

P05-016 – Opus Gateway Office

- REQUEST:
- A. **Environmental Determination:** Final EIR, State Clearinghouse #2000072035;
 - B. **Schematic Plan Amendment** to depict the proposed project within the Promenade at Natomas PUD;
 - C. **Special Permit** to construct four office buildings (for a total of 590,000 square feet), a three-story parking structure, and a 350 space park-and-ride lot in the EC-50-PUD and SC-PUD zone.

LOCATION: Northeast Corner of Truxel Road and Interstate-80
APN: 225-0160-086
Council District 1

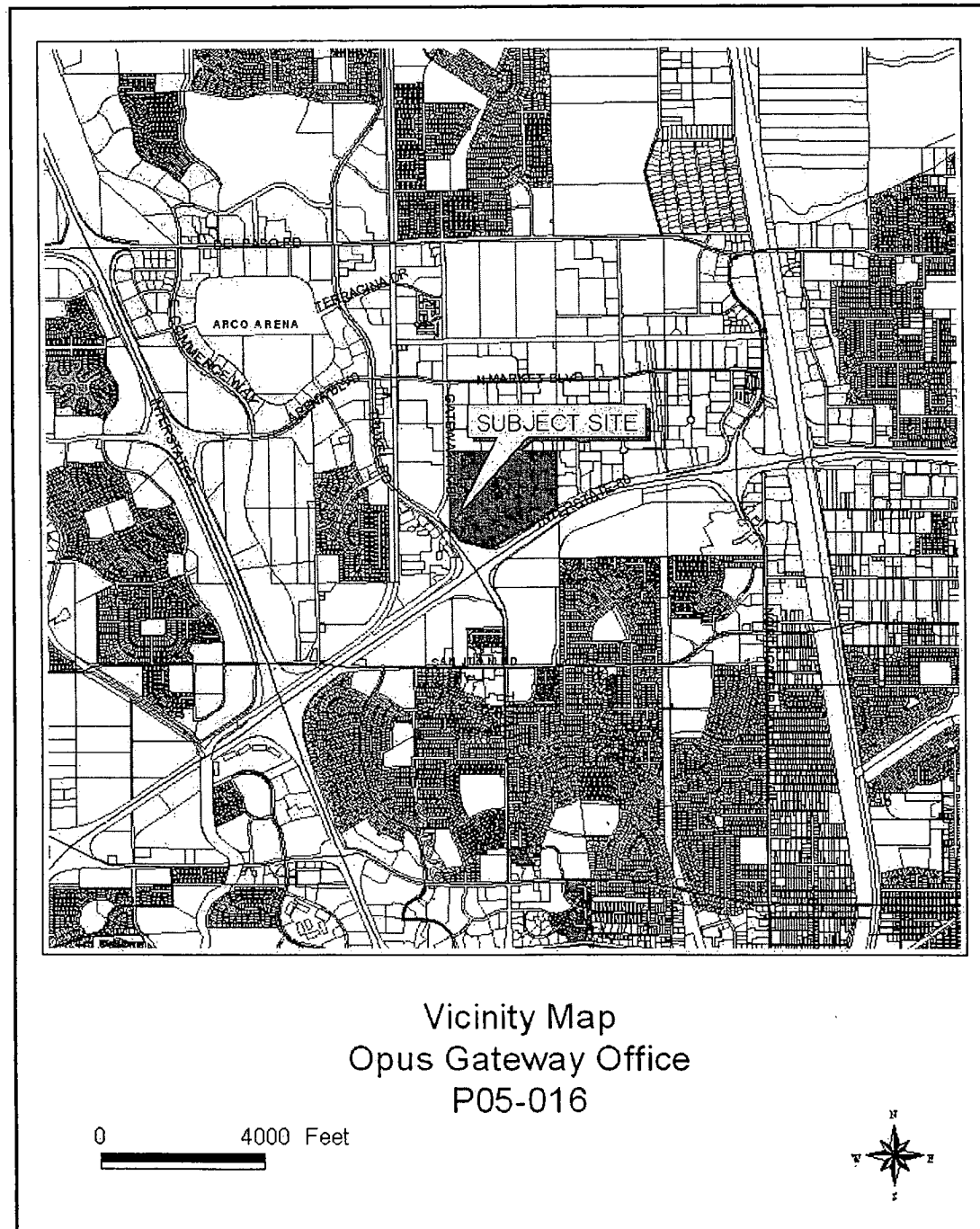
APPLICANT:	Opus West Corporation, Contact: Steve Vannatta 2150 River Plaza Drive, #255 Sacramento, CA 95833 (916) 567-6900
OWNER:	Fong Trust 3865 J Street, #146 Sacramento, CA 95816
APPLICATION FILED:	February 10, 2005
STAFF CONTACT:	Stacia Cosgrove, Associate Planner, (916) 808-7110 David Kwong, Interim Principal Planner, (916) 808-2691

SUMMARY:

The applicant is requesting entitlements to construct four office buildings (3 and 4 stories), a three-story parking structure, and a 350 space park-and-ride lot in the Employment Center Planned Unit Development (EC-50-PUD) and Shopping Center PUD (SC-PUD) zone, in the "Promenade at Natomas" PUD. The total square footage of office being proposed is 590,000 square feet, consistent with the 590,000 square feet of office and employment center uses depicted on the current Promenade at Natomas Schematic Plan. The Promenade at Natomas Schematic Plan will be updated to reflect the proposed office building configuration. The majority of the office square footage is within ¼ mile of a proposed Light Rail Transit station and is a transit supportive use. With the proposed project, the timing of one of the mitigation measures related to the installation of a traffic

signal will be revised (please see discussion in the Environmental section of this staff report for more information).

This project was originally scheduled for the May 12, 2005 Planning Commission hearing, but was continued by staff to May 26, 2005. A continuance of the project to the June 9, 2005, Planning Commission meeting was requested by the applicant.



RECOMMENDATION:

Staff recommends approval of the project, subject to conditions. This recommendation is based upon the project's consistency with the General Plan's Mixed Use land use designation, the project's compliance with the goals and policies of the North Natomas Community Plan and Promenade at Natomas PUD Guidelines, and its consistency with the community plan's land use designation of EC-50-PUD and Regional Commercial PUD.

PROJECT INFORMATION:

General Plan Designation:	Mixed Use, Regional Commercial & Office
Community Plan Designation:	EC-50-PUD, Regional Commercial-PUD
Existing Land Use of Site:	Vacant
Existing Zoning of Site:	Employment Center (EC-50) Planned Unit Development (PUD), Shopping Center PUD (SC-PUD)

Surrounding Land Use and Zoning:

North: Retail Uses (under construction); SC-PUD
South: Interstate-80 Interchange
East: Retail Uses (under construction); SC-PUD, EC-50-PUD
West: Proposed restaurant uses; HC-PUD

Property Dimensions:	Irregular
Property Area:	26.3+/- net acres (does not include acreage devoted to hotel use)
Square Footage of Buildings:	590,000 square feet (total of four buildings)
Height of Buildings:	3 and 4 stories
Exterior Building Materials:	Stucco with a masonry base
Parking Provided:	Surface spaces- 1,152 Structures spaces- 990 Total- 2142 spaces Park-and-Ride spaces- 350
Parking Required (office):	1,475 minimum- No maximum
Topography:	Flat
Street Improvements:	Existing/To be constructed
Utilities:	Existing/To be constructed

OTHER APPROVALS REQUIRED: In addition to the entitlements requested, the applicant will also need to obtain the following permits or approvals, including, but not limited to:

Permit
Building Permit
Driveway Permit
Public Improvement Plans

Agency
Building Division
Development Engineering & Finance
Development Engineering & Finance

BACKGROUND INFORMATION:

On September 28, 2004, the City Council approved the underlying project entitlements related to the Promenade project (P00-033), including a Schematic Plan depicting 590,000 square feet of office and employment center uses on the subject site. The underlying project entitlements included a Development Agreement, General Plan, Community Plan and Zoning Amendments, the establishment of Planned Unit Development (PUD), including PUD Guidelines and Schematic Plan (depicting approximately 663,200± square feet of retail uses, 108,000± square feet of hotel uses (two hotels with approximately 180± total rooms), 490,000± square feet of employment center uses, and 100,000± square feet of office uses), a tentative subdivision map, and a Special Permit for the construction of 663,200± square feet of buildings for retail use, including a gasoline fueling station in the Employment Center zone. At the time of the Promenade project approval in September 2004, the applicant did not request Special Permit approval for the office uses depicted on the proposed PUD Schematic Plan.

