

Agenda Item 1 - 1

STAFF REPORT



THE CITY OF
NOVATO
CALIFORNIA

MEETING

DATE: January 12, 2017

TO: Planning Commission

FROM: Robert Brown, Community Development Director

SUBJECT: **EVALUATION OF POTENTIAL REVISIONS TO BEL MARIN KEYS INDUSTRIAL PARKS MASTER/PRECISE DEVELOPMENT PLAN FOR BIOTECH/LIFE SCIENCE CAMPUS DEVELOPMENT IN THE SCOPE OF THE GENERAL PLAN 2035 ENVIRONMENTAL IMPACT REPORT**

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REQUEST

Consider the proposal for possible revisions to the Bel Marin Keys Industrial Parks Master/Precise Development Plan to modify zoning regulations for designated biotech/life science campus development and inclusion of same in scope of the Environmental Impact Report (EIR) for General Plan 2035.

RECOMMENDATION

Consider proposed Master/Precise Plan modifications for inclusion in the scope for the General Plan 2035 scope of services.

SUMMARY

On June 28, 2016 the City Council considered a request from BioMarin to incorporate analysis of proposed modifications to the zoning provisions of the Bel Marin Keys Industrial Parks Master/Precise Development Plans to allow greater height and floor area and modified parking requirements for parcels that could be designated as biotech/life science campuses through Council action in the future. By unanimous vote, the Council authorized the analysis of environmental impacts of such zoning modifications in the environmental impact report (EIR) being prepared by the City for General Plan 2035, with the additional consultant costs reimbursed by BioMarin (see attached minutes).

BACKGROUND

The 200-acre Bel Marin Keys Industrial Parks (BMKIP) was initially developed within County jurisdictions and annexed into the City in the 1970's. A Master Plan and Precise Development Plan was adopted by the City Council in 1978, including zoning parameters for "industrial park development and use." Over the years, the BMKIP have been developed with approximately 2.7 million square feet of leasable office, service commercial, industrial and manufacturing uses.

Since 1997 the area has experienced growth in space owned or leased by biotech companies, including BioMarin, Ultragenyx, Sutter Instruments and Karuna Corporation, which now occupy

more than a half-million square feet, or about 20% of the building area in the industrial parks. These firms have indicated a desire for continued growth in Novato, particularly for laboratory and manufacturing facilities. Their concern, however, is that the zoning allowances in the 1978 Master/Precise Development Plan do not easily accommodate the scale of efficiently designed biotech buildings. Both BioMarin and the North Bay Life Science Alliance, representing the broader industry, have requested consideration of possible modifications in specific zoning regulations that they believe would allow continued growth of their industry in Novato.

PROPOSED ZONING MODIFICATIONS FOR ANALYSIS

Since the Council action last June, staff has been working with representatives of Novato’s biotech firms and reviewing zoning provisions for biotech firms in other Bay Area cities that have focused on accommodating such growth.

The proposals for consideration and analysis in the General Plan EIR would entail the following:

Applicability:

The intent would be to modify the Master/Precise Development Plan to incorporate modified zoning regulations that could be applied to properties (either adjacent or proximate) that, through subsequent action by the Planning Commission and City Council, would be designated as a biotech/life science campus. The campus designation would allow the modified zoning regulations to be applied across multiple parcels (e.g., an averaged FAR, site coverage and parking provisions) and would require approval of a campus-based Transportation Demand Management (TDM) program to reduce traffic generation through provisions such as staggered work hours, funding a shuttle to the Hamilton SMART station, etc. The subsequent approval of a campus-specific Precise Development Plan would be subject to public noticing, hearings and environmental analysis.

The modified zoning regulations are proposed only in the Ignacio and Hamilton Industrial Parks portion of the larger business park, and would exclude the Bel Marin Commerce Park that is adjacent to the Los Robles Mobile Home Park and is comprised of generally smaller parcels that have not seen biotech development to date (see attached map).

Suggested Zoning Modifications:

The following is a summary of the proposed zoning modifications for biotech/life science campuses in the BMKIP:

Zoning Regulation	Existing	Proposed
Lot Coverage	60%	60%
Floor Area Ratio (FAR)	0.6	1.2
Maximum Building Height	35’ (42’ allowed through design review)	68’
Parking Requirements*		
Office	3.6 spaces/1,000 sf	3 spaces/1,000 sf
Laboratory	3.3 spaces/1,000 sf	1.3 spaces/1,000 sf
Manufacturing	1 space/1,000 sf	1 space/1,000 sf
Warehouse	0.7 space/1,000 sf	0.7 space/1,000 sf
Employee Amenities	n/a	1 space/1,000 sf

Analysis:

The intent of the proposed zoning revisions would be to allow biotech/life science laboratory and manufacturing buildings which typically have tall floor-to-ceiling heights (commonly 17') to accommodate large equipment and utility/data infrastructure. It is most efficient to design such buildings with multiple floors, typically 3-4 stories. For this reason, BioMarin has requested building height up to 68 feet (four floors, each 17 feet tall). This is also dictated by the limited amount of available land area in the BMKIP. It should be noted that the BioMarin facility at 46 Galli Drive was built to a height of 55 feet, which was authorized in 2008 through a variance process (see attached building plan).

Both BioMarin and the North Bay Life Sciences Alliance have submitted their own "white papers" in support of modified zoning regulations, both of which are attached for additional supporting information and rationale.

The purpose of incorporating the proposed zoning modifications in the EIR analysis for the Draft General Plan would be to understand likely impacts, such as increased traffic generation and visual impacts of taller buildings. The Draft General Plan contains policy statements supporting the creation of higher-wage jobs and specifically the biotech/life science industry, but presently does not contain any programs that would incentivize such job growth locally.

In order to constrain the potential impacts of the increased floor area and height allowances in the EIR analysis, staff is suggesting that a cap on potential biotech/life science campus development be incorporated into the proposal. The Master/Precise Development Plan would include a square footage limitation on increased floor area under the expanded floor area ratio (e.g., a limit on floor area developed beyond the existing 0.6 FAR). This cap would be part of the Master/Precise Development Plan, but could be reconsidered by the City Council in the future (either increased or decreased) based on experience and additional environmental review.

To establish a realistic cap on future development, staff has attempted to determine the growth expectations of our local biotech firms for the next 10 years. In the past 10 years the biotech sector in Novato has occupied 312,000 square feet of building area. The biotech firms have indicated a desire/need for growth of about 2,000 employees in Novato over the next 10 years (a doubling of the current 2,000 biotech employees in Novato). Using an average amount of about 300 square feet of building space per employee, which would result in an expansion of 600,000 square feet of building area. Since the proposed zoning modifications would double the allowable floor area ratio, it is assumed that half of this growth would exceed the existing 0.6 FAR. Therefore, a growth cap of about 300,000 square feet above the existing FAR is suggested as a base "cap" limitation. For purposes of the General Plan EIR analysis, staff would recommend that a range of development attributable to the proposed zoning changes be studied, particularly for traffic impacts, and suggest that this range for analysis be 300,000 and 500,000 square feet of additional building to provide the ability to compare the extent of possible impacts. In addition to traffic and air quality analysis, the EIR would also prepare photomontage visual analysis from a number of vantage points to understand the visual implications of taller structures.

PUBLIC OUTREACH

Public outreach efforts include a community meeting to be held on January 5, 2017, the results of which will be shared at the January 10 Council meeting, and then with the Planning Commission on January 12. Over 1,300 notices of the meeting were distributed to all property owners in the industrial parks, all County residents in Bel Marin Keys and to residents of the Los Robles Mobile

Home Park. In addition, a project-specific webpage has been created at: novato.org/BMK.

FISCAL IMPACT

Unknown at this time, although attraction of biotech/life science companies has been a cornerstone of the City's economic development efforts for several years.

ALTERNATIVES

1. Incorporate analysis of the proposed Master/Precise Development Plan amendments for the Bel Marin Keys Industrial Parks in the scope of services for the General Plan 2035 EIR.
2. Direct staff to not incorporate analysis of potential zoning modifications for the Bel Marin Keys Industrial Parks in the General Plan 2035 EIR.

ATTACHMENTS

1. Excerpt from June 28, 2016 City Council minutes
2. Map of Bel Marin Keys Industrial Parks
3. BioMarin Proposal for Amendments to the City of Novato's General Plan and Zoning Ordinance for the Bel Marin Keys Industrial Parks
4. North Bay Life Science Alliance Bel Marin Keys Industrial Park Biotech/Life Sciences User Study
5. Building plans for 46 Galli Drive

Agenda Item 1 - 1 Attach 1

JOINT CITY COUNCIL/
CITY COUNCIL AS SUCCESSOR AGENCY
TO DISSOLVED REDEVELOPMENT AGENCY
CLOSED SESSION MINUTES
CITY OF NOVATO ADMINISTRATIVE OFFICES
922 MACHIN AVENUE
June 28, 2016 – 5:30 PM

A. CALL TO ORDER

1. Public Comment at 922 Machin Avenue- None
2. Recess to Closed Session

B. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957:

PUBLIC EMPLOYMENT
Title: City Manager

PUBLIC EMPLOYEE APPOINTMENT
Title: City Manager

There was no action taken. The closed session was continued and reconvened upon adjournment of the open session.

JOINT CITY COUNCIL/
CITY COUNCIL AS SUCCESSOR AGENCY
TO DISSOLVED REDEVELOPMENT AGENCY
MEETING MINUTES
COUNCIL CHAMBERS
901 SHERMAN AVENUE
JUNE 28, 2016 – 6:30 PM

A. CONVENE, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Present: Mayor Eklund
Mayor Pro Tem Athas
Councilmember Fryday
Councilmember Drew
Councilmember Lucan

Absent : None

Also Present: Interim City Manager Cathy Capriola, Public Works Direction Russ Thompson, Community Development Director Bob Brown, Administrative Manager Felicia Newhouse, Accounting Supervisor Maureen Chapman, Assistant City Attorney Veronica Nebb and Deputy City Clerk Laura McDowall.

B. CLOSED SESSION ANNOUNCEMENT

The City Council met in closed session to discuss Item B as listed on the Closed Session Agenda. The closed session was continued and reconvened upon adjournment of the open session. See Closed Session Minutes.

Ms. Nebb stated that there was no action to report at this time.

C. CEREMONIAL MATTERS/PRESENTATIONS

Proclamation: Sheri Hartz

Sheri Hartz was present to accept the proclamation.

D. APPROVAL OF FINAL AGENDA, WAIVER OF THE READING OF ORDINANCES AND NOTICES OF INTENT

*Councilmember Drew moved, Seconded by Councilmember Fryday, to approve the Final Agenda, Waiver of the Reading of Ordinances and Notices of Intent. **The motion was approved unanimously.***

E. PUBLIC COMMENTS

1. Alison Fletcher
2. Michael Halverson
3. Paul Perryman
4. Brian Keefer
5. Maggie Rufo
6. Marcia Basalla

F. CONSENT CALENDAR

1. ESTABLISH APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016/17

Council adopted Resolution No. 38-16 establishing the appropriations limit for fiscal year 2016/17.

2. ADOPT RESOLUTION AUTHORIZING THE CITY OF NOVATO TO SUBMIT GRANT APPLICATIONS ON BEHALF OF THE NOVATO SANITARY DISTRICT TO CALRECYCLE FOR RECYCLING PROGRAMS AND AUTHORIZE CITY MANAGER TO ENTER INTO AGREEMENT WITH NOVATO SANITARY

Consider adopting a resolution authorizing the City of Novato to submit grant applications to CalRecycle on behalf of the Novato Sanitary District for citywide recycling programs and authorized the City Manager to enter in to agreement with the Novato Sanitary District.

Item F-2 was pulled from the Consent Calendar and moved to General Business.

Mayor Pro Tem Athas moved, Seconded by Councilmember Lucan, to approve the Consent Calendar, pulling item F-2 off the Consent Calendar and placing it under General Business. The motion was approved unanimously.

G. UNFINISHED AND OTHER BUSINESS

No items were listed for this section.

H. PUBLIC HEARINGS

No items were listed for this section.

I. GENERAL BUSINESS

3. NOVATO GENERAL PLAN 2035 ENVIRONMENTAL IMPACT REPORT CONSULTANT SERVICES AGREEMENT

Consider adopting a resolution authorizing the Interim City Manager to enter into a consultant services agreement with Rincon Consultants to prepare an environmental impact report (EIR) for the Novato General Plan 2035.

Mr. Brown gave a brief presentation and answered Council questions. He stated that a lot of major environmental issues are not expected from the Draft General Plan Update as it proposes substantially less development than the 1996 plan, and very few land use changes are recommended.

Mr. Brown went on to explain that BioMarin Pharmaceutical, Inc. had sent a letter to the City stating that they were considering options for their facilities in Bel Marin Keys, and the expansion potential. Bio Marin indicated that they were considering bringing forward an amendment to the Bel Marin Master Plan, to allow for the designation of contiguous sites as a research and development campus. Changes could include a higher floor area ratio allowed, higher building heights to accommodate manufacturing buildings, and revised parking standards. BioMarin had suggested an option to have some initial studies for this potential change be included as part of the General Plan EIR. Mr. Brown further explained that BioMarin would pay the additional cost of \$15,000 to include these studies.

During discussion, it was clarified that the question before the Council was only to allow the General Plan EIR to be appended to have an option to explore a potential change in Bel Marin Keys, and not an approval of the change itself.

At 7:28 p.m. Mayor Pro Tem Athas briefly left the dais and returned at 7:31 p.m.

