



Z O N I N G  
A D J U S T M E N T S  
B O A R D  
S T A F F R E P O R T  
— PROJECT PREVIEW —

FOR BOARD REVIEW AND COMMENT  
OCTOBER 8, 2009

## 2598-2600 Shattuck Avenue ("Parker Place")

Use Permit/Variance #08-10000130 to construct a mixed-use development with two 5-story buildings and one 3-story building, a total of 155 dwelling units, 23,354 sq. ft. of ground floor commercial space, and 180 parking spaces (C-SA, South Area Commercial and R-2A, Restricted Multiple-Family Residential; AS/CW)

**Purpose of review:** This is a "preview" to solicit ZAB and community input on the project's height, massing, traffic, parking, and other community concerns; ZAB will take no formal action on the project.

### I. Application Basics

#### A. Zoning Permits Required:

##### 2598 & 2600 Shattuck Avenue:

- Use Permit to construct a mixed use development of more than 5,000 sq. ft., under BMC Section 23E.52.030.A
- Use Permit to modify requirements for building height, yards, lot coverage, and parking, under BMC Section 23E.52.070.D.5
- Use Permit to allow full-service restaurants, under BMC Section 23E.52.030.A
- Use Permit to allow quick service restaurant, under BMC Section 23E.52.030.A (2600 Shattuck only)
- Use Permit to allow beer and wine service incidental to food service, under BMC Sections 23E.16.040.A and 23E.52.030.A
- Administrative Use Permit to allow live entertainment incidental to food service, under BMC Section 23E.52.030.A

- Administrative Use Permit to allow sidewalk café seating, under BMC Sections 23E.24.010.A and 23E.52.030.A
- Variance to allow 28 of 31 inclusionary units to be located at 2598 Shattuck, rather than dispersed throughout the entire project as required under BMC Section 23C.12.040.D
- Use Permit to enlarge a lawful non-conforming building that exceeds the R-2A lot coverage standard, under BMC Section 23C.04.070.C (2600 Shattuck only)
- Use Permit to enlarge a lawful non-conforming building containing a lawful nonconforming automobile sales/service use, under BMC 23C.04.070.F (2600 Shattuck only)
- Use Permit to waive requirement for 6-foot fence at C-SA/R-2A boundary and allow ground-floor windows and doors along west side of 2598 Shattuck to face R-2A lot, under BMC Section 23E.04.060.F (2598 Shattuck only)
- Administrative Use Permit to vertically extend non-conforming yard on R-2A portion of Carleton Street frontage, under BMC Section 23C.04.070.B (2600 Shattuck only; 5 feet, 6 inches proposed for new construction, 15 feet required)

**2037 Parker Street:<sup>1</sup>**

- Use Permit to allow four dwelling units in R-2A District, under BMC Section 23D.32.030
- Administrative Use Permit to exceed R-2A District height limit of 28 feet by 4 feet, 6 inches, under BMC Section 23D.32.070.C

**B. Waivers/Reductions Requested Pursuant to State Density Bonus Law (Only Applies to R-2A Portion of 2600 Shattuck)**

- Allow 11 dwelling units, where R-2A density standard allows 8
- Allow 11 dwelling units to exceed R-2A average height limit of 35 feet by 3 feet

**C. CEQA Determination:** To be determined.

**D. Parties Involved:**

- Applicant                      Mark Rhoades, CityCentric Investments, 5715 Claremont Avenue, Oakland, 94618
- Property Owner              Parker Place Group, LLC, P.O. Box 9026, Berkeley, 94709

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<sup>1</sup> Currently part of Berkeley Honda lot at 2598 Shattuck. 2037 Parker is proposed address for western portion of this lot, and requires approval of responsible City departments.

