

Berkeley Honda
2777 Shattuck Ave; 2747 Adeline Street
Applicant Statement

Background:

After operating a full-service auto dealership with service and parts departments at 2598-2600 Shattuck Avenue in a 44,000 square foot building and a 16,000 square foot lot, for over 40 years, Berkeley Honda lost its lease and was forced to vacate their building in November 2014. Between 2008 and 2014, Berkeley Honda diligently looked for a future home in Berkeley, and in April 2014 entered into an agreement to move its dealership to 1500 San Pablo Avenue. Unfortunately, due to circumstances out of their control, Berkeley Honda lost that site to a multi-national developer.

During their eight-year search for a new permanent location, Berkeley Honda came close to leasing and/or acquiring several sites in West Berkeley near I-80. However, franchise encroachment agreements were used by El Cerrito Honda for sites in North West Berkeley, and by Oakland Honda, for sites in South West Berkeley that prevented Berkeley Honda from relocating to West Berkeley.

Determined to find a permanent home in Berkeley, Berkeley Honda entered into a short-term lease with Mr. Valiyee for a temporary relocation at 2627 Shattuck, while they continued their search for a permanent location in Berkeley. They are currently providing maintenance and repair services at 1500 San Pablo and sales at 2627 Shattuck Avenue, Berkeley, both on short-term leases.

Fortunately, Berkeley Honda was able to secure a long-term lease for 2777 Shattuck Ave; 2747 Adeline Street, both owned by Mr. Glenn Yasuda, and further, they were able to convince Honda USA to approve this “inferior” urban site, despite its small size and distance from the freeway. The new location includes a 16,720 square foot building and an 11,619 square foot lot- a major downsizing from their historical operations.

Project Introduction:

Berkeley Honda proposes to convert the existing structure at 2777 Shattuck Avenue and the conjoined two parking lots on Ward Street and Stuart Street, currently occupied by Any Mountain, a building that is on the State Historic Resources Inventory, to its full service dealership with sales, service and parts inventory. Additionally, Berkeley Honda will re-stripe and install site improvements to the existing parking lot at 2747 Adeline Street for its auto display, inventory and parking.

2777 Shattuck Ave

The approximately 19,120 square-foot building is currently occupied by Any Mountain sporting goods (16,720) and Sconehege bakery and café (2,400 square feet). The building was originally constructed more than 40 years ago as a bowling alley and is on the list of State Historic Resources

Inventory. Berkeley Bowl grocery store operated out of this space from 1976, and in 1999, the building was upgraded and renovated for use as a sporting retail for Any Mountain sporting goods. A Phase I Environmental Assessment report is being prepared and will be submitted forthwith. The property has two parking lots on north and south with access/egress on Ward and Stuart Streets, respectively.

2747 Adeline Street

Berkeley Honda has leased this unimproved parking lot to use for its dealership uses including parking, car display and inventory. The lot is approximately 11,619 square-foot surface parking and currently accommodates 31 parking spaces, including disabled accessible parking. Berkeley Honda plans no excavation, or installation of improvements other than signage, re-sealing and re-stripping the existing parking lot.

Proposed Use

Berkeley Honda has entered into a long-term lease for both parcels to use the space occupied by Any Mountain and the parking lot at 2747 Adeline Street for its full-service dealership operations including sales, service, display, parts and inventory. Sconehege will continue its operations as a café uninterrupted.

The proposed use complies with all existing applicable zoning for both parcels and includes a small 3,300 square foot addition on the south parking lot of 2777 Shattuck, off Stuart Street. No exterior alterations are proposed to the existing building, only interior modifications to adapt the building for an auto show-room, auto service and parts inventory. The existing 2,500 square foot second floor offices/storage will be used for filing and storage by Berkeley Honda.

Required parking for the new use is provided at the parking lot at 2747 Adeline, in addition to spaces available on the existing lot on Ward Street.

Community Outreach:

Below, please see a chronology of Berkeley Honda's community outreach:

- On February 25, 2015, Berkeley Honda hand-delivered and mailed the enclosed flyer (**Exhibit 1: flyer and copy of labels used for mailing**) to all properties within 300 foot radius of the sites. The flyer informs that Berkeley Honda has made a pre-application to the City of Berkeley and invites citizens to contact the owner or owner's consultant. Several phone and email inquiries were made.

