



CITY COUNCIL STAFF REPORT

ITEM NO. 6.2

DATE: May 12, 2025

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Hearing to consider a resolution requesting an Isabel Neighborhood Specific Plan Amendment 24-003 changing the land use at 3011, 3055, and 3077 Triad Place from Business Park to Residential Transition (15-25 dwelling units per acre) and introduce an ordinance authorizing Development Agreement 24-002 to vest approximately 450± multifamily units in a variety of building types, establish terms and timing of Social Opportunity Endowment and Community Benefit Fund contributions, alternatives to inclusionary affordable housing requirements, and the construction of off-site Class IV bike lane improvements along North Canyons Parkway.

RECOMMENDED ACTION

Planning Commission and staff recommend the City Council:

1. Adopt a resolution finding the project is covered by the previously approved 2024 Isabel Crossings Addendum and that none of the events under the California Environmental Quality Act (CEQA) Guidelines section 15162 have occurred and no subsequent Environmental Impact Report (EIR) is required; finding that none of the requirements under CEQA Guidelines section 15164 have occurred and no addendum to the Isabel Neighborhood Specific Plan (INSP) EIR is required; and directing the Planning Manager to file a Notice of Determination, in accordance with the provisions of the California Environmental Quality Act (CEQA), subject to project approval;
2. Adopt a resolution approving Specific Plan Amendment (SPPA) 24-003; and
3. **Introduce an ordinance**, and waive the first reading, approving Development Agreement (DA) 24-002.

SUMMARY

The project applicant, 3055 Livermore Owner LLC, is requesting to amend the Isabel Neighborhood Specific Plan to change the land use designation at 3011, 3055, and 3077 Triad Place from Business Park to Residential Transition (15-25 dwelling units per acre). See Location Map in Attachment 1. The project also includes approval of a Development Agreement to vest and allow approximately 450± multifamily units in a variety of building types and establish terms and timing of Social Opportunity Endowment and Community Benefit Fund contributions, alternatives to inclusionary affordable housing

requirements, and the construction of off-site Class IV bike lane improvements along North Canyons Parkway.

The project would require the demolition of three existing business park buildings. Development Agreement Exhibit B (Attachment 10) shows the residential concept site plan and building elevations.

DISCUSSION

BACKGROUND

In October 2020, the City adopted the Isabel Neighborhood Specific Plan ("Specific Plan") to create a complete, walkable, amenity-rich neighborhood in proximity to regional transit (future Valley Link). The project site is located within the Specific Plan which guides development in the northwestern part of Livermore and seeks to create a complete neighborhood with a mix of uses. The Specific Plan designates the project site as Business Park consistent with the existing site layout and building types.

On June 10, 2024, the City Council adopted a resolution authorizing staff to proceed with negotiating terms for a Development Agreement covering the project site (Agreement) concurrently with review of a Specific Plan Amendment (Amendment) for a zoning change in the Isabel Neighborhood. As part of the authorization, staff was directed to secure funding contributions to the Community Benefit and Social Opportunity Endowment Funds. Over the past year, staff has finalized terms with the applicant for the Agreement and the Amendment.

PROJECT DESCRIPTION

The project includes the following entitlements:

- *Specific Plan Amendment.* The Amendment would change the land use designation from Business Park to Residential Transition Zone, which allows 15-25 dwelling units per acre for the purpose of developing 450± residential units in a variety of building types. The existing buildings are mostly vacant. There is currently little to no demand for the space.
- *Development Agreement.* The Development Agreement would vest the land use change and concept plan for development of approximately 450± multifamily units (with some flexibility depending on subsequent approvals), memorialize the performance schedule for future subsequent approvals (Subdivision and Site Plan Design Review), and establish terms and timing for funding contributions and off-site improvements.

The Agreement includes a concept plan, which demonstrates consistency with applicable standards and provides a menu of building types and design styles consistent with Specific Plan requirements. The concept plan will be the basis for the future land use entitlement application, which will require more detailed plans upon submission. The Agreement allows flexibility in the total unit count within the allowed density range (minimum 405 units up to a maximum of 518 units). All subsequent entitlements will be subject to the provisions of the General Plan, Specific Plan, Livermore Development Code, and development fees. Further, future land use entitlements to develop the site would be subject to review and approval by the Planning Commission and City Council.

PROJECT SITE CONTEXT

The Specific Plan regulates development in an approximately 1,140-acre area in the northwest part of the City. The project site is adjacent to existing and planned residential uses to the east and south and existing offices to the west. The project site is accessed from Triad Place via North Canyons Parkway. The approximately 27-acre project site is currently developed with three existing office buildings and parking lot improvements (Attachment 1). The existing buildings are mostly vacant and there is currently little to no demand for the space. The age of the buildings and their location are not likely to attract new companies that seek contemporary office spaces with modern amenities and functionalities.