Figure 1: Vicinity Map



Figure 2: Concept Landscape Plan showing both 2598 and 2600 Shattuck

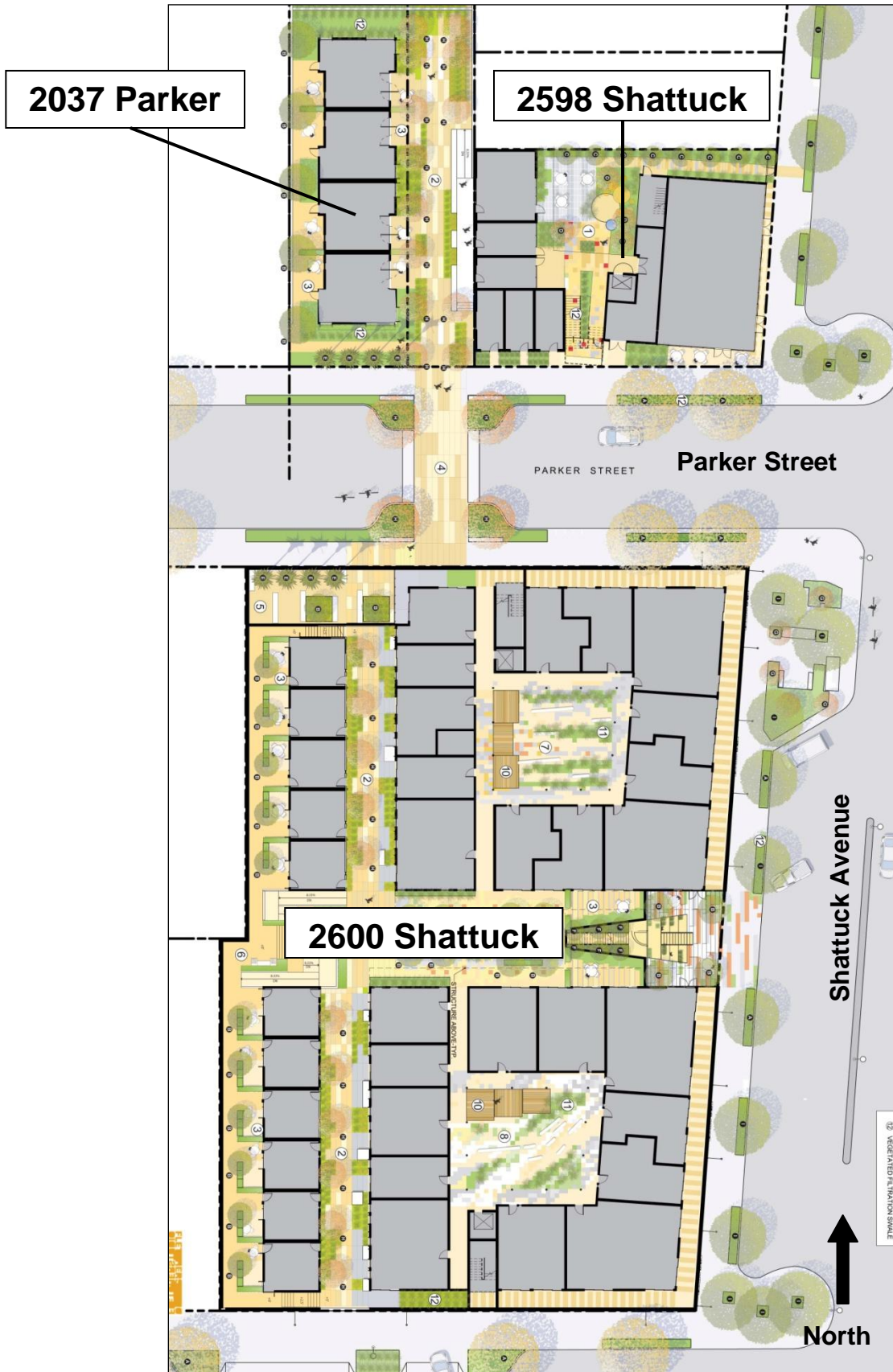
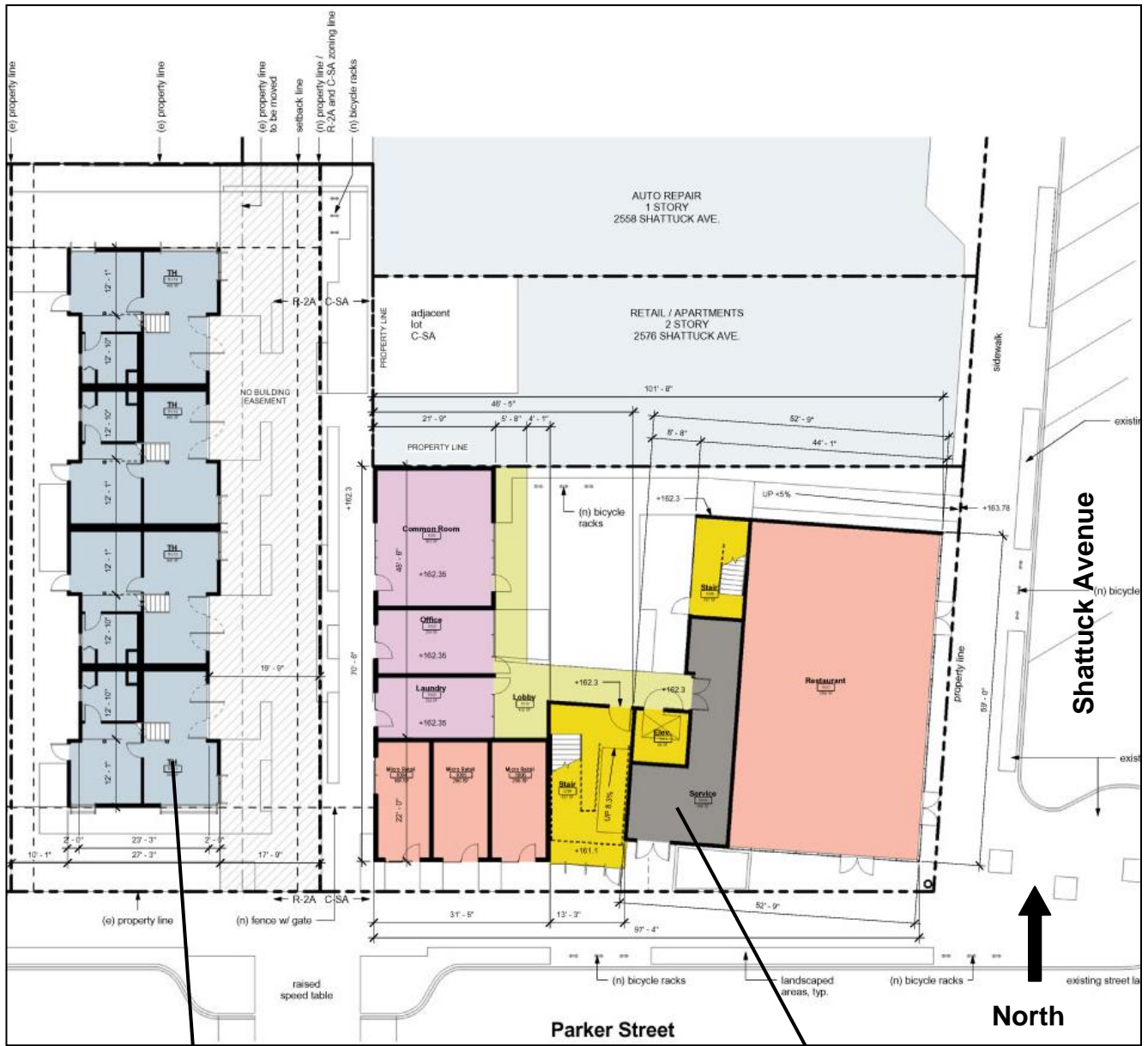


