

PLANNING & REDEVELOPMENT DEPARTMENT STAFF REPORT PLANNING COMMISSION MEETING: April 27, 2006

Prepared by: Mike Isom, Project Planner

ITEM V-A:

HP/JMC REZONE PROJECT - GENERAL PLAN AMENDMENT, REZONE, DEVELOPMENT AGREEMENT / AMENDMENT, TENTATIVE SUBDIVISION MAP, DESIGN REVIEW PERMIT, TREE PERMIT - 1451 BLUE OAKS BOULVARD - FILE #'S GPA -000015, RZ-000021, DA-000014, SUB-000032, SUB-000033, DRP-000065, & TP-000052.

REQUEST:

Heritage Preservation, LLC (an affiliate of John Mourier Construction, Inc.) is under contract with the Hewlett-Packard (HP) Corporation to purchase 297 acres of the larger 498-acre HP campus. The applicant has requested the necessary approvals to change the adopted land use and zoning designations of approximately 253 acres of the larger 498-acre HP campus to a mix of residential, commercial, office, and public land uses. An amendment to the HP Master Plan (adopted 1996) is also proposed to remove the land area to be purchased from the boundaries of the master plan. The entitlements requested include a General Plan Amendment (includes the Master Plan Amendment), Rezone, Development Agreement, Development Agreement Amendment, Tentative Subdivision Maps (large lot and small lot), Design Review Permit, Tree Permit, and certification of a Subsequent Environmental Impact Report (SEIR).

The entitlements associated with the request are described and evaluated in detail in Section 1 of this report.

Applicant: Steve Schnable, Heritage Preservation, LLC. **Owner:** Tom Barrington, Hewlett-Packard

EXECUTIVE SUMMARY:

Project Description

- ➤ Project Location: The proposed project is located within the boundaries of the HP Master Plan, which comprise ±498 acres of the North Industrial Planning Area (NIPA) south of Blue Oaks Boulevard, east of Woodcreek Oaks Boulevard, and West of Foothills Boulevard. The project site is situated approximately one mile west of the Highway 65 / Blue Oaks Boulevard interchange (see Attachment 1).
- ➤ <u>Land Use:</u> The project site encompasses approximately 297 acres (gross) with a mixture of proposed land uses including the following:
 - Net Density = 12.8 units / acre
 - 1,920 dwelling units (du) ±149.5 acres*
 - o 2 d.u. Low Density Res. (0.1% of res. units)
 - o 878 d.u. Medium Density Res. (45.9%)
 - 475 d.u. detached alley-loaded
 - 403 d.u. detached "conventional"



- o 1,040 d.u. High Density Res. (54%)
 - 668 d.u. attached flat pad townhouses
 - 218 d.u. attached tuckunder townhouses
 - 154 d.u. apartments
- 10.7 acres Community Commercial
- 48.0 acres Business Professional (potential university campus or job center)
- 12.4 acres Public/Quasi-Public (School, Fire Station, Well Site)
- 14.7 acres Neighborhood Parks
- 45.7 acres Open Space
- * Reflects net acreages (excludes roads) for purposes of density calculations. The total development area is 297 gross acres.
- ➤ <u>Future HP Expansion:</u> The project includes entitlement for Hewlett-Packard to expand existing operations by an additional 777,555 square feet of light industrial / office space on the existing 198 acres of developed campus. The anticipated timeframe for construction is beyond ten years. The total permitted square footage for the HP Master Plan (as amended) would be 2,057,332 square feet (s.f.).
- ➤ <u>University Component / R-21 Building:</u> Approximately 40 acres of the property located at the southwest corner of Blue Oaks Boulevard and Foothills Boulevard, is currently developed with an existing vacant 300,000 +/- square foot Class A office building and parking lot (known as the "R-21 Building"). This property is currently designated with Light Industrial land use and zoning. However, the Project proposes to change the land use and zoning to Business Professional (BP) to allow for higher education-related uses (e.g. university).

As a component of the project, the City will acquire the R-21 Building (and the surrounding 40 acres of land) with the intent of attracting a four-year university or other institution of higher learning (e.g., technical school). The planned capacity of the education facility is approximately 8,000 students. A specific user has not been identified for the campus site; therefore, the future building configuration and physical development pattern of the R-21 site it is not yet known. Should the City be unable to attract a university or education use, other employment-generating uses may be pursued, such as technology-oriented users or a corporate headquarters.

