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PRACTICE EMPLOYMENT CENTERS



Balancing Jobs and Housing in the New Economy

By Thomas P. Smith

Planning and zoning for employment centers has not kept up with the changing job market. Historically, cities and suburbs have assumed that the “best” locations for industrial and office development were at the intersection of major arterials, along highway or railroad corridors, or adjacent to airports. This is changing.

In recent decades there has been significant job growth in occupations related to life sciences, sales of technical and scientific products, and the integration of technology into a wide array of manufacturing processes. This is in addition to the fields of computer hardware and software development and the provision of advanced services related to data processing, business systems, and corporate management. Employers in these growth areas are eschewing standard suburban office park locations in favor of more urban locations with access to transit, workforce housing, and other amenities. Many want to be close to a large pool of qualified talent (e.g., universities, research hospitals and other technology centers), and many want to avoid locations where the only option for the trip to work is a private automobile.

This edition of *Zoning Practice* examines recent plans and zoning codes established to create new mixed use districts that combine major employment centers with

housing, restaurants, entertainment, and neighborhood services to serve the employees. It concludes with high-level takeaways for other communities interested in linking employment centers and housing.

MOUNTAIN VIEW, CALIFORNIA, NORTH BAYSHORE PRECISE PLAN

In California, cities and counties can adopt precise plans to establish zoning and coordinate future public and private improvements on specific properties where conditions related to parcel dimensions, land ownership, or existing or desired development require special attention. Where the precise plan sets objective and measurable development standards, these standards have the effect of law.

Mountain View, California, adopted the *North Bayshore Precise Plan* in 2017 to accommodate Google’s new corporate office and research center. Google owns about 60 percent of the land in the North Bayshore area, including its existing “Googleplex.” The city’s precise plan covers an area of approximately 650 acres. It calls for a high-intensity new employment center with up to five million square feet of work space plus nearly 10,000 new housing units, including almost 2,000 new affordable units. The plan designates more than 250,000 square feet of new retail and entertainment space

and establishes three “complete neighborhoods” where workers live, shop, dine, and find services without the long drive required at most suburban employment centers. The key to the Mountain View plan is the concept of “complete neighborhoods”—where neighborhood residents and area employees can find needed services, recreation facilities, and transit alternatives. Each neighborhood includes land-use “target numbers” to help guide their transformation (see table below).

Floor area ratios (FAR) and building heights are tied to the plan’s description of four “character areas,” which overlap and encompass the “complete neighborhoods” (see map and table below).

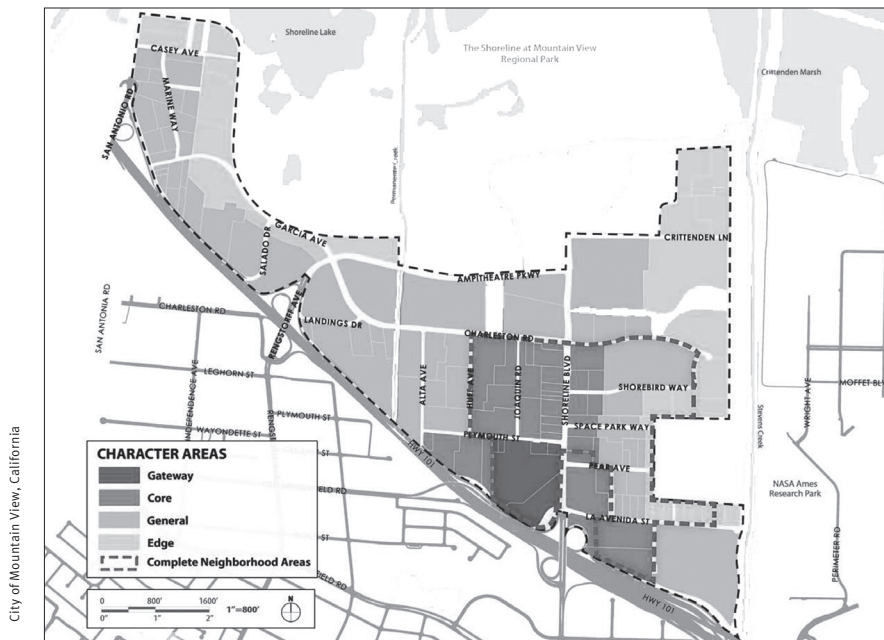
The Gateway Character Area is envisioned as a mixed use urban center. It allows the highest intensities and greatest building heights in North Bayshore. It will be walkable with small, interconnected blocks and new pedestrian and bicycle improvements.