The current request is to construct 590,000 square feet of office uses, consistent with the 590,000 square feet of office and employment center uses depicted on the Promenade at Natomas PUD Schematic Plan. The PUD's Schematic Plan exhibit will be updated to include the proposed office building configuration, the parking structure, and the park-and-ride spaces. The hotel use depicted on the current schematic plan will also be relocated from the corner of Gateway Park Boulevard and North Freeway Boulevard to a location that is more interior to the overall site but still within ¼ mile of the proposed Light Rail Transit station (Attachment 4); the applicant is not requesting a Special Permit for the hotel use at this time.

STAFF EVALUATION: Staff has the following comments:

A. Policy Considerations

The General Plan: The General Plan designates the site as a combination of Mixed Use, which includes a mixture of office, commercial, open space, and medium and high density residential uses, and Regional Commercial & Office. The proposed project is consistent with both General Plan designations. The project is also consistent with the following General Plan policies:

- Promote new employment opportunities, particularly for the under-employed and economically disadvantaged (p. 4-1).
- Promote economic vitality and diversification of the local economy (p. 4-1).

- Ensure that the City of Sacramento captures a regional Central City's share of the regional office market (p. 4-15).
- Maintain a desirable quality of life, including good air quality while supporting planned land use and population growth (p. 5-1).

The proposed project will construct Class A office space within ¼ mile of a proposed Light Rail Transit station just north of the project site (and Gateway Park Boulevard) on Truxel Road, providing transit ridership opportunities and supporting air quality goals. (Please see Attachment 4 for the approximate location of the ¼ mile distance from the proposed Light Rail station.) The project will also construct 350 park-and-ride spaces to further promote transit ridership and to fulfill conditions placed on the Promenade at Natomas PUD Schematic Plan (P00-033).

North Natomas Community Plan: The proposed project is consistent with the North Natomas Community Plan. The North Natomas Community Plan designates the project site as a combination of Employment Center (50 employees per net acre) (EC-50) and Regional Commercial. EC-50 allows for a minimum of 20 employees per net acre and an average of 50 employees per net acre (NNCP, p. 20). The North Natomas Community Plan requires that land uses and employment intensities of the implementing zones must meet minimum and average employee intensities, as specified above. There is no maximum intensity as long as the average is met. By that reasoning, the current project would need to provide space for 1,315 employees (26.3 acres x 50 employees). The Community Plan estimates 300 gross square feet of office space per employee should be provided (1,315 employees x 300 gross square feet), meaning that the proposed project should provide a minimum of 394,500 square feet of office space on this site. The project exceeds the amount anticipated by the Community Plan by proposing 590,000 square feet of office on this site.

Office development is considered a "Primary use" and is allowed within the EC designation. (NNCP, p. 21) The project is consistent with the following community plan policies:

- Buildings should be oriented such that active, people-oriented functions face the street to the maximum extent possible. Service and loading areas should be located away from the street, to the side or rear areas of the parcel. (NNCP, p. 23)
- Parking should be provided primarily in the rear and on the side of the buildings, with alternative commute spaces located nearest building entrances. Parking should be located in areas that do not impede pedestrian circulation. (NNCP, p. 23)
- Each EC PUD should provide open space in the form of public plazas, courtyards, and landscaped areas and parks, which provide opportunities for active and passive recreation. Plazas and open space developed in conjunction with office buildings should be accessible by the public and should be oriented to pedestrian linkages through the area. Open space should be located adjacent to people-oriented uses, such as small retail shops or restaurants. Specific site design will be guided by North Natomas Development Guidelines and specific PUD Development Guidelines. (NNCP, p. 23)

- Link all land uses with all modes of transportation. Connect, don't isolate, neighborhoods and activity centers with a well-designed circulation system. Provide multiple routes and connections to adjacent developments. (NNCP, p. 38)

The North Natomas Community Plan also requires that each non-residential project comply with the Citywide Transportation Systems Management (TSM) Ordinance and prepare a Transportation Management Plan (TMP) to optimize the use of existing transportation facilities and financial resources and to reduce trips generated by the proposed development. There was a TMP prepared for the larger Promenade project and this project will be required to comply with that TMP.

Habitat Conservation Plan (HCP): The 1994 North Natomas Community Plan required the development and implementation of a Habitat Conservation Plan as mitigation for development in North Natomas. In 1997, the NBHCP was approved by the City of Sacramento, USFWS, and CDFG.

The NBHCP is a conservation plan supporting application for incidental take permits (ITP's) under Section 10(a)(1)(B) of the Endangered Species Act and under Section 2081 of the California Fish and Game Code. The purpose of the NBHCP is to promote biological conservation while allowing urban development and continuation of agriculture within the Natomas Basin. The NBHCP establishes a multi-species conservation program to mitigate the expected loss of habitat values and incidental take of protected species that would result from urban development, operation of irrigation and drainage systems, and rice farming. The goal of the NBHCP is to preserve, restore, and enhance habitat values found in the Natomas Basin.

To support the issuance of an ITP, an Environmental Assessment was prepared by the USFWS for the National Environmental Policy Act requirement and a Negative Declaration was prepared by the City of Sacramento for the California Environmental Quality Act (CEQA) requirement. The USFWS and CDFG issued ITP's to the City of Sacramento. The NBHCP and ITP were subsequently challenged, and on August 15, 2000, the United States District Court, Eastern District, ruled that the ITP was invalid and an EIS was required for the project. Based on this ruling, the City of Sacramento and Sutter County jointly prepared a revised NBHCP and an Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for use by the USFWS and CDFG. The USFWS is the lead federal agency for the preparation of the EIS and the City of Sacramento and Sutter County are co-lead agencies for the preparation of the EIR. The Sacramento City Council adopted the revised NBHCP and EIR/EIS on May 13, 2003. On June 27, 2003 the USFWS issued a new Incidental Take Permit for the NBHCP for development within the Natomas Basin.

Regarding the currently proposed project: HCP requirements were satisfied in 2004 for the entire Promenade at Natomas site, which includes the subject area. The site has been graded.

Smart Growth Principles: Sacramento City Council adopted a set of Smart Growth Principles in December 2001 in order to promote growth that is economically sound, environmentally friendly, and supportive of community livability. The Smart Growth Principles encourage:

- Providing a mix of land uses;
- Concentrating new development and targeting infrastructure investments within the urban core of the region;
- Fostering a walkable community;
- Multi-modal transportation and land use patterns that support walking, cycling, and public transit;

The proposed project is designed to incorporate many elements of the Smart Growth Principles listed above. The office development will be located in an area designated for urban development. The streets are designed to provide adequate connections for multi-modal transportation and the orientation of the buildings to the street and amongst themselves on the site will contribute to a pedestrian friendly streetscape.

Promenade at Natomas PUD Guidelines and Schematic Plan: The proposed project site is located within the Promenade at Natomas Planned Unit Development (PUD). (See Attachment 5 for a copy of the current Promenade at Natomas PUD Schematic Plan and Exhibit 1B for the proposed Schematic Plan.) The purpose of the PUD guidelines is to unify the design and implementation of the entire PUD within North Natomas and to create a cohesive community. The project is consistent with the Promenade at Natomas PUD guidelines and policies.

Office is identified as a primary permitted use within the PUD. The site provides for adequate landscaping and setback areas consistent with what is required by the PUD Guidelines.

The PUD Guidelines provide that between 45%-95% of the EC-50 land may be use for primary land uses, such as office, meaning at least 5% must be used for a non-primary use. There are 28.75 acres of EC-50 land in the PUD. In this case, the non-primary use in the EC-50 will be the hotel use, depicted on the Schematic Site Plan. A Special Permit for this use is not being requested at this time. The hotel will occupy 2.45+/- acres of EC-50, accounting for approximately 8.5% of the overall EC-50 acreage within the PUD; the proposed project is therefore consistent with PUD requirements.

Park and Ride Lot and ¼ Mile Radius: With its adoption in September 2004, the Promenade at Natomas PUD was conditioned to allocate up to 350 parking spaces for Park-and-Ride purposes. The proposed project will satisfy this condition. For the time being, the park- and-ride lot will be landscaped and irrigated by the applicant in consultation with Regional Transit. It will be maintained by the applicant until such time as Regional Transit acquires the property. At such time as the Downtown-Natomas-Airport (DNA) light rail transit line is constructed, the lot will be surfaced and landscaped for parking by Regional Transit. Please see Attachment 4, demonstrating the approximate location of the ¼ mile distance from the proposed light rail transit station.

Residential Uses in the EC-50 Zone: When the Promenade project (P00-033) was considered at City Council in late 2004, there was interest amongst several Councilmembers for Opus to consider including residential uses on the office site in the EC-50 zone. While the zone allows up to 25% of the EC acreage in an EC PUD to be developed with residential uses, the current proposal does not include any residential. The applicant considered the issue carefully and has chosen not to put forward a proposal for the EC-50 site that includes residential uses.