Figure 3: Site Plan—2598 Shattuck/2037 Parker



2037 Parker (R-2A)

2598 Shattuck (C-SA)

Figure 4: Site Plan—2600 Shattuck



**Table 1: Land Use Information**

Location		Existing Use	Zoning District	General Plan Designation
Subject Properties		2598 Shattuck—auto inventory storage; 2600 Shattuck—auto sales, service	C-SA and R-2A	Avenue Commercial, Medium Density Residential
Surrounding Properties	North	Mixed use (retail, apartments, office, auto repair)	C-SA	Avenue Commercial
	South	Senior congregate housing, municipal vehicle repair	C-SA and R-2A	Avenue Commercial, Medium Density Residential
	East	Retail, retail/storage/repair, vacant retail	C-SA	Avenue Commercial
	West	Residential	R-2A	Medium Density Residential

**Table 2: Special Characteristics**

Characteristic	Applies to Project?	Explanation
Creeks	No	There are no open or culverted creeks within 30 feet of the site.
Density Bonus	Yes	8 units are permitted on the R-2A portion of the 2600 Shattuck property. 11 units are proposed on this portion of the property. The applicant requests a density bonus for the three additional units on this portion of the project site.
Historic Resources	No	2600 Shattuck is not a designated historical resource, and is not listed on the State Historic Resources Inventory. According to a Historic Architecture Evaluation submitted by the applicant (see attached), the building does not meet any historical resource criteria. Staff will refer this evaluation to the Landmarks Preservation Commission for advisory comments on November 5.
Inclusionary Housing	Yes	Project includes 31 BMR units.
Oak Trees	No	None on site.
Seismic Hazard/Flood Zone	No	Site is not in any mapped seismic hazard or flood zones.
Soil/Groundwater Contamination	Yes	A Phase I report found soil contaminants related to existing and previous land uses. Any construction would be subject to review by the City's Toxics Management Division, and industry standard best practices would be followed to ensure proper removal and disposal of contaminated soil and groundwater.
Green Building Score	Yes	According to a preliminary LEED checklist submitted by the applicant, the proposed project would qualify for LEED Gold.

**Table 3: Project Chronology**

Date	Action
December 15, 2008	Use Permit #08-10000130 submitted.
August 7, 2009	Revised plans submitted to comply with C-SA/R-2A zoning boundary. Application remains incomplete.
August 20, 2009	DRC Preview
September 24, 2009	Public hearing notices mailed/posted
October 8, 2009	ZAB Preview
November 5, 2009	LPC referral (tentative date)

**Table 4: Project Summary – All Buildings**

		2598 Shattuck	2037 Parker	2600 Shattuck	Total
Dwelling Units	Total	28	4	123	155
	Inclusionary	28	0	3	31
Gross Floor Area (sq.ft.)	Residential	24,363	7,542	111,651	143,556
	Commercial	2,696	0	20,658	23,354
	Total	27,059	7,542	132,309	166,910
Parking Spaces		0	4 (provided in 2600 garage)	123 residential 51 commercial 2 carshare	180
Bicycle Parking		12	0	103	115



**Note on Tables 5-7:** Project elements requiring Use Permits or Density Bonus Waivers/Reductions are indicated in **bold type**.

**Table 5: Development Standards – 2600 Shattuck**

Standard BMC Sections 23E.52.070-080 (C-SA); 23D.32.070-080 (R-2A); 23D.40.070-080 (R-4)		Proposed		Permitted/Required	
		C-SA Portion	R-2A Portion	C-SA Portion	R-2A Portion
Lot Area (sq. ft.)		31,314	12,976	N/A	5,000
Gross Floor Area (sq. ft.)		113,017	19,292	125,256	N/A
Floor Area Ratio		3.6	1.5	4.0	N/A
Dwelling Units		112	<b>11</b>	N/A	<b>8<sup>2</sup></b>
Building Height	Average (ft.)	<b>65'-8"</b>	<b>38<sup>3</sup></b>	<b>50</b>	<b>35 (w/AUP)<sup>3</sup></b>
	Stories	<b>5</b>	3	<b>4</b>	3
Building Setbacks – New Construction Only (ft.)	Front <sup>4</sup> (Parker)	<b>0</b>	20	<b>15</b>	15
	Front <sup>4</sup> (Carleton)	<b>0</b>	<b>5'-6"<sup>5</sup></b>	<b>15</b>	<b>15<sup>5</sup></b>
	East Side (Shattuck)	<b>0</b>	N/A	<b>8-14</b> (increases with number of stories)	N/A
	West Side	N/A	15	N/A	4-6 <sup>4</sup>
Lot Coverage – Residential Portion		<b>65%</b>	30%	<b>40%</b>	35%
Usable Open Space (sq. ft.)		15,048	8,071	4,480	3,300
Parking	Residential	123 (in basement garage covering entire site)		92	11
	Commercial	51 (37 on ground floor, 14 in basement)		51	N/A
	Bicycle	103		10	