- On March 18, 2015, Tim Beinke, Berkeley Honda Principal, and Mauricio de La Pena, Project Architect, attended the LeConte Neighborhood Association's monthly meeting, and presented the plans and attempted to answer questions;
- On April 01, 2015, Berkeley Honda organized a community open house at 2615 Shattuck, in which approximately 100 people attended. Mr. Beinke, Mr. De la Pena, Mr. Trachtenberg and Mr. Kashani introduced the proposed project and answered questions. The meeting was very lively and Berkeleyside reporter wrote an apt report on the meeting. Please see **Exhibit 2 that includes the flyer, and the article, along with in excess of 191 comments**, most of which are supportive of the proposed project).

There existed a great deal of misperception about the nature of Berkeley Honda's business and activities; the sponsor attempted to address questions as best they could. The following includes issues raised and addressed in the meeting and in subsequent conversations with the neighbors.

Traffic:

Full service auto dealerships have a lower trip-generation rate than general retail; this is based on empirical studies and supported by the Manual of Institute of Transportation Engineers. Berkeley Honda's proposed use is expected to generate less traffic than either the former Berkeley Bowl full service grocery, or Any Mountain Sporting Goods.

Berkeley Honda's former location was very similar to the proposed new location: it abutted residential neighbors both on Parker Street and Carleton Street. As a good neighbor, Berkeley Honda made sure that its car-buying customers did not adversely impact its residential neighbors, nor did it allow them to test-drive on those streets. Additionally, Berkeley Honda's service customers will drive their vehicles into the service entrance on Stuart Street, leave their vehicles for the day and get driven by Berkeley Honda's shuttle to BART or other destinations. Once the cars are serviced, they are either left in the building, or driven to the dealership's parking lots on Adeline or Ward Street, until customers will pick them up.

The overall impacts of both car sales and service on the residential neighborhoods on Ward and Stuart Streets will be significantly less than Any Mountain, or other general retail.

Noise:

The service component of the business will be inside the concrete masonry walls and the level of noise it generates will be contained within the building. The air compressor is carefully located away from the residential neighbors to the East. A Noise Study was completed to insure that Berkeley Honda's business practices are compliant with the City of Berkeley's Noise Ordinance.

Deliveries:

Berkeley Honda's car deliveries will be to the lot at 2747 Adeline, accessible from Adeline Street; so there will not be any impact on the residential neighbors on Ward and Stuart Streets. For parts deliveries, Berkeley Honda proposes that all parts deliveries to be made to 2747 Adeline Street and the employees will carry the parts into the service department via Shattuck Avenue, just in the same manner as they did at 2600 Shattuck Avenue. This will reduce any potential impact of parts delivery vehicles to the residential neighborhood.

Hazardous Chemicals:

The 21st century automation and computerization has significantly changed the way cars are serviced. The mechanics generally don't touch any oils whether engine or transmission oils, as all these are stored in regularly inspected double-steeled tanks and provided to the car lifts through pressurized hoses. Used oil is suctioned off into a tank that is regularly taken away by environmentally controlled trucks designed for this specific purpose.

Upon approval of its entitlements, as part of its Certificate of Occupancy, Berkeley Honda will submit a plan detailing how it will handle all chemicals such as oils, batteries, coolants, etc. so as to responsibly address any concerns the City might have.

Le Conte and Willard Students:

Berkeley Honda's move to this neighborhood will likely reduce the threat of car accidents to the children. This is based on an overall significant reduction in trip generation by the new uses. Additionally, Berkeley Honda's owner, Tim Beinke is at the dealership seven days/week and all of his neighbors at 2600 Shattuck had his personal cell phone number. Berkeley Honda has been part of this community for a long time and has a great reputation as a local small business.

Existing Land Use Agreements:

The City of Berkeley has issued use permits that involve the subject properties over the years. These include the following:

1. Use Permit #A1379 dated May 09, 1988 for 2100 Ward Street; Kirala Restaurant
2. Use Permit #A1937 dated April 09, 1998 amending use permit #A1379;
3. Use Permit #07-10000040/#08-70000019; 1911 Russell Street.

Below, we address how Berkeley Honda's proposed new use of the two properties maintains and protects the existing conditions and agreements with the City of Berkeley and the local businesses.

Kirala and Sconehege:

As provided in Use Permit #A1379 and the subsequent modification #A1937, there are a total of 69 parking spaces in the shopping center of which only 55 were required by Berkeley Bowl, Sconehege and Kirala. Berkeley Honda's proposal eliminates 13 spaces on the parking lot on Stuart Street, leaving a total of 56 parking spaces. This still meets the existing conditions, however, total required parking is half of general retail, or 20 spaces. Berkeley Honda will maintain all 56 parking spaces and use the excess 14 spaces for auto display/inventory on Adeline Street lot.