Based upon an in-house national meeting of Opus and discussions with a prominent mixed use architect from Portland (Fletcher, Farr & Arrotte) as well as several other local architects about the appropriateness of adding a residential component within the project, the following conclusions were made:

1. There is no adjacent residential critical mass nor residential amenities to create a viable residential use at this location.
2. The Community Plan did not provide for residential amenities and never planned for residential in this area because of its proximity to existing industrial development and the freeway.
3. There is no "sense of neighborhood" - one would feel like an island in the middle of an office and shopping center.
4. There is no easy access to schools, parks, cultural amenities, medical facilities and would thus require requiring automobiles for primary transportation to these facilities.
5. No market interest or inquiries from were received from any residential or multifamily developers. Opus builds a significant number of multifamily and condo projects, virtually all of which with seasoned partners. None of Opus' residential partners were interested in pursuing a residential option.
6. Opus was open to the idea because residential land is actually more valuable than office land - and the office market is relatively soft in Natomas. Opus was therefore financially motivated to include a residential component.

B. Schematic Plan

The Promenade at Natomas PUD Schematic Plan is proposed to be amended in order to depict the proposed project. (Exhibit 1B) The building arrangement on site is altered from what was approved on the previous Schematic Plan, although the overall square footage devoted to office and employment center uses remains the same. The park-and-ride lot is now proposed to be depicted on the Schematic Plan and the hotel use will be relocated. Additionally, by rearranging the building configuration on-site, the amount of office square footage within ¼ mile of the proposed light rail station has increased from an estimated 390,000 square feet to approximately 410,000 square feet; staff supports this change. Please see Attachment 4, demonstrating the approximate location of the ¼ mile radius from the proposed Light Rail Transit station.

Staff recommends approval of the Schematic Plan amendment.

C. Special Permit

The proposed project requires Special Permit approval to develop within a Planned Unit Development. The applicant is requesting a Special Permit to construct four office buildings totaling 590,000 square feet, a parking structure, and a 350 space park-and-ride facility.

1. Zoning Requirements

The project site is primarily zoned Employment Center (50 employees per net acre) (EC-50-PUD). The EC zone is intended to provide a flexible zone for primarily employment generating uses in a pedestrian friendly setting with ample private and/or public open space. (NNCP, p. 19) Office uses are allowed within the EC zone and the project meets the employment generation expectations in the North Natomas Community Plan. A small portion of the project site, located on the east side of Building A, is zoned Shopping Center PUD (SC-PUD). Office uses are allowed within the SC-PUD zone.

2. Setbacks/Height

The proposed project is consistent with the landscape and building setbacks required by the Promenade at Natomas PUD. The PUD Guidelines require a minimum building setback of 25 feet from the back of the street curb. Adjacent to North Freeway Boulevard, a 5 foot landscape setback is required. Adjacent to Interstate-80, a minimum 100-foot setback is required. The project complies with these requirements. There are no setback requirements for interior property lines within the PUD. (PUD Guidelines, p. 31) Staff supports the building setbacks as proposed.

Office buildings within the Promenade at Natomas PUD are limited to a maximum of four stories and 75 feet of height. Height may be increase to five stories at the discretion of the Planning Director. All of the buildings on the subject site are proposed to be three and four-story buildings. The three-story buildings (Buildings A and B) are 47' to the top of the parapet and 55' high to the top of the mechanical screen. The four-story buildings (Buildings C and D) are 61' to the top of the parapet.

Staff is supportive of the building setbacks and height as proposed.

3. Parking/Circulation

Vehicle Parking: The project offers adequate parking facilities to serve the site. In terms of the amount of parking required for office uses, the PUD Guidelines defer to the Zoning Ordinance with one variation; there is no maximum amount of parking that may be provided on-site. The Zoning Ordinance allows a parking range of

1:275-1:400 for office uses. Table 1 illustrates the parking provided to serve the project site:

Table 1
Vehicle Parking Allowed/Provided

	Building SqFt.	Parking Allowed	Parking Provided
Building A	120,000	300-436 spaces	436 spaces
Building B	120,000	300-436 spaces	436 spaces
Building C	175,000	438-636 spaces	635 spaces
Building D	175,000	438-636 spaces	635 spaces
Park-n-Ride	n/a	350 spaces	350 spaces

Table 1 demonstrates that the project provides and exceeds the minimum amount of parking required on the project site. While there is no maximum amount of parking that may be provided, Table 1 demonstrates that the project does not exceed a 1:275 parking ratio, consistent with what the Zoning Code would typically require. Staff supports the parking as proposed.

Parking is distributed evenly throughout the project site. Buildings C and D are set directly at the intersections of Gateway Park Boulevard/North Freeway Boulevard and North Freeway Boulevard/Promenade Circle, respectively. The project will develop a 350 space park-and-ride facility as required by conditions on the adopted Promenade at Natomas PUD. A structured parking garage is proposed that would serve the office buildings. The parking structure contains 990 parking spaces on 3 levels. There is access to the parking structure from all four sides of the building.

Bicycle Parking: Bicycle parking facilities will be provided for the building. City Code requires that one bicycle parking space shall be provided for every 20 parking spaces required. The Promenade Transportation Management Plan (TMP) directs that the project will provide an additional 20% of required Class I and Class II bicycle parking facilities as a means of encouraging employees and visitors to ride bicycles to the site rather than drive automobiles.

The bicycle parking spaces must be provided in a secure area or in an area in close proximity to the doors and windows of the office area so that surveillance of the bicycles can be provided. Because the location of the bicycle facilities is unknown at this time, the project is conditioned such that the location of all proposed bicycle facilities must be reviewed and approved by the Planning Director.

Bike Trail: There is a bike trail along the southern edge of the project site that will be built with the retail portion of the Promenade project. The trail begins at Truxel Road and will travel parallel to Interstate-80 through the office portion of the site and

through the retail site to Freeway Boulevard. The trail is being constructed with the retail portion of the project.

Pedestrian Circulation: There are paved, accessible paths of travel for pedestrians from the roadways and bike trail to each of the building entrances, as well as between the buildings onsite. Distinguished paving clearly calls out the pedestrian route through the parking lot to the entrances. (Please see Exhibit 1C, Pedestrian Circulation Plan) It is anticipated that the primary path of travel from the Light Rail Station to Buildings C and D will be from the intersection of Truxel Road and Gateway Park Boulevard, up Gateway Park Boulevard and then directly to Buildings C and D. The primary path of travel from the Light Rail Station to Buildings A and B will likely be from the intersection of Truxel Road and Gateway Park Boulevard, south a short distance on Truxel Road to the bike trail, and then east on the bike trail to both buildings. Those transit riders that choose to park in the Park and Ride lot will be able to directly access the transit station by a pathway from the park-and-ride lot west through the adjacent site and to the corner of Truxel Road and Gateway Park Boulevard. The site to the west will be developed with two restaurant uses and will work with Opus to ensure that the pedestrian pathways on both site plans meet up to one another.

It is important to note that with this site plan consideration has been given to the interaction between the office buildings and the retail uses on the rest of the Promenade site. Building D is located at the corner of North Freeway Boulevard and Promenade Circle, placing the building within the ¼ mile transit ring but also oriented toward the street and toward the Promenade's pedestrian friendly, village-style shopping area (see Attachment 5, depicting the location of retail uses within the PUD). Building A is also within walking distance of the retail uses to the east, encouraging employees to walk to and patronize adjacent retail uses. While Building A is outside of the ¼ mile transit ring, staff supports the location of Building A due not only to its proximity to the retail uses, but also due to the fact that on the currently approved Promenade at Natomas Schematic plan (Attachment 5), there is a 3-story, 100,000 square foot office building in the same location. The proposed Building A is consistent with what is already approved on the Promenade at Natomas schematic plan.

4. Landscaping

The proposed project is required to comply with the Promenade at Natomas PUD Guidelines and landscape requirements. The landscape exhibits for this project are included as Exhibit 1D.

The Zoning Ordinance requires that trees be planted and maintained throughout the surface parking lot to ensure that, within 15 years after establishment of the parking lot, at least 50% of the parking area will be shaded. Areas to be shaded include parking area and any driveways or maneuvering area utilized or accessed by the vehicles using the parking spaces. In this case, the proposed project is required by

the adopted TMP to provide 60% tree shading throughout the Promenade site (office and retail components). The applicant has indicated that the project will comply with the 60% shading requirement for parking areas.

5. Signage

The applicant is not putting forward a sign program for the office site at this time. The project is conditioned such that the Planning Director must review and approve a sign program, including the number, size, and location of all attached signage prior to issuance of any sign permits. The PUD Guidelines do not contain any sign guidelines for office uses in the EC zone.