<sup>2</sup> Applicant proposes 3 additional units under State Density Bonus law.

<sup>3</sup> Applicant requests waivers/reductions to exceed this height limit under State Density Bonus law.

<sup>4</sup> Per Section 23F.04.010, this site is a through lot with two parallel front yards on Parker and Carleton Streets, and no rear yard.

<sup>5</sup> Applicant requests Administrative Use Permit to reduce this setback.

**Table 6: Development Standards – 2598 Shattuck**

<b>Standard</b> BMC Sections 23E.52.070-080 (C-SA); 23D.40.070-080 (R-4)		<b>Proposed</b>	<b>Permitted/ Required</b>
Lot Area (sq. ft.)		8,976	NA
Gross Floor Area (sq. ft.)		27,059	35,904
Floor Area Ratio		3.0	4.0
Dwelling Units		28	N/A
Building Height	Average (ft.)	<b>63'-6"</b>	<b>60</b>
	Stories	5	5
Building Setbacks (ft.)	Front (Shattuck)	<b>0</b>	<b>15</b>
	Rear (West)	<b>0</b>	<b>15-19</b> (increases with number of stories)
	North Side	<b>0</b>	<b>4-10</b> (increases with number of stories)
	South Side (Parker)	<b>0</b>	<b>6-14</b> (increases with number of stories)
Lot Coverage – Residential Portion		<b>69%</b>	<b>40%</b>
Usable Open Space (sq. ft.)		5,493	1,120
Parking	Residential	<b>0</b>	<b>24</b>
	Commercial	<b>0</b>	<b>8</b>
	Bicycle	12	2

**Table 7: Development Standards – 2037 Parker Street**

<b>Standard</b> BMC Sections 23D.32.070-080 (R-2A)		<b>Proposed</b>	<b>Permitted/ Required</b>
Lot Area (sq. ft.)		7,185 <sup>6</sup>	5,000
Dwelling Units		4	4
Building Height	Average (ft.)	<b>32'-6"</b>	<b>35</b>
	Stories	3	3
Building Setbacks (ft.)	Front	15	15
	East Side	17'-9"	4-6 (increases with number of stories)
	West Side	10	4-6 (increases with number of stories)
	Rear	15	15
Lot Coverage – Residential Portion		35%	35%
Parking		4 <sup>7</sup>	4

## II. Project Setting

### A. Neighborhood/Area Description:

The project site is located about one-half mile south of the Downtown Berkeley BART station, and about the same distance north of the Ashby BART station, on the west side of Shattuck Avenue. Nearby uses on Shattuck Avenue include retail, offices, a yoga studio, and a senior housing facility. Also nearby is the UC Berkeley corporation yard on Carleton. The adjoining residential neighborhood to the west is comprised primarily of two-story single- and multi-family dwellings built prior to 1930.

### B. Site Conditions:

The project would be located on the following two sites, which are located across Parker Street from each other:

- **2600 Shattuck** – The larger site is located between Parker and Carleton Streets and has an area of just over one acre (44,142 square feet). The western portion of the site (31,314 sq. ft.) along Shattuck Avenue is zoned C-SA and the eastern portion (12,976 sq. ft.) is zoned R-2A. A single-story building, approximately 20 feet tall, covers the entire site, and is currently occupied by a Honda automobile dealership and service garage. The building

<sup>6</sup> Proposed lot area after lot line adjustment.