Berkeley Honda's new use, will maintain all conditions contained in Modification of #A1937, except that Kirala's customers would be directed to park on the parking lot East of Kirala on Ward Street.

Sconehege currently uses three parking spaces on Stuart Street and five on Ward Street. The owner of Sconehege has agreed to move her three spaces on the parking lot on Ward Street.

Thai Temple; 1911 Russell:

On December 1, 1992, Mr. Dan Kataoka, the then General Manager of Berkeley Bowl issued a letter to the City stating that "Berkeley Bowl is willing to allow church participants the use of our parking lot located on Shattuck Avenue (2747 Adeline) during non-business hours on Sundays." Berkeley Bowl is open on Saturdays 9AM-8 PM and on Sundays, 10 AM-7 PM, thus providing access to the Thai Temple patrons from Saturdays after 8 PM to Sunday 10 AM, and on Sundays, from 7 PM to Monday at 9 AM.

On September 22, 2009, the City issued a new use permit to the Thai Temple and under Sunday Food Service required that the Thai Temple "reinstate" the off-site parking agreement with Berkeley Bowl

Based on our extensive research, we have found no evidence that the Thai Temple "reinstated" the parking agreement. This is largely due to the fact that they did not complete the construction of the buildings they had envisioned, or expanded their Sunday food service to the extent they had represented in their application.

Once the City issued the new use permit in September 2009, requiring the reinstatement of the former agreement, and by virtue of it not being renewed, the commitment of the parking spaces to the Thai Temple was nullified. Berkeley Honda's use of the parking lot for its display/inventory does not violate any land use agreements with the City of Berkeley.

On April 15, 2015, Ms. Shannon Allen, Principal Planner informed us that the City of Berkeley has now released 2747 Adeline Street lot from its obligation to the Thai Temple and this is no longer an outstanding issue.

Any Mountain and Le Conte Neighborhood Association Agreement:

At the Community Open House on April 01, 2015, several neighbors informed us that there existed a use restriction in the form of an agreement signed by Mr. Glenn Yasuda and LCNA on the Ward Street Parking Lot. Mr. Yasuda informed us that he had no recollection of entering into such an agreement with LCNA.

Exhibit 3 includes a copy of the Use Permit issued to Any Mountain by the City of Berkeley on March 18, 1999 along with a letter signed by Mark Rhoades. The City's files also include a Letter of Understanding executed between Any Mountain and LCNA dated March 12, 1999 that includes a provision that restricts the use of the Ward Street parking lot to the Any Mountain employees, among other provisions. Additionally, on April 02, 1999, the then Deputy Planning Director, Ms. Wendy Cosin sent a letter to LCNA stating that the Agreement between Any Mountain and LCNA was voluntary and not required by the City. Ms. Cosin's letter clarifies that the agreement is not a use restriction, nor Mr. Yasuda is a party to that agreement.

Landmark Building

As 2777 Shattuck is on the State Historic Resources Inventory, Berkeley Honda's proposal does not contemplate any modifications of the façade or the building exterior. Since, Berkeley Honda needs to install a small 3,300 square foot addition on the south side of the building, it has commissioned an analysis of the addition and its potential impact on a historic resource. The design of the exterior of the new addition will be consistent with the recommendation of the historical architect and will follow Secretary of Interior Guidelines.

Environmental History:

Our preliminary review of documents at the City's Toxics Management Division reveal no known environmental conditions at either property. A Phase I Environmental Assessment is being prepared and will be submitted to the City forthwith. Enclosed please find a letter from Department of Toxic Substances Control dated March 25, 2015 stating: "After thorough review of our files, we have found no such records exist at this office pertaining to the sites referenced above."

Trip Generation Analysis:

At the recommendation of the City of Berkeley's traffic engineer to perform a trip generation analysis, the team commissioned the firm Stantec. Enclosed please find Stantec's analysis showing a comparison between trips generated by the existing general retail versus by Berkeley Honda. The

study reviews Daily as well as AM Peak Hour and PM Peak Hour trips in/out of the project, and shows a significant reduction in trips generated by Berkeley Honda.

Historical Impact Analysis:

At the recommendation of the City of Berkeley’s Landmark Preservation Ordinance to prepare an impact analysis, the team commissioned the firm Preservation Architecture who has researched the history and historic significance of the building, and the potential impact of the 3,300 sqft addition on the same. The report will be submitted to the City forthwith.