D. Building Design

The design of the proposed buildings is consistent with the Promenade at Natomas PUD Guidelines and will be complimentary to adjacent development. The applicant proposes four (4) three and four-story buildings for office uses. Staff is supportive of the overall building design and orientation. Building elevation and floor plan exhibits are included as Exhibits 1G-1R. The building design, orientation to the street, landscaping, and on-site pedestrian gathering areas will contribute to a pedestrian friendly environment.

The primary goal for the Employment Center-50 area is to create a sophisticated, contemporary corporate environment. Primary buildings (over 15,000 square feet) should be articulated with broad gestures of metal, concrete, masonry and/or glass. (PUD Guidelines, p. 29)

All of the office buildings will steel framed structures. The exterior finish will be a combination of integral colored EIFS on the second stories and brick veneer on the first stories and on the two-story entry elements. Similar treatment will be used on the 3-floor parking structure. Roof-top mechanical equipment will be screened from view. Windows will be anodized aluminum with gray tinted reflective glazing. The building will include a substantial cornice at the top and a similar beltline element.

Each of the buildings will share a similar color scheme, with some variation to distinguish the buildings. Numerous employee entries and exits are provided from each building. Each building contains a "through lobby," where employees and visitors can enter the building at primary entry points on two sides of the building. Staff supports the inclusion of through lobbies on all of the buildings to allow employees and visitors ample connections between the office and retail uses and the transit station.

Each of the buildings include a designated gathering space for office workers and visitors, distinguished by special paving, landscaping and shading, and outdoor seating.

Trash enclosures with recycling and garbage receptacles are required for office developments and are to be screened from public view, to the extent possible. Trash enclosures are required to comply with City standards for design and size described in Chapter 17.72.040 of the City Code. The applicant is providing four trash enclosures on the site, one for each building.

PROJECT REVIEW PROCESS:

A. Environmental Determination

On September 28, 2004, the City Council adopted a Final Environmental Impact Report (FEIR) for the Promenade project (P00-033). The EIR identified significant Impacts for traffic, air quality, noise, biological resources, drainage and cultural resources. Where possible, mitigation measures were identified to reduce many project impacts to a less-than-significant level.

The proposed project was determined to fall within the scope of the Promenade FEIR (P00-033). However, the timing associated with mitigation measure 7.2-1 will be altered to change the timing by which the traffic signal at Northgate Boulevard and Del Paso Road must be installed. Because the signal is needed to mitigate the cumulative impacts of commute traffic, instead of the signal being installed prior to the occupancy of any building, the signal will be installed prior to the occupancy of the third office building. This is a minor technical change and does not present impacts beyond those previously evaluated in the original Promenade FEIR. No other new issues or information is known that would trigger additional environmental analysis. The mitigation measures that were identified with the Promenade project (P00-033) are included with this project as Special Permit conditions of approval, with the minor change to Mitigation Measure 7.2-1 noted above.

Copies of the FEIR for the Promenade project (P00-033) are available at the Development Services Department, Planning Services Division, 1231 I Street, 2nd Floor, Sacramento, CA 95814.

B. Public/Neighborhood/Business Association Comments

The subject project was routed to the following neighborhood groups: Environmental Council of Sacramento (ECOS), Natomas Chamber of Commerce, Natomas Community Association (NCA), Natomas Crossing Community Association (NCCA), Natomas Crossing Community Vision (NCCV), Natomas Journal, North Natomas Alliance (NNA), North Natomas Community Association (NNCA), North Natomas Study Group (NNSG), Walk Sacramento, and Witter Ranch.

A response was received from the North Natomas Alliance that the group has no comments on the project.

A response was received from the Natomas Community Association (NCA) that the NCA is generally supportive of the proposal but with some stated concerns. The letter is included with this staff report as Attachment 6.

Staff Response: The bike trail will be constructed as depicted on the Promenade at Natomas PUD Schematic Plan and conditioned with the retail portion of the project in September 2004. The bike trail will meet up with the sidewalk on Truxel Road and is not anticipated to cause any safety hazards. To the extent possible, bikeway and pedestrian connections will be made through the Truxel 3 site (the site to the west of the Opus office site). Development Engineering and Finance staff have reviewed all on and off-site circulation plans to ensure that ingress and egress from the proposed project site will operate safely. Adequate signage to direct drivers will be provided.

A response was received from ECOS and it is attached to the staff report as Attachment 7.

Staff Response: Staff recognizes that there are competing interests on this project site and believes that the proposed arrangement of the office buildings maximizes the linkages between the light rail station, the park-and-ride lot, the office buildings, the public streets, and the approved retail uses within the PUD. While there does appear to be a lot of parking stalls on this site, it is unclear if the letter recognizes that the 350 spaces closest to the proposed Light Rail Transit station are to be designated as park-and-ride spaces, intended to service the station. The effectiveness of the transit station depends upon the proximity of the office buildings, but also the park-and-ride spaces. The effectiveness of the Promenade at Natomas PUD to provide a well integrated mix of land uses is affected by the proximity of those land uses, therefore staff does not support relocating all of the office space to the west side of the project site, but rather prefers an arrangement that balances the needs of the light rail system with the need to locate office space as conveniently as possible to the retail and pedestrian amenities that this site provides (the pedestrian promenade area). The applicant continues to work with the property owner to the west to ensure that there will be direct, well-designed pedestrian connections to this project site.

Staff received one additional letter regarding the project; it is attached to this report as Attachment 8.

No other public comments have been received.

C. Summary of Agency Comments

The project has been reviewed by several City Departments and other agencies. The following summarizes the comments received:

1. Solid Waste Division- Comments submitted been incorporated as conditions of approval and/or advisory notes.
2. Development Engineering and Finance Division- Comments submitted have been incorporated as conditions of approval and/or advisory notes
3. Department of Transportation, Electrical Section- Comments submitted have been incorporated as conditions of approval and/or advisory notes
4. Fire Department- Comments submitted have been incorporated as conditions of approval and/or advisory notes.
5. Utilities Department- Comments submitted have been incorporated as conditions of approval and/or advisory notes.
6. Building Division- No comments.
7. SACOG/Airport Land Use Commission- No comment.
8. Sacramento Metropolitan Air Quality Management District (SMAQMD)- The submitted comments were considered with the environmental review of this project.
9. County Sanitation District 1 (CSD-1)- Comments submitted have been incorporated as conditions of approval and/or advisory notes.
10. Sacramento Municipal Utility District (SMUD)- Comments submitted have been incorporated as conditions of approval and/or advisory notes.
11. Natomas Unified School District- No comments.
12. Parks Department- Comments submitted have been incorporated as conditions of approval and/or advisory notes.
13. Regional Transit- Comments are attached to this staff report as Attachment 9.

PROJECT APPROVAL PROCESS: Of the entitlements below, Planning Commission has the authority to approve or deny A-D. The Planning Commission action may be appealed to the City Council. The appeal must occur within 10 days of the Planning Commission action.

RECOMMENDATION:

Staff recommends the Planning Commission take the following actions:

- A. Finds that a Final EIR, State Clearinghouse #2000072035, was prepared and approved;
- B. Adopt the attached Notice of Decision and Findings of Fact approving the Schematic Plan Amendment to depict the proposed project within the Promenade at Natomas PUD;
- C. Adopt the attached Notice of Decision and Findings of Fact approving the Special Permit to construct four office buildings (for a total of 590,000 square feet), a three-story parking structure, and a 350 space park-and-ride lot in the EC-50-PUD zone.

