



PLANNING COMMISSION STAFF REPORT

ITEM NO. 5.1

DATE: April 1, 2025

TO: Chairperson and Members of the Planning Commission

FROM: Steve Riley, Planning Manager

SUBJECT: Hearing to consider a request for a Specific Plan Amendment (SPPA 24-003) for a zone change in the Isabel Neighborhood Specific Plan (INSP) and Development Agreement (DA 24-002). The site is located at 3011, 3055 and 3077 Triad Drive. The SPPA would redesignate the project site land use from the current INSP Business Park zone to an INSP Residential Transition zone, which allows 15-25 dwelling units per acre. The DA would vest the land use and project concept plan of approximately 450± multifamily units with a variety of building types, interior street patterns, utilities, driveways, paseos, landscaping, and common park space. Further, the DA establishes the terms and timing of funding contributions to the Social Opportunity Endowment (SOE) and Community Benefit Funds, a plan to meet the City's inclusionary affordable housing requirements, and the construction of off-site Class IV bike lane improvements along North Canyons Parkway.

RECOMMENDED ACTION

Staff recommends the Planning Commission adopt resolutions recommending the City Council:

1. Find 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; and find 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 Direct 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. Adopt an Ordinance authorizing Development Agreement (DA) 24-002.

SUMMARY

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 Specific Plan 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 Business Park consistent with the existing site layout and building types.

The Specific Plan Amendment (Amendment) would change the 27-acre project site from Business Park to Residential Transition Zone, which allows 15-25 dwelling units per acre. The site includes existing buildings at 3011, 3055 and 3077 Triad Drive that are mostly vacant and parking lot improvements, 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. Therefore, the applicant is requesting to change the current land use to residential.

Prior to re-designating the project site, staff recommends the property owner enter into a Development Agreement (Agreement) to establish development terms and timing, community benefits, and financial contributions to justify the change in land use. The Agreement would require future land use entitlements to redevelop the site (including Subdivision and Site Plan Design Review) that would be reviewed by the Planning Commission and City Council. Review of the Development Agreement together with the Specific Plan Amendment will provide the Planning Commission, the City Council, and the public a complete understanding of the intended land use changes and enable a better-informed decision-making process.

The land use change was anticipated in a previously-approved Addendum to the Isabel Neighborhood Specific Plan Environmental Impact Report (State Clearinghouse #2016042039), which evaluated the land use changes for the project site finding that no significant impacts beyond those previously identified in the EIR would occur, consistent with the California Environmental Quality Act (CEQA).

DISCUSSION

BACKGROUND

On June 10, 2024, the City Council adopted a resolution authorizing staff to proceed with negotiating terms for a Development Agreement concurrently with review of a Specific Plan Amendment for 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 Development Agreement and Specific Plan Amendment.

PROJECT DESCRIPTION

The property owner proposes to amend the Specific Plan to develop an approximately 27-acre site with residential uses. The site is located at 3011, 3055 and 3077 Triad Drive and includes three existing buildings and parking lot improvements. The proposed project includes the following entitlements:

- Specific Plan Amendment (SPPA 24-003) would change the existing Specific Plan land use designation from Business Park to Residential Transition, which authorizes a density range of 15 to 25 dwelling units per acre, for the purpose of developing 450± residential units in a variety of building types. There is flexibility in the Development Agreement to allow a minimum of 405 units and a maximum of 518 units, but the concept plan attached to the DA shows the applicant's objective to build approximately 450 units.
- Development Agreement (DA) 24-002 would vest the land use and concept plan, memorialize

performance schedule for subsequent approvals (Subdivision and Site Plan Design Review), and establish terms and obligations for off-site improvements and payment of Community Benefit and Social Opportunity Endowment funds.

The project does not include a subdivision creating legal development parcels or site plan design review. Pursuant to the Development Agreement, these subsequent approvals would require Planning Commission and City Council review in the future prior to construction. The Development 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. All subsequent development entitlements will be subject to the provisions of the General Plan, Specific Plan, Livermore Development Code, and development fees.

PROJECT SITE CONTEXT

The project site is located within the Isabel Neighborhood Specific Plan ("Specific Plan"). The Specific Plan regulates development in an approximately 1,140-acre area in the northwest part of the City. The Specific Plan designates the project site as Business Park, consistent with the current land uses. The site is adjacent to existing and planned residential uses and existing office uses. The site is accessed from Triad Drive via North Canyons Parkway.

	<u>General Plan Designation</u>	<u>Zoning Designation</u>	<u>Existing Land Use</u>
<u>North</u>	Hillside Conservation	Planned Development (PD) 18-006	Open Space
<u>South</u>	Isabel Neighborhood Specific Plan	Residential - Transition and Village Neighborhoods	Multifamily Residential
<u>East</u>	Isabel Neighborhood Specific Plan	Residential - Transition Neighborhood	Multifamily Residential
<u>West</u>	Isabel Neighborhood Specific Plan	Business Park (BP)	Office
<u>Subject Site</u>	Isabel Neighborhood Specific Plan	Business Park (BP)	Office

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 2022-2031 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 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 - Specific Plan Amendment

The Property is located within the Isabel Neighborhood Specific Plan. 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. (Please see Attachment 7 - Development Agreement for information about the range of housing types proposed 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.

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 7 (Exhibit A to the Development Agreement resolution) 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.
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	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.
Off-Site Class IV Bike Lane Improvements	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 (see Attachment 7).

Social Opportunity Endowment and Community Benefit Funding Contributions	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. A \$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.
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The Developer has agreed to the draft Development Agreement (see attachment 7 as Exhibit A to the resolution) and will sign it before the Agreement is considered by the City Council for approval. Staff supports the terms and community benefits provided. Planning Commission's role is advisory; the City Council is the final decision-making body for Agreement approval. 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), subject to project approval.

ATTACHMENTS

1. Location Map
2. CEQA Documents
3. Resolution - CEQA
4. Resolution - Specific Plan Amendment
5. Exhibit A - Land Use Map Amendment
6. Resolution - Development Agreement

7. Exhibit A - Development Agreement

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