PUBLIC COMMENT

7. Shar Zamanpour

*Councilmember Lucan moved, Seconded by Mayor Pro Tem Athas, to approve Resolution No. 41-16 authorizing the City Manager to enter into a consultant services agreement with Rincon Consultants to prepare and Environmental Impact for the Novato General Plan 2035, including the optional tasks as outlined in the Staff Report. **The motion was approved unanimously.***

At 7:47 p.m., Council took a brief recess and reconvened at 7:52 p.m.

JOINT CITY COUNCIL/CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED REDEVELOPMENT AGENCY/NOVATO PUBLIC FINANCE AUTHORITY – Item 4 only

4. FISCAL YEAR 2016/17 OPERATING AND CAPITAL BUDGETS

Consider adopting resolutions approving the City of Novato Operating and Capital Improvement Budgets for FY 2016/17. Approve resolution changing position allocations and other personnel actions for FY 2016/17.

Ms. Capriola opened the item and gave a brief history of the budget process.

Mr. Cochran explained that there would be an edit to the Resolution No. 39-16, stating that the Technology Replacement Fund 606 in the amount of \$89,750 had been omitted in the draft resolution, but would be included in the final version of the resolution. Mr. Cochran clarified while the fund had been omitted in the draft resolution, the fund had been included in the budget itself.

PUBLIC COMMENT: None

*Mayor Eklund moved to include an additional police officer position within the Fiscal Year July 1, 2016 through July 30, 2016 budget. **The motion failed for lack of a second.***

*Mayor Eklund moved that the maintenance worker positions that were included in the budget as temporary positions instead be added as permanent positions. **The motion failed for lack of a second.***

*Mayor Pro Tem Athas moved, Seconded by Councilmember Fryday, to approve Resolution No. 39-16 adopting the Final City of Novato Operating and Capital Improvement budgets for Fiscal Year July 1, 2016 through July 30, 2017, providing for the Appropriation of Expenditures in said budgets and repealing all resolutions in concert herewith, and including the addition of Fund 606. **The motion carried 4-1-0-0 with Mayor Eklund voting No.***

*Mayor Pro Tem Athas moved, Seconded by Councilmember Lucan, to approve Novato Public Finance Authority Resolution No. NPFA-16-01 adopting the Final Budget of the Novato Public Finance Authority of the City of Novato for Fiscal Year July 1, 2016 through June 30, 2017, providing for the Appropriation of Expenditures of all sums set forth in said budget and repealing all Resolutions in concert herewith. **The motion carried 4-1-0-0 with Mayor Eklund voting No.***

*Councilmember Drew moved, Seconded by Mayor Pro Tem Athas, to approve Resolution No. 40-16 authorizing personnel allocation changes and salary range changes as part of the 2016/17 City Budget. **The motion carried 4-1-0-0 with Mayor Eklund voting No.***

Mayor Eklund stated that she couldn't vote Yes on the budget because she felt that an additional police officer position was needed, and she believed that the temporary maintenance positions should instead be made permanent positions.

Councilmember Fryday commented that he also supported the Police Department but felt that the focus at this time should be on retention, and he commended Staff for taking direction from Council and the community when prioritizing the budget.

Councilmember Drew complimented Ms. Capriola and Mr. Cochran on their fiscal responsibility in regards to the personnel additions.

Mayor Pro Tem Athas thanked staff for their excellent work on the budget, and further clarified that the budget could be adjusted to reflect the outcome of ongoing labor negotiations.

Councilmember Lucan expressed his support of the budget and the personnel additions, and stated that in the future if suggestions on personnel changes are brought forward earlier in the budget processes, it could increase the potential to find solutions to ensure that the changes could be included.

F-2. ADOPT RESOLUTION AUTHORIZING THE CITY OF NOVATO TO SUBMIT GRANT APPLICATIONS ON BEHALF OF THE NOVATO SANITARY DISTRICT TO CALRECYCLE FOR RECYCLING PROGRAMS AND AUTHORIZE CITY MANAGER TO ENTER INTO AGREEMENT WITH NOVATO SANITARY

Consider adopting a resolution authorizing the City of Novato to submit grant applications to CalRecycle on behalf of the Novato Sanitary District for citywide recycling programs and authorized the City Manager to enter in to agreement with the Novato Sanitary District.

This item was pulled from the Consent Calendar and placed under General Business.

Councilmember Drew explained that she pulled this item off of the Consent Calendar because she had a question about the amount of revenue received from submitting the grant applications on behalf of the Novato Sanitary District. Ms. Newhouse explained that the administrative fees were negotiated approximately 10 to 15 years ago, but both the City of Novato and the Novato Sanitary District were still satisfied with the arrangement.

PUBLIC COMMENT

8. Suzanne Crow

*Mayor Pro Tem Athas moved, Seconded by Councilmember Drew, to approve Resolution No. 37-16 authorizing the City of Novato to submit applications to CalRecycle for recycling payment programs, including the modified Novato Sanitary District Memorandum of Understanding. **The motion was approved unanimously.***

J. COMMISSIONS, COMMITTEES AND BOARDS (CCB's) APPOINTMENTS

No appointments were made to fill vacancy/vacancies on Council Commissions, Committees or Boards.

K. COUNCILMEMBER/CITY MANAGER REPORTS

Ms. Capriola gave a brief report on upcoming events.

Mayor Eklund gave a reminder that the Commission, Committee and Board recruitment was open, and encouraged people to submit an application

L. WORK STUDY SESSION

No items were listed for this section.

M. ADJOURNMENT

At 8:30 p.m. the meeting was adjourned to a Special Meeting. See Special Meeting Minutes for June 28, 2016.

N. RECONVENE REGULAR MEETING

At 9:01 pm. the Regular Meeting was reconvened, and then adjourned to closed session.

.JOINT CITY COUNCIL/
CITY COUNCIL AS SUCCESSOR AGENCY
TO DISSOLVED REDEVELOPMENT AGENCY
CLOSED SESSION MINUTES
COUNCIL CHAMBERS
901 SHERMAN AVENUE
AND
CITY OF NOVATO ADMINISTRATIVE OFFICES
922 MACHIN AVENUE
June 28, 2016

A. CALL TO ORDER

1. Public Comment at 901 Sherman Avenue- None
2. Recess to Closed Session at 922 Machin Avenue

B. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957:

PUBLIC EMPLOYMENT
Title: City Manager

PUBLIC EMPLOYEE APPOINTMENT
Title: City Manager

This item was continued from the Closed Session which convened on June 28, 2016 at 5:30 p.m.
There was no action taken.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Novato City Council

/Laura McDowall/

Laura McDowall, Deputy City Clerk

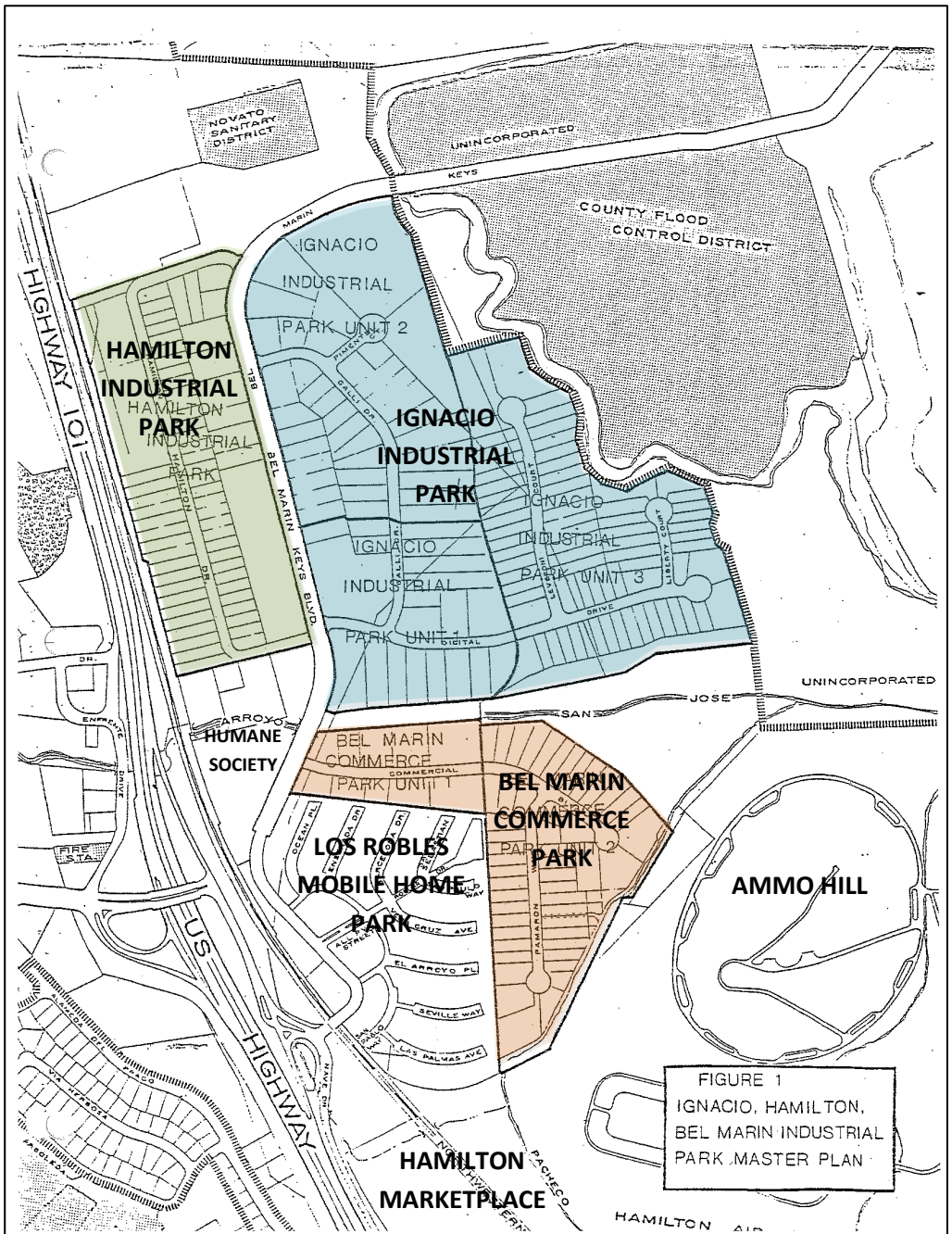


FIGURE 1
 IGNACIO, HAMILTON,
 BEL MARIN INDUSTRIAL
 PARK MASTER PLAN

***BioMarin Proposal
Amendments to the City of Novato's General
Plan and Zoning Ordinance for the Bel Marin
Keys Industrial Parks***

November 14, 2016

Prepared by

DYETT & BHATIA
Urban and Regional Planners

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Introduction and Summary

BioMarin, a global biotechnology company focused on finding solutions for rare diseases, was founded in Novato in 1997. BioMarin is invested in Novato's economic growth and development and is specifically interested in partnering with Novato to ensure the City remains attractive to new, high value life science and biotech businesses. BioMarin's center of excellence for process sciences and manufacturing is located in Novato, and the majority of BioMarin's operations and employees are based in Novato. BioMarin's Novato campus includes not only the Galli manufacturing site, but also an extensive collection of office space, laboratories, and warehouse facilities located in the Bel Marin Keys Industrial Parks as well as a Wood Hollow facility.

The existing BioMarin main Novato campus is located within the Bel Marin Keys Industrial Parks, where BioMarin is the largest employer, with approximately 1,000 employees occupying over 400,000 square feet. In conjunction with the City's update to the Novato General Plan, BioMarin is interested in supporting the adoption of measures and land use changes to the Bel Marin Keys overlay district that would make the Bel Marin Keys Industrial Parks more attractive to biotech and life science development. BioMarin believes such action would be consistent with the 2014 General Plan Policy White Paper for Bel Marin Keys Industrial Parks which states that "the Bel Marin Keys Industrial Parks best serve the broader economic development interests of the City by functioning as incubator space for research and manufacturing businesses which provide higher-paying jobs."¹

BioMarin supports the City's vision for the area, and the policy options in the White Paper recommended by the Planning Commission and the Economic Development Advisory Commission, which seek to focus development on industrial and research facilities. Expansion of research and development (R&D) laboratories, and other similar uses in Bel Marin Keys, will also be an important extension of the North Bay Life Science Alliance, the new initiative funded by the City to advance the region's life sciences capabilities that was established by leaders across the North Bay in economic development, life sciences, and education.

The existing Bel Marin Keys Industrial Parks development regulations addressing density (floor area ratio, building height, etc) were designed for one- or two-story commercial and warehousing business. Today, these are outdated and not reflective of current land use needs for more sophisticated developments. The existing regulations support the low-intensity surface parked warehousing and industrial uses that previously dominated the area, but change is necessary for Novato to attract new businesses and retain existing R&D business. In fact, the current regulations do not allow for the kind of uses and development that are crucial to biotech. Biotech campuses need efficient and innovative research and development laboratory spaces, manufacturing buildings that accommodate infrastructure requirements, and associated office spaces in close proximity. While manufacturing and science-based laboratory buildings typically have lower occupancies (fewer employees per square foot), and thus generate less traffic than equally-sized general commercial development, they require proper height and building adjacencies. Additionally, it is important that the General Plan's land use designation of Light Industrial/Office

¹ City of Novato, General Plan 2035 Policy White Paper: Bel Marin Keys Industrial Parks, March 2014.

BioMarin Proposal for Amendments to the City of Novato's General Plan and Zoning Ordinance

specifically allow for the R&D and science laboratory uses that the City seeks for the Bel Marin Keys Industrial Parks.

