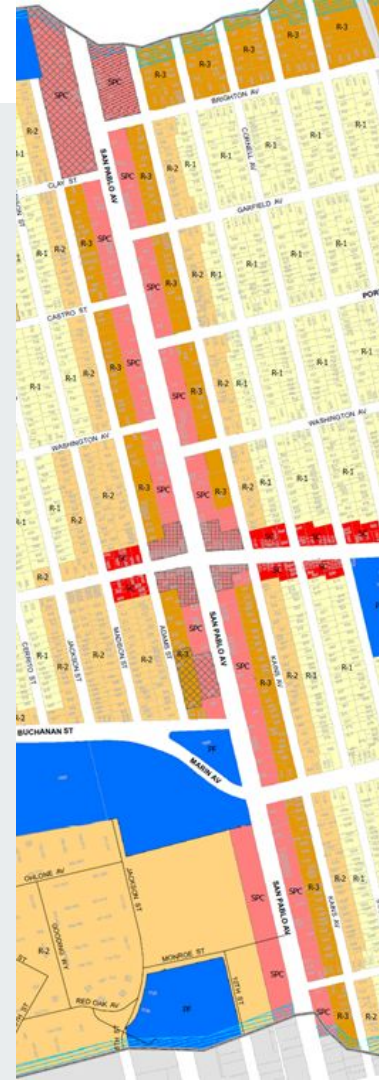


San Pablo Avenue Specific Plan: *Land Use, Nodes, and Project Boundaries*

September 23, 2020
City of Albany
Planning & Zoning Commission

Lexington Planning and Urban Field Studio





Project Recap

Meeting 1: May 27, 2020

- Key issues affecting land use, urban design, and economics

Meeting 2: July 22, 2020

- Density, height, transitions, and parking

Meeting 3: September 23, 2020

- Land use, nodes, project boundaries, economic equity and racial diversity





SB2 Grant

- Building Homes and Jobs Act (SB2), established a \$75 recording fee on real estate documents to increase the supply of affordable homes in California.
- This funding source is available through the State Department of Housing & Community Development (**HCD**) and provides local governments with reimbursement grants and technical assistance to prepare plans that achieve the following objectives:
 1. Streamline housing approvals;
 2. Facilitate housing affordability (particularly for lower- and moderate-income households); and
 3. Accelerate housing production.

Agenda

- 1) Project Recap
- 2) Social Equity & Inclusion
- 3) Key Topics:
 - a) Project Boundaries
 - b) Nodes and Overlay Districts
 - c) Land Use
- 4) Policy Options
- 5) Questions/Discussion

<https://www.sanpablospecificplan.org/>





The Big Land Use Question:

How do we strike the balance between supporting residential vs. commercial development through zoning?

San Pablo Avenue Specific Plan Recap



July 22nd Study Session (Commissioner Comments)

1. Support for increasing height limit
2. Most Commissioners supported using height as the metric for massing, as opposed to residential density or FAR
3. Support simple standard for height transitions
4. Support for reducing vehicle parking requirements and increasing bike parking and other alternative modes
5. Some Commissioners concerned about redevelopment taking place too quickly
6. Uncertain about potential changes to the R-3 district; need more information
7. Need more information about local density bonus ordinance idea and how City benefits from upzoning
8. Several Commissioners concerned about gaps in vibrancy, if residential is permitted on the ground floor

