



965 Page Mill Road | Palo Alto, California 94304  
www.universityandbay.com

## ***Pre-Application for University Ave. and Bay Rd.***

Submitted by: Sand Hill Property Company

Submitted January 31, 2020; Updated May 7, 2020

### **Overview**

Sand Hill Property Company is pleased to present this pre-application for the “Four Corners” site at University Avenue and Bay Road in East Palo Alto, which we acquired in November 2019.

We intend to develop this site in fulfillment of the vision previously articulated by the East Palo Alto community. There have been many community processes and public meetings to discuss the future of this site and its neighborhood, most notably and recently the 2013 Ravenswood / Four Corners TOD Specific Plan and the 2017 East Palo Alto General Plan. We plan to respect and build upon those processes with a robust community engagement and outreach process to hear directly from elected officials, commission members, City staff, neighborhood residents, and the broader East Palo Alto community. So far, we have held two community meetings to introduce ourselves, gather input, and seek feedback. Nearly 150 East Palo Alto stakeholders have provided input.

The Specific Plan and the General Plan call for the creation of a thriving district in the Four Corners area, including multi-story mixed-use buildings with retail and community uses on the ground floor, together with housing and employment uses above. The plans call for development to “foster the creation of a ‘main street,’ centered on University Avenue and along Bay Road to enhance the City’s image and identity.” With regard to our Four Corners site, the General Plan specifically seeks to “prioritize the development of the vacant parcel at the intersection of Bay Road and University Avenue as a catalyst project for the City” (p. 4-35). Our community-informed plan for the site is to comply with the existing zoning and the established General Plan density limits, and to listen to the community to understand specific needs and desires for the neighborhood and site.

### **About Us**

Sand Hill Property Company is a local, family-owned builder, which focuses its work in San Mateo County and Santa Clara County. Founded in 1988, we are headquartered in Palo Alto, with local offices on the west side of East Palo Alto. We have a long-term approach, and specialize in community-oriented mixed-use infill development. We have been active in the East Palo Alto community since 2016, as the owner of the Woodland Park Apartments west of Highway 101.

## Background<sup>1</sup>

This “Four Corners” site at University and Bay has been vacant for over 30 years. We decided to purchase the property after hearing many community members lament, “when will anything ever be built here?” As a property owner and housing provider in East Palo Alto, we have been deeply invested in the city for the past several years, we understand the importance of this site to the community, and we want to help realize the City’s vision for itself.

More than fifty years ago, the University Village Shopping Center was built on this site to serve the neighboring subdivision of the same name. University Village operated for a number of years with a wide range of tenants, including a local market, cleaners, liquor store, and the East Palo Alto branch of the San Mateo County Library.

The shopping center gradually declined during the 1960s and 1970s. Its name was changed to Nairobi Village in the early 1970s to suggest a new attitude of community spirit, as part of the “Nairobi” movement in East Palo Alto. Unfortunately, stores continued to vacate the shopping center. By 1982, only two businesses remained, a liquor store and a laundromat, and crime became a challenge. Responding to mounting pressure, San Mateo County officials moved to condemn the area in 1982 in preparation for demolition, which occurred in 1989.

Since that time, there have been several owners, and many different proposals for what should be built at the site. However, none of the prior plans have been able to proceed.

Looking ahead, we will partner with the community, in compliance with the zoning and the General Plan density limits, to create a mixed-use center that serves East Palo Alto.

## Community-Based Plans

East Palo Alto has undergone several major planning processes that looked at the University and Bay site, sought community input, and created guidance for future owners. The first planning effort was the Ravenswood / Four Corners TOD Specific Plan, completed in 2013, and it was followed by the East Palo Alto General Plan “Vista 2035,” completed in 2017.

The Ravenswood / Four Corners TOD Specific Plan began in 2009 and included a significant public process, including 15 public meetings from 2009 to 2011. The goal of the plan was to create a thriving neighborhood and a new “downtown,” and it consolidated and updated community-based plans that had been created from 1997 to 2007. It included a section focused on the “Four

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<sup>1</sup> Portions of the local history were adapted from the City of East Palo Alto Historic Resources Inventory Report prepared in 1994 by the San Mateo County Historical Association.