Moreover, as the comparisons provided below illustrate, the current Bel Marin Keys Industrial Parks regulations are far more restrictive than comparable land use rules in other Bay Area and California communities that have updated their land use rules to attract and accommodate growth of life sciences enterprises. Thus, not only have the current Bel Marin Keys rules become a barrier to growth for BioMarin, but they also put Novato at a competitive disadvantage in attracting new life sciences companies.

This is a particularly opportune time for Novato to modernize the Bel Marin Keys Industrial Parks land use regulations to support Novato's own policies to encourage life sciences growth. The City is engaged in its major update of its General Plan, and soon will be initiating the CEQA review for that update. Thus, Novato will have the information that is necessary for the analysis and consideration to bring the General Plan into line with the City's policies and hopes, by modernizing the General Plan and associated zoning and other planning actions.

In that spirit, BioMarin has considered the needs of life sciences companies, and the comparable regulations in other cities, like South San Francisco, Foster City and San Diego, that are "hubs" for life sciences, and which have adopted special land use rules to address the specific and different needs of such companies.

Based on that careful review, we have developed concepts for modernizing the General Plan and zoning affecting Bel Marin Keys Industrial Parks to allow Novato to become a center for excellence in biotech. This report outlines the need for changes, the comparable rules in competitive cities which encourage biotech, and specific changes to achieve the mutual goals of the City and the biotech sector. We stress that these changes are not limited to BioMarin; rather, they would be available to all biotech companies equally.

SUMMARY OF PROPOSED AMENDMENTS

We offer for the City's consideration as part of its General Plan process the following amendments to the General Plan and Zoning Ordinance, which would foster development of R&D campuses accommodating laboratories and manufacturing uses that the City seeks, and would enable companies like BioMarin to grow and expand in Novato and create cohesive campuses in an effective manner. Red-lined pages of the City of Novato General Plan as well as the City of Novato Zoning Ordinance containing specific text amendments proposed are attached as Appendix A.

The following amendments to the General Plan and Zoning Ordinance are necessary for the development of cohesive and integrated R&D and science laboratory campuses in a manner that satisfies industry standards and aligns with the City's goals:

- Broaden the Light Industrial/Office land use designation to include specific references to R&D / laboratory uses.
- Apply a maximum FAR of 1.2 for Light Industrial/Office (LIO) to the Bel Marin Keys Industrial Parks for manufacturing, R&D, and science laboratory uses and associated office space. A review of benchmarks from comparable cities with a presence of R&D companies,

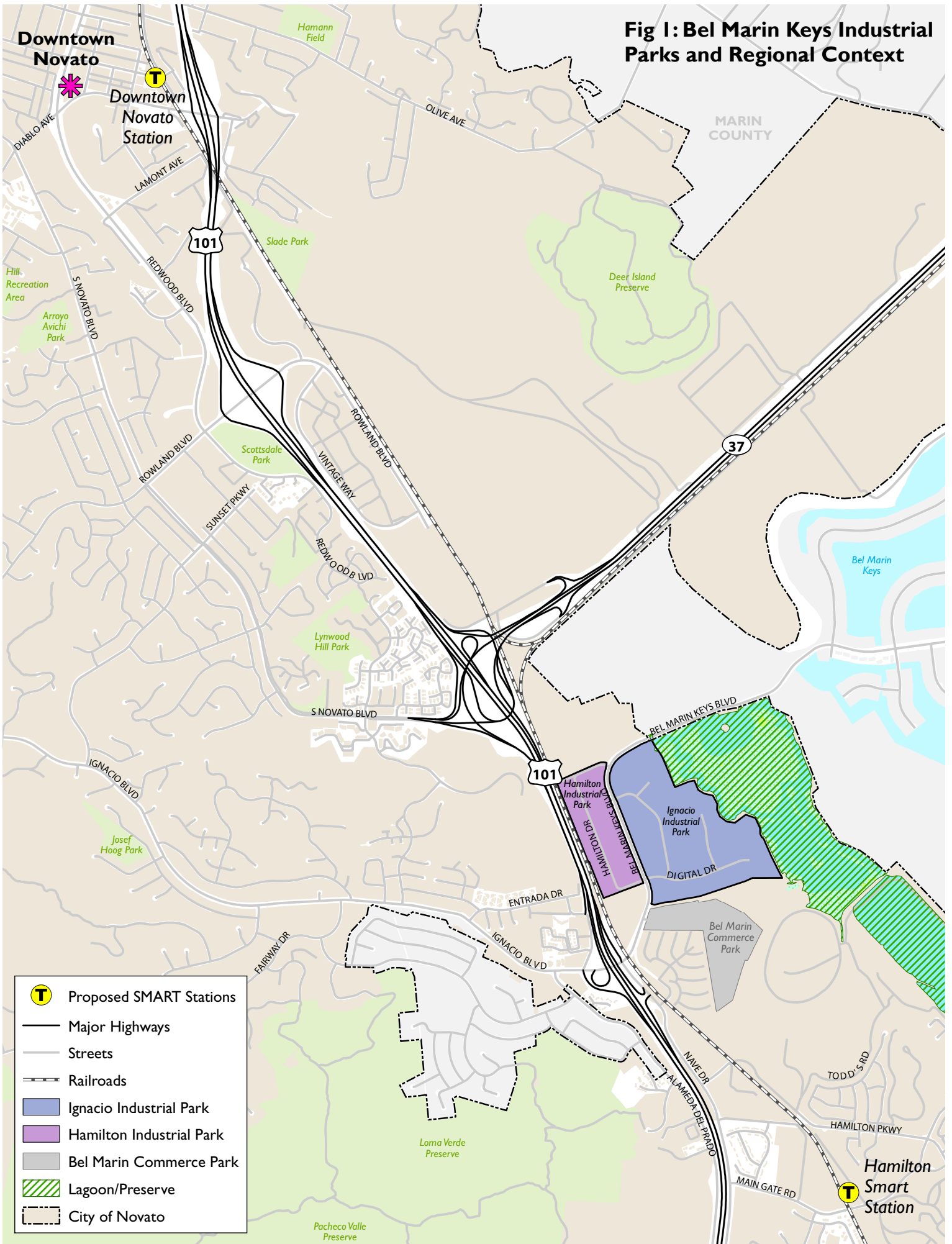
discussed in following sections, shows this proposed FAR to be well within standard practice. This should be applied across a whole campus, and not just on particular parcels.










- Apply an allowable height of 68 feet for Light Industrial/Office (LIO) to the Bel Marin Keys Industrial Parks, subject to design review approval. The maximum allowable height (with bonuses) of 42 feet for Light Industrial/Office is significantly below what is necessary for manufacturing and process laboratory buildings. BioMarin's existing 58-foot tall manufacturing building at 46 Galli Drive, while significantly over the 42 feet height limit, remains challenging for effective manufacturing requirements. The proposed height increase not only enhances land use efficiencies in the area, but also allows the City to take advantage of a significant opportunity to provide valuable lab space as well as manufacturing facilities in an industrial area.
- Optimize parking utilization across campuses by amending parking ratios and allowing consideration of parking campus wide, and not just building by building. Availability of parking for employees is vital to the operations of BioMarin and other employers in the Bel Marin Keys Industrial Parks. In order to build efficient campuses, large employers such as BioMarin will strive to balance parking availability for their employees with the goal to promote use of alternative transportation modes by employees. Additionally providing parking on a campus wide basis (and not per parcel) allows for better parking utilization and traffic management. Proposed parking ratios, discussed in upcoming pages, are functionally-based and supported by successful Transportation Demand Management (TDM) programs. Parking standards for manufacturing and warehousing uses will remain the same.

BioMarin Proposal for Amendments to the City of Novato's
General Plan and Zoning Ordinance

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Fig 1: Bel Marin Keys Industrial Parks and Regional Context



-  Proposed SMART Stations
-  Major Highways
-  Streets
-  Railroads
-  Ignacio Industrial Park
-  Hamilton Industrial Park
-  Bel Marin Commerce Park
-  Lagoon/Preserve
-  City of Novato

BioMarin Proposal for Amendments to the City of Novato's
General Plan and Zoning Ordinance

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Existing and Proposed Standards; Benchmarks

LAND USES

The Bel Marin Keys Industrial Parks, comprised of the Hamilton Industrial Park and the Ignacio Industrial Park,² are located just to the east of U.S. Highway 101. As shown in Figure 1, the area is also situated within a five-minute drive of two future Sonoma-Marín Area Rail Transit (SMART) stations; the Downtown Novato station to the north and the Hamilton SMART station to the south.

Existing Standards

The Light Industrial/Office land use designation, which applies to the entirety of the Bel Marin Keys Industrial Parks, is described “as appropriate for light industrial and manufacturing uses, including warehousing, office, retail, service, education, recreation residential and utility uses that will not create objectionable noise, smoke, odor, dust and other nuisances.”³

Proposed Standards

The current description makes no mention of R&D companies, even though the Bel Marin Keys White Paper specifically mentions that the City’s economic development interests for creating high-paying jobs are best served by having R&D companies in the Bel Marin Keys Industrial Parks. BioMarin proposes that the City amend the Light Industrial/Office land use to include specifically R&D and laboratories. This amendment will best reflect the City’s economic development priorities for the Bel Marin Keys Industrial Parks.

Benchmarks

Communities that have been successful in growing clusters of biotech and other innovative R&D companies make these companies a priority in their land use planning, recognizing the importance of creating specific zones where R&D uses are central, not ancillary, and where campus development is encouraged to allow R& companies to operate efficiently.

South San Francisco has a Business and Technology Park district, which is home to Genentech, that was specifically designated to “accommodate campus-like environments for corporate headquarters, research and development facilities, and offices.”⁴ The emphasis on campus-like environments demonstrates the City’s understanding of the land use needs of R&D companies. Furthermore, the Economic Development Element of South San Francisco’s General Plan recognizes that “the ability of the City to attract uses that generate economic benefits will depend on maintaining a positive business climate and availability of land, particularly sites suited to the

² BioMarin’s proposals for the Bel Marin Keys Industrial Parks do not include the Bel Marin Commerce Park, as this is not a center for R&D activity.

³ City of Novato General Plan 2035, Table GP-3 Land Use Categories.

⁴ City of South San Francisco General Plan, pg. 2-24.

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needs of large office or research and development campuses, or regional-scaled commercial centers.”⁵

Foster City, home to pharmaceutical company Gilead Sciences, contains a Research/Office Park designation, specifically for “office, research and development, and manufacturing establishments whose operations are clean and quiet,”⁶ which recognizes that R&D companies and their land uses needs are distinct from other industrial uses. Foster City also contains the Chess/Hatch Office Research designation, which highlights biotechnology among its uses.

San Diego highlights R&D uses in its Business Park designation, as well as its International Business and Trade designation.⁷

FLOOR AREA RATIO (FAR)

Existing Standards

A maximum FAR of 0.4 is currently allowed for Light Industrial/Office, except for the Bel Marin Keys Industrial Parks, where the maximum FAR is 0.6.⁸

Proposed Standards

BioMarin proposes that the standard FAR remain at 0.6 within the Bel Marin Keys Industrial Parks. However, in order for the City to encourage the specific uses that a) serve its economic development interests in the Bel Marin Keys Industrial Parks and b) do not have high trip generation rates, BioMarin proposes an amendment allowing for an FAR of 1.2 in the City’s own Bel Marin Keys Industrial Parks only for manufacturing, R&D, and science laboratory uses. The Bel Marin Keys White Paper acknowledges that R&D uses not only best serve the City’s economic development interests for the Bel Marin Keys Industrial Parks, but also that they possess relatively low trip generation rates. By targeting the additional FAR allowance to this limited group of uses, the City will help secure that its goals for the area are met. Furthermore, the additional FAR allowance will enable cohesive campus developments for larger employers that bring high-paying jobs to the area, which contain employee amenities that will reduce the need for daytime trips even further.

Benchmarks

Compared to the FAR of 0.6 for Light Industrial/Office in the Bel Marin Keys Industrial Parks, the City of Emeryville has a range of FAR for light industrial and/or R&D uses that goes up to 2.0 base/3.0 with Bonus. For the same land use designations, the FAR in San Rafael varies up to 2.0.

South San Francisco has a base FAR of 1.0 and allows up to a 2.5 FAR based on the particular characteristics of the project, including TDM strategies, design standards, off-site improvements, and green building measures. In Emeryville, the FARs for some locations range up to 3.0 base/4.0

⁵ City of South San Francisco General Plan, pg. 6-1.

⁶ Foster City General Plan, pg. 3-18.

⁷ City of San Diego General Plan, Table LU-4.

⁸ City of Novato General Plan 2035, Table GP-3 Land Use Categories.

with Bonus. In other words, in some places, Emeryville allows for a base FAR five times greater than the Bel Marin Keys Industrial Parks, and a performance-based FAR granted by Conditional Use Permit (CUP) that is almost seven times greater.

Foster City's Chess/Hatch Office Research designation allows up to a 1.55 FAR, and allows for a campus-wide FAR average for the Gilead campus.

The City of San Diego's Industrial Park zones allow for an FAR of 2.0, which contain development standards that "are intended to create a campus-like environment,"⁹ which as elsewhere discussed, have significant benefits for reduction of daytime trips.

BUILDING HEIGHTS

Existing Standards

Novato's base height for Light Industrial/Office within the Bel Marin Keys Industrial Parks is 35 feet, with a bonus that allows for heights up to 42 feet.¹⁰

Proposed Standards

While area benchmarks such as the Genentech Master Plan point to building heights of up to 150 feet as appropriate limits for a biotech campus, as discussed below, the proposed height exception of up to 68 feet for the Bel Marin Keys Industrial Parks, subject to design review, merely seeks to bring building heights for future development in Bel Marin Keys in line with minimum height requirements for efficient manufacturing and process science laboratory buildings. This will allow BioMarin and other employers to optimize development on their properties.