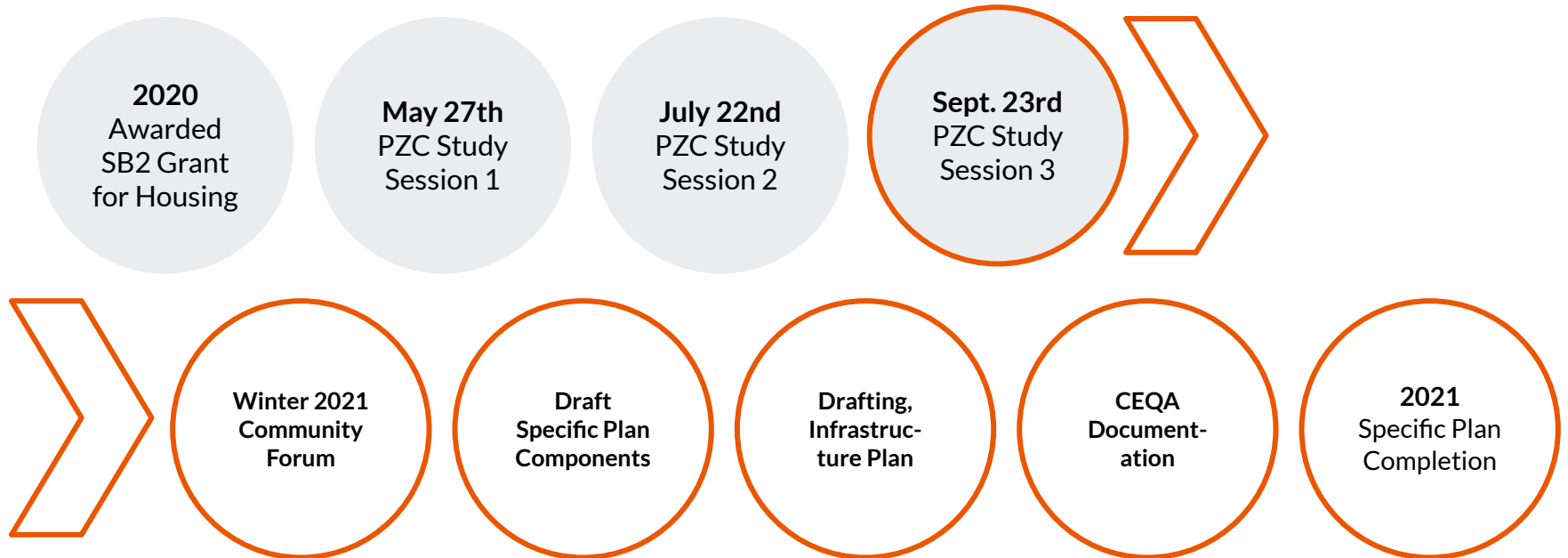


July 22nd Study Session (Public Comments)

1. Substantial support for alternative transportation modes, including:
 - increasing amount and types of bike parking and improving bike parking access
 - reducing vehicle parking requirements, and
 - encouraging transit use and other transportation demand management measures
2. Some support for exploring local density bonus idea
3. At least one commenter was concerned about shadow impacts and effects of State Density Bonus law on increasing height limits
4. At least one commenter supported design of the ground-floor to support pedestrians and walk-in customers



Plan Timeline



Social Equity and Inclusion

Social Equity and Inclusion



Specific Plan relate to issues of housing affordability, public health, racial justice, and economic justice to enable a good quality of life for people of all racial and economic backgrounds and promote equity community-wide.

The Problem: The median home price in Albany is over \$1 million which is unattainable for workforce and middle income households. Multifamily housing, a more attainable housing choice, is allowed, but is not currently feasible to build, on San Pablo Avenue.

The Solution: Revise development standards to make multifamily development feasible. Build capacity and opportunity for people to live where they are close to public transit and conveniences.

69%

of Albany is Single-Family Residential Zoning, as a percentage of all residential zoning

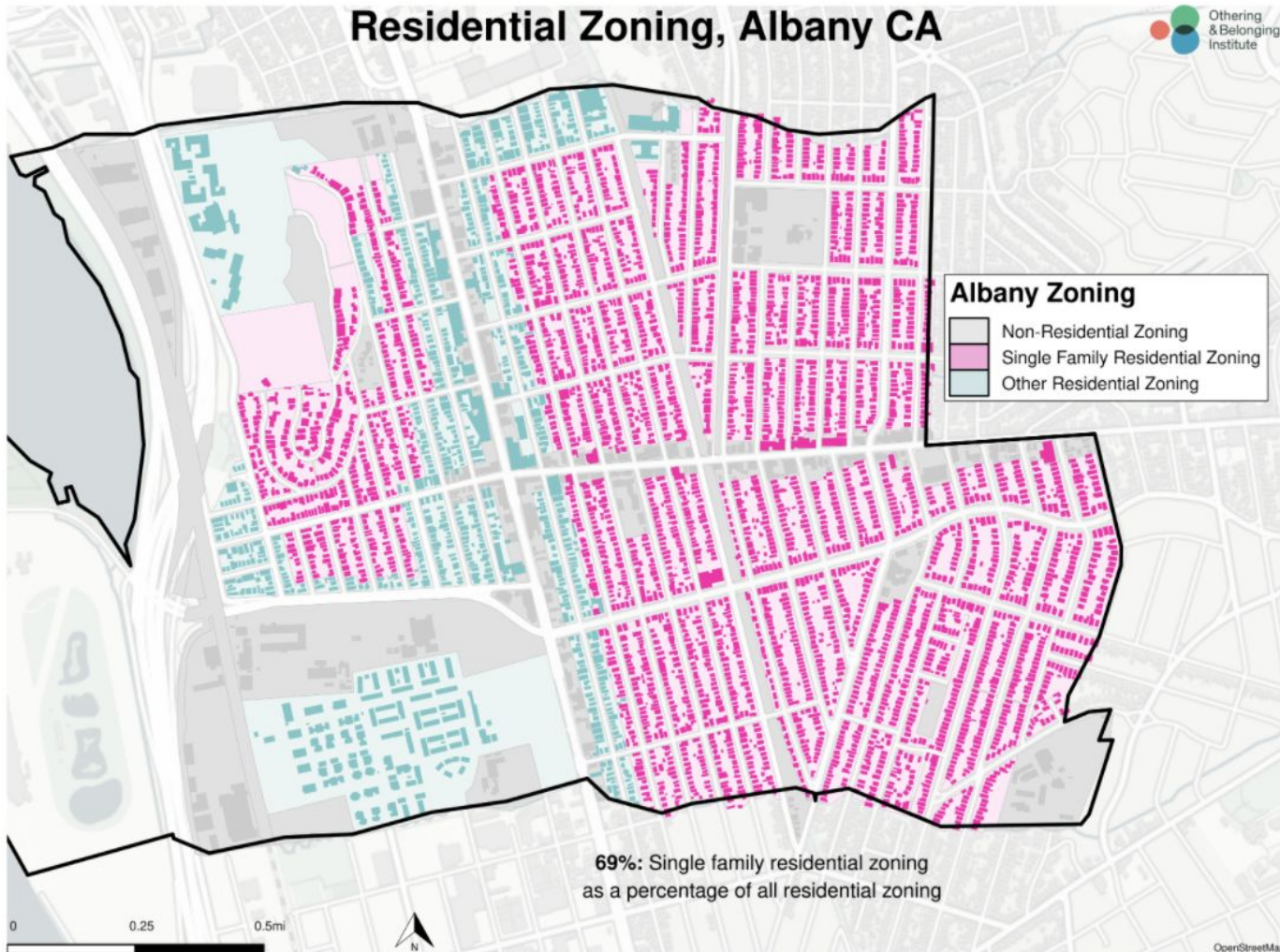
Primarily in the eastern portion of the city (fewer traffic, air quality, noise impacts)