As outlined in the Development Agreement (to be provided in Section 4 on May 25th), the City will acquire the R-21 Building and associated 40 acres at a significant discount below market value. The R-21 transaction represents a significant public benefit to the City by providing the potential for a four-year university or major employment center. In consideration of the fiscal and overall economic value provided to the City by the R-21 transaction, staff is recommending that project-based revenues typically associated with a residential rezone (i.e., public benefit and citywide park development and dedication in-lieu fees) not be made a requirement of the project. The citywide park development fee revenue that would have been generated by this project will come from other funding sources (e.g., General Fund, Strategic Improvement Fund, etc).

- ➤ <u>Business Professional Property Purchase Option:</u> As also outlined in the Development Agreement, the City will have an 18-month option (from close of JMC property transaction) to purchase the nineacre BP site immediately adjacent to the R-21 site. The intent is to potentially develop the 9-acre site in conjunction with the R-21 site to increase the size of a potential university or employment campus.
- ➤ <u>Phasing:</u> The project is planned for construction in two phases, roughly from the north side of the project to the south (see Exhibit N). The first phase is expected to begin construction in late 2006. Phase 2, which consists of primarily single-family detached product, is expected to begin in 2010.

- Zoning and Land Use Allocations: The project includes an amendment to the City's General Plan to increase the dwelling unit allocation by 1,920 units, as well as modifications to the Zoning Ordinance Development Standards. This issue is addressed in more detail under the land use discussion items for the project and EIR (Sections 1 and 2 of this report).
- ➤ Impacts to Native Oak Trees: Two oak trees totaling 111 inches (43" & 68") in Diameter at Breast Height (DBH) are proposed for removal from the residential portion of the project area. These trees are listed in poor health and structure and could be potentially hazardous in the built environment. Given their current size and condition, they are likely at the end of their lifespan.

Construction of the Class 1 bike trail within the open space could potentially require removal of up to 19 additional trees. However, as discussed in the Tree Permit evaluation in Section 1 of this report, the exact number of trees to be removed with the proposed bike trail is unknown at this time. Staff fully expects that a majority of the trees identified for possible removal will be avoided once the final trail alignment is determined. The Tree Permit would conditionally approve these 19 trees to be removed, with final approval obtained from the Planning Department upon review and approval of the final trail alignment. This approach has been used successfully for the bike trails in the Stoneridge Specific Plan area.

A copy of the amended HP Master Plan document has been included as Exhibit B. The HP/JMC Rezone Project Design Guidelines have been included as Exhibit E. The Design Guidelines are adopted with the zoning (through the various Development Standards overlay). A more detailed project description is provided in Chapter 2 of the SEIR (Exhibit A).

Summary of Outstanding Issues

➤ <u>Class 1 bike trail construction / funding:</u> The applicant (HP) disagrees with staff's recommendation that they be required to construct (or provide funding for) a Class 1 bike trail along the southern boundary of the project site. The segment of bike trail is identified in the Bikeway Master Plan and General Plan and is a missing link in a 15-mile (and growing) continuous trail segment. The construction of bike trails is a typical requirement of large development areas (e.g., West Roseville Specific Plan, and other specific plans), such as the one proposed.

The JMC portion of the project (western half) would be required to construct a feeder segment of trail from the residential area to the southern property boundary, while HP would be required to construct the $\pm 3/4$ mile trail segment between Foothills Boulevard and the existing trail stub adjacent to the Bridges project on the western edge of the project site.

Staff believes that the Class 1 bike trail is an important project element that provides alternative transportation choices to and from the proposed compact development project. The trail section would connect to the existing city-wide trail system and would allow pedestrian and bicycle access to existing employment centers, retail destinations, and recreational opportunities. As such, staff believes the trail should be a required component of the project.

Background

In 2003, HP informed the City of their intent to divest excess property. During discussions with HP, the City noted that the potential loss of industrial land use and associated employment generation was of significant concern. In order to support the conversion of light industrial to primarily residential land use, the City indicated that any future project would need to be unique and further the City's commitment to the Regional Blueprint and other "smart growth" principles, as well as provide a significant community benefit.

HP solicited proposals for development of the property from various development interests, including JMC. It was through this competitive bid process that JMC was selected to purchase the property.