Report Prepared By,

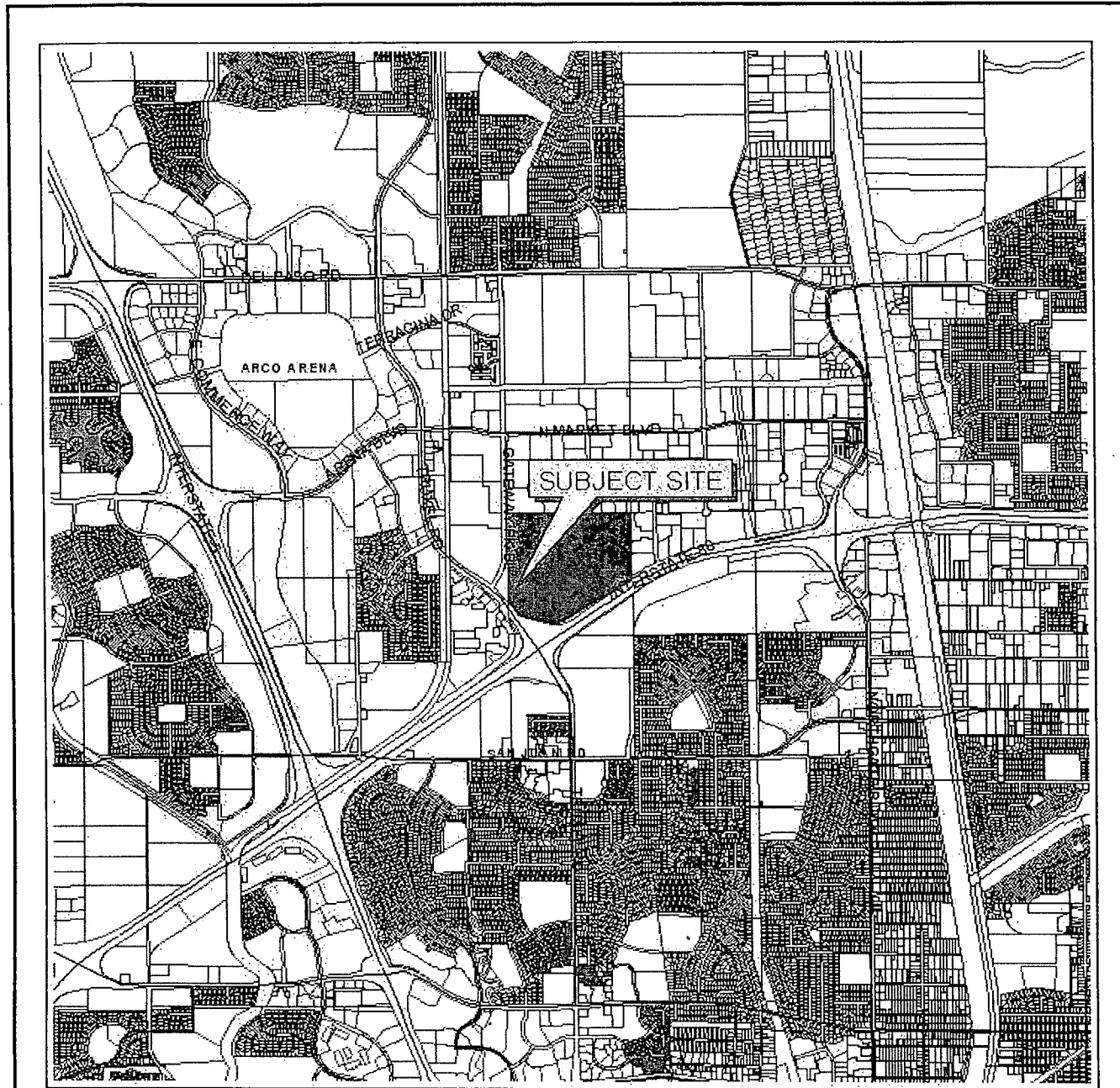
Stacia Cosgrove
Stacia Cosgrove, Associate Planner

Report Reviewed By,

Stacia Cosgrove
for David Kwong, Interim Principal
Planner

Attachments

Attachment 1	Notice of Decision & Findings of Fact
Exhibit 1A	Mitigation Monitoring Plan for the Promenade at Natomas Project (P00-033), As Revised
Exhibit 1B	Site Plan/Schematic Plan Exhibit
Exhibit 1C	Pedestrian Circulation Plan
Exhibit 1D	Landscape Exhibits
Exhibit 1E	Trash Enclosure Exhibit
Exhibit 1F	Schematic Rendering
Exhibit 1G	Elevation- Buildings A and B
Exhibit 1H	Buildings A and B- 1 st Floor Plan
Exhibit 1I	Buildings A and B- 2 nd Floor Plan
Exhibit 1J	Buildings A and B- 3 rd Floor Plan
Exhibit 1K	Elevation- Buildings C and D
Exhibit 1L	Buildings C and D- 1 st Floor Plan
Exhibit 1M	Buildings C and D- 2 nd Floor Plan
Exhibit 1N	Buildings C and D- 3 rd & 4 th Floor Plan
Exhibit 1O	Parking Structure Elevations
Exhibit 1P	Parking Structure- Ground Floor
Exhibit 1Q	Parking Structure- First Floor
Exhibit 1R	Parking Structure- Second Floor
Attachment 2	Vicinity Map
Attachment 3	Land Use & Zoning Map
Attachment 4	Exhibit Demonstrating Approximate Location of ¼ Mile Radius Around the Proposed Light Rail Transit Station
Attachment 5	Approved Promenade at Natomas PUD Schematic Plan, September 28, 2004
Attachment 6	Comments- Natomas Community Association
Attachment 7	Letter from ECOS
Attachment 8	Letter from Ellman Burke Hoffman & Johnson
Attachment 9	Comments- Regional Transit



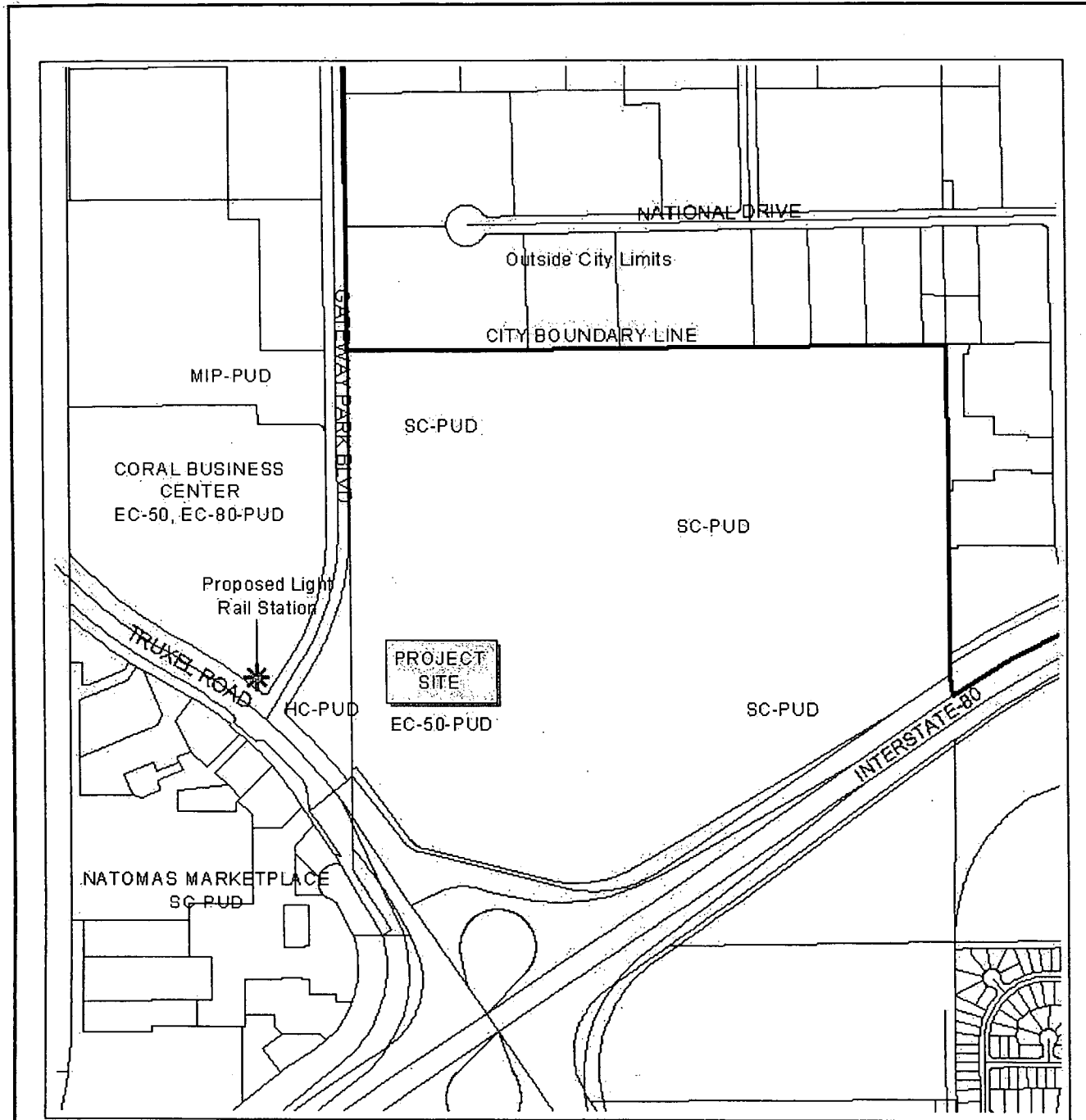
Vicinity Map
Opus Gateway Office
P05-016

0 4000 Feet

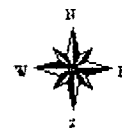


Attachment 3

Land Use & Zoning Map



Land Use & Zoning
P05-016
Opus Gateway Office



Attachment 4

Exhibit Demonstrating Approximate Location of 1/4 Mile Radius
Around the Proposed Light Rail Transit Station