Building heights for laboratory uses are a particular concern. Laboratory uses need a minimum height of 17 feet from floor-to-floor for specialized infrastructure. Efficient laboratory buildings are at least four or five stories tall (68-85 feet excluding parapet). It is not economical to construct buildings that are lower in height and limits potential development opportunities

Limits on the supply of space, especially specialized lab space in the Bay Area and beyond, force companies to travel far and wide in search of appropriate facilities. This is a significant opportunity to provide valuable, in-demand manufacturing and lab space to an area within close proximity to highways and future transit stations.

Extending a height limit of 68 feet across all of the Bel Marin Keys Industrial Parks makes the provision of individual laboratory and manufacturing spaces more feasible and further would allow for buildout of cohesive, fully-realized campuses.

⁹ City of San Diego Municipal Code 131.0602

¹⁰ The height limits from Section 19.12.040 may be increased by a maximum of 20 percent (42 feet max.) through Design Review approval in accordance with Section 19.42.030.

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Benchmarks

Compared to Novato's current base height of 35 feet for the Bel Marin Keys Industrial Parks, South San Francisco has a 65-foot height limit in the Mixed Industrial district, an 72-foot height limit in the Business and Professional Office district, and a 150-foot height limit in the Genentech Master Plan district. The last benchmark serves as a particularly stark contrast given that the Genentech Master Plan was developed specifically to meet the needs of a modern biotech company.

Emeryville sets a base height limit of up to 50 feet (depending on location) as well as a bonus height limit of up to 100 feet (depending on location).

San Diego does not set height limits for structures in its industrial zones except as limited by any applicable overlay zones.¹¹

PARKING

Availability of parking for employees and visitors is vital to BioMarin and other employers within the Bel Marin Keys Industrial Parks. However, BioMarin agrees with the City that the aim should be to balance parking availability of parking for its employees with a continuing goal to promote use of alternative transportation modes by employees. Additionally, a campus development approach allows for consolidation of parking and campus wide parking availability for the employees which provides ease of access, optimizes utilization and improves traffic management.

Existing Standards

Novato's current citywide parking requirements, which all apply to Bel Marin Keys Industrial Parks, are as follows:¹²

- Manufacturing: 1.0 space per 1,000 gross square feet (gsf)
- R&D Labs: 3.3 spaces per 1,000 gsf
- Warehousing: 0.7 spaces per 1,000 gsf
- Office: 3.6 spaces per 1,000 gsf

Proposed Standards

BioMarin proposes parking ratios that are specific to each building type and function that is contemplated for R&D and biotech campuses as they grow. These proposed ratios are functionally-based, meant to assure continuing success of BioMarin's and other TDM programs, and support the General Plan's goal of expanding alternatives to the single occupant automobile for local and regional mobility. For example, with the proposed changes, companies like BioMarin can accommodate parking on a campus-wide basis across properties in the Bel Marin Keys Industrial Parks. The proposed ratios are as follows:

¹¹ City of San Diego Municipal Code 131.0644

¹² City of Novato Municipal Code 19.30.040.

- Manufacturing: 1.0 space per 1,000 gsf
- R&D Labs: 1.3 spaces per 1,000 gsf
- Warehousing: 0.7 spaces per 1,000 gsf
- Office: 3.0 spaces per 1,000 gsf
- Amenities: 1.0 space per 1,000 gsf

These ratios are based on both benchmarks (discussed below) and how a R&D company like BioMarin uses these spaces. BioMarin is not proposing changes to the parking ratios for manufacturing or warehousing.

BioMarin's laboratory buildings are mostly used for lab space, while scientists' seats are located in supporting offices buildings. On average, approximately 60 to 70 percent of lab buildings' square footage is dedicated to laboratories and supporting functions and the remaining approximately 30 to 40 percent is dedicated to seats for scientists. Therefore, BioMarin proposes a ratio of 1.3 parking spaces for each 1,000 gsf of lab buildings, which is approximately 40 percent of the proposed office parking ratio.

Campus amenities, including large meeting and training rooms, as well as dining and exercise spaces, are mainly used by employees who already have offices on campus. Therefore, these spaces would not need additional parking. However, to accommodate visitor parking needs, a ratio of 1.0 spaces per 1,000 gsf of amenities would provide for visitor parking.

BioMarin recognizes that part of the success of these ratios hinges on a successful TDM program. This can include the provision of amenities near work environments, such as food and fitness that reduce the need for daytime driving. BioMarin currently provides TDM programs, and as discussed more below, will continue to expand and strengthen these programs. In addition, the future location of two SMART train stations provides a new opportunity to decrease the number of employees who commute by single occupancy vehicle.

Aligning Novato's parking ratios for Bel Marin Keys Industrial Parks with current best practices discussed earlier is critical to development of cohesive and efficient R&D or biotech campuses, managing parking and traffic in an effective manner. Emeryville and South San Francisco are other competing destinations for biotech companies in the Bay Area and, as discussed below, exemplify best practice in setting requirements for parking.

Benchmarks

Best practice for parking is exemplified by the City of Emeryville, a San Francisco Bay Area city with a robust biotechnology sector that sets parking regulations based on estimated parking demand. There, the minimum number of parking spaces required is 33 percent less than the

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estimated parking demand, and the maximum number of parking spaces required is 10 percent above the demand.¹³

Emeryville also excludes the first 1,500 gsf of non-residential uses from parking requirements, and allows modified requirements for shared parking based on the peak hourly demand for each use. Even without accounting for Emeryville's exclusion of the first 1,500 of non-residential gsf for calculating parking requirements, the maximum number of parking spaces required by Emeryville is less than the minimum number of parking spaces required by Novato for office, commercial, and R&D land uses. Similarly, as detailed below, Genentech's R&D District provides lower parking requirements, supported by the TDM program.

Light Industrial

In Novato, 1.0 space is required per 1,000 gsf for manufacturing uses. In comparison, Emeryville requires at least 0.7 and no more than 1.1 spaces. South San Francisco requires 0.7, and 0.9 is required in the Genentech Master Plan District.

R&D Uses

In Novato, 3.3 spaces per 1,000 gsf are required for R&D uses. Emeryville requires at least 1.0 spaces and no more than 1.6, while South San Francisco requires 1.4 in the Genentech Master Plan District.

Office Uses

Novato requires 3.6 spaces per 1,000 gsf of office space. In comparison, for office uses, Emeryville requires at least 1.6 spaces and no more than 2.6 per 1,000 gsf. Genentech's master plan district requires 2.75 spaces per 1,000 gsf of office space.

ITE Generation Rates

The Institute of Transportation Engineers (ITE) Parking Generation report is a conventional reference document that includes voluntarily submitted data on trip generation from across the country for 106 land uses. The Novato parking requirements and the average parking generation rates for corresponding uses according to the ITE are compared in Table 1. According to the ITE, Novato requires between 26 and 70 percent more parking than is needed.

¹³ See Emeryville Planning Regulations §9-4.404.

Table 1: Novato's Parking Requirements and ITE Parking Generation Rates

<i>Novato land use / ITE land use</i>	<i>Current Novato Parking Requirement¹</i>	<i>Average Parking Generation Rate¹</i>
Office, administrative, corporate / Suburban office	3.6	2.8
General manufacturing, industrial, and processing/ General light industrial	1.0	0.8

Notes:

1. Parking spaces per 1,000 gsf.

Source: *Institute of Transportation Engineers, Parking Generation, 4th Edition, 2010.*

Campus Parking Strategies

The TDM programs provided by the large employers within the Bel Marin Keys Industrial Parks will substantially reduce parking demand while encouraging comprehensive campus developments. For example, BioMarin's TDM program includes: flexible work hours, supporting employees for carpool and vanpool through the internal website and easy access to external resources, and options to support employees' use of public transportation. Additionally, with further R&D campus development in the Bel Marin Keys Industrial Parks, companies like BioMarin will likely offer campus amenities such as food and fitness, that can minimize the need for daytime driving and limit individual cars on campus.

Working in combination with an effective campus parking strategy and programs that encourage employees to use alternative modes of transit can reduce overall demand for new parking spaces. The SMART train provides a significant opportunity to further encourage use of alternative modes of transportation, particularly for those workers commuting from Sonoma County.

CONCLUSION

BioMarin shares the vision of the City to promote and support the further growth of Novato, and particularly the Bel Marin Keys Industrial Parks, as centers for excellence and opportunity in life sciences.

The proposals described above would greatly enhance the ability of life sciences companies to grow in Novato, including BioMarin, and would provide substantial incentives for others to locate in Novato.

Now is a particularly efficient time for the City to consider bringing the land use rules into consistency with current City economic policies, and real-world needs of biotech companies.

We ask that the City incorporate these possible changes into the General Plan review and update, and the Environmental Impact Report that soon will be scoped for that review. As both move forward, BioMarin would continue to work with the City, the community and with biotech companies and interests in the North Bay to develop further the policies, zoning and entitlements to encourage biotech, consistent with our mutual goals of preserving and enhancing the quality of life for all residents of Novato.

BioMarin Proposal for Amendments to the City of Novato's
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**Appendix A: Proposed Amendments to the
City of Novato General Plan and
Zoning Ordinance**

**City of Novato General Plan 2035, Table GP-3
Land Use Categories**

Table GP-3 details the 20 land use designations and describes the general land uses intended for the category, applicable building density and/or intensity, and compatible zoning district(s). For residential uses, residential density is shown in dwelling units per gross acre. Maximum residential density is calculated based on the gross acreage and then rounded down to the nearest whole number.

In addition to building density, State law requires the General Plan to include a statement of population density for the various land use categories. Population density is determined by multiplying the average household size, as determined by the latest decennial U.S. Census, by the number of dwelling units in a land use category. For example, the average household size in Novato was 2.53 persons in 2010. The population density in the Low Density Residential category is therefore 2.8 to 12.7 persons per acre.

For non-residential designations, building intensity is defined by Floor Area Ratio (FAR), which is the ratio between the amount of gross floor area and the gross site area. For example, an FAR of 0.5 would allow one-story building over half of a site, or a two-story building over one quarter of a site. The Zoning Ordinance contains detailed descriptions of land uses permitted in each designation, as well as development standards that implement the General Plan.

TABLE GP-3 LAND USE CATEGORIES

Land Use Category	Building Density and Intensity	Description ¹	Compatible Zoning Districts ²
Rural Residential (RR)	Up to 0.49 dwelling unit per gross acre. Maximum FAR for non-residential uses is 0.2.	The Rural Residential land use designation applies to areas appropriate for the development of single family homes and related accessory residential uses in rural, low density settings. Additionally, certain agriculture, recreation, education, resource, assembly, lodging, day care and utility uses may be allowed.	Rural Residential (RR)
Very Low Density Residential (RVL)	0.5 to 1.0 dwelling unit per gross acre. Maximum FAR for non-residential uses is 0.2.	The Very Low Residential designation applies to areas appropriate for the development of single family homes and related accessory residential uses on larger lots. Additionally, certain agriculture, recreation, education, assembly, lodging, day care and utility uses may be allowed.	Very Low Density Residential (RVL)
Low Density Residential (R1)	1.1 to 5.0 dwelling units per gross acre. Maximum FAR for non-residential uses is 0.4.	The Low Density Residential land use designation applies to areas appropriate for the development of single family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care and utility uses may be allowed.	Low Density Residential (R1)
Medium Density Detached Residential (R4)	4.1 to 7.0 dwelling units per gross acre. Maximum FAR for non-residential uses is 0.4.	The Medium Density Detached Residential land use designation is applied to areas appropriate for single family homes and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care and utility uses may be allowed.	Medium Density Detached Residential (R4)

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Land Use Category	Building Density and Intensity	Description ¹	Compatible Zoning Districts ²
Medium Density Residential (R5)	5.1 to 10.0 dwelling units per gross acre. Maximum FAR for non-residential uses is 0.4.	The Medium Density Residential land use designation applies to areas appropriate for a mix of housing types on smaller lots. Typical residential land uses include single and two-family homes, either detached or attached, and related accessory residential uses. Additionally, certain agriculture, recreation, education, assembly, lodging, day care and utility uses may be allowed.	Medium Density Residential (R5)
Medium Density Multiple-Family Residential (R10)	10.1 to 20.0 dwelling units per gross acre. Maximum FAR for non-residential uses is 0.4, and up to 0.6 for residential care facilities for the elderly.	The Medium Density Multiple-Family Residential land use designation applies to areas appropriate for single family, two-family and multi-family homes and related accessory residential uses. Additionally, certain education, assembly, lodging, day care and utility uses may be allowed.	Medium Density Multi-Family Residential (R10)
High Density Multiple-Family Residential (R20)	20.1 to 30.0 dwelling units per gross acre. Maximum FAR for non-residential uses is 0.4, and up to 0.6 for residential care facilities for the elderly.	The High Density Multiple-Family Residential land use designation applies to areas appropriate for multi-family housing and related accessory residential uses. Additionally, certain education, assembly, lodging, day care and utility uses may be allowed.	High Density Multi-Family Residential (R20)
Mixed Use (MU)	Maximum FAR is 0.4, with the potential for an increase to 0.8 when housing is incorporated into a project.	The Mixed Use land use designation is appropriate for sites where the surrounding area is currently developed with a mix of commercial and residential land uses. Certain retail, office, research and development, service, recreation, assembly, education, residential and utility facilities may be allowed. Housing development may be permitted only in conjunction with either commercial and/or office uses.	Mixed Use (MU)
Neighborhood Commercial (CN)	Maximum FAR is 0.4, with an additional 0.2 only for housing. The maximum FAR for residential care facilities for the elderly is 0.6.	The Neighborhood Commercial land use designation is applied to neighborhood shopping areas including a mix of retail, service, recreation, assembly, education, office, residential and utility uses.	Neighborhood Commercial (CN)
General Commercial (CG)	Maximum FAR 0.4	The General Commercial land use designation is applied to areas appropriate for a broad range of retail, service, manufacturing, warehousing, research and development, office, recreation, assembly, education, residential and utility uses may be allowed.	General Commercial (CG)
Downtown Core (CD)	Maximum FAR is 1.2 with the potential for a maximum of 2.0 where housing is incorporated.	The Downtown Core land use designation is applied to the downtown area suitable for a mix of retail, service, office, recreation, assembly, education, residential and utility uses may be allowed.	Downtown Core Retail (CDR) Downtown Core Business (CDB)
Commercial/Industrial (CI)	Maximum FAR 1.0	The Commercial/Industrial land use designation is applied to areas suitable for intensive commercial land uses, including certain manufacturing, processing, warehousing, retail, service, office, research and development, recreation, education, and utility uses.	Commercial/Industrial (CI)
Business and Professional Office (BPO)	Maximum FAR 0.4	The Business and Professional Office land use designation is applied to areas appropriate for a variety of office, research and education activities. Additionally, certain retail, service, residential and utility uses may be allowed.	Business and Professional Office (BPO)

