

Letter B1



June 4, 2019

Ms. Alisha Shen
City of Berkeley
Planning Department
1947 Center Street
Berkeley, CA 94704

RE: Public Review of the Adeline Corridor Specific Plan Draft/2801 Adeline

Dear Alisha:

On behalf of 2801 Adeline, LLC, owner of 2801 Adeline, BayRock Multifamily, LLC respectfully submits the following comments to the Draft Plan:

Generally, the structure of the Draft and the Presentation format is very well done. The presentation of details and goals are very clear.

1 | Our site at 2801 Adeline consists of an approximate 1.1 acre parcel occupied by an existing 23,000 sf+- Walgreen store with related, on grade parking, "Property". The Property is ideally located in the heart of this Priority Development Area. The Draft Plan claims that all sites zoned C-SA abut residential zoning. The Property is bounded by four public Right of Ways , Shattuck, Adeline, Oregon and Stuart. It clearly does not abut residential property. In fact, the Property is a virtual island, situated several hundred feet from R-2, R-2A, and R-3 multifamily districts.

2 | Table 3 of the Draft Plan describes recommended Development Standards. The Current zoning and South Shattuck Plan guidelines allow for a 4.0 FAR for the Property. Maximum, allowable Development standards, including no limit on density are currently included for the Property. Table 3 recommends a clear "downzoning" of the Property.

The Draft Plan has placed the Property in the "North Adeline" area. Proposed FAR and Development Standards should clearly NOT apply to the Property for a multitude of reasons, including but not limited to:

- Current Zoning allows for more suitable High Density development appropriately designated for sites on major transportation corridors and commercial avenue districts
- The Property benefits from drive by traffic, access to public transportation, including easy walking distance to BART and immediate access to AC Transit Express bus lines

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2,
cont.

- The Property includes a successful, active, neighborhood and community-serving retail use with Walgreen Company
- The Property is directly adjacent to the largest, revenue-generating grocery market in the entire City.
- The physical layout and location of the Property does not abut any kind of residential property, avoiding potential view, air, natural light, setback and/or vehicle/pedestrian circulation questions.

Tables 3.2 and 3.3 of the Draft Plan describe proposed densities and development standards for the Property. The general development standards severely limit the maximum development potential of the Property. The current development pattern in the South Shattuck area of the Plan includes densities up to 200 units/acre and building heights averaging close to 65 feet. The Parker, 2628 Shattuck and 2701 Shattuck are all constructed, approved or in process of approvals for this height and density. The former UC Storage building also exceeds this height.

The Base Development Standards and Tier 1 Incentive Standards do not allow for proper density, height and bulk for such a prime site. In addition, these Standards, specifically Tier 1, have a detrimental effect regarding the economic feasibility of a new, prominent, mixed-use development. Most recent developments utilizing the existing C-SA standards barely generate a Return on Costs to the Owner of 5%. Several, similar high density developments in town with proper third party review of their projected pro formas, tend to hover at 5-5.5% Returns.

We believe that minimum economic returns necessary to develop and finance the Property, utilizing the mixed use goals of the Draft Plan, are 5.5% in today's market.

3

The unique attributes of the Property previously described above, along with its thriving retail nature, may present the best site for high density, mixed use development in the Adeline Corridor. Thus, we hereby request that the Property be included in the Plan as follows:

- Create another district that includes the Property, and the Honda service/dealer parking lot
- Or, extend the South Shattuck district to include the Property and Honda site
- Include maximum densities of no less than 170 units per acre in the Base Development Standards
- Include maximum heights of 75' in the Incentive Standards (exclusive of State Density Bonus Law) while including a Base Development Standard of no less than 55'
- Include more aggressive parking standards for mixed use/residential. Both ZAB and City Council are encouraging parking standards closer to .5 spaces/unit, or less, for similar sites.

The proposed downzoning of the property will preclude any development for the foreseeable future.

We look forward to discussing the Draft Plan with you in further detail as soon as possible.

Sincerely,

BAYROCK MULTIFAMILY, LLC and 2801 Adeline, LLC

A handwritten signature in blue ink, appearing to read 'Stuart Gruendl', with a large loop at the start and a horizontal line extending to the right.

Stuart Gruendl
Managing Member

cc: Hal Brandel, 2801 Adeline, LLC

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