PROJECT INFORMATION

Building A - (3) Story Office
 Building Area: 120,000 GSF
 Site Area: 6.40 Acres +/-
 Parking Provided: 436 Stalls
 (3.63/1,000 GSF)

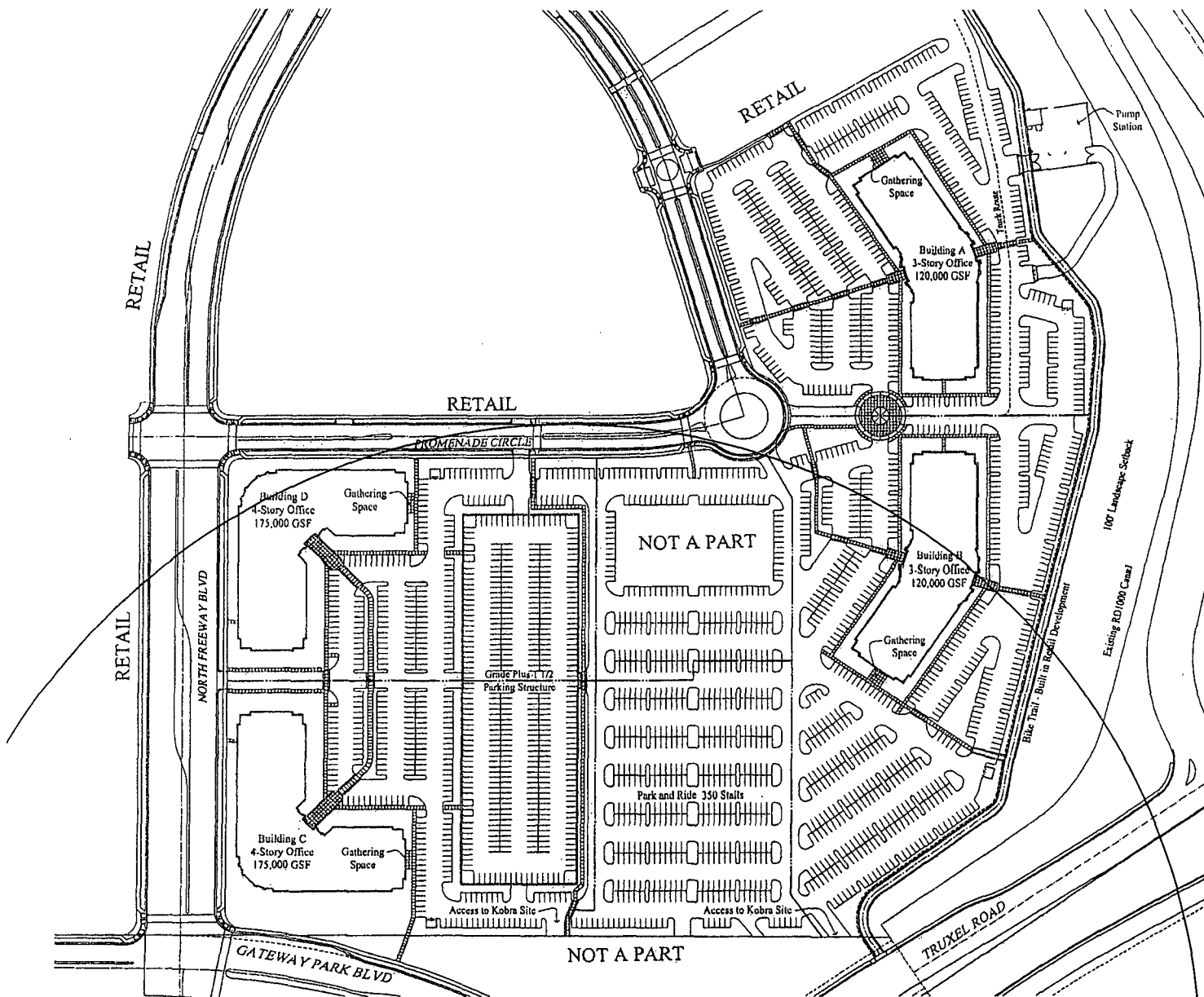
Building B - (3) Story Office
 Building Area: 120,000 GSF
 Site Area: 6.60 Acres +/-
 Parking Provided: 436 Stalls
 (3.63/1,000 GSF)

Building C - (4) Story Office
 Building Area: 175,000 GSF
 Site Area: 5.42 Acres +/-
 Parking Provided: 635 Stalls
 (3.63/1,000 GSF)

Building D - (4) Story Office
 Building Area: 175,000 GSF
 Site Area: 4.73 Acres +/-
 Parking Provided: 635 Stalls
 (3.63/1,000 GSF)

Total Office:
 Building Area: 590,000 GSF
 Site Area: 23.15 Acres +/-
Office Parking:
 Surface: 1,152 Stalls
 Structured: 990 Stalls
 Total Office Parking: 2,142 Stalls
 (3.63/1,000 GSF)
Coverage: 16.6%

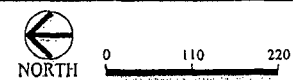
Park and Ride
 Site Area: 3.15 Acres +/-
 Parking Provided: 350 Stalls



OPUS GATEWAY

Sacramento, California

Schematic Site Plan



04.27.05

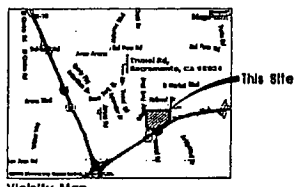
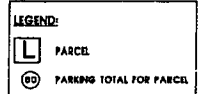
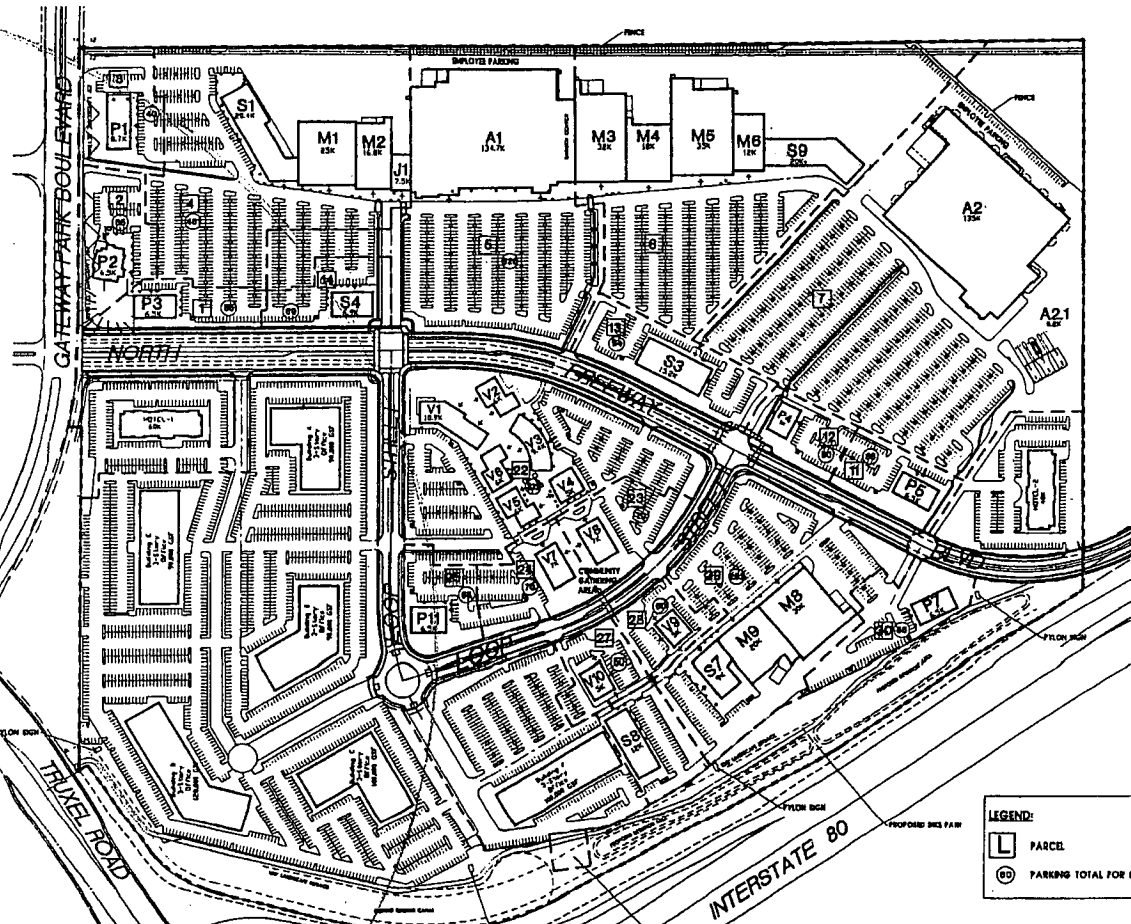
OPUS.
 a Development of Opus West Corporation

EXHIBIT 2 - Promenade at Natomas PUD Schematic Plan (Alternative 2)

Total Acreage • 126.4 gross AC.
Regional Commercial • 73.26 gross AC.
Employment Center 50 • 23.15 gross AC
Office • 4.85 gross AC
Hotel • 5.46 gross AC
Drainage Facilities • 8.6 gross AC
Roadways • 11.08 gross AC

663,200 square feet of regional retail uses
490,000 square feet of employment center uses
100,000 square feet of office uses
108,000 square feet of hotel uses

570,000



Vicinity Map
This map is provided for informational purposes only and does not constitute a warranty or representation of any kind. The user assumes all responsibility for the accuracy and completeness of the information shown on this map. The user agrees to hold the provider harmless for any and all damages, including reasonable attorneys' fees, arising from the use of this map. The user also agrees to indemnify and hold the provider harmless for any and all damages, including reasonable attorneys' fees, arising from the use of this map.