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Land Use Category	Building Density and Intensity	Description ¹	Compatible Zoning Districts ²
Research/Education Institutional (REI)	Maximum FAR 0.2 ; up to 1.0 dwelling unit per acre	The Research/Education-Institutional land use designation is applied to areas suitable for a mix of medical research, educational and laboratory uses, with related multi-family residential, recreation, office and commercial uses in a campus setting.	Research/Education-Institutional (REI)
Light Industrial/Office (LIO)	Maximum FAR is 0.4, except for the Novato Industrial Park and the Hamilton hangar areas, where the maximum FAR is 0.6. ³	The Light Industrial/Office land use designation is applied to areas appropriate for light industrial and manufacturing uses, including warehousing, office, retail, service, education, recreation residential and utility uses that will not create objectionable noise, smoke, odor, dust and other nuisances.	Light Industrial/Office (LIO) research and development, science laboratories,
Open Space (OS)	Development is not allowed in this designation, so there is no applicable density range.	The Open Space land use designation applies to publicly-owned land that is largely unimproved and devoted to the preservation of natural resources, agriculture, and outdoor recreation. Additionally, caretaker quarters and utility uses may be allowed.	Open Space (OS) Restricted Open Space (ROS)
Conservation (CON)	The allowable density of detached single-family dwelling units ranges from one dwelling unit per 10 acres to one dwelling unit per 60 acres.	The Conservation land use designation is intended to conserve natural resources and is applied to privately-owned land that is mainly unimproved. Additionally, certain agriculture, recreation, residential, service and utility uses may be allowed.	Conservation (C)
Agriculture (AG)	Single-family dwellings are allowed at a maximum density of one dwelling unit per 60 acres.	The Agriculture land use designation is applied to lands that are intended to largely be maintained in agricultural use. Additionally, certain recreation, service, assembly, residential, and utility uses may be allowed.	Agricultural (A)
Parkland (P)	Maximum allowable FAR is 0.4.	The Parkland land use designation is applied to areas suitable for parks, playgrounds and other recreational uses. Additionally, certain agriculture, open space, assembly and utility uses may be allowed.	Parkland (PL)
Community Facilities, Public Utilities and Civic Uses (CF)	Maximum FAR 0.8.	The Community Facilities, Public Utilities and Civic Uses land use designation is applied to areas suitable for public land uses including certain open space, recreation, education, assembly, medical, research and development, office, service, residential and utility uses may be allowed.	Community Facilities (CF)

¹For detailed descriptions of permitted and conditional land uses allowed in each designation please refer to Chapter 19 of the Novato Municipal Code.

²In addition to the zoning districts identified in the chart, the Planned District (PD) may apply to any of the General Plan land use designations. Also, the following overlay districts may be applied to any General Plan land use designation: Baylands (B), Downtown(D), Flood Hazard (F), Historic (H), and Affordable Housing Overlay (AHO).

³Maximum allowable FAR for the Hamilton Industrial Park and Ignacio Industrial Park is 1.2 for manufacturing, research and development, and science laboratories.

2.5 GROWTH MANAGEMENT AND DEVELOPMENT PROJECTIONS

Novato aims to contain development and preserve natural lands and agricultural uses adjacent to the City through the Urban Growth Boundary. Enacted by the voters of Novato in 1997, the Urban Growth Boundary is intended to constrain the expansion of development that requires sewer and water utilities into the rural areas surrounding the incorporated City limits to reduce urban sprawl. The City Council may amend the Urban Growth Boundary and annex new territory into Novato under certain circumstances described in Policy LU-6. While the Urban Growth Boundary is set to expire in 2017, Program LU 5a calls for the amendment and extension of the effective date of the Urban Growth Boundary for another 20 years. The Urban Growth Boundary generally follows the City limit line, as shown in Figure GP-5. The full text of the current voter approved Urban Growth Boundary, effective until November 4, 2017, is contained within Appendix D.

**City of Novato Zoning Ordinance 19.12.040 –
Commercial/Industrial District General
Development Standards**

19.12.040 - Commercial/Industrial District General Development Standards.

Subdivisions, new land uses and structures, and alterations to existing land uses and structures, shall be designed, constructed, and/or established in compliance with the requirements in Table 2-8, in addition to the applicable development standards (e.g., landscaping, parking and loading, etc.) in Article 3, (Site Planning and General Development Standards).

TABLE 2-8

COMMERCIAL/INDUSTRIAL DISTRICT GENERAL DEVELOPMENT STANDARDS

Development Feature	Requirement by Zoning District		
	BPO Business and Professional Office	CN Neighborhood Commercial	CG General Commercial
Minimum lot size	<i>Minimum area, width and depth required for new parcels.</i>		
Area	10,000 sf	None	
Width and depth	Determined through subdivision process.		
Setbacks	<i>Minimum and maximum setbacks required. See <u>Division 19.20</u> for setback measurement, allowed projections into setbacks, and exceptions to setbacks.</i>		
Front	25 ft	None required	
Sides (each)	6 ft if adjacent to a single-family residential zone; 10 ft if building is over 20 ft in height at the building setback line and adjacent to a single-family residential zone; none required otherwise.		
Rear	10 ft if adjacent to a single-family residential zone; 15 ft if building is over 20 ft in height at the building setback line and adjacent to a single-family residential zone; none required otherwise.		
Building coverage (1)	40%		

Floor Area Ratio (FAR)	0.40	0.40 to 0.60 (2)	0.40
Height limit (3)	35 ft		
Landscaping	As required by <u>Division 19.28</u> (Landscaping)		
Parking	As required by <u>Division 19.30</u> (Parking and Loading)		

Notes:

- (1) Maximum percentage of site area that may be covered by structures.
- (2) CN zoning district - FAR may be increased to 0.60 if additional floor area is used for housing, or for residential care facilities for the elderly (RCFE).
- (3) Maximum allowed height of structures. See also Section 19.20.070 (Height Limits and Exceptions).

TABLE 2-8

COMMERCIAL DISTRICT GENERAL DEVELOPMENT STANDARDS (Continued)

Development Feature	Requirement by Zoning District		
	CDR & CDB Downtown Core Retail & Business	CI Commercial/ Industrial	LIO Light Industrial/ Office
Minimum lot size	Minimum size for new parcels will be determined through the subdivision process, consistent with the General Plan.		
Setbacks	<i>Minimum and maximum setbacks required. See <u>Division 19.20</u> for setback measurement, allowed projections into setbacks, and exceptions to setbacks.</i>		
Front	None required		

Sides (each)	6 ft if adjacent to a single-family residential zone; 10 ft if building is over 20 ft in height at the building setback line, and adjacent to a single-family residential zone; none required otherwise.		
Rear	10 ft if adjacent to a single-family residential zone; 15 ft if building is over 20 ft in height at the building setback line and adjacent to a single-family residential zone; none required otherwise.		
Building coverage (1)	100%	40%	60%
Floor Area Ratio (FAR)	1.2 or 2.0 (2)	1.0	0.40 (4)
Height limit (3)	35 ft (5)	35 ft (6)	
Landscaping	As required by <u>Division 19.28</u> (Landscaping)		
Parking	As required by <u>Division 19.30</u> (Parking and Loading)		

Notes:

- (1) Maximum percentage of site area that may be covered by structures.
- (2) Higher value FAR applies if housing is incorporated in a mixed-use project.
- (3) Maximum allowed height of structures. See also Section 19.20.070 (Height Limits and Exceptions).
- (4) Except for the Novato Industrial Park and Hamilton Hangar area, the maximum FAR shall be .6.
Maximum FAR shall be 1.2 for manufacturing, research and development, and science laboratories.
- (5) Within the Downtown Overlay zone, the height limit may be increased by 30 percent up to a maximum of 45 feet for the habitable floor area (excluding roof) with Design Review approval in accordance with Section 19.20.070.
- (6) Within the Hamilton Industrial Park and Ignacio Industrial Park, the height limit may be increased up to a maximum of 68 feet for the habitable floor area (excluding roof) with Design approval in accordance with Section 19.20.070.

**City of Novato Zoning Ordinance 19.30.040 –
Number of Parking Spaces Required**

19.30.040 - Number of Parking Spaces Required.

Each use shall provide at least the minimum number of off-street automobile parking spaces required by this Section, except where parking requirements are adjusted in compliance with Section 19.30.050 (Adjustments to Parking Requirements). See Section 19.30.090 for Bicycle parking requirements, and Section 19.30.100 for motorcycle parking requirements.

- A. *Parking Requirements by Land Use.* Each land use shall be provided the number of parking spaces required by Table 3-7, except where a greater number of spaces is required through conditions of approval. Sites located within the D (Downtown Novato Specific Plan) overlay district shall provide the number of parking spaces required by Table 3-7 within the Downtown (D) overlay, where applicable.
- B. *Basis for Calculations.* In any case where Table 3-7 establishes a parking requirement based on the floor area of a use in a specified number of square feet (for example: 1 space per 1,000 sf), the floor area shall be construed to mean gross floor area.
- C. *Expansion of Structure, Change in Use.* When an existing nonresidential structure is enlarged or increased in capacity, or when a change or expansion in use requires more parking than is presently provided, parking spaces shall be provided for the entire structure in compliance with this Chapter.
- D. *Multi-Tenant Sites.* A site with multiple tenants shall provide the aggregate number of parking spaces required for each separate use, except where:
1. The site was developed comprehensively as a shopping center, the parking ratio shall be that required for the shopping center as a whole regardless of individual uses listed in Table 3-7; or
 2. The site qualifies for shared parking in compliance with Section 19.30.050 (Adjustments to Parking Requirements).
- E. *Uses Not Listed.* Land uses not specifically listed in Table 3-7, shall provide parking as required by the Director. The Director shall use the requirements of Table 3-7 as a guide in determining the minimum number of parking spaces to be provided and may require the applicant fund a parking study. The Director may approve the temporary reduction of parking spaces in conjunction with a seasonal or intermittent use.
- F. *Excessive Parking.* The parking standards established in this Division are both minimum and maximum standards. Parking spaces in excess of these standards may be approved in conjunction with Design Review, a Use Permit, or Master Plan/Precise Development Plan for the project, and when commensurate landscaping and pedestrian improvements are also provided.
- G. *Bench or Bleacher Seating.* Where fixed seating is provided (e.g., benches or bleachers), a seat shall be construed to be 18 inches of bench space for the purpose of calculating the number of required parking spaces.
- F. *Parking Plan with Trip and Travel Demand Reduction Program.* The Director shall determine the minimum number of parking spaces to be provided under an approved trip and travel demand reduction program

Table 3-7

Parking Requirements by Land Use

BioMarin Proposal for Amendments to the City of Novato's
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Appendix B: Key Land Use Provisions among Major Biotech Hubs

BioMarin Proposal for Amendments to the City of Novato's
General Plan and Zoning Ordinance

Appendix B: Comparison of Key Land Use Provisions among Major Biotech Hubs

<i>Land Use</i> ¹	<i>Floor Area Ratio</i> ²	<i>Height</i> ³	<i>Parking Ratio</i> ³			
			<i>Office</i>	<i>Light Industrial</i>	<i>Research & Development</i>	
Novato						
1996 General Plan and Zoning Code	Light Industrial/Office land use designation allows for light industrial and manufacturing uses, including warehousing, office, retail, service, education, recreation residential and utility uses that will not create objectionable noise, smoke, odor, dust and other nuisances	0.4-0.6 (Light Industrial/Office land use designation is 0.4 in most areas, and 0.6 in Novato Industrial Park and Hamilton hangar areas)	35 feet (Light Industrial/Office district) Height limits may be increased by a maximum of 20% through Design Review	3.6 spaces per 1,000 gsf (Office, administrative, corporate uses)	1.0 space per 1,000 gsf, which may include incidental office space comprising less than 5% of the total gross floor area. The parking requirements for additional office space shall be calculated separately. (General manufacturing industrial, and processing uses)	3.3 spaces per 1,000 gsf, plus 1 space per company vehicle. (Research and development uses)