The Core Character Area is similar in character to the Gateway Area but lower in nonresidential intensity. Development will be focused near high-frequency transit, both public and private. The Core Character Area is located within portions of all three complete neighborhood areas.

The General Character Area will accommodate mixed used development with building forms similar to the Core Area. Buildings will

DEVELOPMENT TARGETS FOR COMPLETE NEIGHBORHOODS

	Joaquin Neighborhood	Shorebird Neighborhood	Pear Neighborhood
Character	• Broad mix of land use. Highest intensity buildings. • Retail core area. Ground-floor retail on key streets.	• Mix of high- to moderate-intensity buildings. • More “campus-like” character	• Mix of high- to moderate-intensity buildings. • Cultural hub with art and theater, near the Computer History Museum
Size	68 acres	43 acres	43 acres
Residential Units	3,950 units	2,950 units	2,950 units
Affordable Units	790 units	590 units	590 units
Employment	2.5 million square feet	1.5 million square feet	1 million square feet
Retail and Entertainment	240,000 square feet	15,000 square feet	35,000 square feet
Hotel	200 rooms	0	200 rooms
Public Open Space	Community and neighborhood park	Neighborhood park	Neighborhood park



Character Areas from the North Bayshore Precise Plan 2017.

be organized within new smaller blocks. New streets and bicycle and pedestrian connections will help break up the large existing blocks. The General Character Area is envisioned as an employment-focused area with a more campus-like environment than the Core and Gateway Areas.

The Edge Area will maintain a campus character compatible with adjacent natural open space areas and existing residential uses. The Edge Area allows lower development intensities than other character areas. In the Core and General character areas, the city council may approve up to eight stories of nonresidential for projects with exemplary design.

The central goal of the North Bayshore plan is to allow workers to live within walking distance of their workplace in a neighborhood that includes shops, restaurants, and services. According to one of the project's lead architects, Bjarke Ingels, the new development will include a "diversity and liveliness that you find in urban neighborhoods." Ingels says that the "traditional distinctions between urban settings and office environments will have evaporated or at least blurred" in the new Google project.

The North Bayshore plan requires costly changes in the area's street plan to enable the walk to work. In the "complete

neighborhoods" no block may be longer than 400 feet. This standard will require the construction of new streets.

There is no guarantee that the Google workforce will live in these new neighborhoods, but there are reasons to believe that they will be attracted to the location. By living in the new neighborhoods, Google employees will avoid the tedious and time-consuming commutes that are common in the Silicon Valley. According to Mountain View Mayor Lenny Siegel, "our most important transportation solution is to enable people to live near where they work, reduce greenhouse gas emissions and allow working parents to remain near their kids" (2018).

The North Bayshore plan is an exemplary regulatory plan to accommodate a new Google research and development center along with housing, neighborhood retail, and amenities like public open space. The level of detail in the plan and the logic of trying to achieve a "work/housing" balance make it likely to succeed. It attacks the city's central problems—a terrible imbalance between jobs and housing and the horrific traffic congestion caused by the separation of housing and jobs. The plan includes a minimum 15 percent affordable housing requirement, but the mayor and city council have indicated that they will use bonuses and further negotiations to achieve, at least, 20 percent affordable units.