But, single family only represents

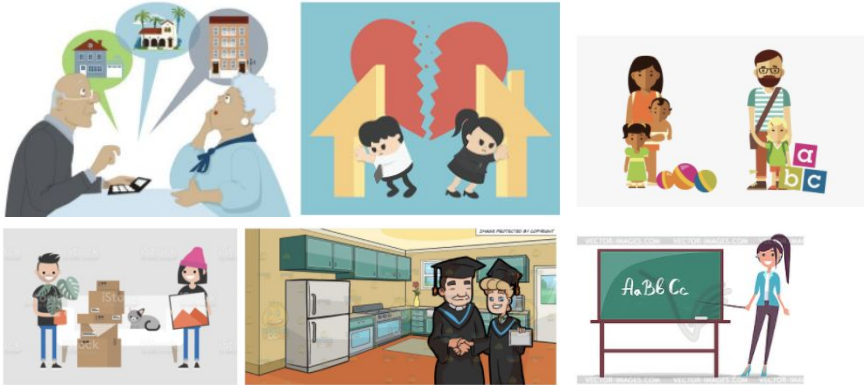
54%

of the housing stock

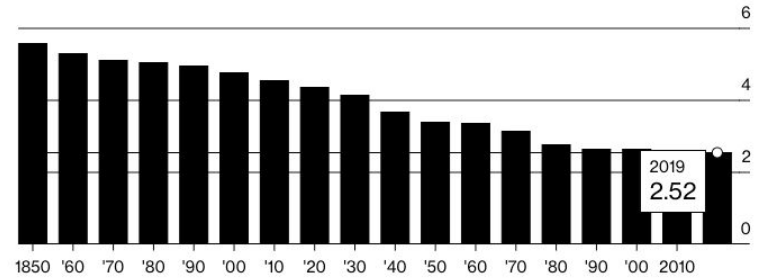
Residential Zoning, Albany CA



Who is included? Demographic trends for housing



Average Number of People Per U.S. Household



Data: U.S. Census Bureau, Historical Statistics of the United States



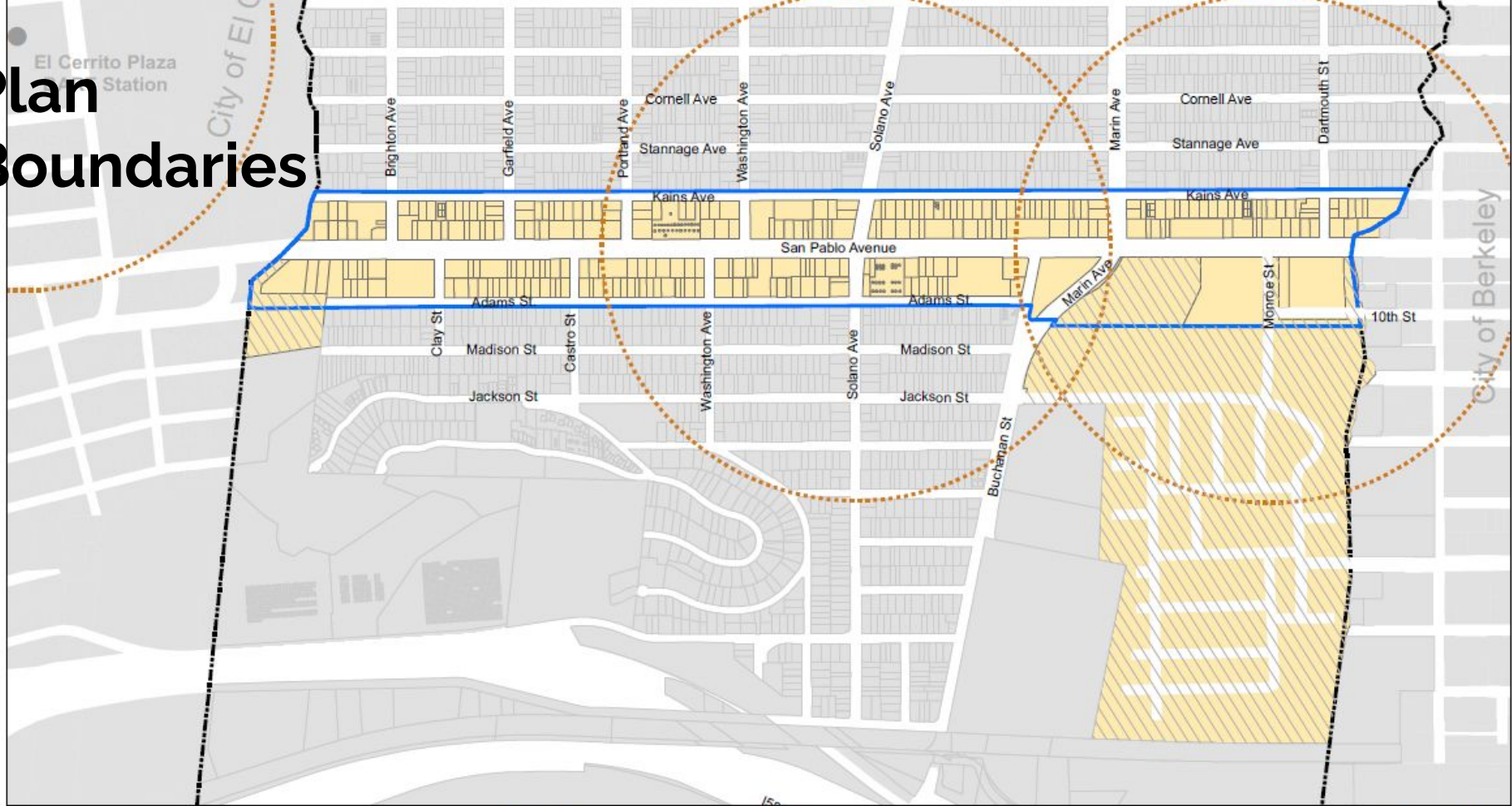
Ways to Promote Affordability and Inclusivity