Emeryville						
2009 General Plan and Zoning Code	Industrial allows for a range of industrial and high technology uses, including light manufacturing, repair, testing, printing, service commercial, and biotechnology uses	0.5 Base/with no Base 2.0 Base/3.0 with Bonus (Range based on location of Industrial land use designation) Bonus FAR is discretionary and awarded after projects demonstrate community goals defined in Zoning Code incl. public open space, zero net energy, utility undergrounding and more	30 feet Base/No Bonus (Range based on location of Industrial district)	Min: 1.6 Max: 2.6 Minimum number of spaces is 33% less than estimated demand of 2.4 spaces per 1,000 gsf; Maximum number of spaces is 10% more than estimated demand (Office uses)	Min: 0.7 Max: 1.1 Minimum number of spaces is 33% less than estimated demand of 1 space per 1,000 gsf; Maximum number of spaces is 10% more than estimated demand (for Pharmaceutical manufacturing uses)	Min: 1.0 Max: 1.6 Minimum number of spaces is 33% less than estimated demand of 1.5 spaces per 1,000 gsf; Maximum number of spaces is 10% more than estimated demand (Research and development uses)
	Office/Technology district allows for administrative, financial, business, professional, medical and public offices, research and development, biotechnology, and media production facilities	FAR based on location ranging up to 3.0 Base/4.0 with Bonus (Office/Technology)	up to 50 feet Base/100 with Bonus (Range based on location of Office/Technology land use designation) Bonus height is discretionary and awarded after projects demonstrate they meet community goals defined in Zoning Code incl. public open space, zero net energy, utility undergrounding and more	First 1,500 gsf in non-residential uses excluded from parking requirement, modified parking requirement allowed for shared parking based on peak hourly demand for each use; Alternative parking plan allowed if required # of spaces is physically impossible to provide	First 1,500 gsf in non-residential uses excluded from parking requirement, modified parking requirement allowed for shared parking based on peak hourly demand for each use; Alternative parking plan allowed if required # of spaces is physically impossible to provide	First 1,500 gsf in non-residential uses excluded from parking requirement, modified parking requirement allowed for shared parking based on peak hourly demand for each use; Alternative parking plan allowed if required # of spaces is physically impossible to provide

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South San Francisco						
1999 General Plan and Zoning Code	Mixed Industrial designation protects industrial lands for a range of manufacturing, industrial processing, general service, warehousing, storage and distribution, and service commercial uses	0.4 Base, 0.6 Total Max (Mixed Industrial) Increase in FAR is discretionary based on inclusion of TDM, design, and green building measures	65 feet (Mixed Industrial)	3.3 spaces per 1,000 gsf up to 100,000 gsf; 2.9 per 1,000 gsf over 100,000 gsf (Business and professional office uses)	0.7 spaces per 1,000 gsf of use area plus 3.3 per 1,000 gsf of office area plus 1 truck parking space for each delivery vehicle on-site during the peak time (General industry uses)	2.9 spaces per 1,000 gsf (Research and development uses)
	Business and Technology Park designation accommodates campus-like environments for corporate headquarters, research and development facilities, and offices	0.5 Base, 1.0 Total Max (Business and Technology Park) Increase in FAR is discretionary based on inclusion of R&D uses, TDM, off-site improvement, or specific design standards	N/A (Business and Technology Park)			
2007 Genentech Master Plan and Zoning Code	see above definition for Business Technology Park in South San Francisco	1.0 FAR	150 feet (Genentech Master Plan District)	2.8 spaces per 1,000 gsf (Genentech Master Plan District)	0.9 spaces per 1,000 gsf (Genentech Master Plan District)	1.4 spaces per 1,000 gsf (Genentech Master Plan District)

Foster City						
2016 General Plan and Zoning Code	Chess/Hatch Office Research designation specifies biotechnology among its uses, and allows for vertically and horizontally mixed-use developments	up to 1.55 FAR (Chess/Hatch Office Research land use designation)	up to 120 feet (based on proposed Master Plan in Chess/Hatch that includes 12-story buildings)	4.0 spaces per 1,000 gsf (General Office uses)	2.0 spaces per 1,000 gsf (Light Manufacturing, Warehouse, Wholesale and Assembly Plants uses)	3.3 spaces per 1,000 gsf (Research and development uses)
	Research/Office Park designated for office, research and development, and manufacturing establishments whose operations are clean and quiet	up to 1.0 FAR (Research/Office Park land use designation) Campus-wide average of .79 FAR for Gilead Campus within Vintage Park	N/A			
San Diego						
2008 General Plan and Zoning Code	Industrial--Park zones provide for high quality science and business park development, intended to create a campus-like environment. IP-3-1 allows for research and development, office, and residential uses	up to 2.0 FAR (Industrial--Park zone)	No height limits for structures in the industrial zones except as limited by any applicable overlay zones	2.9 spaces per 1,000 gsf (Business and Professional Office uses) within transit areas, or 3.3 spaces per 1,000 gsf outside transit areas	2.1 spaces per 1,000 gsf (Light Manufacturing uses) within transit areas, or 2.5 spaces per 1,000 gsf outside transit areas	2.1 spaces per 1,000 gsf (R&D uses) within transit areas, or 2.5 spaces per 1,000 gsf outside transit areas
<p>Notes:</p> <ol style="list-style-type: none"> 1. Based on General Plan 2. Based on General Plan or Zoning Code 3. Based on Zoning Code 						

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Bel Marin Keys Industrial Park

Biotech/Life Sciences User Study

December 2016



Introduction

In 1978 the Novato City Council adopted a Master and Precise Development Plan (“the Plan”) for the Bel Marin Keys Industrial Park. The Plan incorporated three business parks into one zone for land use planning purposes. The Plan area is approximately 200 acres of land in three distinct commercial neighborhoods separated by key roads. The Precise Development Plan portion of the Master Plan lists both permitted and allowable uses and development standards applicable to the Plan area.

In March 2014, a policy white paper was submitted to the Novato City Council addressing possible modifications to existing land use categories permitted within the “PD” zoning, which is assigned to the entirety of the Plan area. The purpose of the white paper was “...to provide initial direction on certain policy questions to aid staff in the preparation of the Draft General Plan, which will then be evaluated in the environmental impact report (EIR) prepared for the General Plan. As such, the Commission recommendations and Council direction are preliminary and will be reconsidered upon review of the Draft General Plan and EIR.”

The 2014 white paper analyzed the existing land use policies in the Plan area which limited personal services and commercial support uses to those businesses that serve the Master Plan area and the prohibition of residential uses within the Plan Area. It incorporated staff recommendations and actions undertaken and in large part, affirmed the existing land use policies within the Precise Development Plan for the Plan area. The actions taken by the Council did not modify the existing permitted uses and property development standards applicable to the properties and buildings within the Master Plan area. The 2014 white paper (attached) details the staff review, actions taken and history of the Bel Marin Keys Industrial Park.

Purpose

This treatise highlights the significant presence of biotech and life science enterprises located within the Plan area and suggests that certain elements of the existing development standards in the Precise Development Plan be changed to respond to the contemporary facility needs of the existing and expanding biotech/life science users located within the Plan area. The requested modifications would create development standards specific to biotech/life science enterprises that would enhance Novato’s recruitment efforts to attract new biotech/life science enterprises to the Plan area.

Background

The 2014 white paper includes staff summaries of the creation of the Bel Marin Keys Industrial Park, zoning, preapproved uses, permittable uses and prohibited uses and occupancy profiles.

The Master and Precise Development Plan assigned “PD” as the zoning category for the entirety of the Plan area and specifically permits and preapproves the following uses:

- Industrial, manufacturing and business service uses, conducted entirely within an enclosed structure, not involving retail sales or personal service activities and not having objectionable characteristics of noise, odor, dust, smoke or glare,
- Laboratories.,
- Sale or repair of industrial or manufacturing equipment.,
- Warehousing, wholesale distribution or storage uses and
- Professional or administrative offices.

The M/PDP specifically excludes residential uses and severely limits retail and service amenities to those businesses that serve the Plan area. There are also restrictions on users in the truck and automotive service sector.

Among the permitted uses is the single word “Laboratories” which has turned out to be prophetic. In 1997, BioMarin Pharmaceutical Company was a startup leasing space in Bel Marin Keys. At the time, it was the only biotech user (laboratory) in the Plan area. Since 1997, BioMarin has grown to occupy over 430,000gsf in the Plan area and has given rise to two significant spinoffs: Raptor and Ultragenyx.

BioMarin’s growth accelerated over the past decade and outgrew the Bel Marin Keys Industrial Park where it began. Several years ago, BioMarin acquired the Corporate Center in San Rafael for its expansion and is continuing to develop facilities and parking at the San Rafael site. Despite the expansion in San Rafael, BioMarin finds that some of its operations cannot fit into the San Rafael facility and/or is not large enough to accommodate its anticipated ten-year growth cycle.

In the case of Ultragenyx, its operations occupy approximately 130,000sf in several buildings in the PD zoned Plan area. Anticipated growth over the next decade will require additional facilities to meet its needs. Its leadership has said publicly that it hopes to maintain its headquarters in the Plan area.

In addition to BioMarin and Ultragenyx, Biosearch Technologies, Sutter Instruments and Karuna Corporation represent life science service enterprises that provide gene analysis (Biosearch), research instrumentation (Sutter Instruments) and manufacture and distribution of natural medicines and supplements (Karuna). There are also clinical services that occupy space in the Plan area.

At the time the Plan was adopted in 1978, the biotech/life sciences industry was a new and emerging business sector chiefly located south of the Golden Gate Bridge. It didn’t seem likely that Novato would become home to several major players in biomedical research and development of life saving pharmaceutical products. Now, biotech/laboratory users and support businesses occupy more than 575,000gsf or approximately 22% of the 2.7 million gsf of built environment in the Plan area. (See Exhibit 1 for illustration of biotech/life science penetration in the Plan area.)

Biotech/life sciences companies and supporting businesses launched from the Bel Marin Keys platform have combined with the development of the Buck Institute for Research in Aging to become important contributors to Novato’s economy. Companies such as Biosearch, BioMarin, Ultragenyx and Raptor on the for-profit side and the Buck Institute on the non-profit side have carved out industry niches despite being outside the mainstream of biotech activities which are primarily located south of the Golden Gate Bridge. These and other companies have generated over 2,000 jobs in Novato in the last decade with a significant portion of them located in the Plan area. Of the 2,000 jobs, 350 were created in the last two years.

The successes of the biotech sector in the Plan area and at the Buck Institute formed a catalyst for the development of a biotech/life sciences marketing program aimed at attracting additional activity in the biotech/life sciences cluster to Novato. The campaign, established in 2014 with broad support from the citizens of Novato, evolved into the North Bay Life Science Alliance (NBSLA). NBSLA began to raise awareness of the significant presence of biotech/life sciences sector in Novato with the biomedical research and development sector south of the Golden Gate Bridge. NBSLA created an important alliance with the California Life Sciences Association (CLSA, formerly BayBio) which has led to inclusion of the

North Bay as an alternative to the congested and highly competitive sector zones south of the GGB. At a recent CLSA-hosted international conference in San Francisco, CLSA offered a tour of the Buck Institute to conference attendees with two busloads of conference participants travelling to Novato, and included companies interested in locating, and/or relocating their businesses.

NBLSA continues to emphasize the lifestyle enjoyed by Novato residents and the surrounding North Bay regions as a factor to consider in relocation Planning. Although the life style elements are strong discussion topics, the overarching purpose of the campaign is to attract new biotech/life sciences businesses to Novato. This necessarily requires citing the advantages of locating near other like-minded businesses in a community familiar with their business needs and a willingness to facilitate the process of establishing operations in a new community. It also includes identifying available real estate that suits their needs and/or real estate that can be quickly adapted to their use.

Novato's robust biotech/life sciences sector has gobbled up space in Bel Marin Keys, resulting in a critical shortage of space for the existing companies to expand and effectively shutting new companies out of the Plan area. The Buck Institute, which has leased space to biotech sector enterprises, is also full and can no longer offer a viable option for companies beyond one or two person startups as of this writing.

The lack of opportunity for existing sector users in Bel Marin Keys to expand in Novato creates several challenges:

- A competition among established sector users for available space in the Plan area is blocking opportunity for new users and spinoffs from existing companies.
- Established users in the sector cannot fulfill their growth requirements in the Plan area in a timely fashion and must look elsewhere for growth opportunities. Although exiting companies do create opportunity in their wakes, succession planning for facilities that support biotech is a function of the real estate market which is inherently unpredictable.
- Existing, spinoff, startups and companies considering relocation to Novato often need to modify a facility to meet the specific needs of research and development activities. The current development standards for the Plan area have not been updated since 1978. The limits on FAR, height and parking do not meet the needs of contemporary biotech/life sciences operations.
- The timing of adapting existing facilities is critical to the decisions biotech sector companies must make because there is precious little land available upon which to build custom facilities for maturing and matured sector enterprises. The time needed to develop, finance and build brand new laboratories in Novato is a deterrent to recruitment of new users.
- Examples of development standards tailored to biotech/life sciences enterprises exist in South San Francisco, Mission Bay, Oyster Point and Brisbane. In each locale, building height, FAR and parking rules and regulations were established to support the types of facilities needed by biotech/life science users without sacrificing community input and long term land use Planning acceptable to the communities where such businesses operate

Policy Options

The Plan's development regulations area have proven to be appropriate over the years. However, the increase in the size and economic importance of the biotech/life sciences business sector in the Plan

area has created facility needs that come in conflict with the existing development standards put in place in 1978.

The existing biotech/life sciences enterprises in the Plan area have raised concerns about their ability to meet their expansion needs in the Plan area under the current development standards. If the existing biotech/life sciences industry base cannot meet its facility needs, relocation outside of Novato becomes an alternative course. The proposed modifications to the will enhance the ability to retain the existing users in the Plan area while simultaneously creating a zoning profile that would be attractive to biotech/life sciences enterprises considering relocation to Novato. In response to the concerns raised by the biotech/life sciences cluster in the Plan area, NBLSA recommends modifications to the development standards provisions for the M/PDP area to address the specific facility needs of the biotech/life sciences cluster operating within the Plan area.