MENLO PARK, CALIFORNIA, WILLOW VILLAGE MASTER PLAN

Menlo Park, California, is currently considering the *Willow Village Master Plan*, submitted by Peninsula Innovation Partners, LLC, on behalf of Facebook. If adopted, the plan will create a new mixed use district to facilitate the

FLOOR AREA RATIOS AND BUILDING HEIGHTS

	Gateway Maximum FAR	Core Maximum FAR	General Maximum FAR	Edge Maximum FAR
Residential	4.50	4.50	3.50	1.85
Nonresidential	2.35	1.50	1.00	0.65
Mixed Residential and Nonresidential	4.50; nonresidential floor space not to exceed 2.35	4.50; nonresidential floor space not to exceed 1.50	4.50; nonresidential floor space not to exceed 1.00	1.85; nonresidential floor space not to exceed 0.65
Hotel	2.35	1.85	N/A	N/A
Building Heights	Residential: 15 stories; Nonresidential: 8 stories	Residential 15 stories; Nonresidential: 6 stories	Heights vary. Most of this area would allow 4- to 5-story offices, up to 6-story offices adjacent to Highway 101	Heights vary. Mostly 3-story office buildings but areas adjacent to habitat areas may be limited to 2 stories.

expansion of the Facebook headquarters. As proposed, it would allow buildings up to 110 feet in height (average of 67.5) for properties classified for office and hotel use and up to 70 feet (average height of 52.5) for properties with residential and mixed use classifications.

The city is reviewing the plan under a conditional development permit process authorized by its zoning code (§§16.82.050–200). If the city approves Facebook’s master plan along with the conditional development permit, the objective standards of the plan would become the zoning standards for the site.

The project would include the following components:

- A minimum of 1,500 housing units, a minimum of 15 percent (or 225 units) of which would be below-market-rate units
- Approximately 126,500 square feet of retail oriented around a new main street, including a grocery store, pharmacy, restaurants, and personal services
- A limited service hotel with approximately 200 rooms
- A culture and visitor center
- Approximately 18 acres of open space
- Approximately 1.75 million square feet of office and research space

The Willow Village plan embraces the integration of work buildings with housing and neighborhood retail and entertainment uses. Facebook’s original office/research facility in Menlo Park was designed strictly for people traveling to work by car. In contrast, the proposed plan allows workers to live across the street from their offices and within walking distance of neighborhood goods and services.

The Willow Village plan is still in draft form. The Menlo Park planning department is working with the company on issues related to flood control and the planned connections between the Willow Village campus and the two existing Facebook campuses. Facebook’s campuses are not currently served by mass transit, and the congested roadways surrounding the two existing campuses and the Willow Village campus creates a barrier to employees who want to travel from one campus to another. The company has long promoted transportation alternatives for its employees, and as part of the Willow Village project, Facebook is proposing pedestrian bridges that will allow employees to walk or bike from one campus to another.

Due to the larger traffic challenges in area, the residential component of the Willow Village plan is more significant in

providing an alternative to what area residents refer to as the “mega-commute.” If the new housing is occupied by Facebook employees, then the company can significantly mitigate the impact of its expansion on local roadways. The opportunity to walk to work, to a grocery store, and to neighborhood services will reduce the demands on local roadways.

FAIRFAX COUNTY, VIRGINIA, TYSONS URBAN CENTER PLAN

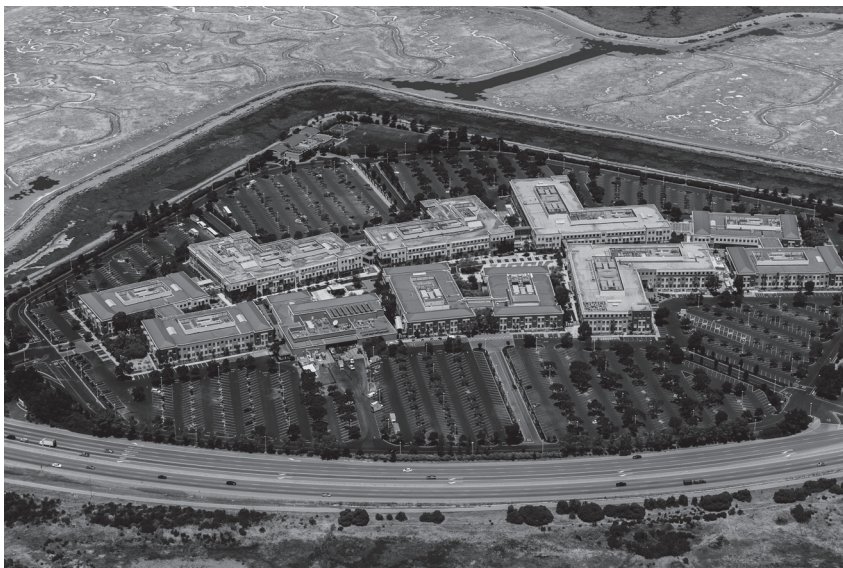
The Tysons Center Urban Plan in Fairfax County, Virginia, encompasses an area of 2,100 acres and is perhaps the most ambitious plan for mixed use development within an existing suburban employment center in the United States.

