

PENINSULA STRUCTURES

POISED FOR A REVIVAL

Communities up and down the Peninsula are using the pandemic as both a reset and a jumping-off point

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Sares Regis Assistant Vice President Andrew Turco at Cadence in South San Francisco, a project which revitalized a former industrial corridor

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WHAT'S NEXT

PENINSULA CITIES VIE FOR A POST-COVID COMEBACK

The pandemic has led to reevaluation and new opportunities

BY SIMON CAMPBELL
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Last June, Burlingame tested a new policy. It closed Burlingame Avenue, the main thoroughfare through the city's downtown, to traffic on weekends.

The idea was to get more pedestrians passing by the restaurants and shops reeling from Covid-19 shutdowns. Though the policy was reversed a couple months later, it is one of many schemes the city has tested to boost its downtown corridor over the last year.

"It's provided us an opportunity to do some experimentation," Kevin Gardiner, Burlingame's community development director, said of the pandemic.

Cities up and down the Peninsula are taking stock of new development plans to respond to changes in the market brought on by Covid-19. They are taking the pandemic's shock as an opportunity to change direction and launch new strategies to attract businesses and commerce.

The pandemic has caused many people to reappraise where they want to live, work and play. Peninsula cities, with excellent transport and links through Caltrain, are increasingly attractive for businesses. And the hope is newly resurgent downtown areas can lead these cities to become destinations for companies and residents.

General and downtown-specific plans, along with new approaches to zoning and permitting regulations, are being re-examined. The early results can be seen in new office, retail and housing developments that have broken ground in recent years and are proposed for the near future.

This transformation is also taking place in the shadow of a generational boom in the biotech sector that is influencing the shape of Peninsula cities' economic development schemes.

An update to the Burlingame



Burlingame Community Development Director Kevin Gardiner at the old Burlingame Post Office, which is being redeveloped into a mixed-use project with a new public plaza

general plan in 2019 created additional development capacity along its waterfront, and it is this cluster that has received the most attention from technology and life sciences companies. The recently delivered Burlingame Point development on the Bayfront, an 800,000-square-foot project fully leased to Facebook VR subsidiary Oculus, is a major milestone in that effort.

As South San Francisco has become a local and global life science epicenter, there has been spillover into neighboring Peninsula

communities like San Bruno. As the pandemic has precipitated an upsurge in interest and capital in life sciences, surrounding cities in the Peninsula are strategizing how to get their own piece of the pie.

Burlingame is rewriting zoning codes as part of its new general plan to meet the spatial needs of life sciences developments.

"We want it to work for the community's expectations, but also for the needs of different developments," Gardiner said. "We're feeling as optimistic as we can get

under the circumstances."

The potential influx of new companies and residents comes alongside the city's efforts to revitalize its downtown. In Burlingame this trend is reflected in the redevelopment of the old Post Office building at 220 Park Road. The project will deliver 185,000 square feet of office and retail space and turn an old parking lot into a new public town plaza. Co-developers Sares Regis and Dostart Development are contributing \$2 million to the town square project and \$3.5 mil-

lion toward affordable housing in the local community.

"The city has a longer-term objective of slowly but surely replacing surface parking lots with higher and better uses," Gardiner said. The idea being additional office space and public areas will help revitalize downtown Burlingame, boosting foot traffic for local businesses as the economy moves into the recovery phase.

Caltrain is a catalyst for much of the development in Peninsula downtowns. Proximity to this pub-



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lic transportation artery is clearly a pull. And developers are taking note, with transit-oriented projects dominating local planning schedules. The train line is helping deliver development dollars, as well as commuters, to cities throughout the Peninsula.

The huge Gateway at Millbrae Station development is slated to bring 157,000 square feet of office space, 320 market-rate apartments, 80 veteran-preferred affordable housing units, 44,000 square feet of mixed-use retail space and a

Sares Regis Assistant Vice President Andrew Turco at Cadence in South San Francisco

164-room hotel at a BART and Caltrain interchange. It is scheduled for completion by summer 2022.

Millbrae is weighing how to attract more businesses as part of its economic development plans and city officials voted in November to support permitting life science uses in the Millbrae Station Area Specific Plan.

In 2011, Redwood City approved the Downtown Precise Plan, which

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MAKING MOVES

MILLBRAE MANEUVERS TO BUILD UP DOWNTOWN

An agreement between Millbrae and BART signed April 5 will return several parcels to the city previously held by the transit agency as part of its extension into San Francisco International Airport.

The deal gives Millbrae "new opportunities to develop significant mixed-use housing and commercial units and to further leverage its demands that California high-speed rail tracks be undergrounded," city leaders said in a press release.

Four parcels spanning 0.85 acres on the west side of the Millbrae transit station will be re-conveyed to the city. Once the transfers are completed, Millbrae will control about 1.2 acres. The city plans to issue a request for proposals in the coming weeks.

The re-conveyance allows Millbrae to realign California Drive to serve the Serra Station project, which has been approved to include 488 units of housing and 320,000 square feet of office and commercial space.

"This is terrific news and an important milestone for both the City and BART," said Mayor Ann Schneider. "New housing and a premier development on the transit corridor is one step closer to becoming a reality."