STAFF ANALYSIS

General Plan

Land Use. The project site has a General Plan land use designation of Isabel Neighborhood. The Isabel Neighborhood seeks to create a safe, vibrant, complete neighborhood that includes amenities; ensure new development is compatible with existing development and community character; and support transit ridership and citywide goals for increased transportation options, housing choices, and economic vitality [Livermore General Plan Land Use Element, p. 3-23]. The proposal to develop the project site with a multifamily residential development is consistent with the land use designation and implements the General Plan goals for the Isabel Neighborhood. Although the Specific Plan Amendment would designate the project site residential, the General Plan land use designation would remain the same.

Airport Influence Area (Livermore Airport Land Use Compatibility Plan). The Livermore Municipal Airport is located approximately one mile south of the project site. In order to protect the airport's operations and to ensure safety and compatibility of surrounding uses, the County established the Livermore Airport Land Use Compatibility Plan (Compatibility Plan), which is also incorporated into the City's General Plan. The Compatibility Plan applies to all properties within the Airport Influence Area. A majority of the Isabel Neighborhood is located within the Influence Area, including the Project site. During its adoption, the Specific Plan was found to be consistent with the Compatibility Plan with respect to building heights, uses, and noise levels.

Staff referred the current Amendment proposal to the Alameda County Airport Land Use Commission staff liaison and the Livermore Airport Manager, both of whom concluded that the proposed Specific Plan amendment is compliant with the Livermore Airport Land Use Compatibility Plan and not subject to Airport Land Use Commission or City Airport Commission review. Future entitlements to redevelop the site will be referred back to the Alameda County Airport Land Use Commission staff liaison and the Livermore Airport Manager for review. A portion of the project site is located in the adopted INSP Airport Protection Area (APA) exemption zone that allows residential uses and the remainder of the site is located in Airport Safety Zone 6 that also allows residential uses.

Housing Element. The 2023-2031 Livermore Housing Element is part of the Livermore General Plan, which is a comprehensive policy framework guiding the physical, economic, and social development of the City. The Housing Element identifies appropriate sites and land use designations for the development of housing and establishes goals and policies to further the production of housing in compliance with the state requirements. Although the project site is not on the Housing Element site's inventory, the project would allow the City to add new market-rate and affordable units to help meet current and future RHNA requirements. Further, the Development Agreement would require financial contribution to the Social Opportunity Endowment Fund, a long-term, stable funding source for delivery

of quality human services to low income Livermore residents.

Isabel Neighborhood Specific Plan - Amendment

The Specific Plan contains a range of land use strategies to advance the plan’s vision and objectives, including the following:

- Allowing for a range of housing types
- Encouraging a livable and accessible neighborhood with an active street life
- Promoting compatibility with existing residential uses
- Advancing housing and economic development goals
- Establishing a more cohesive identity for the Isabel Neighborhood as the area sees redevelopment and new development

The Amendment would implement the Specific Plan’s goal of providing a mix of housing types including duplex, condominium, and townhomes (see Attachment 10 - Development Agreement for information about the range of housing types and a concept site plan). The use and density are compatible with surrounding residential properties to the east and south. Finally, the 27-acre project site is of a size and shape that can accommodate residential uses and is adequately served by all necessary utilities and services.

Development Agreement

Government Code Section 65864 (implemented by Livermore Development Code Chapter 9.04) allows local jurisdictions and private parties to enter into Development Agreements in order to vest certain development rights and to meet local public purposes. Generally, nexus is not required for such public purposes, in that, if agreed to by both parties, cities and counties can negotiate for infrastructure, financial contributions, or other community benefits above and beyond those required in local development ordinances. Further, developers can negotiate for certain vested rights, financing tools, and other surety, as long as the Project is consistent with local development ordinances. Development Agreements are commonly used across the state to improve development certainty, encourage local investment, strengthen the public planning process, and provide for more local public facilities.

On June 10, 2024, the City Council authorized staff to negotiate terms with the property owner. The negotiations consisted of a range of mutual concessions and compromises, incorporating City Council priorities, General Plan goals and policies, Strategic Plan pillars, and Developer financial and timing considerations. The details of the Agreement are described in Attachment 10 and summarized below.