In March of 2005, members of the City Council, Planning Commission, and staff, along with the applicant, traveled to Santa Clara, California to tour a mixed-use compact development project known as "Rivermark." The purpose of the Rivermark trip was to see and explore alternatives to the typical suburban development pattern. The Rivermark project successfully demonstrated that more urban, dense, mixed-use residential neighborhoods resulted in better "walkability," character, and use of available land. Rivermark is similar to the HP/JMC project site in that it is also considered "infill," is comparable in size (225 acres), and is located adjacent to a major employer (Sun Microsystems). Rivermark successfully incorporated a range of housing types with an overall density of 20 units per acre. Many of the design concepts utilized within the HP/JMC Rezone Project are modeled after Rivermark, including an emphasis on pedestrian paseos, alley-loaded attached and detached products, as well as an integrated commercial center.

A copy of the video produced by the City's Media division (and aired on COR Channel 14) is included in the Commission's packets (DVD) for background information (Attachment 2). Residents and other interested parties can view the video from the City's Streaming Video Center (titled "Rivermark").

Existing Land Use Entitlements:

- 1996 City approved a comprehensive Master Plan, including an Environmental Impact Report (EIR) and Development Agreement, to fully entitle and guide development for full build-out of the ±498-acre site. The Master Plan and Development Agreement provided vested entitlements for an additional 2,303,000 s.f. of industrial and commercial land uses on the remaining ±298 acres of the property and created a 46-acre open space area for purposes of preservation and creation of on-site vernal pool habitat. Under the approved 1996 Master Plan, the entitlements across the entire ±498-acre property provided for construction of a total of 4,239,000 sq. ft. over an estimated 25-year build-out.
- 2001 Master Plan amended to change the land use designation and zoning of ±28.5 acres (the northwest and northeast corners of the property) from Community Commercial (CC) land use and General Commercial/Special Area zoning to Light Industrial (LI) land use and Light Industrial/Special Area zoning. At the time the Master Plan amendment was approved, the City exercised an option to purchase ±5 acres in the southwest corner of the property to support a ±1 million gallon recycled water tank. The total acreage and entitlement of the property was updated to exclude the City-owned water tank site from the Master Plan. This action reduced the total maximum allowed building square footage to 4,217,000 sq. ft. (based on a 27% Floor to Area Ratio). The existing (and entitled) development is outlined below in Table 1.

Table 1

SUMMARY OF APPROVED HP MASTER PLAN DEVELOPMENT		
Use Type	Square Feet	Acres
Existing HP Campus Light Industrial (Existing Buildings, including R-21)	1,593,000	235.8
Light Industrial (entitled / not constructed)	2,624,000	216
Open Space		45.7
TOTAL	4,217,000	497.5

Environmental Determination

➤ <u>Subsequent Environmental Impact Report:</u> As previously noted, an Environmental Impact Report was certified in conjunction with the HP Master Plan in 1996. The 1996 EIR provided a project-level analysis of the impacts anticipated with full build-out of the Master Plan and identified mitigation measures to reduce (to the extent feasible) those identified impacts. The City has determined that

the proposed changes to the approved land use and zoning designations would result in significant effects that were not evaluated in the 1996 EIR. In accordance with California Environmental Quality Act (CEQA) Guidelines Section 15162, the City has determined a Subsequent Environmental Impact Report (SEIR) to be the appropriate environmental document for the project. The SEIR evaluates the difference between the approved Master Plan and the proposed project and identifies new significant effects or increases in the severity of previously identified significant effects. The Draft SEIR was distributed for public for review and comment on April 11, 2006.

Review Process and Report Organization

Public Hearing Format: Due to the scale of the proposed project, staff has scheduled two Planning Commission meetings to review all entitlements and information associated with the proposal and to take public comment on the project and DSEIR. The purpose of the April 27th workshop is to introduce the Commission to the project, its associated entitlements, the Draft SEIR, and to accept public comment on both the project and the environmental document. The project will return to the Commission's May 25th hearing, at which time staff will present the draft Development Agreements and any changes made to the project in response to Commission direction. The May 25th hearing also coincides with the close of the 45-day comment period on the SEIR. It is requested that a recommendation be made to the City Council regarding the project entitlements at the May 25th hearing. This approach will allow residents and other interested parties two opportunities to provide comment on the project and SEIR prior to formal action being taken by the Planning Commission.