The land deal also gives the city "new leverage" in addressing challenges it faces in regard to the California Highway Speed Rail, according to city leaders. The city, which has filed an objection to an environmental impact report filed by the California High-Speed Rail Authority, is pushing the authority to underground its tracks in an effort to avoid paving through "prime real estate in downtown Millbrae and turn it into a parking lot."

— Laura Waxmann

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was meant to help ease development and revitalize the area. At the time office vacancies in the city were at 29%. As the plan was implemented over the last decade it has brought in 2,500 new residential units, 100,000 square feet of retail, 500,000 net square feet of new office space and 200 new hotel rooms.

Global law firm Freshfields Bruckhaus Deringer US LLP signed a 10-year lease at the new 855 Main St. development as its anchor tenant and the Chan Zuckerberg Initiative continues to expand its footprint in the city after moving from Palo Alto in 2018, leasing the new Premia Capital development at 1180 Main St., which is expected to finish construction next year.

The city is also considering plans to redevelop the Sequoia Caltrain station to generate a million square feet of office space and over 1,000 new housing units.

Officials are also striving to limit the economic impacts of the pandemic.

"We are working closely with our broker community to identify potential businesses to fill vacant spaces, understand their space requirements, provide direct guidance and troubleshooting during their permitting and entitlement phase, and offer creative solutions to get their business up and running," said Redwood City Economic Development Manager Simon Vuong.

In October 2020, the City Council voted to permit six cannabis retail stores. Welcoming a new retail sector to the city has attracted a variety of business interest and economic activity, Vuong said.

"Our outreach efforts and communication have been key in attracting and retaining businesses here in Redwood City," Vuong said. "We go to great lengths to make ourselves available should they need additional assistance or direction, as we recognize their success is our success."

The pandemic has underlined the importance of the biotech sector, but meeting the demand for new additions accompanying the boom, while protecting the needs of current residents, has become a real challenge for local officials.

Nowhere is this truer than in South San Francisco.

"I think that something extremely special has happened in South San Francisco," said Alex Greenwood, the director of economic and community development for city. "We've grown to become the largest biotech center in the world

"This is a great downtown that has consistently reinvented itself over the last decade. It has tremendous amount to offer and is really thriving again."

ANDREW TURCO,
Sares Regis
assistant vice
president,
speaking about
South San
Francisco

PROJECT SPOTLIGHTS



SRGNC AND DDC

220 PARK

Address: 220 Park Road, Burlingame

Developer: Joint venture between Sares Regis Group of Northern California and Dostart Development Group

Description: 170,000 sq. ft. of office and 15,000 sq. ft. of retail space breaking ground in the third quarter



TCA ARCHITECTS

CADENCE SSF

Address: 220 Park Road, Burlingame

Developer: Sares Regis Group of Northern California

Description: A market-rate residential project with 455 units split between one-, two- and three-bedroom units and two-bedroom townhomes



REPUBLIC URBAN PROPERTIES

GATEWAY AT MILLBRAE STATION

Address: 200 Rollins Road, Millbrae

Developer: Republic Urban Properties LLC

Description: Massive mixed-use project with 150,000 sq. ft. of office, 44,000 sq. ft. of retail, 320 market-rate units, 80 affordable units and a 164-room hotel



DES ARCHITECTS

855 MAIN ST.

Address: 855 Main St., Redwood City

Developer: Acclaim Cos.

Description: 100,000 sq. ft. of commercial space and 7,500 sq. ft. of retail in downtown Redwood City

with over 200 biotech firms and over 40,000 life science workers and we're about to double in size."

South City, with its growing cluster of biotech behemoths, represents what many Peninsula cities want to emulate. But the growth of local companies is a double-edged sword for city officials. Building the housing and amenities necessary for this influx of residents requires original solutions.

"The bottom line is that we're trying, we're experimenting and exploring a whole range of innovative policies to encourage affordable housing, because we've never been more concerned about protecting our existing residents from the high cost of housing," Greenwood said.

In February, the City Council agreed to explore the possibility of ending single-family zoning. If passed, South San Francisco would become the first city in San Mateo County to permit upzoning to density single-family neighborhoods.

The Downtown Plan ratified in 2015 is also having a visible impact, with approximately 650 residential units built over recent years with another 600 in the pipeline, according to Greenwood.

"We feel it's been a runaway success," he said.

The city's Caltrain station, currently going through a modernization effort expected to finish this summer, will include pedestrian underpasses beneath the 101 Highway to link downtown, residential developments and many of the local biotech campuses. Residents and commuters will be able to walk or cycle to many of the city's main attractions and business centers.

Adjacent to the Caltrain station and a block from the main downtown drag, Grand Avenue, the Cadence SSF housing development has transformed a former industrial corridor into new homes.

Once the Cadence II phase is complete in 2022, developer Sares

Regis will have added nearly 500 units to downtown South San Francisco. The San Mateo company is working on transit-oriented developments throughout the Peninsula.

"Our first phase of Cadence was really a pioneering project for downtown South City," said Andrew Turco, Sares Regis assistant vice president. "We've had a tremendous response throughout the pandemic as rents and occupancy declined in many parts of the Bay Area."

Sares Regis has contributed to community parks and stormwater infrastructure in the city and is optimistic about the future of South San Francisco.

"This is a great downtown that has consistently reinvented itself over the last decade," said Turco. "It has a tremendous amount to offer and is really thriving again." ❧

Simon Campbell is a Berkeley-based freelance writer.