Duration/Term	The duration of the Agreement is fifteen years. Both parties have the option to extend the Agreement consistent with the Livermore Development Code and City Council approval.
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Land Use and Concept Plan	<p>The Agreement would vest the change in land use and the project concept plan. The concept plan demonstrates a development of approximately 450± multifamily units with a variety of building types, park, interior streets, utilities, driveways, paseos, landscaping, and common park space. The Development Agreement allows for some flexibility in the total unit count.</p> <p>The Developer would be required to submit for Planning Entitlements (Subsequent Approvals) within two years of execution of the Agreement. Once Planning Entitlements are approved, the project will be fully vested for the duration of the Agreement. The Agreement also requires future entitlements to comply with the Specific Plan Mitigation Monitoring and Reporting Program and Land Use Goals and Policies.</p>
Affordable Housing	<p>Via the Development Agreement, the City Council would authorize possible alternative methods to comply with the City's inclusionary affordable housing requirements, consistent with Livermore's Affordable Housing Ordinance (Development Code Section 10.06.050). The Development Agreement requires an Affordable Housing Agreement and allows for the possible combination of inclusionary units and payment of in-lieu fees.</p>
Off-Site Class IV Bike Lane Improvements	<p>The Agreement establishes a performance schedule and requires construction of off-site Class IV bike lane improvements on North Canyons Parkway. The applicant will construct Class IV bike lanes on the south side of North Canyons Parkway (eastbound) between Independence Drive on the west and Collier Canyon Road on the east. They will also construct lanes on the north side of North Canyons Parkway (westbound) between Independence Drive on the west and the current Class IV bike lane terminus in front of the Triad West Cava project that is under construction.</p>
Social Opportunity Endowment and Community Benefit Funding Contributions	<p>The Agreement establishes the terms and timing for a minimum of \$4,202,000 of total funding contributions to be split between the Social Opportunity Endowment and Community Benefit Funds. The Social Opportunity Endowment Fund provides a long-term, stable funding source for the delivery of quality human services to low income Livermore residents. In January 2024, the Council adopted the Community Benefit Policy and established the Community Benefit Fund to secure community benefits through negotiations with private development that could not otherwise be obtained. The policy authorizes expenditures for parks, trails, affordable housing programs, public facilities, and economic incentives. Of the total amount above, an initial \$202,000 payment will be made within 180 days of execution of the Agreement to the Social Opportunity Endowment Fund. Additional payments will be made as each building permit is issued.</p>

The Developer has agreed and signed the Development Agreement (see attachment 10). The Agreement is consistent with the General Plan, secures a range of community benefits, and ensures the Project will be constructed as proposed within a reasonable period of time.

ENVIRONMENTAL DETERMINATION

The Environmental Impact Report for the Isabel Neighborhood Specific Plan (adopted in 2018), the Supplemental Environmental Impact Report (adopted in 2020), and the Isabel Crossing Addendum (adopted June of 2024), analyzed future impacts of development in the Specific Plan. The 2024 Addendum for the Isabel Crossings project includes an analysis of residential land use changes for the project site because the existing and proposed development in the INSP, including the Isabel Crossing Project, would not meet the anticipated quantity of residential units identified in the INSP and/or Housing

Element. Therefore, the 2024 Addendum analyzed a land use designation change of the project site and the proposed land use designation change is consistent with, and covered by, the previous analysis in the 2024 Addendum for the Isabel Crossing project.

The proposed Specific Plan Amendment and Development Agreement are not required to undergo a subsequent EIR because none of the requirements under CEQA Guidelines Section 15162 and 15164 have occurred (substantial changes, major revisions of the previous EIR, new information). As described in the Environmental Resolution, a Notice of Determination will be required to be filed with the Alameda County Clerk in accordance with the provisions of the California Environmental Quality Act (CEQA) if the project is approved.

PLANNING COMMISSION

On April 1, 2025, the Planning Commission reviewed the project, recommended formatting changes to an exhibit in the Development Agreement (which staff and the applicant have made), and voted unanimously to recommend project approval by the City Council. There were no public comments for the project.

FISCAL IMPACTS AND ADMINISTRATIVE IMPACTS

The project would provide a funding contribution of \$4,202,000 to be split between the Social Opportunity Endowment and Community Benefit Funds for the delivery of quality human services to low income Livermore residents. Of the total amount above, an initial \$202,000 payment will be made within 180 days of execution of the Agreement to the Social Opportunity Endowment Fund. Following subsequent approvals, additional payments will be made as each building permit is issued in addition to any required impact fees.

COMMUNITY PILLAR

2: Economy that Prospers

GOAL

4: Implement the Isabel Neighborhood Specific Plan

GUIDING DOCUMENTS

General Plan
Isabel Neighborhood Specific Plan
Development Code

ATTACHMENTS

1. Location Map
2. CEQA Documents
3. Resolution - CEQA
4. Exhibit A - PC Resolution - CEQA

5. Resolution - Specific Plan Amendment
6. Exhibit A - PC Resolution - Specific Plan Amendment
7. Exhibit B - Specific Plan Map Amendment
8. Ordinance - Development Agreement
9. Exhibit A - PC Resolution - Development Agreement
10. Exhibit B - Development Agreement

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