Corners” subarea near University and Bay, which includes this site as well as several parcels that are adjacent and across the street. It was finalized in March 2013.

The East Palo Alto General Plan, also known as “Vista 2035,” was launched in mid-2013. This was a community-based plan, which included outreach to 71 organizations, and had substantial outreach involving 18 advisory committee meetings, 8 public town-hall meetings, 3 neighborhood workshops, focus groups, and direct outreach. Its goal was to create “a vision for East Palo Alto for the next 20 to 30 years.” The General Plan was unanimously approved by City Council in October 2016, and finalized in March 2017.

Both the Specific Plan and General Plan provided guidance regarding the University and Bay site and the surrounding neighborhood. The Specific Plan was aspirational, saying “by the year 2035, Ravenswood and Four Corners will become the pride of East Palo Alto. At Four Corners and along Bay Road, new mixed-use development with ground-floor shops will enliven the street and create a ‘downtown’ feeling for pedestrians. Attractive, well-designed buildings and landscaping will also contribute to a sense of pedestrian safety and comfort.”

The General Plan also has a clear and ambitious vision for the area, seeking to “foster the creation of a ‘main street,’ centered on University Avenue and along Bay Road to enhance the City’s image and identity.” Major General Plan strategies include “Create a ‘main street’ on Bay Road” and “Revitalize University Avenue.”

The Specific Plan provided development parameters for the University and Bay site, which were updated and improved in the subsequent and more comprehensive General Plan and its corresponding zoning update. This site is zoned *Mixed-Use High* (MUH), which is one of the highest-density designations in the City. It allows 2.5 FAR commercial and 86 units/acre residential, with a maximum height of 8 stories or 100 feet, whichever is greater.

There are a wide range of allowable uses in the MUH, consistent with the desire for a mixed-use neighborhood. Some of the allowable uses include multiple-family dwellings (apartments), bank or financial services, retail, food and beverage, restaurant or café, health/fitness facility, medical laboratory, medical office, personal services, professional office, parking facilities, and more.

We will honor the direction from the Specific Plan, the General Plan, and the zoning, and listen to the community about specific needs and desires. We have started a robust community outreach process, which will take several months, and our planning is subject to the additional input we receive from the community. We have conducted two community meetings so far, one in person in February, and one “virtually” in April, and received input from almost 150 EPA stakeholders. During these meetings, we sought to better understand the land use priorities and programming the community envisions for the property, and sought input into how to best honor local history.

## Core Principles

Since purchasing the property, we have worked closely with residents, community groups, city staff, and local officials to get to know the neighborhood and better understand the community. The knowledge gained from our experiences and interactions, as well as from the prior community-based planning processes like the Specific Plan and General Plan, led us to develop the following “Core Principles” for this project:

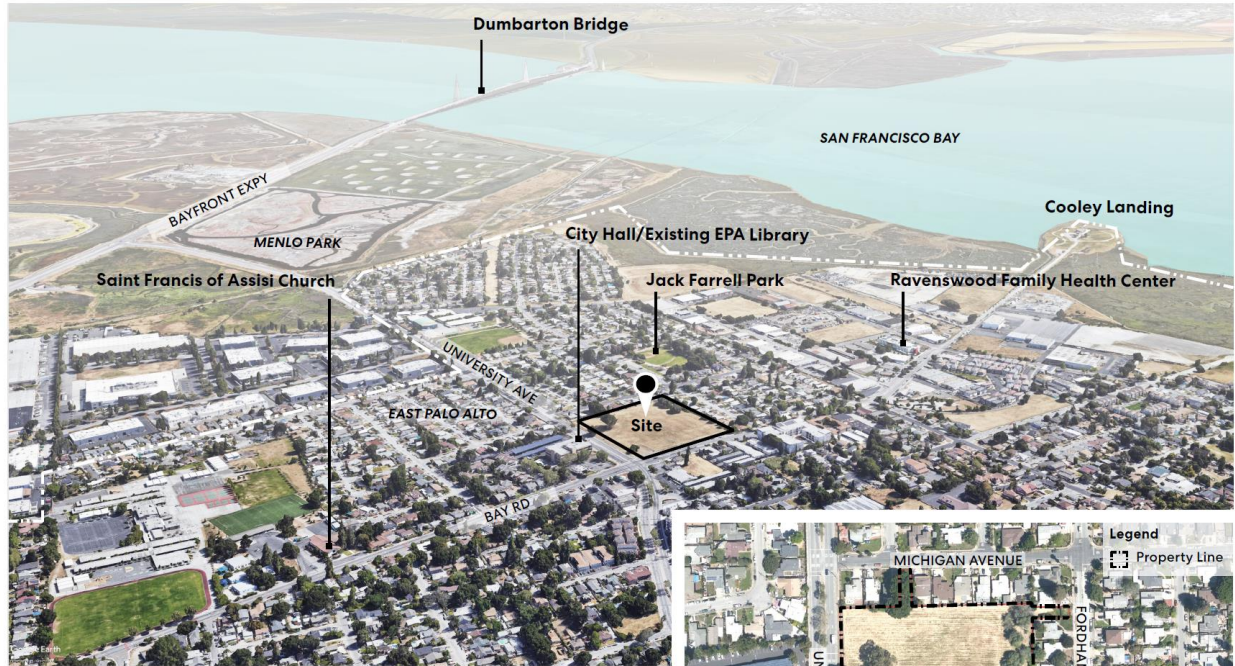
1. **Respect what came before us** – Honor and respect the previous planning processes, including the Specific Plan and the General Plan; recognize and respect local history
2. **Create and catalyze a vibrant, mixed-use "Main Street"** – Combine a wide range of uses in an inviting and complementary way, like retail, restaurant, housing, employment, community-serving uses, and public open space; create conditions to support other local businesses to grow and thrive
3. **Create places to live and gather** – Build a place that can be both a “home” and a “destination;” create mixed-income housing and community gathering places for all of EPA, like a new public “town square,” central public plaza, and neighborhood amenities
4. **Improve mobility and access** – Create a safe walkable, bikeable, transit-friendly destination that is easy to move through and around, is connected to the neighborhood, and improves this “heart” of the City for all East Palo Alto residents to access and enjoy
5. **Create jobs and local revenue** – Create an employment and economic engine that provides opportunities for small businesses and tax revenue for the City and schools

Working from these Core Principles, we have created a preliminary site plan, as shown on page 7. Our zoning- and General Plan-compliant proposal includes approximately 40,000 square feet of retail, restaurants, and community space, 180 units of housing plus related amenities, and 500,000 square feet of employment uses. Based on our community meetings and stakeholder discussions, we’ve heard a desire for us to include mixed-income housing that can serve a diverse range of income levels, from affordable to workforce to market-rate. We also heard a preference for employment uses that can provide some job opportunities that are accessible to EPA residents. Therefore, we’re proposing life-science office, R&D and laboratory space, which contain a wide range of job opportunities across a diverse range of experience and education levels.

Another desire expressed for the site was for community-serving uses, and we believe that this project has the potential to address a particular current need within the city. During the March 3, 2020 City Council meeting, there was a presentation by the San Mateo County Libraries about the need for a new library branch in East Palo Alto to replace the outgrown facility at City Hall. City

Council directed staff to pursue an already identified site as well as explore alternative sites and prepare a funding plan. After careful deliberation and favorable input from community members, we expressed our interest to City staff to consider a new EPA library branch at University and Bay. We welcome discussions with the City and the County Library staff regarding the feasibility and benefits of partnering together to include a new library in our plans.

**Site Location and Existing Conditions**



**Site Location**



**Existing Conditions**

The site at University and Bay is approximately 6.1 acres in size. The official address is 1675 Bay Road, with APN 063-111-250. It is vacant except for vegetation and fencing.