Tysons Center (previously known as Tysons Corner) is currently an employment center for nearly 100,000 people. It is home to several corporate headquarters and national offices for companies such as Freddie Mac, Hilton Worldwide, Northrop Grumman, The MITRE Corporation, Capital One Financial, Ernst & Young, KPMG, and Booz Allen Hamilton. In 2010, there were an estimated 19,000 people living in Tysons Center. The plan calls for doubling the number of jobs and for building housing for 100,000 people.

The county adopted a preliminary plan for Tysons Center in 2010—this plan called for various traffic, infrastructure, and planning studies that were completed between 2010 and 2016. To implement the plan, it added the Planned Tysons Corner Urban District (PTC) to its zoning code (§6-500). Then, on March 14, 2017, Fairfax County adopted a more detailed and refined *Tysons Urban Center Plan* and updated maximum permissible intensities in the PTC.

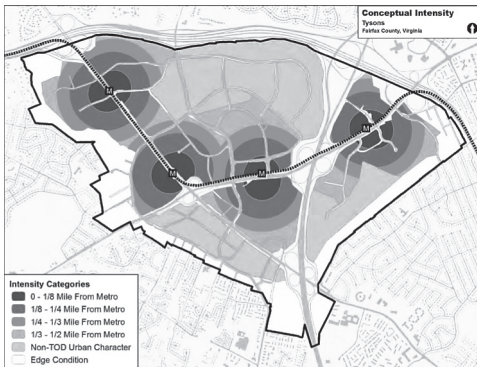
The Tysons Center plan is a “daring” document by planning standards. It authorizes unlimited floor area or density (for non-office uses) within one-quarter mile of the four Metro stations that opened in 2014. It calls for completely reshaping the area’s large suburban blocks into smaller, highly connected blocks—no more than 600 feet in length or width. It includes numerous urban design recommendations intended to remake a suburban center of offices and malls into a walkable and pedestrian downtown.

The goal for Tysons is to create an urban, mixed use district where people can



Austin McKinley, Wikimedia (CC by 3.0)

- ➡ The earliest Facebook campus in Menlo Park, pictured here, reflects the “worst” in suburban office and industrial development—large corporate buildings in a sea of surface parking. In contrast, the Willow Village plan is a compact, mixed use development where employees can live, work, and shop.



➡ Conceptual drawing of building intensity at the four Tysons Center Metro stops.

all new residential units should be affordable to households with incomes ranging from 50 up to 120 percent of Area Median Income. This number is slightly lower for high-rise condominium buildings.

The plan illustrates the density and scale ideas through a series of maps and graphics. The map at left illustrates the conceptual pattern of building scale and intensity in relation to the four Metro stops.

This pattern of intense development adjacent to the rail stations is reinforced with the conceptual illustration of building heights,

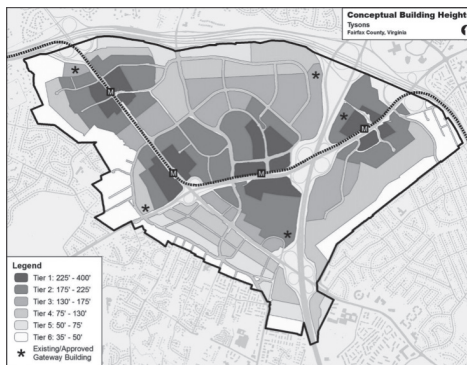
businesses and residents of Tysons) and citizens from the surrounding communities.”