1. Require a portion of new units to be affordable at below-market rates (bonus beyond 15%)
2. Acquire or use City-owned properties to develop affordable housing
3. Allow and encourage a range of housing types
4. Encourage ownership vs. rental housing, as desired
5. Reach out to different stakeholders

<https://www.sanpablospecificplan.org/>

Plan Area Boundaries

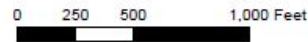
Plan Boundaries



San Pablo Avenue Specific Plan
City of Albany, California

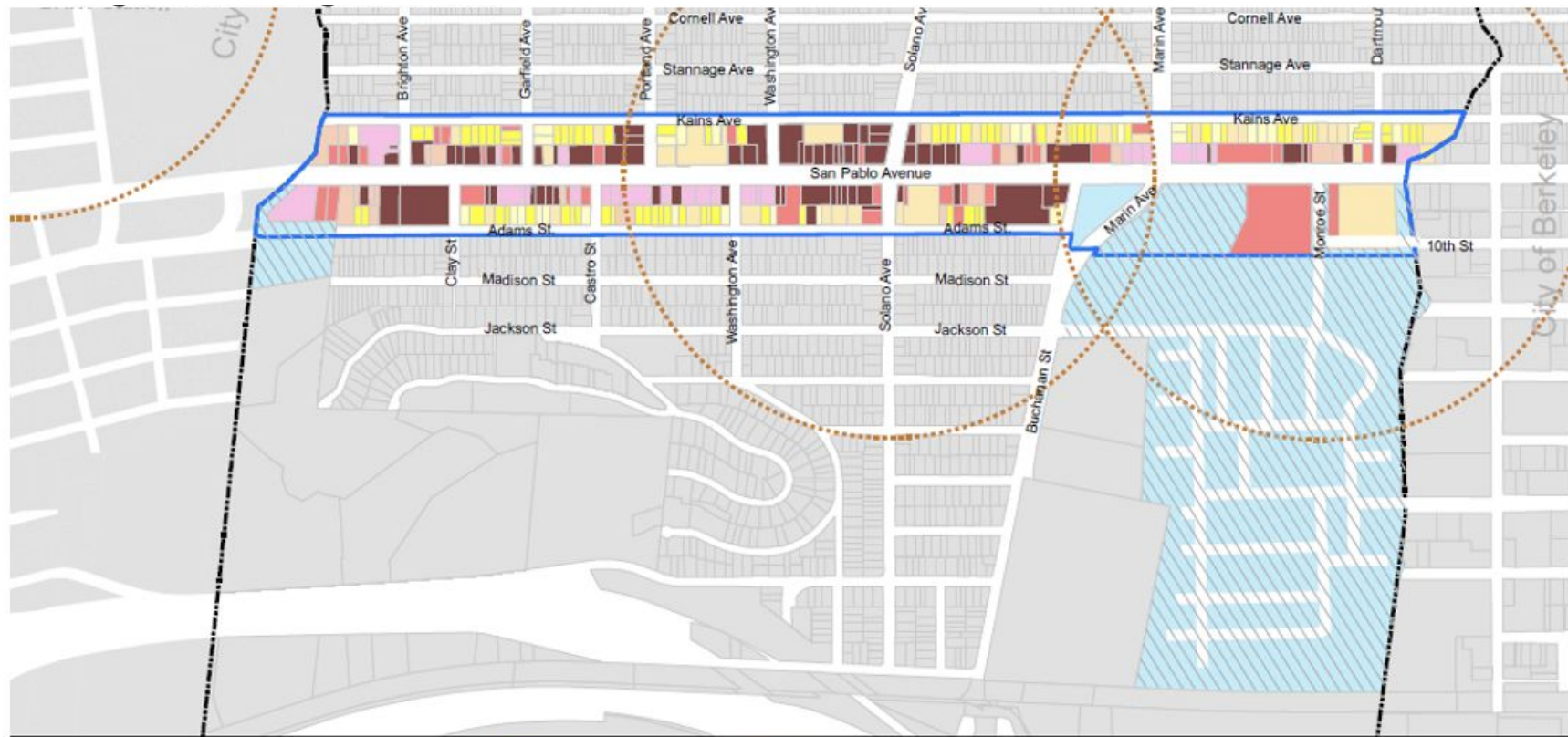


Base Map





Land Use



San Pablo Avenue Specific Plan
City of Albany, California

- | | |
|---|--|
| SFR | Other Commercial |
| 2-4 Units | Public |
| 5+ Units | Retail/Restaurant |
| Auto Use | Vacant/Surface Parking |

Existing Land Use Categories

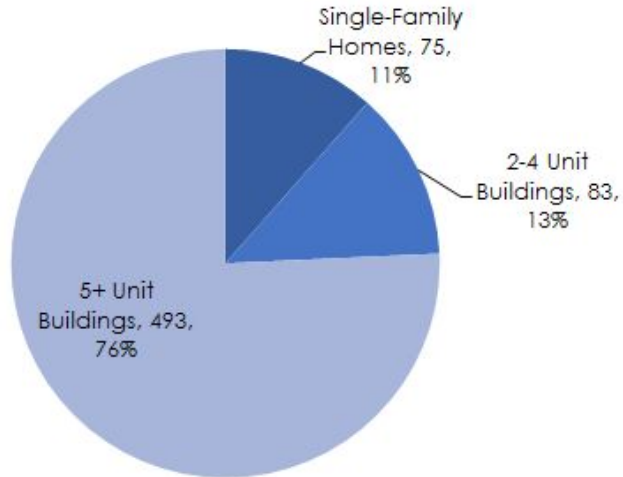
0 250 500 1,000 Feet



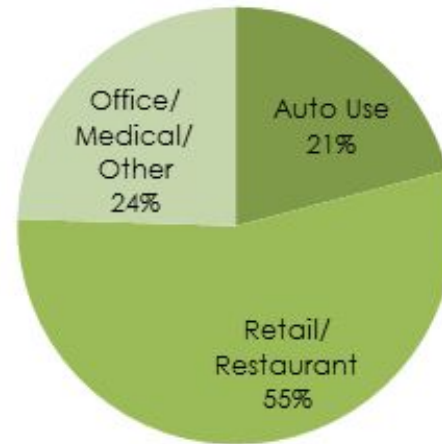
Source: Alameda County Assessor, City of Albany, August 2020.

Existing Land Uses in the Planning Area

Housing Units, by Type



Commercial Uses, by Type



Existing Commercial Pattern

- Commercial (SPC) zoning district use regulations **require ground-floor commercial development** for all new projects throughout the district. Upper stories may be residential or commercial.
- Retail is spread out on San Pablo Avenue with little sense of hierarchy, order, or clustering