<sup>7</sup> Residential parking for townhomes to be provided at 2600 Shattuck

was built in 1923; see below under “Key Issues” and in Attachment 3 for further historic information.

- **2598 Shattuck** – Located immediately north of the Honda building across Parker Street, this vacant site is comprised of three contiguous lots with a total area of 16,162 square feet. The western lot is located in the R-2A District, the middle lot is split between the R-2A and C-SA Districts, and the eastern lot is located in the C-SA District. The Honda dealership currently uses the entire site as an automobile sales lot.

### III. Project Description

The project includes the following main components (also see applicant’s statement in Attachment 5 for further information):

- **2600 Shattuck** – This portion of the project would be a mixed-use building with an underground parking garage, constructed within the exterior walls of the Honda building, which would become the ground floor walls of the new building. The building would contain 123 dwelling units on the upper floors, 20,658 square feet of commercial space and 37 commercial parking spaces on the ground floor, and 141 residential parking spaces in lifts in an underground garage. Driveway access would be provided on Carleton Street. Two carshare vehicles would also be provided near the entrance to the commercial garage on Carleton; these vehicles would be accessible to all carshare members (not just project residents).

112 of the building’s dwelling units would be arranged in two four-story volumes located on the east (C-SA) side of the building, about 52 feet from the west property line. The remaining 11 units would be located in a row of two-story “micro cottages” (as described by the applicant) along the west (R-2A) side of the building, about 15 feet from the west property line. The roof of the existing building, which forms the podium level for the R-2A units, would be lowered several feet from its current height to reduce impacts on the adjacent residential neighborhood.

2600 Shattuck would include three inclusionary units. Two of these units would be located on the R-2A portion of the lot, which qualifies that portion of the project for a density bonus under Government Code Section 65915. The applicant has requested waivers/reductions under Section 65915 to allow three of the R-2A units to exceed the R-2A density limit of eight, and to allow all of the R-2A units to exceed the R-2A’s 35-foot average height limit by 3 feet. The applicant has also requested a reduced setback on the Carleton Street frontage of the R-2A portion, based on the existing building’s non-conforming setback there.

- **2598 Shattuck** – This portion of the project would be a 5-story mixed-use U-shaped building with a courtyard opening to the north, with 28 inclusionary dwelling units on the upper floors, and 2,696 square feet of commercial space on the ground floor. The ground floor commercial space includes a larger space at the corner of Shattuck and Parker, intended for a full-service restaurant, and

three small retail spaces on the west side of the building, adjoining a landscaped area shared with the new four-unit building to the west (2037 Parker, see below). The ground floor also includes a manager's office, laundry room and common room for residents of the building. As a joint venture with the Center for Applied Technology (CforAT), the applicant proposes to provide all units within this building as inclusionary units designed for persons with disabilities and other special needs. This would require a Variance from the Zoning Ordinance requirement that inclusionary units must be "reasonably dispersed" throughout a project (BMC Section 23C.12.040.D). See the attached applicant statement and below under "Issues and Analysis" for further discussion. The applicant has also requested a Use Permit to waive all required off-street parking for the building.

- **2037 Parker** – A three-story building with four dwelling units would be built on this site. The entries would be located along a landscaped courtyard or "mews" shared with 2598 Shattuck. Parking for the townhouses would be provided in the residential garage at 2600 Shattuck. The building requires an Administrative Use Permit to exceed the R-2A District's 28-foot height limit, but otherwise complies with all zoning requirements. The applicant would obtain a lot line adjustment in order to create a single property for this building corresponding to the R-2A zoning boundary.
- **Public Improvements** – The project also includes a new traffic signal at the Shattuck/Carleton intersection to accommodate the project's traffic and meet City traffic congestion standards, and a raised pedestrian crossing called a "speed table" across Parker Street to provide a safe crossing between the two properties and help slow cars passing through the adjacent neighborhood. The project also includes new landscaping and water filtration areas in the sidewalks around the two buildings, and improvements to the bus stop in front of 2600 Shattuck.