**Proposed Plans**

Consistent with the prior planning processes and the existing zoning, we plan to create a vibrant, mixed-use “downtown” at University and Bay. The proposal includes approximately 40,000 square feet of retail, restaurants, and community space, 180 units of housing plus related amenities, and 500,000 square feet of employment uses. At the heart of the plan is a new public “town square” and a central public plaza surrounded by ground-floor retail, restaurants, and community uses. We believe a beautiful new East Palo Alto Library, with similar amenities to those imagined during

the recent library visioning process, can be well integrated into this site, directly across from City Hall, enhancing the “main street” feeling and building on the existing culture of strong civic use at the heart of town. We welcome discussions with the City and the County Library staff about the feasibility and benefits of partnering together.

The previous planning processes and the community input received so far both asked for public space and community amenities for East Palo Alto residents. We believe the new public “town square” and plaza area, alongside the new East Palo Alto Library and across from City Hall, fulfill the vision of many residents as they’ve considered the possibilities of this vacant site for all these years. The public open space will be beautifully landscaped with trees, flowers, greenery, and seating to create welcoming community gathering places. A portion of the land for the open space planned at the corner of University and Bay is currently owned by the City, and we look forward to discussing how best to partner with the City to create a great public gathering place for local residents.

New mixed-income housing in two buildings along Bay Road will bring residents and customers to a new “main street” of ground-floor retail fronting Bay Road, open to the community. These uses respond to community desires for mixed-income housing and new retail and restaurants. Community members have suggested uses like a sit-down restaurant, pharmacy, café, bank, coffee shop, or convenience store. We also plan to include a local and small business marketplace to serve as an “incubator” for East Palo Alto entrepreneurs and small businesses from around the region to get their start or expand to a more permanent and visible space.

Employment uses, including life-science office and laboratory space, with ground-floor retail and/or community space, will front University Avenue. The range of lab and research employment opportunities at all levels will create opportunity for East Palo Alto residents, many of whom have worked in similar roles at Stanford University, Stanford Health Care, or the many local life-science companies in the region.

The property will be a good neighbor and a valuable addition to the neighborhood. The site will be pedestrian-friendly, bike-friendly, and easily and safely accessible by all modes of transportation. It will provide beautiful public open space, community uses like a new public library branch, and convenient retail and restaurant options all within a few blocks from many apartment communities, single-family neighborhoods, nearby businesses, and community institutions. The site will be a quick walk or bike ride from the many surrounding neighborhoods, most local schools, and only a short walk from Jack Farrell Park.

The buildings are set back at or beyond the code-required distance from local single-family homes. The setback area will contain trees and vegetation to create an appropriate buffer, and adjacent

buildings will have attractive architecture and screening to present a pleasant façade to the neighborhood.

Most vehicles, including all retail visitors and employees, open space and library visitors, local employees, and guests visiting the apartments, will enter the site from either Bay Road or a newly signalized intersection on University Avenue, aligned with City Hall. A secondary driveway on Fordham Avenue near Bay Road will only serve the apartment garage, with substantially less traffic. The other neighborhood connectors on Michigan Avenue and Fordham Avenue are expected to be pedestrian and bike-only, potentially with access-controlled one-way egress, if needed, for limited service use.

Finally, sufficient parking will be provided at grade on internal surface streets, in a parking structure at the northeast corner, and through one level of underground parking across the site.

**Site Plan**



## Community Engagement and Next Steps

Sand Hill prioritizes community engagement. We know that community engagement is more than just one-time or short-term community outreach. We have assembled a bilingual community engagement team so that we can communicate more effectively. We are committed to creating long-term partnerships with neighbors, residents, and community members to ensure meaningful improvements to the quality of life in the neighborhood. This commitment is not just for the sake of this proposal; it is something we prioritize in all our work in East Palo Alto. Our team is working to communicate openly, learn more about the neighborhood's needs, create opportunities to strengthen community, and build relationships with and among residents and community stakeholders.