- San Pablo Ave. may have the “right” amount of commercial development for the types of buildings and uses currently located there





New Housing Element Requirements

State Department of Housing & Community Development (HCD) may not accept sites that allow commercial zoning to count as Housing Element sites

Reason: A site could build out as commercial-only based on the flexibility of the zoning requirements

The City may be required to demonstrate that at least some of its sites inventory, beyond R-3 zoned sites, could only be developed as residential uses



City of Albany

2015-2023
Housing Element

ADOPTED FEB 2, 2015



CHRISTINE FIRSTENBERG

Retail Real Estate Resources | Principal | Metrovation Brokerage

00973135



+1 925 381-8666



christine@cfirstenberg.com



PROFILE

Christine Firstenberg is a senior level real estate specialist focusing on retail lease negotiations, retail and mix-use development/ redevelopment, urban retail revitalization, tenant representation, and property representation.

Pre-COVID19 Commercial Market Summary

- Low vacancy rates @ 3.3% for office and retail
- Rents @ \$2.80/sq. ft. for retail; \$2.83/sq. ft. for office; similar to the East Bay (Co-Star, Dec. 2019, Albany/Kensington subarea)
- Lower rents on San Pablo Ave. (\$1.85-\$2.75/sq. ft.) compared to Solano Ave. (\$2.53-\$3.45/sq. ft.)

Sources: Co-Star, Dec. 2019, Albany/Kensington subarea; Loopnet and MRE Commercial