For decades, Tysons Center was the prototypical suburban office and retail center. The key element in its design was access to unlimited free parking. The county’s plan and implementing zoning regulations provide robust support for transit-oriented development. The introduction of tens of thousands of new residences creates the opportunity for workers to walk or bike to work. The integration of neighborhood restaurants, retail, services, open space, and other amenities will enable residents to be far less auto dependent for those trips beyond the commute to work.

live and work without being so dependent on the automobile. The vision calls for:

- 75 percent of all new development to be located within a half-mile walk of the Metro;
- an urban center that will include 200,000 jobs and 100,000 residents;
- a jobs/housing balance of approximately four jobs per household;
- the restoration of streams and a green network of public parks and open spaces; and
- a redesigned transportation system with circulator routes, shuttles, feeder buses, and vastly improved pedestrian and bicycle connections.

The plan’s land-use concept promotes the redevelopment of uses such as car dealerships, surface parking lots, and strip retail centers into more efficient, higher intensity land uses. The density and scale of new development in Tysons is determined by proximity to the Metro stations. Within a quarter mile of a station there are no FAR limits for new residential or mixed use buildings except a limit on mixed use buildings that include office space. Office space that may be approved through a rezoning within a quarter mile of the transit station may have an intensity of up to 2.5 FAR. Areas located more than a quarter mile from Metro stations are recommended for redevelopment at 2.5 FAR and are encouraged to achieve higher intensities by using bonuses for affordable and workforce housing and significant contributions toward constructing public facilities. The plan recommends that 20 percent of



➡ The conceptual building heights map reinforces the goal of building intense new neighborhoods around the four Metro stations.

shown in feet. Again, the tallest residential and mixed use buildings are immediately adjacent to the stations.

Fred Selden, director of the Fairfax County Department of Planning and Zoning, says that the key to the Tysons Center plan’s success, so far, “has been the open and inclusive planning process and the strong buy-in from property owners, developers, and citizens.” He says that “property owners have demonstrated their commitment by supporting new taxes to help fund the regional Metro system extension to Tysons as well as local transportation improvements needed within Tysons.” Selden adds, “The county is also committed to keeping people involved through the online Tysons webpage, publication of the Tysons annual progress report, and working collaboratively with the Tysons Partnership (which represents

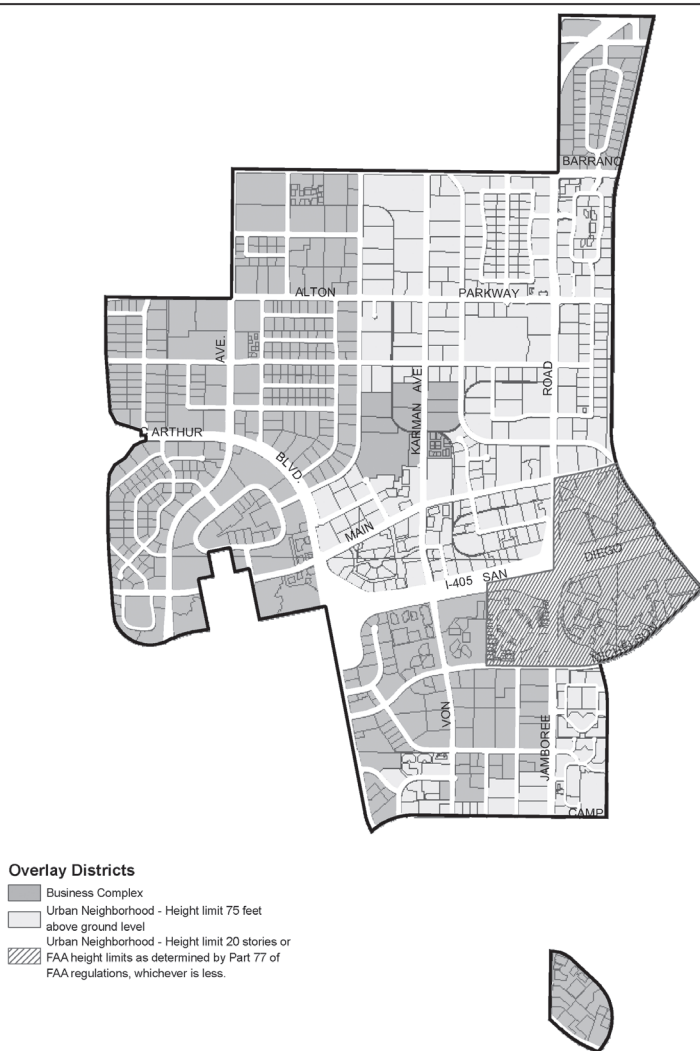
IRVINE, CALIFORNIA, IRVINE BUSINESS COMPLEX