We began with a public community meeting on Tuesday, February 11<sup>th</sup> at the East Palo Alto Senior Center (see Appendix D). We invited a wide range of stakeholders to “envision the future” and share their ideas and learn more about the design and planning process for this project. We had 76 participants, who gave input about what uses they would like to see at the site, what they would like to do at the site, and what local history should be reflected in the planning process.

After taking time to collect and understand the feedback we received, we held a second meeting in April (see Appendix E) to discuss what we heard in the first meeting (see Appendix F), seek more specific feedback about potential uses, and discuss the best way to commemorate local history. Due to the COVID-19 shelter in place guidance, our second meeting had to be “virtual,” with a video presentation, downloadable information, interactive graphics, and a feedback survey. As of May 1, we had 223 unique visitors to our community meeting website, and received 68 responses to our survey. We plan to follow-up with another public community meeting in late Spring to report out what we've learned, discuss site layout and listen to further suggestions.

We have also created a website ([universityandbay.com](http://universityandbay.com)) to advertise these public meetings, receive questions and comments, and share information about the project.

We plan to hold another community meeting in late May or June to discuss our vision and seek feedback, and per the pre-application requirements, we will share our proposal in a Planning Commission study session and, if requested, a City Council study session. All of this is part of a robust and lengthy community outreach and engagement process, and our plans are subject to change based on community feedback and input. We expect that this community dialog will be ongoing for a long time, through the pre-application process, as we eventually prepare an application and seek approval to move ahead, and even after formal approval as the vision comes to fruition.



## Community-Based Neighborhood Goals and Principles

The East Palo Alto General Plan articulates community goals for the Four Corners neighborhood (p. 4-34 & 4-35), as part of the “neighborhoods, districts and corridors” concept that creates unique strategies for change, growth and prosperity in each area. We strongly support these goals that the City developed through years of community input and analysis. Our preliminary proposal complies with the Goals and Principles, as described below.

### Goal LU-12. Foster the creation of a “main street,” centered on University Avenue and along Bay Road to enhance the City’s image and identity.

*Intent: To enliven the street with new ground-floor shops and mixed-use development. To create community gathering spaces with new parks and plazas along Bay Road.*

1. **Specific Plan.** Implement the vision, goals, policies and regulations of the Ravenswood TOD Specific Plan as a high priority of the City.
2. **Vacant parcel.** Prioritize the development of the vacant parcel at the intersection of Bay Road and University Avenue as a catalyst project for the City.
3. **Four Corners identity.** On all parcels with frontage on the intersection of University Avenue and Bay Road, encourage new development that exhibits a high quality and character, and that supports this intersection’s identity as the heart of the City.
4. **Main Street.** Create a walkable main street environment for East Palo Alto to serve adjacent neighborhoods, and the entire community, along with connecting with Cooley Landing and the Bay Trail. Ensure that development along Bay Road helps reinforce the corridor’s importance as the primary “activity spine” within the City.
5. **Ground floor activity.** Require active ground-floor land uses along Bay Road. New development should be built with minimal setbacks in order to activate the pedestrian realm.
6. **Gateway.** Ensure that new development at Four Corners responds to its regional significance as a gateway to East Palo Alto as a whole.
7. **Design standards.** Ensure that all development in the Plan Area along University Avenue and Bay Road adheres to the Specific Plan’s design standards and guidelines.
8. **Parcel aggregation.** Assist in and encourage the assembly of sites to enable implementation of the vision for the area that overcomes existing small and irregular parcelization patterns and maximizes uses along Bay Road.
9. **Development partners.** Seek outside development partners to develop large portions of the “main street” along Bay Road. Encourage the use of the existing City density incentives to develop mixed use housing in this area.

## **Conclusion**

We are pleased to present this pre-application to the City of East Palo Alto, and to engage the community and a wide range of stakeholders about the future of the “Four Corners” site at University and Bay.

We have begun a robust and lengthy community outreach and engagement process (see Appendix D, E, and F), and all of our plans are subject to change based on community feedback and input.

The pre-application process allows for City and community input at this early stage of the process. We look forward to such input informing more complete plans for a formal project application submittal later in 2020.