Typical Commercial Tenant Types by Size is Shrinking



Small: 0-3,000 sf

- cafes, retail, small restaurant



Medium: 8,000-15,000 sf

- Pet Food Express, Trader Joes



Large: 15,000-30,000 sf

- Grocery Store, Office Max, Ross



Extra Large: 50,000-150,000

- Target, Costco, Home Depot

Classes of Retail Spaces

A - newest, best, highest quality, best location

B - the next notch down, a little older, good tenants, well maintained

C - less desirable location, tired, a bit out of date, lowest rent

Low rents are an opportunity for new businesses

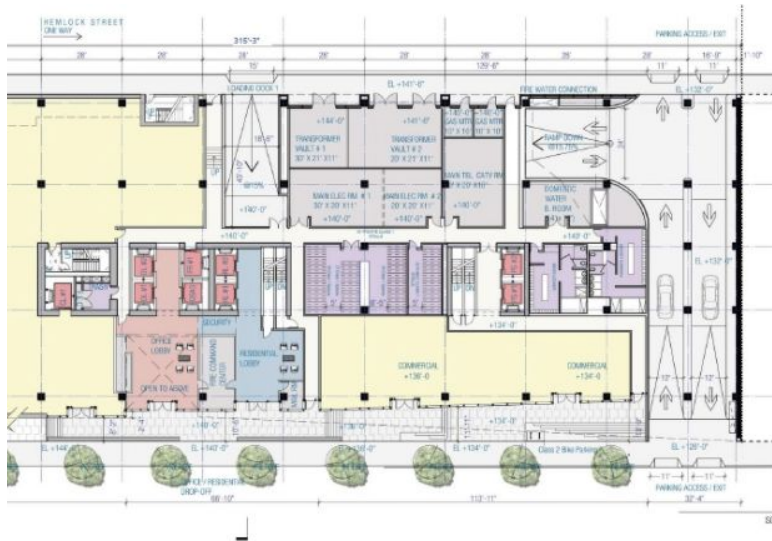




Mixed Use: Physically and Economically Challenging

- Many residential developers prefer not to develop mixed use buildings for physical and economic reasons.
- Different occupancy types require different exiting, parking, loading, refuse, and other space requirements, making circulation and access challenging, especially on small sites.
- From the economic perspective, retail rents are low on San Pablo Avenue and would not cover the cost of new construction at this time.
- Commercial doesn't get included unless required. It's a loss leader for multi-use.

The Ground Floor is a Very Competitive Place



Many different building uses compete for the ground floor:

- Building entry/lobby to the residential above
- Commercial areas
- Open space (and setback requirements)
- Parking entrance
- Commercial parking spaces
- Residential services and loading
- Commercial services and loading

Retailers Prefer Corner Locations

Retail tenants tend to want to be on a corner, where they can maximize exposure and vehicle access.

This may be at odds with potential housing opportunity sites which are also on corners, where sites are sometimes larger and therefore more feasible for housing development.



Retail Spaces Shrink with Mixed-Use

The redevelopment of underutilized one-story commercial spaces will result in smaller retail spaces.

If existing 10,000-square foot retail space is demolished for mixed-use redevelopment, the retail space that gets rebuilt will be small individual spaces of 1,000-2,000 sf

Neighborhood anchors are typically need 10-40k depending on the use



Increasing Allowed Densities May Increase Land Values and Price out Commercial

- Increasing building heights and allowing higher density residential uses may increase land values
- This may motivate a property owner to sell an existing retail site to a multifamily residential developer, thus, depleting the existing retail inventory
- Ground floor retail is sometimes considered a “loss leader,” subsidized by the value of housing in mixed-use development
- Conversely, maintaining retail-only uses on certain parcels can help maintain retail viability by keeping land values in check



If you build it, will they come?





Nodes and Overlay Districts

What is a node?



- It is unique (taller, brighter, special)
- It is the focus of the district for activity and gathering
- There are more regional shopping offerings
- There may be a landmark there that establishes a sense of place
- There is a special reason to be there

Kevin Lynch Definition of a Node as part of the Image of the City:

- Large areas you can enter, serve as the foci of the city, neighborhood, district, etc.
- Offers the person in them multiple perspectives of the other core elements (i.e., landmarks, paths, buildings, public spaces)
- "...the most successful node seemed both to be unique in some way and at the same time to intensify some surrounding characteristic"

Defined by Anchors

Customers tend to wander about 2 blocks to and from a typical anchor, which can be a grocery store, theater, popular shop, intersection, or parking resource. Typically stores cluster near the anchor to form a commercial node.



General Plan Land Use Designation: “Major Activity Node”

“This is an ‘overlay’ designation that is used to identify areas within the San Pablo and Solano Avenue business districts that are **appropriate for uses that generate higher volumes of pedestrian activity**. Zoning regulations for activity nodes may permit **additional building height, or may require or incentivize ground floor uses which create active street life and foot traffic**. The nodes areas are also priority areas for **future capital investment in transit, streetscape improvements, public art, and other public realm improvements**. They are particularly important to defining Albany’s “sense of place.”



Zoning and Overlay Nodes

Zoning Designations

Residential

- RHD: Residential Hillside Development
- R-1: Residential Single Family
- R-2: Residential Medium Density
- R-3: Residential High Density
- R-4: Residential Towers

