



## STAFF REPORT CITY COUNCIL

---

**DATE:** March 6, 2018

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher L. Foss, City Manager

**SUBJECT:** Zeiss Innovation Center: Planned Development Zoning with a related Stage 1 and Stage 2 Development Plan, and Site Development Review Permit (PLPA 2017-00025)  
*Prepared by: Martha Battaglia, Associate Planner*

### EXECUTIVE SUMMARY:

The City Council will consider the Zeiss Innovation Center project, which consists of a 433,090 square foot research and development campus comprised of two buildings, a parking structure, and associated site, frontage, and landscape improvements to be built in two phases. Requested approvals include a Planned Development Rezone with a Stage 1 and Stage 2 Development Plan for the entire 11.36 acre site, a Site Development Review Permit for Phase 1, which includes a 208,650 square foot research and development building, surface parking and related site improvements and adoption of a Supplemental Mitigated Negative Declaration that was prepared for the project in accordance with the California Environmental Quality Act.

### STAFF RECOMMENDATION:

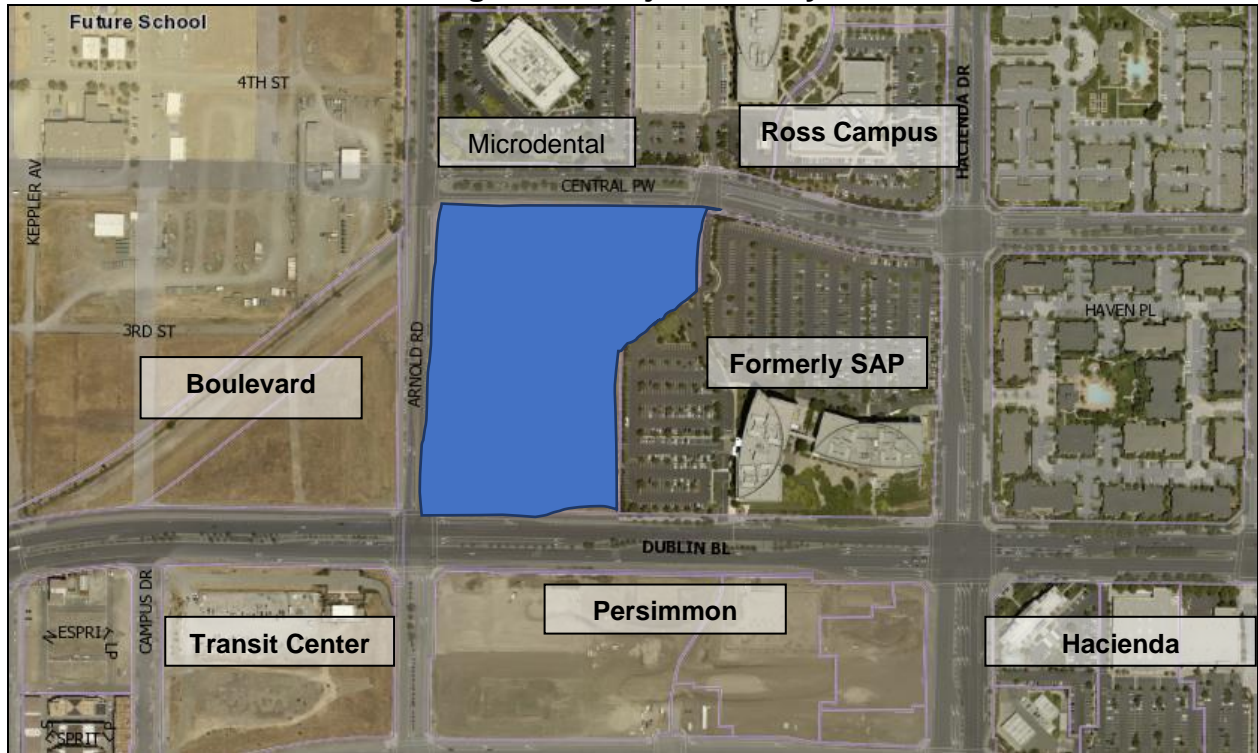
Conduct the public hearing, deliberate and take the following actions: a) Adopt the **Resolution** adopting a Supplemental Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Zeiss Innovation Center; b) Waive the reading and INTRODUCE an Ordinance Amending the Zoning Map and Approving a Planned Development Zoning District with a related Stage 1 and Stage 2 Development Plan for the Zeiss Innovation Center; and c) Adopt the **Resolution** Approving the Site Development Review Permit for Phase 1 of the Zeiss Innovation Center project.

### DESCRIPTION

The project site is approximately 11.36 acres of land located on the northeast corner of Dublin Boulevard and Arnold Road, as shown in the vicinity map below. The site, which is referred to as Site 15A, is currently owned by the Alameda County Surplus Property Authority and will be sold to the Applicant. The property has a General Plan and Eastern Dublin Specific Plan land use designation of Campus Office, which allows for the development of a “campus-like setting for office and other non-retail commercial uses.”

Typical uses include professional and administrative offices, research and development, business and commercial services, and limited light manufacturing.

**Figure 1: Project Vicinity**



### **Current Request**

The Applicant, Carl Zeiss Inc., plans to consolidate several of their northern California facilities in Dublin. To accommodate this, they are proposing a campus office development of up to 433,090 square feet on Site 15A. The project would include two contemporary office buildings, a parking structure and associated site, frontage and landscape improvements to be constructed in two phases.

