacted to evaluate any find.

**Hazardous Materials:** Contaminated soil, groundwater, and/or building materials may be encountered during construction activities and require disposal. In order to avoid impacts due to exposure to these materials, the project sponsor shall prepare a pre-demolition survey for asbestos-containing materials, prepare an asbestos abatement plan, submit documentation showing removal of any asbestos, implement a lead-based paint abatement plan, submit documentation that any lead has been removed from the site, remove any PCB-containing materials, remove the underground storage tank from the site, develop a worker health and safety plan, provide documentation that all applicable regulatory agency clearances have been granted, analyze the soil to be disposed of, stockpile soil safely, and prepare a soil management plan if necessary. In addition, the project sponsor shall be required to implement best management practices to avoid the release of any hazardous materials used during construction activities.

### **Project Alternatives**

As required by the California Environmental Quality Act, several alternatives that would avoid or substantially lessen the significant unavoidable impacts of the project were analyzed in the Draft EIR. These included a No Project Alternative, a Full Preservation Alternative, and a Partial Preservation Alternative. Under the No Project Alternative, the project would not be undertaken and none of the impacts of the project would occur. This alternative would neither meet the project sponsor's objectives, nor the City's objectives to provide new infill housing in the downtown area in close proximity to transit opportunities. Under the Full Preservation Alternative, all seven buildings on the site that are identified as historic resources would be retained and reused for commercial space as part of the project. No new construction would occur above the retained structures in order to avoid altering their historic significance. This alternative would not result in any significant unavoidable impacts, but would result in 25 percent fewer residential units than the proposed project. The Partial Preservation Alternative would retain and reuse the three historic buildings at the intersection of 23<sup>rd</sup>/Valley Streets: 441-449 23<sup>rd</sup> Street, 439 23<sup>rd</sup> Street, and 440-448 23<sup>rd</sup> Street. As with the Full Preservation

Alternative, no new construction would occur above the retained structures. This alternative would minimize, but would not fully avoid, the significant unavoidable impacts of the project on historic resources. The alternative would also reduce the number of residential units by ten percent. The Draft EIR also discusses other project alternatives that were not further analyzed.

## **DESIGN ISSUES**

The project design breaks up the building massing by incorporating different materials, styles, and colors. The architectural styles include a combination of traditional and modern design elements, which is compatible with the mix of styles in the surrounding area. The proposed exterior building materials include stucco, brick veneer, concrete, stone veneer, metal railing, balconies, and grills, metal and glass canopies, and fiberglass and aluminum windows. Proposed colors include a range of earth tones as well as muted red, orange, and blue tones.

The Design Review Committee (DRC) of the Planning Commission reviewed the preliminary project design on December 10, 2003, and a revised design on March 24, 2004. In addition, the project sponsor held a community meeting on December 1, 2003. In response to comments received from the DRC, staff, and the public throughout the review process, the project sponsor has revised the design in order to: retain the facades of the two existing one-story brick buildings at the corners of the 23<sup>rd</sup> Street/Valley Street intersection, alter the transitions between the different portions of the buildings, change some of the proposed architectural styles, add bay windows to the Valley and 23<sup>rd</sup> Street elevations, and revise the design of the tower element at the Broadway/West Grand intersection. Staff has not had sufficient time to review the current plans which were just submitted, but is seeking feedback regarding the direction of the latest design revisions. The current proposal includes 421 residential units with 544 residential parking spaces, and 30,000 square feet of ground-floor commercial space with 126 commercial parking spaces.

## CONCLUSION

Staff recommends that the Planning Commission:

- 1) Hold a public hearing and receive public testimony on the project and the Draft EIR, and
- 2) Provide staff and the project sponsor any direction regarding issues to be addressed in the Final EIR and staff report that will contain the recommended action on the requested planning approvals, and
- 3) Close the public hearing on the Draft EIR, but continue to accept written comments on the Draft EIR until 4:00 p.m. on September 27, 2004.

Respectfully submitted:

---

CLAUDIA CAPPIO  
Development Director

Prepared by:

---

LYNN WARNER  
Planner IV, Major Development Projects

Attachments: A. Project Plans  
B. Buildings to be Demolished Figure from Draft EIR  
C. Historic Significance Ratings Table from Draft EIR