## Appendix A: Description of Land Use Designation from General Plan

### Mixed Use High (MUH)

**Description:** This designation is meant to support new enlivened, thriving districts for East Palo Alto, by accommodating multi-story mixed-use buildings. This designation provides for vertical and horizontal mixed use development at key locations within the City, including the Ravenswood 101 Shopping Center, and 4 Corners/Bay Road specific plan area. Residential only projects are not allowed however there may be a horizontal mix of residential and non-residential uses within a single project. At least 35% of the ground floor space of building shall be retail space in those areas. In areas where retail is removed for the construction of new buildings, the new retail space shall be greater than 85% of the previously existing retail space.

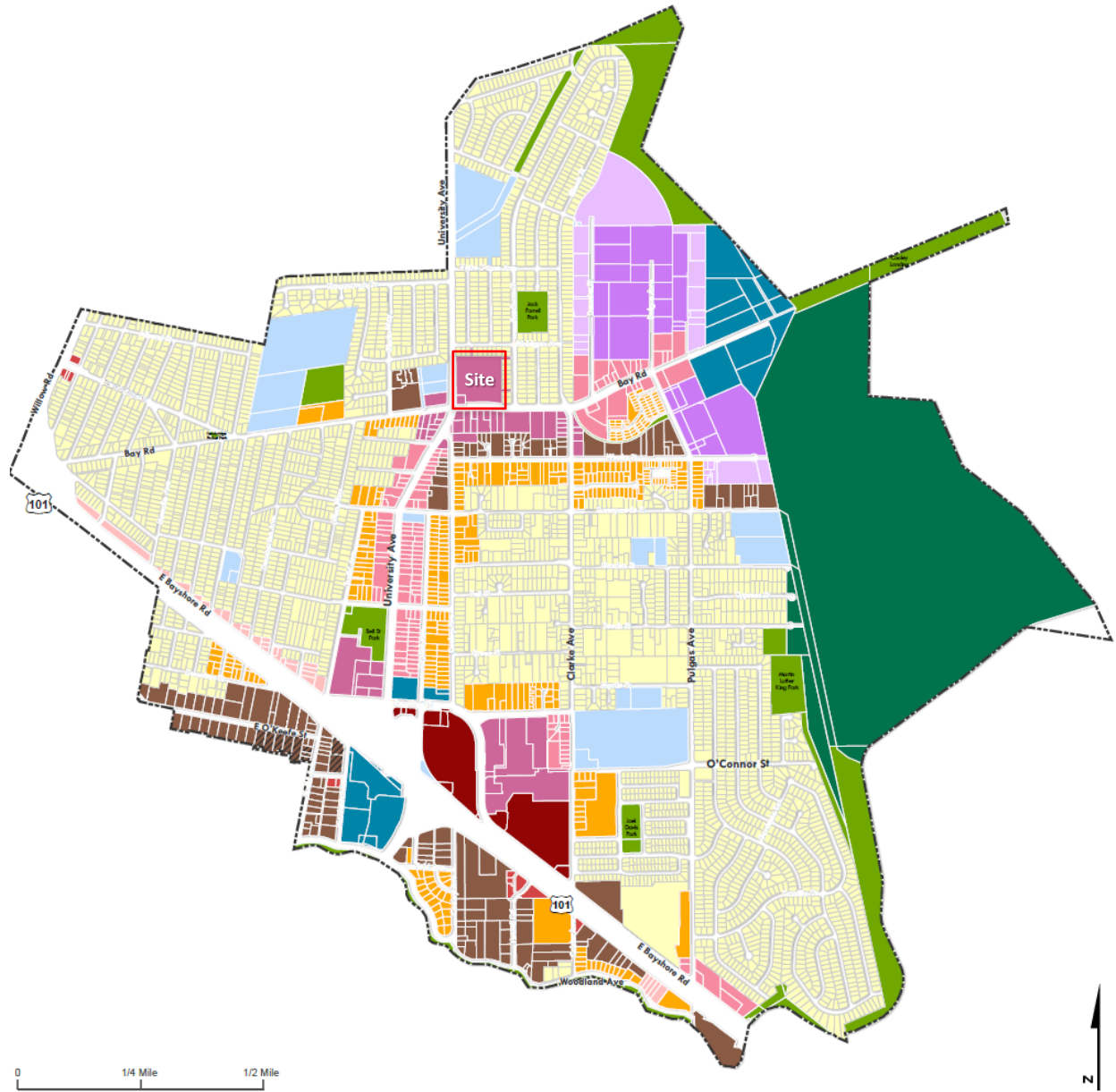
**Allowed Land Uses:** Multi-family residential, attached single family residential, retail, services, office, and R&D.

