



## City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: January 10, 2017  
TO: Honorable Mayor and Members of the City Council  
FROM: David Woltering, Community Development Director  
SUBJECT: Receive Report Regarding The Proposed Bayhill Specific Plan and YouTube's Anticipated Growth Within the Bayhill Office Park

### BACKGROUND

The purpose of this item is for the City Council to receive a report regarding the proposed Bayhill Specific Plan and YouTube's anticipated growth within the Bayhill Office Park. YouTube has been a tenant within the Bayhill Office Park for approximately 10 years and initially occupied 901 Cherry Avenue, which measures about 195,000 square feet in total area. Over the past several years, YouTube has conducted several tenant improvements at the 901 Cherry Avenue site to enhance work space environments and food service operations for the needs of its employees. More recently, YouTube purchased buildings at 900 and 1000 Cherry Avenue and completed comprehensive tenant improvements to accommodate their expanding workforce at those locations. YouTube plans to further expand its workforce in San Bruno and recently purchased six additional properties in the Bayhill Office Park. Five of the six purchased properties are developed with existing office buildings. YouTube now owns eight parcels within the Office Park, which amounts to approximately 900,000 square feet in office floor area. The greater Bayhill Office Park contains about 1.5 million square feet of office space and is approximately 73 acres in total area. A summary of YouTube owned parcels within the Bayhill Office Park and existing development square footage is included in the table below:

Address	Parcel Area	Current Development (s.f.)
900 Cherry Avenue	4.00 Acres	102,252 s.f.
1000 Cherry Avenue	4.15 Acres	94,465 s.f.
1150-1250 Bayhill Drive	6.39 Acres	138,524 s.f.
950 Elm Avenue	4.44 Acres	106,099 s.f.
1100 Grundy Lane	4.42 Acres	101,123 s.f.
1111 Bayhill Drive	9.80 Acres	206,137 s.f.
999-1001 Bayhill Drive	6.09 Acres	140,000 s.f.
APN: 020-011-013	.87 Acres	Vacant

\*901 Cherry Avenue is currently owned by GAP, Inc. YouTube's current lease expires in 2021.

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## DISCUSSION

YouTube representatives more recently contacted the City and shared a long-term plan to fulfill future some of the firm's employment needs over a 20 year period within the Bayhill Office Park. YouTube currently has approximately 1,700 employees in San Bruno and expects to increase its local employment population by roughly 350 employees annually. To accommodate this anticipated long-term employment growth, YouTube is interested in presenting a plan for phased redevelopment of some of its properties within the Bayhill Office Park to add office space and create a campus environment. Additionally, to accommodate employment growth in the near future, YouTube is planning to conduct various tenant improvements at sites that are controlled by the firm. As leases expire, existing tenants would be phased out of YouTube controlled buildings overtime allowing for both more near-term tenant improvements and the longer-term implementation of the campus plan.

Staff has informed YouTube representatives that other property owners' interests would need to be considered in the context of the firm's proposed expansion within the Bayhill Office Park. Accordingly, the City is requiring that YouTube fund the preparation of a comprehensive plan for the future development and redevelopment of the Bayhill Office Park area. This more comprehensive plan is referred to as a Specific Plan. Specific Plans are typically prepared for a limited geographic area within a city where growth is planned to occur. Specific Plans are similar to zoning ordinances in that they deal with the project implementation through development regulations; however, Specific Plans offer greater flexibility and opportunity to tailor development standards toward the goals of a particular area. Preparation of the Specific Plan would allow consideration of appropriate uses of land (land uses), and land use intensities/densities (size/number of units) for all properties, along with a full range of transportation, utility, and other comprehensive considerations. An Environmental Impact Report (EIR) would be necessary to fully analyze all potential environmental impacts associated with the anticipated development/redevelopment of the Bayhill Office Park area presented in the plan. An economic analysis would be required to study potential economic and fiscal impacts of YouTube's proposed development/redevelopment on the greater Bayhill Office Park and the City of San Bruno. Staff also anticipates a significant public outreach and engagement component, which will include several meetings with stakeholders (Property Owners within and adjacent to the Bayhill Office Park) and community workshops. The selected consultant team will facilitate all stakeholder meetings and community workshops.

Staff is currently in the process of drafting a Request For Proposal (RFP) to select a consultant team to prepare the Specific Plan, EIR, economic analysis, and to conduct significant stakeholder and public outreach. Staff anticipates that the RFP will be distributed the latter half of January, and that interviews will be conducted in February/March of 2017. Staff will then recommend the selection of a consultant team, which ultimately would require City Council authorization. Specifically, the City Council would need to authorize the City Manager to execute a Contract with the selected consultant. Staff anticipates that this would take place in March/April of 2017.

The City will administer the preparation of all the studies and work products associated with the RFP. It will be a clear objective to ensure that all stakeholder and community interests are considered in this comprehensive planning effort. The work products, including the Specific Plan, EIR, and Economic Analysis would be considered at noticed public meetings and hearings before the Planning Commission and City Council.

**FISCAL IMPACT**

There will be no direct fiscal impact to the City for the preparation of the Bayhill Specific Plan. Once a consultant team is selected, YouTube will reimburse the City of San Bruno for the entire amount specified in the selected consultant's contract. YouTube will also reimburse the City of San Bruno for all employee staff time and related consultant services time.

**RECOMMENDATION**

Receive Report Regarding The Proposed Bayhill Specific Plan and YouTube's Anticipated Growth Within the Bayhill Office Park

**DISTRIBUTION**

None

**ATTACHMENTS**

None

**DATE PREPARED**

January 5, 2017

**REVIEWED BY**

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