The Irvine Business Complex (IBC) in Irvine, California, was developed as an office and industrial center in the early 1970s. It extends over 2,700 acres, making it the largest business complex in Orange County. The complex has been successful economically (with an estimated 90,000 jobs), but its original auto-oriented design contributed to the region’s traffic problems.

The city adopted the *IBC Residential/Mixed-Use Vision Plan and Overlay Zoning Code* development standards (together referred to as the IBC Vision plan) in 2010.

The purpose was “to facilitate the continued evolution of the IBC from solely office, industrial, and commercial uses into a fully mixed-use business and residential community.” The plan emphasizes the need to accommodate the expansion of existing businesses and industries and to create new urban neighborhoods within walking distance of these employers.

The IBC Residential Mixed-Use Zone calls for creating new “urban” neighborhoods within a framework of new streets and open spaces. As of 2018, approximately 17,000 new housing units have been constructed, approved, or are nearing approval since the adoption of the IBC Vision plan. This number exceeds a 15,000-unit cap for the district because developers have constructed or gained approval for nearly 2,000 affordable housing units that do not count in the cap amount.



Irvine's IBC Vision plan encourages new housing near existing office and light industrial uses. In these new neighborhoods people can potentially walk or bike to work.

The map above illustrates the city's commitment to housing near existing jobs. Almost all the areas designated for urban neighborhoods in the map were previously zoned for office and light industrial or were improved with offices, warehouses, storage facilities, and other nonresidential uses.

The city has been successful in attracting new residential development to the Irvine Business Complex. These units will allow a significant number of IBC residents to live within walking or biking distance to their jobs. The city also hopes this new residential area will help support new restaurants, shops, and neighborhood services. Smaller

blocks, new pedestrian connections, new shuttle services, and new sidewalks/bike paths give IBC residents realistic alternatives to the automobile for the trip to work.

Despite this success, city planners indicate there is still much to be done. To date, only about half the residential units have been constructed and the other half are under construction or under final review. Currently it is hard to judge whether the area has enough density for a neighborhood since many units are just opening or under construction.

In addition, the city has found it difficult to attract neighborhood retail and restaurants because of its strict zoning regulations for

retail and commercial uses. City planners hope to relax some parking and traffic impact regulations for retail and entertainment uses in the IBC, especially for those commercial uses that are designed for neighborhood residents.

Bill Jacobs, AICP CEP, principal planner for Irvine, says that "the vision plan reflects a long-term view of the IBC as a mixed use community." He says the city is trying to use the best planning techniques to allow the IBC to evolve from a traditional office and industrial area into a more urban neighborhood. According to Jacobs, "the continued build out of the area including more housing and the development of additional neighborhood-oriented retail uses within the context of a major employment center will reduce traffic on the regional roadway network."

OTHER PROJECTS UNDER WAY

The examples above are part of a larger trend. Many other cities are working on plans that combine housing with the expansion of major employment centers.