Since the majority of the project's impacts are similar to the existing Master Plan, staff's presentation of the Subsequent Environmental Impact Report will be brief and will primarily focus on impacts that have been determined to be significant. At the conclusion of staff's presentation of a section, the Commission will have the opportunity for discussion on that section. Following the Commission's comments and discussion on each section, staff will present the next section of the Draft SEIR, and so on. Staff's presentation of the SEIR will follow the information attached as Section 2 (SEIR Summary) of this staff report.

- ➤ <u>Staff Report Format:</u> Staff report Sections 1 (Entitlement Summary), 2 (EIR Summary), and 3 (Project Design Discussion Items) have been included with the April 27th report following this Executive Summary. Staff report Section 4 (Development Agreement) will be provided prior to the May 25th Commission hearing.
- Approval Process: While the size and scope of the project is large in comparison to other rezones, it is not a specific plan. Therefore, the approval process for the project has been structured similar to other residential rezones (Planning Commission and City Council). It should be noted, however, that the project has been scheduled for the Parks and Recreation Commission on May 8th. The project departs somewhat from the City's typical neighborhood park design and layout (most parks in the project are 0.5 acres), as well as the typical park fee structure. As a result, the Parks Department felt it appropriate that the Parks and Recreation Commission have an opportunity to review the project and provide a recommendation to the City Council. Staff will report back to the Planning Commission at the May 25th hearing with the Parks Commission's discussion and recommendation.

Recommendations

No formal action on the project is needed for the April 27th workshop. It is requested that the Planning Commission provide staff with comments on the individual sections of the Draft SEIR and provide direction on the project plans. The analysis of the various non-legislative entitlements (SUBD, DRP, TP) should be considered as background information for the Planning Commission in its consideration and

subsequent recommendation to Council on the proposed General Plan Amendment, Rezone, and certification of the SEIR. Action on the other associated entitlements cannot occur until such time as the SEIR has been certified by the City Council. Staff will bring the Tentative Subdivision Maps, Design Review Permit, and Tree Permit back for Commission consideration following certification of the SEIR (anticipated in late July or early August).

Once discussions at the April 27th meeting are complete, the Commission will need to continue its review of the proposed project to the May 25th meeting.

STAFF REPORT SECTIONS:

- 1. Project Entitlements Summary (Included with the April 27th report)
- 2. Draft SEIR Discussion Items (Included with the April 27th report)
- 3. Project Design (and Design Guidelines) Discussion Items (Included with the April 27th report)
- 4. Development Agreement Discussion Items (To be included with the May 25th report)

EXHIBITS:

- A. Draft Subsequent Environmental Impact Report (SEIR) (transmitted to Planning Commission on April 11, 2006). Additional copies of the document are available at the Roseville Planning & Redevelopment Department (Permit Center Counter), at the Downtown and Maidu Branch Libraries, and on the City's website.
- B. Draft Hewlett-Packard Master Plan (Amendment)
- C. General Plan Change Pages
- D. Master Site Plan
- E. Design Guidelines
- F. Rezone Exhibit (1 sheet)
- G. General Plan Amendment Exhibit (1 sheet)
- H. Small Lot Tentative Subdivision Map (Grading/Drainage Plans to be provided under separate cover)
- I. Large Lot Tentative Subdivision Map (1 sheet)
- J. Intersection Striping Detail Exhibit (1 sheet)
- K. Recycled Water Master Plan Exhibit (one 11"x17" reduced sheet)
- L. Potable Water Master Plan (one 11" x 17" reduced sheet)
- M. Sewer Master Plan (one 11" x 17" reduced sheet)
- N. Phasing Plan (one 11" x 17" reduced sheet)
- O. Well Site Exhibit (one 11"x17" reduced sheet)
- P. On-Street Parking Exhibit (one 11"x17" reduced sheet)
- Q. Typical Landscape Details by Block (one 11"x17" reduced sheet)
- R. Block Details, Elevation & Floor Plans (11"x17" book)
- S. Fehr & Peers Exhibits (ADT)
- T. Conceptual Park Plans
- U. Fiscal Study

ATTACHMENTS:

- 1. Vicinity Map
- 2. Rivermark DVD (provided in Commission packets available for download at www.roseville.ca.us Streaming Video Center)