**Density/Intensity:** Up to 86 units/acre. Up to 2.5 FAR. Maximum of 8 stories or 100 feet, whichever is greater. Up to 260 persons/acre.



*Mixed Use High is intended to promote 4 to 8 story office or residential buildings over retail, services, or other active spaces.*

Appendix B: Land Use Designation Map from General Plan  
**General Plan Land Use Designations**



- |                            |                         |                               |
|----------------------------|-------------------------|-------------------------------|
| Low Density Residential    | Mixed Use Low           | General Industrial            |
| Medium Density Residential | Mixed Use Corridor      | Industrial Buffer             |
| High Density Residential   | Mixed Use High          | Resource Management           |
| Urban Residential          | General Commercial      | Parks/Recreation/Conservation |
|                            | Neighborhood Commercial | Public/Institutional          |
|                            | Office                  |                               |



**Appendix C: Land Use Classification from General Plan**

<b>Table 4-2: Land Use Classification System</b>		
<b>Major Classes</b>	<b>Maximum Density / FAR</b>	<b>Land Use Designation and Summary Description</b>
RESIDENTIAL	0 – 12 du/a	<b>Low Density Residential (R-LD).</b> Single-family dwellings, with 2nd units allowed on some parcels.
	12 – 22 du/a	<b>Medium Density Residential (R-MD).</b> A range of multi-family residential uses including second units, single-family, duplex, triplex, quadplex, rowhouses, courtyard buildings and small-scale multi-family buildings.
	22 – 43 du/a	<b>High Density Residential (R-HD).</b> A range of multi-family housing types ranging from townhomes to multi-family apartments at moderate to high densities.
	43 – 86 du/a	<b>Urban Residential (R-UHD).</b> High-density multi-family dwellings (apartments, condos, and SROs).
COMMERCIAL	Up to 22 du/a; 1.0 FAR	<b>Neighborhood Commercial (NC).</b> Local-serving retail, services and related uses.
	2.0 FAR	<b>General Commercial (GC).</b> Regional retail, office, and service-oriented business activities serving a community-wide population or broader market.
	3.0 FAR	<b>Office (OC).</b> Single-tenant or multi-tenant offices that include professional, legal, medical, financial, corporate and general business offices.
MIXED USE	Up to 22 du/a; 1.0 FAR	<b>Mixed Use Low (MUL).</b> Low-density mixed-use.
	22 – 65 du/a; 1.75 FAR	<b>Corridor (MUC).</b> Multi-story mixed-use buildings.
	Up to 86 du/a; 2.5 FAR	<b>Mixed Use High (MUH).</b> Multi-story mixed-use buildings at a larger scale than MUC.
INDUSTRIAL	1.0 FAR	<b>General Industrial (I-G).</b> Industrial (storage and manufacturing), and R&D (lab/medical).
	Ranges from 0.75 to 3.0 FAR	<b>Industrial Buffer (I-B).</b> High-quality office buildings, along with a limited range of manufacturing and repair businesses.
COMMUNITY	Determined during approval	<b>Parks/Recreation/Conservation (PRC).</b> Public recreational uses, including park and open space.
	N/A	<b>Resource Management (RM).</b> Preservation of sensitive open space lands in a natural condition.
	N/A	<b>Public/Institutional (PI).</b> Education, city buildings, fire/police stations, & other uses.