For example, in San Jose, California, planners are currently working on the *Diridon Station Area Plan* (named for the city's downtown train station). An earlier version of this plan (approved in 2014) had centered on a proposed baseball stadium and transit station improvements. When the baseball stadium did not work out, the city planners shifted their focus to working with technology companies on a plan for a live/work center.

In 2017, the city began working with Google on an update to the *Diridon Station Area Plan*. As of early 2018, Google owned roughly 50 of the 240 acres in the Diridon Station area. The original plan envisioned 2,588 homes in the 240-acre project, with 15 percent of those being reserved for low- and moderate-income households as required by the city's zoning ordinance. However, in 2018, planners and community organizations began talking about a better balance between the new jobs and new housing and have advocated for affordable housing above the minimums required by the city.

Meanwhile, Cambridge, Massachusetts, also has several districts where the city is intent on mixing jobs and housing. The most notable is the Kendall Square area near the Massachusetts Institute of Technology (MIT). During the 1960s and 1970s, Kendall Square was built out as a traditional suburban office park. Then, in 2007, the

city adopted the Cambridge Growth Policy Update, which made it city policy to “place housing in close proximity to jobs to better manage the capacity of our transportation networks.” A 2013 plan for Kendall Square identified several hundred new housing units under construction, and the city estimated that the area could absorb another 2,000 to 3,500 units over the next several years.

The biggest change to Kendall Square in the next several years will be the redevelopment of a 14-acre site owned by the U.S. Department of Transportation and occupied by the Volpe National Transportation Systems Center—one of Cambridge’s largest employers. It is a large parcel with buildings located on “superblocks,” largely isolated from the rest of the neighborhood. The federal government and MIT are partnering on the redevelopment, and in October 2017, the city approved a rezoning for the site (§13.90).

The PUD-7 district authorizes up to 3.25 million square feet of total development, with residential uses making up at least 40 percent of new development (not including the space that will replace the existing federal government facility). It requires inclusionary housing equal to about 280 units of affordable housing; permits building heights of up to 250 feet, increasing to 350 feet in limited circumstances, and up to 500 feet for not more than one building; establishes maximum limits on parking, with no set minimum requirements; and requires “innovation space” for smaller companies and start-ups.

PERSPECTIVE ON NEW LIVE/WORK ZONES

Older cities and suburbs with large office centers need to learn how to mix housing and workplaces if they want to compete for jobs related to the sciences, technology, and engineering. In the nationwide competition for Amazon’s second headquarters, most cities recognized they needed to propose an alternative to a conventional auto-dependent, suburban-style corporate headquarters. For many cities, not just those that are vying for Amazon HQ2, major development or redevelopment plans include new or improved transit facilities and an urban design framework that enables residents to walk to work and to everyday destinations.

The concept of these districts is attractive. The Brookings Institution, for example, has prepared several papers on what it calls “innovation hubs,” “innovation districts” and “urban science parks” (e.g., see Katz and Wagner 2014). Most cities and many suburbs want to be centers for innovation. Still, it can be difficult to create mixed use districts where light industry/office can coexist with new residential development. In many communities, developers of office and light industrial facilities are unable to compete with the prices that residential builders are willing to pay for property. The plans for new housing in Tyson Center, the Irvine Business Complex, and Kendall Square may have been easier because these areas were already employment centers. In addition, the Mountain View, Menlo Park, and San Jose plans may

be unique because large technology firms are major property owners in the areas under development. (Facebook is the only owner in the Willow Village district). In these communities the companies have a huge stake in the local plans and they have a vested interest in seeing housing built for their new employees.

Reshaping suburban employment centers and city job centers outside of downtowns will take detailed plans that reasonably allocate land and floor area to office, research, housing, and neighborhood businesses. Successful approaches will require many of the host communities to plan for residential densities and building intensities that are significantly higher than existing patterns. When successful, these changes have the potential of mitigating area traffic problems and building more attractive and efficient live/work neighborhoods.

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Cover: Photo by Joe Mabel via Wikimedia

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IS YOUR ZONING READY FOR
MIXED USE EMPLOYMENT
CENTERS?

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