Use Permit Modifications:

As part of this application, Berkeley Honda requests to ‘transfer’ the 8 existing parking spaces for Kirala Restaurant from the surface parking at 2747 Adeline to the existing parking lot behind Kirala on Ward Street. Additionally, to transfer the Sconehege Café’s parking from Stuart Street to Ward Street lot. All owners of the Kirala, Sconehege and the property have agreed to this transfer.

Parking:

Existing Parking:

There are currently a total of 69 spaces at the Center (25 spaces in the northeast parking lot, 13 spaces south of the site, 31 spaces at 2747 Adeline). The use permits for the three uses have required the following:

	Size (sqft)	# of Parking Spaces	Current Use
Berkeley Bowl Produce	16,720	33	Any Mountain
Rod’s Café	2,400	8	Sconehege
Kar Kover Bldg	3,945	8	Kirala
Restaurant	1,700	6	Kirala
TOTAL		55	

Proposed Parking:

Berkeley Honda proposes to move Kirala’s 8 parking spaces approved via UP #A1379MOD to the parking lot on the northeast of the building. Both the property owner, Mr. Glenn Yasuda and the owner of Kirala restaurant, Mr. Akira Komine, have agreed to this modification. Below is the required/ proposed parking plan:

	Ward St Lot	Ward St Lot		2747 Adeline	2747 Adeline	TOTAL WARD ST	TOTAL ADELINE
	Required	Proposed		Required	Proposed		
Kirala	14	14				14	
Sconehege	8	8				8	
Berkeley Honda	3	3		20	20	3	23
TOTALS	25	25		20	23	25	23

Berkeley Honda will utilize the remaining 13 parking spaces at 2747 Adeline for display and inventory purposes. Additional customer “parking” for Honda’s customers are provided in the proposed 12 service bays inside the building.

Hours of Operation:

Berkeley Honda has operated with the following hours of operations at 2598-2600 Shattuck:

Current Hours of Operation:

Monday through Saturday: 7:00 AM – 8:00 PM
Sunday: 10:00 AM – 7:00 PM

Berkeley Honda is requesting to extend their closing time to 10 PM for Monday – Saturday and to have the option to open and close at 7 AM – 10 PM on Sundays.

Proposed Hours of Operation:

Monday through Sunday: 7:00 AM – 10:00 PM

Berkeley Honda is requesting the expansion of its hours of operation for the following reasons:

1. **Space Reduction/limitations:**

Berkeley Honda operated a full service dealership of 60,000 square-feet in Berkeley for over 40 years at 2598-2600 Shattuck. Modern-day infill dealerships can maintain their level of service and profitability in smaller spaces if they adapt to the busy schedules of their urban customers. Berkeley Honda will strive to maintain its excellent level of services in both sales and service in the space nearly half their former location, if they are able to offer customers

to drop off/pick up vehicles during non-peak hours. By allowing Berkeley Honda to offer this service, it can make up for the significant reduction in its physical space.

2. Traffic Mitigation

Most people are used to drop off/pick up of vehicles during peak traffic flow hours. This business model is changing and Berkeley Honda's experience shows that their customers prefer to drop off vehicles the night before after peak hours and to pick up their vehicles during non-peak times. Allowing Berkeley Honda to stay open till 10 PM, will lower the potential trips to its dealership during peak traffic flow hours.

3. Competition

Most urban dealerships offer extended hours for their customers' convenience. For example, City of Albany granted a use permit to Albany Subaru Ford to stay open 6:30 AM – 12:00 AM (mid-night). To maintain its level of service to its customers and a competitive business, Berkeley Honda must be able to offer extended hours of operations.

Opportunities:

The proposed project offers significant benefits to the City of Berkeley: it retains one of the highest producers of business income tax to the City, it maintains a thriving union shop in Berkeley and it protects an existing Berkeley business from moving to Brentwood (Honda USA offered Berkeley Honda a new franchise license for Brentwood).

For over 40 years, Berkeley Honda has been a good neighbor just three blocks north of this site. It has made ongoing contributions to community organizations and sponsored many events for Berkeley High School. Berkeley Honda's employees will continue to use AC transit and BART to commute to work, as well as Berkeley Honda's inventory cars for their commuting. Additionally, Berkeley Honda has always provided a shuttle service for its customers and will continue that service at the new location.

Timing:

Berkeley Honda is requesting that the City put this application on a fast track as it is currently operating out of two temporary facilities in Berkeley. Berkeley Honda risks losing customers and market-share if this inconvenience to its customers is too long, which will impact its gross receipts and thus reduce income to the City of Berkeley.