Affected Master/Precise Development Plan Elements

The development standards applied to the Plan area are contained in Section D, paragraphs 1-16 of the Precise Development Plan for the Bel Marin Keys Industrial Park. As currently written, the Precise Development Plan provides for building coverage per lot of 60%. In addition, the City's General Plan limits the amount of allowable building area to a floor area ratio (FAR – the ratio of maximum building square footage to lot area) of 0.6.

The Precise Development Plan links to the Novato Zoning Code for guidance on building height limits and parking requirements for the Plan area. If the Master Precise Development Plan is to be adapted to the needs of the biotech/life sciences business cluster in the Plan area, the changes could be effected within the Precise Development Plan without impact on the Novato Zoning and Development Standards applicable to the City of Novato at large.

On behalf of the existing biotech/life sciences enterprises and to enhance the ability to attract new biotech/life sciences enterprises to the Plan area, NBLSA recommends the following changes to the M/PDP:

- Increase building height limits from 35' (or 42' through the design review process) to 64'
- Increase the FAR from .6 to 1.25
- Create a "campus" designation for biotech enterprises that allow multiple sites within the Plan area occupied by a single user and its affiliated companies to be treated as a single site for parking requirements and occupancy load purposes.
- Establish zoning and development standards that streamline adaptive reuse of the built environment in the Plan area to meet anticipated growth projections of existing biotech companies and the needs of biotech companies that spinoff or relocate to Novato.

Rationale for development standard changes:

- Increased height limits are needed to accommodate equipment and manufacturing processes that require extraordinarily tall equipment spaces and temperature control process piping specific to research and processing programs to discover and develop treatments and therapies for human diseases and conditions. The 35'/42' height limit established in 1978 could not anticipate the technological advances in laboratory research and the latest developments in the discovery process which require a different facility to accommodate current research equipment and processes. By comparison, The Buck Institute zoning category of REI was created in 1995

specifically for laboratory research. The height standard in the REI zoning category is four stories. A typical contemporary laboratory floor to floor height is 16 feet per story. The consensus among existing biotech users in the Plan area is that four stories is sufficient for their purposes. Precedent exists in the Plan area in a building that has been granted a variance to rise to 56 feet of height. The existing development standards provide for an increase of 8' in height above the limits for mechanical equipment and/or decorative purposes. Given the precedent, and the prohibition of residential elements within the Plan area, increased building height is not likely to alter the view corridors of the warehouse type buildings in the Plan area. The predominant building type in the Plan area now is oriented to the street and the view lines are of their neighboring buildings.

- The requested changes in height allowances are significant. However, in the request is consistent with height allowances in special zoning districts for biotech/life science industry components in San Francisco, South San Francisco, Berkeley and the South Bay and well below the 110' limit established in South San Francisco for Genentech.
- Establishing a "campus" land use designation will allow single business entities occupying multiple locations to meet parking and FAR ratios based on total occupancy types and uses. For example, BioMarin occupies several buildings. The mix of uses include office, R&D, warehousing and storage with each category of use linked to a different parking standard. Designating BioMarin's multiple use sites as a campus would provide much needed flexibility in meeting the parking requirements whether on existing ground level allocations or in second deck parking.

Impacts of Zoning Changes

Impacts of the proposed increases in building height and FAR would be analyzed in the EIR being prepared for the General Plan. The proposed ability to designate multiple properties as part of a larger biotech/life science campus would provide the opportunity to implement Transportation Demand Management (TDM) measures to mitigate traffic impacts, such as staggered work hours, funding a shuttle to the SMART station, etc.

The largest biotech companies in the Plan area were asked to share their growth projections to assist in projections of increases in traffic and occupancy density resulting from the modifications to the M/PDP recommended herein. We asked for a 10-year horizon on anticipated growth in the Plan area. The combined growth projections indicate an increase of 2,000 jobs by 2026 or approximately 200 jobs annually.

Because Bel Marin Keys Industrial Park is virtually built out, it is reasonable to assume that the existing users would expand through a combination of modification of current facilities and acquisition of standing buildings in the Plan area through purchase and/or leasing. In either case, the existing FAR and occupancy density of a standing facility would be transferred to the new entity without an automatic net increase in the occupancy load placed upon a standing facility. Under the current FAR of .6 and using a ratio of one person per 300gsf, an increase of 2,000 personnel will require 600,000gsf in a 10-year period. The average annual increase of 200 people would require an annual increase of 60,000gsf of additional space through acquisition or modification of buildings currently in use.

If the FAR were to be about doubled to 1.25 for the existing biotech users, the projected expansion needs of existing biotech/life science users in the 10-year period to 2026 can be partially satisfied

through adaptive reuse of existing facilities and/or leasing or buying space that becomes available in the future. The future needs could also be met by demolition of existing facilities for replacement by new purpose built facilities that comply with then current development standards incorporated into the M/PDP for the Plan area.

Because the Plan area is virtually built out, additional facilities available for expansion by existing biotech/life science users in the Plan area will only come available through purchase and/or lease of facilities that become available over time. The uncertainty of the real estate market puts pressure on the existing biotech companies to use their existing facilities at a higher density rate. The recommended changes to the Precise Development Plan creates the opportunity for the existing biotech users to manage their short-term growth in existing facilities while the real estate market in the Plan area runs its course. The recommended changes to the development standards for the Plan area will also create opportunity for the region to attract new users and spinoffs to sustain the level of economic support that comes from a robust biotech/life sciences industry cluster to Novato.

Exhibit 1



City of Novato
General Plan 2035 Policy White Paper



BEL MARIN KEYS INDUSTRIAL PARKS
March, 2014





The Issue

Whether the existing land use restrictions (Master Plan) for the Bel Marin Keys Industrial Parks should remain in effect or be modified to allow a wider range of commercial land uses.

White Paper Purpose

The purpose of the General Plan White Papers is to provide initial direction on certain policy questions to aid staff in the preparation of the Draft General Plan, which will then be evaluated in the environmental impact report (EIR) prepared for the General Plan. As such, the Commission recommendations and Council direction are preliminary, and will be reconsidered upon review of the Draft General Plan and EIR.

Background

The 200-acre area known as the Bel Marin Keys Industrial Parks was developed within County jurisdiction and annexed into the City of Novato in the 1970's. The area is composed of the Hamilton Industrial Park along Hamilton Drive and the west side of Bel Marin Keys Boulevard, the Ignacio Industrial Park including properties on Digital Drive, Galli Drive, Lerveroni Court, Pimentel Court and the east side of Bel Marin Keys Boulevard, and the Bel Marin Commerce Park along Commercial Boulevard and Pamaron Way (see attached location map). The industrial parks are surrounded by U.S. 101 and the SMART rail line to the west, the Los Robles Mobile Home Park to the south, wetlands and Ammo Hill (under City ownership) to the east and County Flood Control District ponds and wetlands to the north.

The City Council adopted a Master Plan and Precise Development Plan for this area in 1978 (Ordinance 780), with subsequent amendments through 1983. The Master Plan designated the area for "industrial park development and use." The Precise Development Plan principally addresses allowable uses within the industrial parks, but also includes basic property development standards such as building setbacks, lot coverage, height limits, parking requirements and landscaping, and performance standards for businesses, including creation of odors, dust, fumes, explosions, etc. The original Master Plan diagram is shown on the preceding page.

The use limitations include the following:

Allowable Uses:

- Industrial, manufacturing and business service uses, conducted entirely within an enclosed structure, not involving retail sales or personal service activities and not having objectionable characteristics of noise, odor, dust, smoke or glare.
- Laboratories
- Sale or repair of industrial or manufacturing equipment
- Warehousing, wholesale distribution or storage uses
- Professional or administrative offices

Allowable Uses with issuance of a Use Permit:

1. Automotive uses allowed within the Bel Marin Commerce Park and Ignacio Industrial Park:
 - Auto storage or operable vehicles, provided that all vehicles are stored entirely within the building

- Auto towing and dispatching
- Brake work
- Electrical/battery/generator work
- Sale and installation of auto radio and stereos
- Private, noncommercial restoration, no more than two vehicles at a time
- Auto upholstery work
- Auto glass repair and replacement
- Auto leasing, office only

2. Automotive uses allowed within the Hamilton Industrial Park:

- Same list as above, with the following additional automotive uses:
- Tire shop, wheel balancing and front end alignment
- Frame straightening work
- Muffler and tailpipe repair and installation
- Body work
- Auto paint work
- Auto assembly
- Commercial restoration
- Engine machine shop
- Engine repair
- General auto repair

3. Outdoor uses:

- Industrial, manufacturing or business service uses, or portions thereof, not conducted within an enclosed structure

4. Retail and Personal Service uses:

- Small retail and/or service commercial uses specifically accessory to and related to an approved use listed above, scaled to the size of the complex, and intended as a convenience for the employees within the Industrial Park, such as snack bars and barber shops.

Prohibited Uses:

- Residential
- Retail sales (except as allowed in 4 above)

Analysis

The industrial parks contain approximately 200 parcels, occupied by over 500 businesses. The largest tenant is BioMarin, which has approximately 405,000 square feet of pharmaceutical manufacturing, laboratory, office and warehouse space. City business license data suggests that there are approximately 15 businesses which are classified as restaurants or personal services, including a dog groomer, dry cleaner, tanning salon, hairdressers and a barber.

An October, 2013 vacancy survey indicates that, of approximately 2.7 million square feet of leasable space, about 193,000 square feet was vacant, a vacancy rate of 7.2% which is rather typical for light industrial space in Marin (see attached chart).

Many of the buildings in Bel Marin Keys have relatively large, open floor areas with minimal improvements, making them easy to convert to a variety of potential uses. For this reason, in addition to their relatively lower real estate value or leasable rates, these buildings are attractive to personal service uses such as exercise or recreational studios, animal services, churches, etc. that would not meet the criteria of the adopted Master/Precise Plan which limit personal service uses to those of a size and operational characteristics that would serve employees of the industrial parks and not the larger community.

Over the past decades, staff and the Planning Commission have not consistently administered the use restriction on personal service uses. Some uses were approved which have clientele well beyond service to the industrial park employees, including a gym/dance studio and a dog grooming business. In addition, numerous businesses have small retail components, selling goods manufactured or assembled on-site or goods typically sold wholesale. Some of these retail components are operated continuously, others only occasionally during periodic sales events. However, the existing Master Plan language specifically prohibits retail sales to the general public.

Staff is aware of eight existing food service uses, ranging from a delicatessen to a full-service restaurant (Aurora Café). Two of these, Forks and Fingers and Polly Ann Bakery, are largely caterers with limited on-site service. The eight food service businesses range in size from 574 to 2,955 square feet. Existing operators have been in business at their current locations an average of 11 years, suggesting that food services of a size that cater to business park employees are economically viable.

It is common for areas zoned for industrial parks to place restrictions on personal service, retail, recreation, and restaurant uses to preserve the essence of the area as a light industrial business park. However, some convenience services for employees are desirable as a convenience and to reduce midday vehicular trips.

Staff reviewed numerous zoning codes to determine if there are better ways to define limitations for these ancillary uses.

San Jose defines such uses as “commercial support” uses, and allows them if they “serve the immediate area”, “are located entirely within buildings occupied by primary uses in the IP district” (in other words, no stand-alone restaurants, banks, gyms, etc.), and are limited to maximum size of 10% of the building floor area or a maximum of 20,000 square feet. San Jose limits restaurants to a maximum size of 650 square feet in their light industrial district.

Mountain View allows only restaurants in their industrial park if less than 3,000 square feet and if the use is a “minor, and clearly ancillary, part of a larger permitted or conditional use on the parcel.” Again, stand-alone eating facilities are not allowed. However, Mountain View’s code

allows issuance of a Use Permit for “appropriate retail commercial and service uses such as cafés or service stations necessary to serve the ML district.”

Palo Alto allows restaurants, retail services and personal services in their industrial parks with a Use Permit.

In conclusion, staff did not find any zoning language which better defined a size or intensity limitation on personal services, retail or restaurants. If desired, better definitions of allowable “commercial support uses” could be crafted, possibly including size limitations on appropriate restaurants (e.g., 3,000 sq. ft. maximum), or maximum retail space , but only in conjunction with a allowed use, such as retail sales of on-site manufactured or assembled goods (e.g. a 10% of building floor area limit).

Policy Options

The following options may be pursued in the update of the General Plan relative to the Bel Marin Keys Industrial Park uses:

1. Continue to enforce the existing use restrictions which preclude personal service or retail uses or assembly uses such as religious institutions which cater to a wider segment of the community than employees of the industrial parks.
2. Maintain the intention of limiting personal service, retail and restaurant uses to serve employees of the industrial parks, but modify the Master Plan language to better define a list of allowable uses and establish a size limitations, such as the following:

Allowable ancillary uses (permitted up to 2,000 square feet; Use Permit required for larger uses subject to a finding that the proposed business is intended to predominately serve the business park employees):

- Personal Services: barber & beauty shops, dry cleaning pick-up, shoe repair, health & fitness facilities, bank ATMs, day care facilities
 - Business Support Services: blueprinting, business equipment repair, copying services, mail and shipping services
 - Restaurants, including outdoor dining
3. Modify the Master Plan language pertaining to retail sales to allow minor retail uses as a minor component of a larger, permitted business. For example allow retail sales when located entirely within a building occupied by a permitted use, limited to a maximum of ten percent of the building floor area and precluding signage advertising the retail component.
 4. Modify the Master and Precise Development Plans to allow retail, personal services or assembly uses which cater to a wider segment of the community than employees of the industrial parks.