## IV. Community Discussion

### A. Neighbor/Community Concerns:

On September 24, 2009 the City mailed notices to property owners and occupants within 300 feet, as well as to interested neighborhood organizations. To date, the City has not received any comments relating to this project. In addition to the City notices, the applicant distributed notices on four occasions, as follows:

- October 1, 2008 – Hand delivered project notices to all residents within 400 feet of site.
- November 3, 2008 – Mailed project notice to all property owners and owner/occupants within 400 feet of the site.
- November 14-17, 2008 – Mailed and hand delivered notice of project community meeting/open house held November 23, 2008. More than 25 people attended the open house.
- August 4, 2009 – Hand delivered notice to all residents in area.

According to the applicant, the main concerns expressed by neighbors in response to these notices and meetings related to the building mass and transition into the

existing neighborhood. At a meeting on August 4<sup>th</sup>, neighbors were shown the most current plans and, according to the applicant, generally favored having the building mass pushed toward Shattuck Avenue and the lowering of the existing building's west wall.

**B. Design Review Committee:**

The Design Review Committee discussed this project as a preview item at their August 20<sup>th</sup> meeting. The DRC generally found the project's height and bulk to be acceptable for the location, but felt the overall architectural program was too radical and not appropriate for the neighborhood.

**C. Landmarks Preservation Commission:**

Staff has scheduled a referral to the Landmark Preservation Commission on November 5<sup>th</sup> for advisory comments on the historical significant of the existing Honda building. Staff will provide an update regarding the LPC's comments at the formal ZAB hearing.

## V. Issues and Analysis

**A. Key Issues:**

1. Height and Mass: As noted in the list of required permits and in Table 4, the project requires Use Permits for additional height and lot coverage, and for reduced setbacks. In order to approve these elements, the ZAB must find that the project satisfies one of the following general purposes in Section 23E.52.090.C:
  1. To encourage utilization of public transit and existing off-street parking facilities in the area of the proposed building;
  2. To permit consistency with the building setbacks existing in the immediate area where a residential building setback would not serve a useful purpose;
  3. To facilitate the construction of affordable housing as defined by the U.S. Department of Housing and Urban Development (HUD) Guidelines;
  4. To provide consistency with the purposes of the District as listed in Section 23E.52.020.

Staff will provide an analysis of the project's proposed height and bulk, and consistency with the above findings, prior to formal public hearing. Staff requests that the ZAB provide advisory comments on the project's height and mass at this time. ZAB members may wish to focus their comments on the following:

- Relationship to adjacent neighborhood, shadows and other visual impacts

- Relationship of building height to width of Shattuck Avenue and taller buildings further north (e.g., east side of Shattuck between Channing and Dwight)
  - Creation of pedestrian activity and commercial vitality along this portion of Shattuck Avenue through added density
2. Inclusionary Housing: In accordance with the City's inclusionary housing requirements for condominium projects, twenty percent of the total dwelling units in the project (31 of 155) would be provided at prices affordable to households earning no more than 80 percent of area median income (AMI).<sup>8</sup> The applicant has requested a Variance to provide 28 of the inclusionary units at 2598 Shattuck as part of the joint venture with CforAT; the joint venture would provide these units to residents with special needs (i.e., disabilities) earning up to 30 percent of AMI, thereby providing greater affordability than the City requires. See Attachment 3 for further details. The three remaining inclusionary units would be provided at 2600 Shattuck.

According to the applicant, this approach may allow the applicant and CforAT to obtain additional public financing to provide the inclusionary units at affordability levels exceeding City requirements, which would not be possible if the affordable units were scattered throughout the entire project. The applicant also states that this approach allows CforAT to own all of the units and thus more effectively administer services to their clients. Although a few recent projects have obtained concessions through density bonus law to not provide inclusionary units in certain portions of the project (generally on higher floors), staff is not aware of any previous projects which concentrated the inclusionary units to this degree.