Commercial

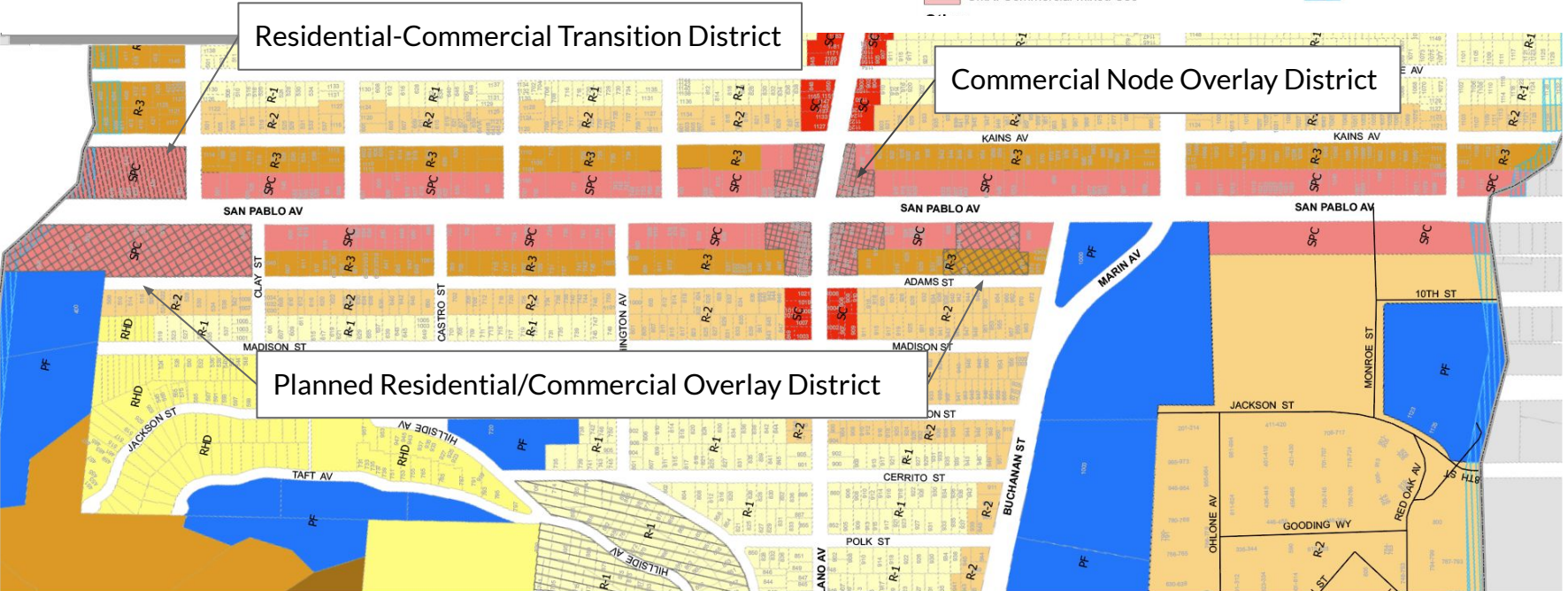
- SC: Solano Commercial
- SPC: San Pablo Commercial
- CMX: Commercial Mixed Use

Other

- PF: Public Facilities
- WF: Waterfront
- Unclassified

Overlay Districts

- Commercial Node Overlay District
- Hillside Overlay District
- Planned Residential/Commercial Overlay District
- Professional Overlay District
- Residential-Commercial Transition District
- Watercourse Overlay District



Policy Options

Potential Use Requirements

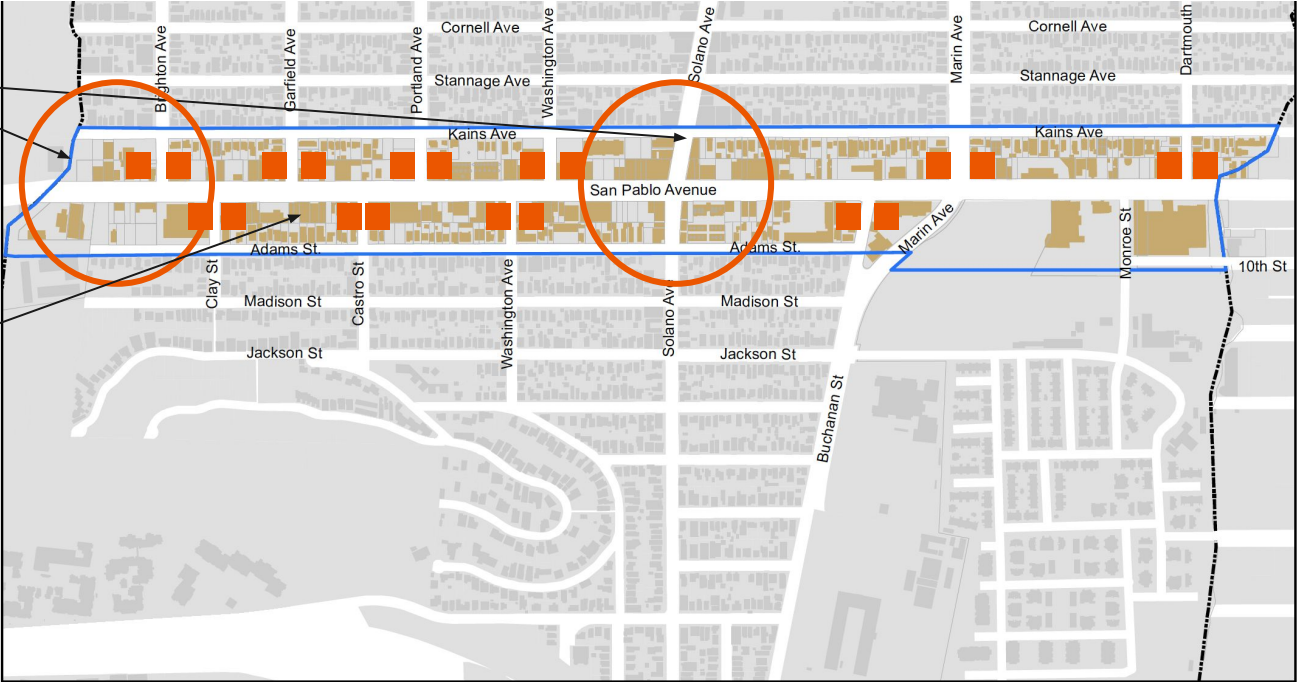
1. Allow ground-floor commercial development on San Pablo Ave. along the entire corridor
2. Require ground-floor commercial uses in specific locations:
 - a. At existing (or modified) nodes and commercial overlay zones
 - b. On all corner parcels fronting San Pablo Avenue
3. Create residential-only zoning or prohibit upper story commercial development in specific locations:
 - a. Mid-block
 - b. Between nodes
4. Create commercial-only zoning to preserve land values and large footprint retail development in certain locations