ALTERNATIVE 2
SCHEMATIC PUD: SITE PLAN

THE PROMENADE AT NATOMAS
SACRAMENTO, CALIFORNIA

DATE: 09/17/04

OPUS.
a Development of Opus West Corporation

retail architects Inc
2400 COLUMBIA GAMES DR. SUITE 100
SACRAMENTO, CA 95833
916.442.1800 FAX 916.442.1800
WWW.RETAILARCHITECTS.COM

FOR CITY CLERK USE ONLY

Attachment 6 Comments- Natomas Community Association

P05-016

May 12, 2005

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Attachment 4 Comments- Natomas Community Association

From: Tom McDonagh <tomandrobynne@yahoo.com>
To: <scosgrove@cityofsacramento.org>
Date: 4/13/05 4:16PM
Subject: P05-016 Opus Gateway Office / NCA Comments

Stacia - Sending via email for Barbara Graichen. Please confirm receipt.
Thanks, Tom McDonagh NCA Planning Co-Chair

P05-016 - Opus Gateway Office

Dear Ms. Cosgrove:

The NCA is generally supportive of this proposal. However, the City needs to facilitate and urge better coordination and joint planning between this project and TGIF & Sonic Restaurants (P05-022). Better coordination is especially critical to resolution of parking and access issues. Our comments can be summarized as follows:

1. Office buildings are oriented well and provide good site lines. Building elevations are aesthetically pleasing from all views.
2. There should be plans for a childcare facility in the buildings for employees as described in the NNCP.
3. The bike trail at southwest corner of project enters/exits out onto Truxel Road causing a safety hazard. It would be better to continue bike trail as an off-road facility along this project and the TGIF project sites to the intersection of Gateway Park and Truxel. There is room and the applicants have indicated a willingness to accommodate this request.
4. Landscaping including large trees should be continued all the way to bike trail entrance at southwest corner to provide shade for trail users. Our understanding is that Opus may acquire this area from TGIF.
5. Overall traffic flow for the project as well as between this project and the TGIF project is a problem. The project's ingress and egress at both North Freeway and the TGIF project may create problems at the intersection of Gateway Park and Truxel, which is already dangerous. We are concerned that drivers (from Park & Ride lots and other facilities) who exit directly onto Gateway Park will attempt to make a U-turn at North Freeway, so that they can return to I-80, causing accidents and clogging the left lane of Gateway Park.
6. It seems that drivers will cut through the TGIF entrance to offices as well as the Park & Ride lot. Has a traffic study been done at this entrance, which includes the number of trips anticipated at this entrance? At a minimum, the ingress and egress at the TGIF and Gateway Office should align. Currently it requires a right turn then left turn to get to the office parking entrance from the TGIF entrance. We are recommending that a traffic flow analysis be prepared for this and the TGIF project. The analysis should evaluate the potential for an *entrance only* access to Gateway Park Drive, with exit required through the Opus site.
7. There should be adequate signage on the site to direct drivers to I-80 from the TGIF site and the Park & Ride facility.

P05-016

June 9, 2005

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P05-016

May 12, 2005

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8. It is our understanding that the future RT station is planned for the northeast corner of Gateway Park and Truxel (or potentially in the middle of Truxel near the intersection?). We realize that a lot of planning has already gone into this project, but it would be better to get the Park & Ride closer to the station. Please consider switching the Park & Ride lot and the TGIF parking areas. We realize that the Park & Ride is the obligation of this project and the TGIF parking is a different applicant. However, the City needs to coordinate the parking especially considering the Park & Ride facility is a regional facility.

Thank you for the opportunity to comment. Please send us a copy of any CEQA documents prepared for this project, and any public notices.

Sincerely,

Barbara Graichen

President

CC: Barbara Graichen <NNatomas@aol.com>

**ECOS**ENVIRONMENTAL
♦ COUNCIL ♦
OF SACRAMENTO

Attachment 7

Letter from ECOS

909 12th Street, Suite 100, Sacramento 95814 (916) 492-5657

May 12, 2005

Stacia Cosgrove
Associate Planner
City of Sacramento
Development Services Department
1231 I Street, Room 300
Sacramento, CA 95814

Subject: Opus Gateway Office Complex (File No. P05-016)

Dear Ms. Cosgrove,

We apologize for the belated timing of this comment letter. Because of our busy schedules we were only able to review the site plan at our May 9th Land Use Committee meeting.

The design of the proposed site plan makes a statement that most of the project's users will be arriving by automobile. The buildings are placed along the north and south edges of the site which tends to maximize the walking distance from the transit station to the building entrances. As proposed, walking distances (dashed line labeled "Pedestrian Route" on site plan attached to an e-mail sent by you today) are approximately as listed below.

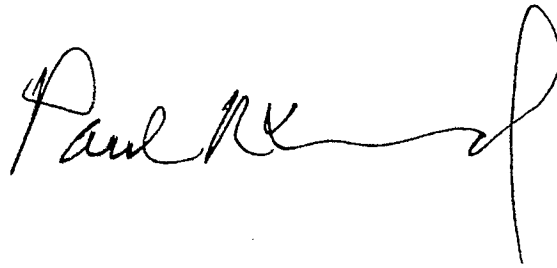
Building A	2,167 feet = .41 miles
Building B	1,693 feet = .32 miles
Building C	1,138 feet = .22 miles
Building D	1,548 feet = .29 miles

The proposed location of the buildings on the site should be adjusted to favor pedestrian access to the light rail station. If the office buildings were placed along the west and southwest edges of the site, maximum walking distances of .22 miles could be achieved from all building entrances and the project would present a much more visible image to the transit station. For a possible alternative, see attached site plan. Future effectiveness of the transit system is dependent on appropriate density in close proximity to the stations.