Staff will provide a full analysis of the project's inclusionary housing proposal and conformance with required Variance findings prior to the formal public hearing. Staff requests that the ZAB provide advisory comments on this issue at this time, focusing in particular on the trade-offs between dispersion of the inclusionary units throughout the entire project, and the increased affordability and special needs services that the applicant states will be achieved through the proposed "clustering" of inclusionary units.

3. Parking/Transportation: As noted in Table 4, the project would provide 178 parking spaces, where the Zoning Ordinance requires 190 spaces, plus two carshare spaces which would be available to off-site users and would not count toward the zoning requirements. All parking would be provided at 2600 Shattuck, including four spaces for the units at 2037 Parker. No parking would be provided for 2598 Shattuck. The project is located within Residential Preferential Parking (RPP) zone C, which extends north of Carleton and west of Shattuck. Residents and employees of 2598 Shattuck would not be eligible for RPP permits because this portion of the project does not meet the parking requirements.

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<sup>8</sup> The applicant intends to sell the units as condominiums, but would like to have flexibility to rent the units if the market doesn't support condominiums. If the units are rented and Section 8 vouchers are available (as they typically are), at least 50% of the inclusionary units would have to be affordable to households earning up to 50% AMI, and the remaining inclusionary units would have to be affordable to households earning up to 81% AMI (BMC Section 23C.12.060.C).

The project driveways are located on Carleton Street to create an enhanced pedestrian environment on Parker Street, and because Carleton Street has a lower peak traffic volume due to the UC Berkeley corporation yard and nursing home. As noted earlier, the project would install a new traffic signal at the intersection of Shattuck and Carleton. The applicant has submitted a draft traffic study which indicates that the project would add 72 peak-hour vehicle trips. With the new traffic signal, all study intersections would continue to operate at acceptable levels of service. The applicant is currently revising the study to respond to several staff comments.

The project would help reduce its traffic and parking demand far by providing over 100 bike parking spaces and a designated bike work room. The project site is one block east of the Milvia Street bike boulevard.

Staff will provide a full analysis of the project's parking and transportation issues prior to the formal public hearing. Staff requests that the ZAB provide advisory comments on these issues at this time. ZAB members may wish to comment on the following:

- Proximity to Downtown, UC campus, BART stations, and AC Transit lines
- Adequacy of proposed off-street parking
- Appropriateness of waiving parking requirements for the special needs units and commercial spaces at 2598 Shattuck
- Bike parking, car sharing, transit subsidies and other incentives

4. Historical Significance: The existing building is not a designated City landmark or structure of merit, nor is it listed on the State Historic Resources Inventory. According to a report submitted by the applicant (see Attachment 3), the building was designed by local architect James Plachek for Ford and Studebaker car sales on land leased from Francis K. Shattuck. Since then, the building has been in continuous use for car sales. The attached report concludes that the building is one of Plachek's less significant works since it lacks the ornamentation and attention to detail present in other Plachek buildings, such as the Berkeley ("New") City Hall and the Central Library.

Staff will provide a full analysis of this issue prior to formal public hearing. Because the building is not being demolished, the Zoning Ordinance does not require Landmarks Preservation Commission review for this project. However, given the magnitude of the proposed alterations and the reputation of the building's architect, staff has scheduled a referral to the LPC for advisory comments on the historical significant of the existing building on November 5.



## **VI. Recommendation**

Staff recommends that the ZAB provide advisory comments to the applicant, with emphasis on the following topics:

- Height and Mass
- Inclusionary Housing
- Traffic and Parking
- Historical Significance of Honda Building

### **Attachments:**

1. Project Plans/Photos/Shadow Studies – 2598 Shattuck/2037 Parker
2. Project Plans/Photos – 2600 Shattuck (see Att. 1 for shadow studies)
3. Historic Evaluation
4. Public Hearing Notice
5. Applicant Statement – item to be delivered at the meeting
6. Correspondence

### **Staff Planners:**

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