Potential Use Requirements on San Pablo

Regional Commercial Nodes attract people from other neighborhoods and cities

Areas in between nodes are allowed to be residential-only with the exception of the corners



San Pablo Avenue Specific Plan
City of Albany, California

SPA Plan Boundary
City Limits

Building Footprints

0 250 500 1,000 Feet

Options & Recommendations

5. Require replacement of existing large-scale retail “in kind” to preserve commercial uses and footprints
6. Create a incentive for ground-floor commercial uses: for example, allow more housing (or building height) when additional commercial floor area is provided
7. Revise the existing design guidelines to enable active ground floors, regardless of use, and create objective zoning standards



Revise Existing Design Guidelines into Objective Standards

- Screening on parking required, vertical planting walls, decorative architectural element
- Garage can come up to the front if it is not more than 50%
- No units on ground floor at grade facing San Pablo Avenue. Stoop must be 2-feet minimum above grade
- Common residential spaces allowed at ground floor



Garage screened within front setback



Residential stoops mid-block

Questions/Discussion

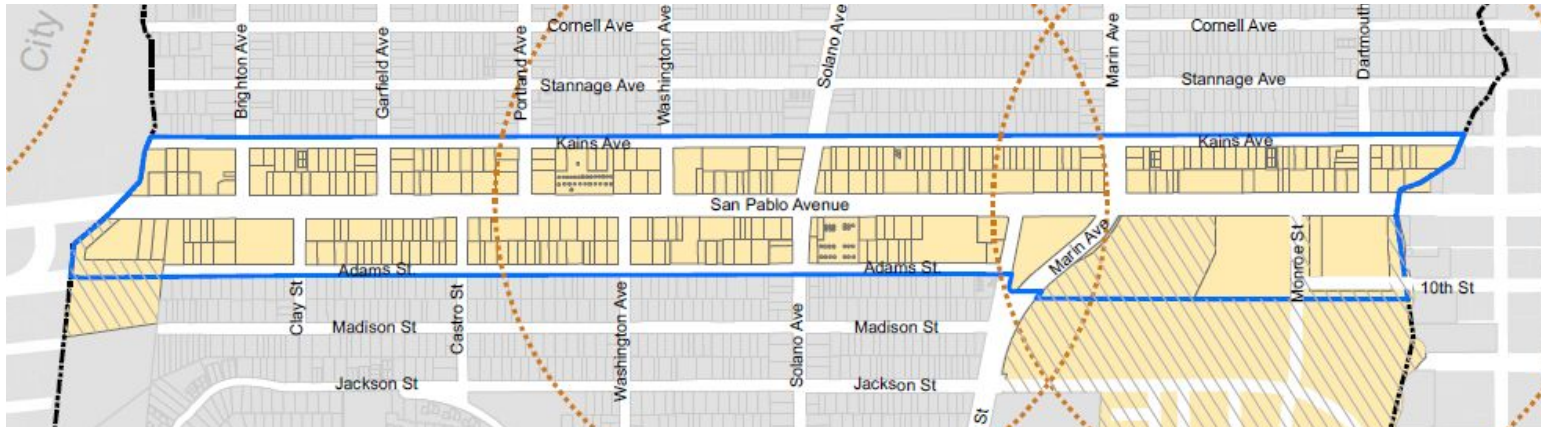


1. Economic and Racial Diversity

1. How should the plan encourage housing type diversity and affordable housing?
2. How can the planning process create sustained awareness and communication between a diverse array of stakeholders?
3. How can the plan support racial equity and economic diversity?

2. Planning Area Boundaries

Does the Commission support the proposed plan boundaries? Any modifications?





3. Land Use

1. How does the plan strike the balance between supporting residential vs. commercial development?
2. Should some parcels be zoned for residential-only uses?
3. Should ground-floor residential uses be permitted facing San Pablo Avenue?
4. Should some parcels be zoned for commercial-only uses?
5. Should new mixed use development replace the same amount of commercial it takes away, and in what configuration?

4. Nodes and Overlays

1. Should we use the nodes and overlay districts defined in the General Plan and Zoning Ordinance as a starting point for aspirational qualities of the nodes?
2. Are the two defined nodes and existing overlays in the right locations?
3. What features do you want to see at the nodes? Public gathering spaces? Additional density or height?