Phase 1 of the Zeiss Innovation Center includes a 208,650 square foot, 3-story research and development building. This facility will contain research and development labs, offices, a demonstration center and show room, warehouse, loading area, shipping and receiving, an employee cafeteria. The site plan includes surface parking for 664 vehicles and associated site improvements including enhanced seasonal wetlands and walking trail, entry plaza and fountain, landscaping and frontage improvements.

Phase 2 will be built in the future to include a second research and development building of up to 224,440 square feet and a parking structure to support both Phase 1 and 2. The majority of the surface parking will be eliminated with construction of the Phase 2 improvements. Please refer to the Planning Commission Staff Report (Attachment 1) for a complete analysis of the project.

The following is a brief overview of the requested entitlements.

1. Planned Development Rezone with a related Stage 1 & Stage 2 Development Plan for the entire site (Attachment 2).
2. Site Development Review Permit for the Phase 1 building and related site improvements (Attachment 3, 4 & 5).
3. Supplemental Mitigated Negative Declaration (Attachment 6).

### **PLANNING COMMISSION REVIEW:**

The Planning Commission held a Public Hearing on February 13, 2018 to review the proposed project. Two members of the public spoke in opposition to the project and submitted comment letters (Attachment 7). The Planning Commission unanimously recommended that the City Council approve the project (Attachment 8).

### **ENVIRONMENTAL REVIEW:**

The development on the project site has been addressed in three CEQA documents, an Environmental Impact Report (EIR) for the Eastern Dublin Specific Plan, a Mitigated Negative Declaration (MND) for the proposed Cisco project and a Supplemental Mitigated Negative Declaration for the proposed project. The project site is located within the Eastern Dublin Specific Plan area and was addressed in the General Plan Amendment/Eastern Dublin Specific Plan EIR (Eastern Dublin EIR, SCH #91103064). The Eastern Dublin Specific Plan EIR is a Programmatic EIR and evaluated the potential environmental effects of urbanizing Eastern Dublin. In 2001, the City prepared and adopted a Mitigated Negative Declaration (Cisco Systems MND, SCH #1991103064) to evaluate site-specific impacts of the change to the General Plan and Eastern Dublin Specific Plan land use designation of Site 15A from High Density Residential to Campus Office. The Mitigated Negative Declaration determined that with the implementation of Mitigation Measures previously adopted for the Eastern Dublin Specific Plan EIR and with site-specific Mitigation Measures contained in the Mitigated Negative Declaration, potential site-specific impacts of the proposed project would be reduced to a level of insignificance, and therefore, the proposed project would not have a significant effect on the environment.

Consistent with CEQA section 21166 and related CEQA Guidelines sections 15162/15163, the City prepared an Initial Study to determine whether additional environmental review was required for the proposed project. The Initial Study examined whether there were substantial changes to the proposed development, substantial changes in circumstances, or new information, any of which would result in new or more severe significant impacts than analyzed in the prior EIR and MND or if any other CEQA standards for supplemental environmental review were met. The Initial Study determined that there were new potentially significant impacts associated with the project related to biological resources; therefore, a Supplemental Mitigated Negative Declaration was prepared to analyze those biological impacts. The Supplemental Mitigated Negative Declaration/Initial Study is included as Attachment 9.

The project is subject to mitigations identified in the Supplemental Mitigated Negative Declaration, the Mitigated Negative Declaration, and the Eastern Dublin Specific Plan EIR as applicable. The City will monitor the Applicant's compliance with mitigation measures as the project is constructed and operated under the Mitigation Monitoring

and Reporting Program adopted in conjunction with the project approvals. The Mitigation Monitoring and Reporting Program is included as Attachment 10.

The Supplemental Mitigated Negative Declaration/Initial Study was circulated for a public review period from December 13, 2017 to January 30, 2018. The City received four comment letters during the public review period. The City also received two letters objecting to the CEQA analysis after the close of the comment period just prior to the Planning Commission meeting. Though not required by CEQA, the City prepared responses to the issues raised in the comment letters (Attachment 11).

The environmental effects of the project are discussed in detail in the documents referenced above.

### **NOTICING REQUIREMENTS/PUBLIC OUTREACH:**

In accordance with the City's policy, the Applicant installed a Planning Application Notice Sign along the project frontages. The sign includes details about the project and how to find out more information. The project is also included on the City's Project Development Website.

In accordance with State law, a public hearing notice was published in the *East Bay Times* and posted at several locations throughout the City. Notices were mailed to all property owners and tenants within 300 feet of the project site. Notices were also mailed to interested parties, which included those that provided comments regarding the Supplemental Mitigated Negative Declaration. A copy of the Staff Report has been provided to the Applicant and posted to the City's website.

### **ATTACHMENTS:**

1. Planning Commission Staff Report dated 2.13.18 without attachments
2. Ordinance Adopting Planned Development Zoning with a Stage 1 and 2 Development Plan
3. Resolution Approving a Site Development Review Permit for Phase 1
4. Exhibit A to Attachment 3 - Project Plans
5. Exhibit B to Attachment 3 - Color Renderings
6. Resolution Adopting the Supplemental Mitigated Negative Declaration
7. Planning Commission Draft Meeting Minutes Dated February 13, 2018
8. Planning Commission Resolutions No. 18-02, 18-03 & 18-04
9. Exhibit A to Attachment 6 - Supplemental Mitigated Negative Declaration & Initial Study
10. Exhibit B to Attachment 6 - Mitigation Monitoring and Reporting Program
11. Response to Comments