5. Modify the Master Plan language to allow automotive uses in the Hamilton Industrial Park as a permitted use, eliminating the need for a Use Permit. Since the Hamilton Industrial Park is more isolated from nearby residential areas, is more uniformly developed with service commercial uses and does not contain office/research facilities, staff would suggest this change as a permit streamlining measure.

Staff believes that the Bel Marin Keys Industrial Parks best serve the broader economic development interests of the City by functioning as incubator space for research and manufacturing businesses which provide higher-paying jobs, as well as providing very limited area for service commercial uses such as auto repair. These benefits would be slowly diminished if the existing land uses are allowed to convert to retail, personal service or assembly uses. In addition, traffic patterns would change if businesses shifted to more consumer-based uses with higher trip generation and evening and weekend peak periods.

The City Council asked that consideration be given to the potential for adding residential units to the industrial park in the form of live-work units with work space on the ground floor and residential space above. Since the existing industrial park is fully developed with single-story commercial buildings, redevelopment would be necessary to add residential use. Staff does not recommend allowing residential use in the park for the following reasons:

- There is not great demand for live-work space in suburban locations. San Rafael has attempted to encourage live-work in an area south of their downtown for many years without success. Cotati required development of some live-work units that are now occupied as strictly residential space.
- The existing development includes some more intensive service commercial and industrial uses that create noise, fumes and store hazardous chemicals. Adding residences to the area would almost certainly result in code enforcement complaints and possible restrictions on industrial processes.

Public Outreach and Commission Input

On July 23, 2013 the City's Economic Development Manager called together a meeting of property owners and commercial brokers to discuss zoning issues associated with the Bel Marin Keys Industrial Parks. A desire was expressed to allow some ancillary and supportive uses, such as restaurants and personal services, but there was not a clear understanding that the existing Master and Precise Development Plans allow for such park-serving uses.

At its meeting of July 25, 2013 the Economic Development Advisory Commission discussed the land use issues related to Bel Marin Keys Industrial Parks and recommended that the existing use limitations be retained so that the area will continue to serve manufacturing and service commercial uses, and not have to compete against personal service, retail and assembly uses that may be able to outbid light industrial uses for existing space.

All property owners in the Bel Marin Keys Industrial Parks were notified of the December 16, 2013 Planning Commission work session and the availability of this White Paper.

The great majority of public input supported the ability of a specific existing business, Cal Star Gymnastics, to expand its building area.

The Planning Commission and the Economic Development Advisory Commission (EDAC) met jointly on on March 3, 2014. Members of the EDAC described the Bel Marin Keys Industrial Parks as the City's economic development opportunity space and stated that allowing alternate uses, such as recreational or religious facilities, would result in reducing space for business and job creation. EDAC members noted the initiation of the City's biolife science marketing campaign and the need for available space for smaller start-up firms if this effort proves successful.

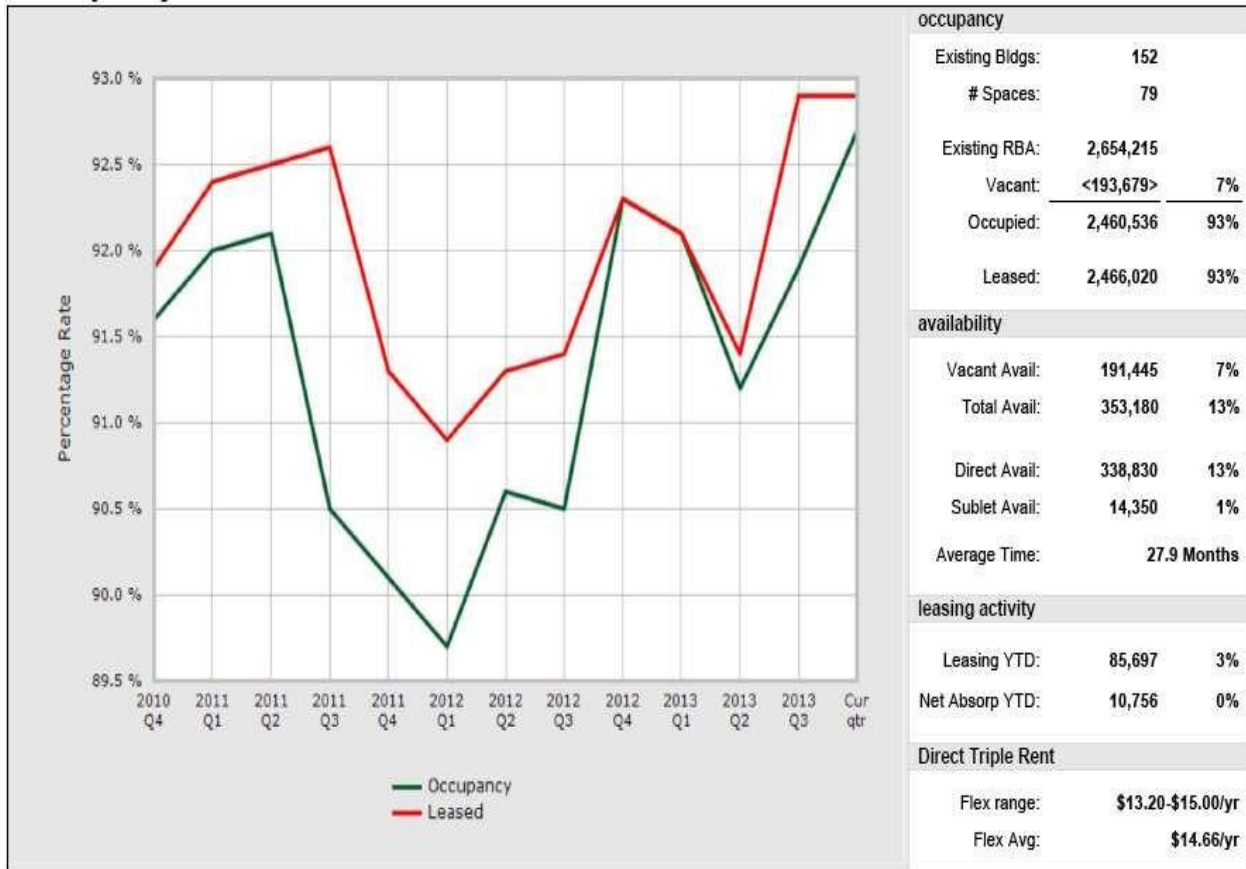
The two commissions unanimously recommended Policy Options 1, 2, 3 and 5 above.

City Council Direction

At its meeting of March 18 2014 by a 3-2 vote (Mayor Lucan and Councilmember Eklund opposed) the City Council supported Policy Options 1, 2, 3 and 5, retaining the historic limitations on land uses to industrial and service commercial uses, but better defining and regulating ancillary, supportive uses such as restaurants, personal services and retail. Mayor Lucan and Councilmember Eklund supported an expansion of allowable uses.

The Draft General Plan will be prepared based on the majority direction of the City Council, along with implementing revisions to the Bel Marin Keys Industrial Parks Master Plan, which will be considered by both the Planning Commission and City Council during their review of the Draft General Plan.

VACANCY RATES

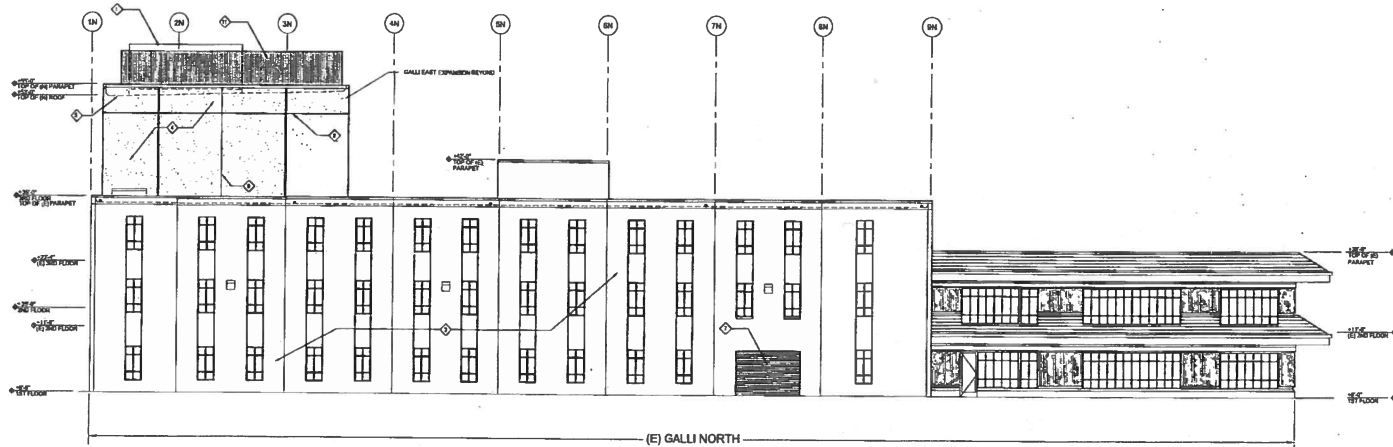


occupancy		
Existing Bldgs:	152	
# Spaces:	79	
Existing RBA:	2,654,215	
Vacant:	<193,679>	7%
Occupied:	2,460,536	93%
Leased:	2,466,020	93%
availability		
Vacant Avail:	191,445	7%
Total Avail:	353,180	13%
Direct Avail:	338,830	13%
Sublet Avail:	14,350	1%
Average Time:	27.9 Months	
leasing activity		
Leasing YTD:	85,697	3%
Net Absorp YTD:	10,756	0%
Direct Triple Rent		
Flex range:	\$13.20-\$15.00/yr	
Flex Avg:	\$14.66/yr	

- EXTERIOR ELEVATION KEY NOTES**
- ◆ IN MESH EQUIP. - SEE MECH DWGS
 - ◆ (E) LTR. SCREEN TO REMAIN
 - ◆ (E) CONC. FL. UP PANEL TO REMAIN
 - ◆ (E) CONC. FL. UP PANEL, FTD
 - ◆ (E) CONC. FL. UP PANEL, FTD
 - ◆ LINE OF ROOF BEYOND - SHOWN DOTTED
 - ◆ (E) FLAC EQUIP. - SEE ELEC DWGS
 - ◆ (E) WALL OF BR TO REMAIN
 - ◆ (E) ALUMINUM FINISH, TYP
 - ◆ (E) CONTROL JAMB, TYP
 - ◆ (E) SMOOTH TEXTURE CEMENT PLASTER W/ CONTRASTING ACCENT COLORS, TYP
 - ◆ (E) MTL RESSD ROOF MESH SCREEN, TYP

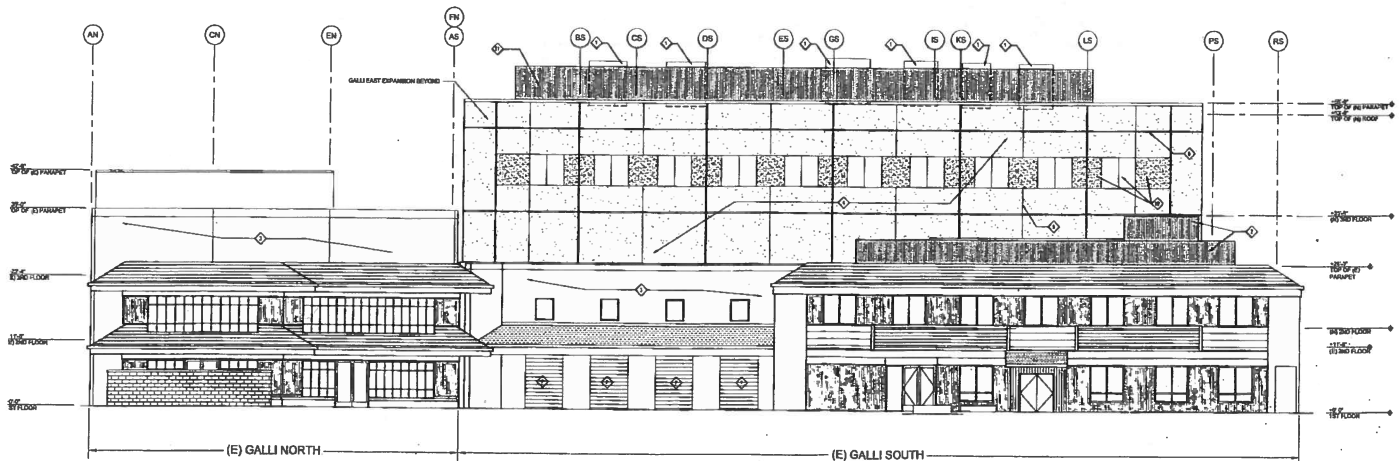
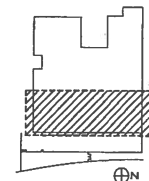
GENERAL NOTES:

SHEET NOTES:



2 EXTERIOR BUILDING ELEVATION - NORTH
1/8" = 1'-0"

KEY PLAN



1 EXTERIOR BUILDING ELEVATION - WEST
1/8" = 1'-0"

REV	DATE	DESCRIPTION	BY	CHKD
C	02-15-03	ISSUED FOR PER REVIEW		
B	02-27-03	ISSUED FOR PER REVIEW		
A	02-02-03	ISSUED FOR PER REVIEW		

REVISIONS

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GALL EAST COMMERCIAL EXPANSION PROJECT
EXTERIOR ELEVATIONS
NORTH & WEST

Scale: 1/8" = 1'-0"	Sheet No.: A-22
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