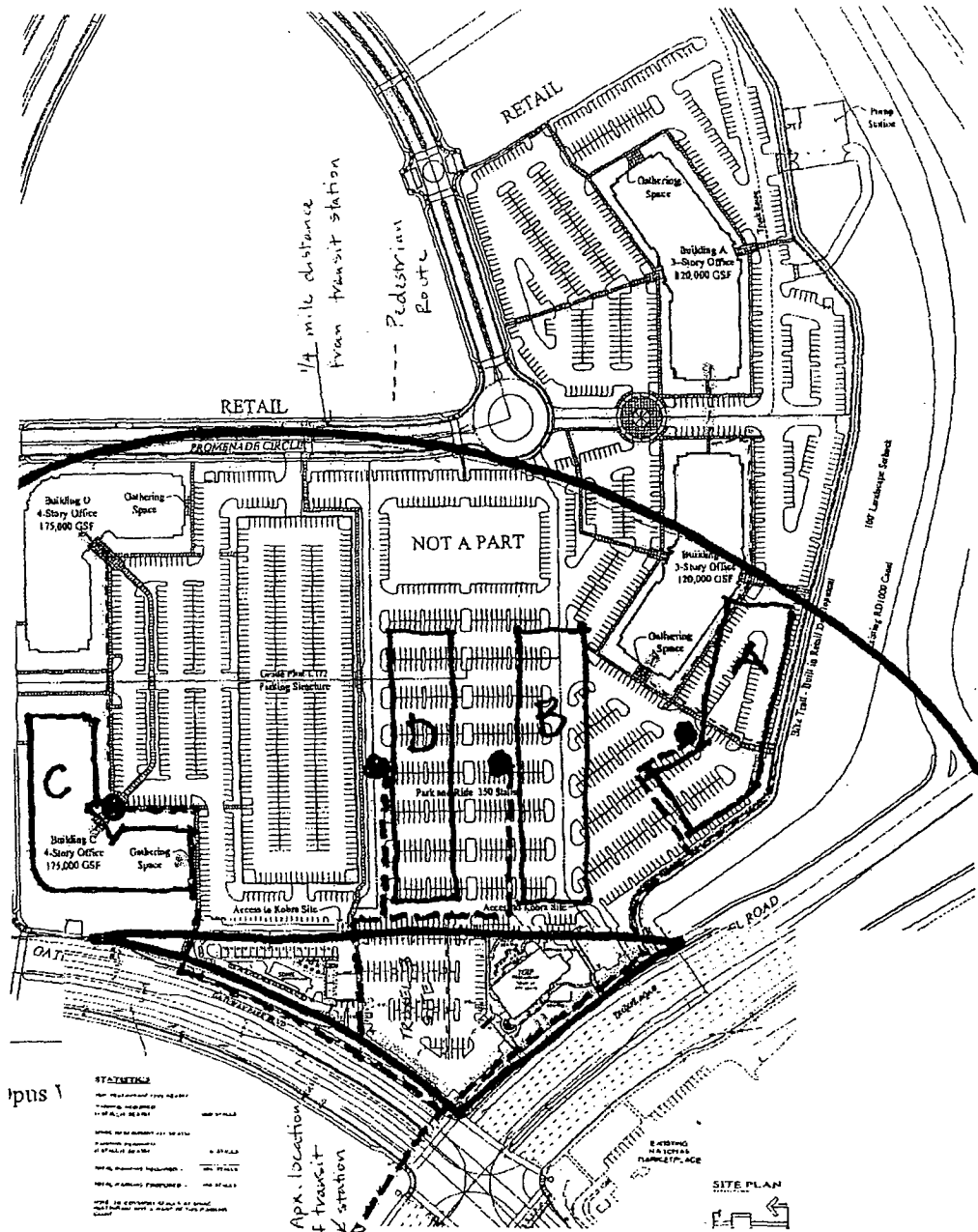
Stacia Cosgrove
May 12, 2005
Page 2

We strongly recommend that the applicant and the City work closely with the owner of the adjacent restaurant site to the west so good pedestrian access to the transit station is provided and maintained across this site.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Menard". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Paul R. Menard, AIA
Co-Chair, ECOS Land Use Committee



PROJECT INFORMATION

Building A - (3) Story Office
 Building Area: 120,000
 Site Area: 6.40 A
 Parking Provided: 43
 (3.63/1,000)

Building B - (3) Story Office
 Building Area: 120,000
 Site Area: 6.60 A
 Parking Provided: 43
 (3.63/1,000)

Building C - (4) Story Office
 Building Area: 175,000
 Site Area: 5.42 A
 Parking Provided: 6
 (3.63/1,000)

Building D - (4) Story Office
 Building Area: 175,000
 Site Area: 4.73 A
 Parking Provided: 6
 (3.63/1,000)

Total Office:
 Building Area: 590,000
 Site Area: 23.15 A
Office Parking:
 Surface: 1,110
 Structure: 9
 Total Office Parking: 2,119
 (3.63/1,000)

Park and Ride
 Site Area: 3.15 A
 Parking Provided: 3

plus 1

STATISTICS

NET DEVELOPMENT AREA (SQ FT)	1,000,000
TOTAL OFFICE AREA (SQ FT)	590,000
TOTAL OFFICE PARKING	2,119
TOTAL PARKING	2,122
TOTAL DEVELOPMENT COST (\$ MILLION)	100.0
TOTAL DEVELOPMENT COST PER SQ FT	100.0

* Approx. location of transit station

T.G.I. FRIDAY'S & SONIC RESTAURANTS
 1 RUXEL ROAD AND GATEWAY PARK BLVD.
 SACRAMENTO, CALIFORNIA

P05-022
 REC'D Feb. 25, 2005



Attachment 8 Letter from Ellman Burke Hoffman & Johnson

ELLMAN BURKE HOFFMAN & JOHNSON

A PROFESSIONAL LAW CORPORATION

601 CALIFORNIA STREET
NINETEENTH FLOOR
SAN FRANCISCO, CA 94108
415-777-2727
WWW.ELLMAN-BURKE.COM

MICHAEL J. BURKE
415.296.1720 DIRECT FAX
MBURKE@ELLMAN-BURKE.COM

May 25, 2005

VIA ELECTRONIC MAIL
ORIGINAL BY FEDERAL EXPRESS

Sacramento City Planning Commission
City of Sacramento
1231 I Street
Room 300
Sacramento, California 95814-7998

Re: PO5-016 - Opus Gateway Office
Item #10
May 26, 2005

Ladies and Gentlemen:

We represent Donahue Schriber Realty Group, L.P. ("DSRG"), the owner and operator of the Natomas Marketplace. DSRG objects to approval of the entitlements described in the Notice and Staff Report for the above-captioned matter on the grounds that the underlying project entitlements for the Promenade project (P00-033) are, and the requested office entitlements will be, invalid for each and all of the reasons set forth by DSRG and others in the record of the proceedings leading to the approval of the underlying project entitlements by the City Council on September 28, 2004. By reference, we incorporate that record as though set forth in full herein. The reasons for DSRG's objections are generally described in the Amended Petition for Writ of Mandate filed by DSRG in Sacramento Superior Court Case No. 04 CS 01448, a copy of which is included herewith for your convenience.

A hearing on the merits of the Amended Petition will be held on September 2, 2005. Please be advised that, should the City, the Applicant and the Owner elect to proceed prior to final resolution of the pending litigation, they do so at their own risk.


ELLMAN BURKE HOFFMAN & JOHNSON
A PROFESSIONAL LAW CORPORATION

Sacramento City Planning Commission
May 25, 2005
Page 2

Thank you for your consideration

Respectfully submitted,

Ellman Burke Hoffman & Johnson
A Professional Corporation

By: 
Michael J. Burke
Attorneys for Donahue Schriber
Realty Group, L.P.

MJB/mmo

cc: Stacia Cosgrove, Via Electronic Mail
Steven T. Johns, Esq., Via Electronic Mail
Jennifer Hernandez, Esq., Via Electronic Mail
Gary Smith, Esq., Via Electronic Mail



Sacramento Regional
Transit District
A Public Transit Agency
and Equal Opportunity Employer

Mailing Address:
P.O. Box 2110
Sacramento, CA 95812-2110

Administrative Office:
1400 29th Street
Sacramento, CA 95816
(916) 321-2800
29th St. Light Rail Station/
Bus 36, 38, 50, 67, 68

Light Rail Office:
2700 Academy Way
Sacramento, CA 95815
(916) 648-8400

Public Transit Since 1973

www.sacrt.com

April 14, 2005

Stacia Cosgrove
Associate Planner
CITY OF SACRAMENTO
Planning Department
1231 I Street, Room 300
Sacramento, CA 95814

Dear Ms. Cosgrove:

SUBJECT: Opus Gateway Office Complex (P05-016)

Regional Transit (RT) staff has reviewed the proposed project and have the following comments:

The project site is located in the North Natomas community along Gateway Park Boulevard where Truxel Road meets Highway 80. Routes 13 and 14 operate with hourly service from 6 a.m. to 10 p.m. weekdays, and from 8 a.m. to 7 p.m. on weekends from the Arden/Del Paso light rail station to North Natomas.

The proposed development is situated within walking distance of the future Gateway Boulevard light rail station. Project proponent has indicated the provision of 350 park and ride spaces on the site as well as an access point to the adjacent site where a TGIF project is proposed (Kobra site). RT strongly recommends that the project proponent work with adjoining property owner to ensure that RT patrons utilizing this park and ride lot are able to gain safe and convenient access to the future light rail station at Gateway Boulevard and Truxel Road intersection. The provision of efficient and effective pedestrian connection to existing and future transit corridors are critical to transit operations.

Additionally, the proposed office use is transit-friendly in nature and has the potential to result in an increase in transit ridership. However, the office building proposed to be located further east of the site, near the Pump Station (Building A), is not located within a convenient walking distance radius of the future light rail station. RT would prefer that Building B be moved closer to Truxel Road so that Building A can then be situated closer and within walking distance of the future light rail station. The parking spaces can be moved east of the two buildings. Additionally, a primary entrance into Building B can be located on the southern edge of

Stacia Cosgrove

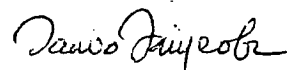
- 2 -

April 14, 2005

the building for ease of access into the building. This design will encourage the use of transit by future office occupants.

If you have further questions regarding these comments, please contact me at (916) 321-2870 or at tjaiyeoba@sacrt.com.

Sincerely,



Taiwo Jaiyeoba
Real Estate Administrator/TOD

c: Mike Wiley, AGM – Planning & Transit Systems Development, RT
Fred Arnold, Director of Real Estate, RT