

The Almanac

Select FILE --> PRINT to print this story.

News - Wednesday, August 19, 2009

Getting a handle on the Bohannon project

- As David Bohannon's proposed 950,000-square-foot "Menlo Gateway" office/hotel complex makes its way through city bureaucracy, locals try to understand how the project would affect Menlo Park.

by Sean Howell

On paper and in renderings, the first thing that jumps out at people about the "Menlo Gateway" real estate development project proposed by the David D. Bohannon Organization is, well, its size.

Developer David Bohannon, a Menlo Park resident, prefers the term "large-scale" to "massive."

But by any measure, the project, situated near the intersection of Marsh Road and Bayfront Expressway along Independence and Constitution drives, is a big one.

At a height of about 120 feet each (up to 140 feet when you include mechanical equipment and photovoltaic panels), the three office buildings would be the tallest in the city, an honor that currently belongs to a 90-foot-tall residential structure on the corner of Valparaiso Avenue and University Drive.

At roughly 950,000 square feet, the total floor area of the office buildings, hotel and health club would be roughly equivalent to that of the Sun Microsystems campus at the east end of Willow Road, according to city planning staff. And that doesn't even count the 760,000 to 820,000 square feet in parking garages.

It's so big, the Menlo Park Fire Protection District would have to buy a new ladder truck to reach its summit. According to a city consultant's estimate, the project would cost \$363 million to build — roughly the cost of construction for San Francisco's AT&T Park.

"In terms of a Menlo Park project, this is sort of out of sight," said Morris Brown, who in 2006 led a successful referendum drive against the proposed Derry project in downtown Menlo Park. That project would have reached a maximum height of 50 feet. "This is a San Francisco project," he said.

Henry Riggs, the chair of the Planning Commission, said his first reaction to the height was: "Get serious. You're starting high, and waiting to bargain down."

But in and of itself, size isn't the most relevant aspect of the project, according to Mr. Riggs. Noting that he would probably be able to see the buildings from his home in the Lorelei Manor neighborhood, he said: "OK, so you live across the freeway from a (light industrial) zone, and you might see a building. How is that a specific issue?"

The pressing issues, Mr. Riggs said, are the project's aesthetics, as well as its effect on traffic patterns and nearby land development. With the recent release of a fiscal impact analysis and an environmental impact report, Menlo Park residents are getting their first insights into those issues, as well as the impact the project would have on city coffers.

Traffic, housing

When the project is fully built — a process that some believe could take up to 20 years, pending negotiations between the city and Mr. Bohannon — about 2,500 people will work on the 15-acre property, according to a city consultant. Where will those people live, and how will they get to work?

Probably not in Menlo Park, and via the freeway or the Dumbarton Bridge, according to the consulting firm that prepared the environmental impact report.

That prompted resident Elias Blawie to remark at a recent Transportation Commission meeting that the proposal looked, at first blush, like something that might have been built during the mid-20th century, not the 21st. The project is oriented around automobiles, he said, rather than mass transit systems or bicycles.

Mr. Bohannon disagreed, saying he thinks the project is "ideally located" by U.S. 101 and Bayfront Expressway. His company intends to implement a variety of programs to encourage people to carpool and take public transit.

"We're bringing forward a project that meets the needs of the region we're in, in a 21st century work environment," he said in an interview, adding that the industrial park his grandfather built on the land covering and surrounding his proposed project belonged to the mid-20th century.

Pointing to the results of a survey paid for by his company, Mr. Bohannon said he believes many residents view the fact that traffic isn't expected to bleed out into Menlo Park neighborhoods as a plus.

According to the environmental impact report, Marsh Road and Chilco Street will see only a slight increase in traffic. The streets that would bear the brunt of the traffic load are minor roads in the "light industrial" zone that touch the project site. There would be minimal traffic cutting through the Belle Haven neighborhood, the closest residential area to the project site. The great majority of the 11,000 vehicle trips the project is expected to generate would not cross west of U.S. 101, according to Chip Taylor, the city's transportation manager.

Residents would, however, see significant delays at the intersection of Marsh Road and Middlefield Road in Atherton, and at Marsh Road and Bohannon Drive, according to the environmental impact report.

When it comes to housing, Patti Boyle, a member of Menlo Park's Housing Commission, said the city would do well to take a regional approach. Perhaps Menlo Park could arrange for housing to be built on nearby land in Redwood City, if the cities could work it out, she said.

Per the city's requirement, Mr. Bohannon would pay \$8.5 million into Menlo Park's below-market-rate housing fund. But "we just don't need the money, we need the land," Ms. Boyle said in an interview.

Money, money, money

Some have asked why the city would even consider a project of this size. In addition to the fact that many Belle Haven residents have expressed support for it, the answer is, presumably: money.

With our long-term budget projections, several council members have said they view economic development as the city's main tool in stabilizing its finances. A city consultant estimates that once it's finished, the project would provide the city with \$1.36 million to \$2.16 million per year in property, sales, hotel user, and other taxes. Menlo Park would collect \$13.7 million in various impact mitigation fees, including for below-market-rate housing, traffic, and street repairs.

The project will also create nearly 2,000 one-year construction jobs, according to a consultant.

Public benefits

The project's approval could hinge on the city's negotiation with Mr. Bohannon's development company over public benefits, in exchange for allowing more intense development than current zoning laws provide for. Rezoning to accommodate Mr. Bohannon's proposal would increase the land's value from \$19.8 million to \$47.5 million, according to a consultant.

Among other things, public benefits could include the creation of open space, parks and trails, public art, a shuttle service, or the incorporation of environmentally sound building techniques. (Mr. Bohannon's company is already planning to construct the offices to meet LEED Gold standards, and the hotel to meet LEED Silver standards; he views it as a model for buildings of their size, he said.)

The city could also negotiate for a cut of the hotel's revenue, or require Mr. Bohannon's company to pay into a fund for community amenities. At a study session in Oct. 2008, council members seemed to agree that those amenities should be distributed disproportionately close to the project — in this case, that would likely mean in the Belle Haven neighborhood.

The city is soliciting feedback on what residents would like.

School, fire districts

The project would result in a windfall for the Sequoia Union High School District, which would garner about \$600,000 per year in property tax revenue once the project is fully built, without taking on many extra students, according to a consultant.

The project would cost the fire protection district \$62,000 per year, and the new ladder truck would run about \$1.25 million. The district plans to negotiate with Mr. Bohannon's company to determine who would pay those costs.

Having already spent a lot of time and money in developing plans for the project, Mr. Bohannon must feel fairly confident that the council will approve it. Right?

"Early indications are that people are strongly supportive," he said. "It's hard not to be buoyed by that."

The project isn't expected to come before the council for approval until March 2010.

INFORMATION

- Menlo Park is holding a general meeting for city commissions and residents Wednesday, Aug. 19, on the office/hotel project proposed by developer David Bohannon. The meeting will begin in the council chambers in the Civic Center complex, between Laurel and Alma streets, at 7 p.m.
- People have until 5:30 p.m. on Monday, Sept. 21, to respond to an environmental impact report on the project. For more information, or to view the report, visit tinyurl.com/menlogateway. Copies are also available at the Menlo Park Library, and at the city administration building, in the Civic Center complex.

Find this article at:

http://www.AlmanacNews.com/story.php?story_id=8446