



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of June 23, 2026
TO: Mayor and Members of the City Council
VIA: Patrick Tang, Interim City Manager
SUBMITTED BY: Timothy Rood, AICP, Community Development Director
SUBJECT: Approval of an Addendum to the Hercules New Town Center Environmental Impact Report, Design Review Permit (DRP) 25-04, Vesting Tentative Map (VTM) 25-02, and Planned Development Plan (PDP) 25-02 for the Emblem Hercules Apartments — 1601 Willow Avenue (The Loop Site) Assessor Parcel Number (APN) 406-070-042-6.

RECOMMENDED ACTION:

Staff recommends that the City Council open the continued public hearing, ask questions of staff or the applicant team, receive comments from the public and interested parties and adopt a Resolution finding that the Addendum to the Hercules New Town Center Environmental Impact Report (State Clearing House No. 2007062002) prepared pursuant to CEQA Guidelines Section 15164, is the appropriate environmental document for the proposed Emblem Hercules Apartments project, finding that the Addendum has been prepared in compliance with CEQA and the State CEQA Guidelines and reflects the independent judgment of the City of Hercules as Lead Agency, and approving Design Review Permit (DRP) 25-04, Vesting Tentative Map (VTM) 25-02, and Planned Development Plan (PDP) 25-02 for a 180-apartment unit housing development.

BACKGROUND:

Design Review Permit (DRP) 25-04, Vesting Tentative Map (VTM) 25-02, and a combined Initial and Final Planned Development Plan (PDP) 25-02 were submitted by Quarterra Multifamily Communities for the proposed 180 dwelling unit development. The project proposes the development of a 180-unit multifamily residential community on 5.09 acres, including a clubhouse, dog park, trash enclosure, parking,

fencing, landscaping, and frontage improvements. Ten percent of the units will be restricted to very low-income households.

Planning Commission Recommendation

On May 4, 2026, at their regularly scheduled meeting, the Planning Commission unanimously approved Resolution No. 26-01, recommending City Council approve an Addendum to the Hercules New Town Center EIR (NTC EIR), Design Review Permit (DRP) #25-04, Vesting Tentative Map (VTM) #25-02, and a Combined Initial and Final Planned Development Plan (PDP) #25-02 for a 180-unit multifamily residential development (Emblem Hercules Apartments) located at 1601 Willow Avenue (the Loop site), on assessor's parcel number 406-070-042-6.

Prior Council Discussion:

On May 26, 2026, at their regularly scheduled meeting, the City Council opened a noticed public hearing to approve an Addendum to the Hercules New Town Center EIR (NTC EIR), Design Review Permit (DRP) #25-04, Vesting Tentative Map (VTM) #25-02, and a Combined Initial and Final Planned Development Plan (PDP) #25-02 for a 180-unit multifamily residential development (Emblem Hercules Apartments) located at 1601 Willow Avenue (the Loop site), on assessor's parcel number 406-070-042-6.

An updated resolution of approval has been prepared (Attachment 1). The full agenda packet for the item is available at [this link](#).¹

The City Council voted to continue the hearing to June 23 and requested additional information about the project, including a clearer exhibit or exhibits from the applicant showing the design of the project's offsite improvements, which include a new mid-block pedestrian crossing and a new sidewalk and streetlights. Councilmembers also requested additional information regarding vehicular circulation at the project entry and the manner in which the project will address noise and air quality for project residents.

ANALYSIS:

As described in detail in the May 26 staff report, the Project is subject to the Builder's Remedy, HCA, and HAA such that the City has little discretion to deny the Project based on inconsistency with objective local zoning standards. For informational purposes, staff prepared analysis of the Project's consistency with subjective goals, policies, and development regulations that would otherwise apply. In sum, the Project is consistent

¹ <https://hercules.legistar.com/View.ashx?M=AO&ID=177261&GUID=e1820f93-d779-44ee-9d17-aec1acfb7cca&N=NS4yNiBTdXBwbGVtZW50YWwgQWdlbmRhIFBhY2tldCAtdElyLiBQdWJsaWMgSGVhcmluZyBJdGVtIDEuIDI2LTEyOQ%3d%3d>

with almost all applicable objective standards and has requested waivers under State Density Bonus Law for: (1) a 1-foot reduction in carport space width; (2) location of air conditioning condensers; (3) a reduction in the required 50-foot surface parking setback; and (4) increased spacing between parking lot landscape islands.

Traffic Operations at Project Entry

A project transportation study was included in the May 26 agenda packet as Appendix F. The applicant has provided an enlarged plan of the project entry, showing the location of the entry kiosk and vehicular gate, which is set back approximately 90 feet from the front property line (Attachment 2). This exhibit demonstrates that there is space for at least four cars to queue outside the entrance gate without encroaching on the crosswalk or backing up onto Willow Avenue. A pull-out area adjacent to the sales office provides additional space for vehicles to pull out of the entry lane.

The applicant has indicated to staff that project access will be managed as follows:

- Residents will have RFID tags or transponders that open the gate without using the call-box to allow for expedited entry.
- A call-box/intercom system will be provided that prospective residents, deliveries, or guests will be able to use to enter the property.
- The call box systems typically have keypad access. Project management staff would provide a code to delivery vehicles with regular routes to the property (e.g. FedEx, UPS, etc.). Codes would be changed on a regular basis.
- Guests/deliveries/vendors would use the pull-out area and the call-box to contact the leasing office or resident for access, or they would use their preapproved code.
- Less frequent deliveries (e.g. food service, maintenance vendors, etc.) would use the call box to notify the leasing office for access. If the leasing office is closed (i.e. after hours) then the vendors would use the call-box to request gate access from the resident directly.

Pedestrian Facilities

The project transportation study included as Appendix F further describes the pedestrian facilities. To greatly reduce the walking distance between the project and the Hercules Transit Center, the applicant agreed to provide a new midblock pedestrian crossing and a new sidewalk along the north side of Willow Avenue from the project entry west to Sycamore Avenue, thereby connecting the project to the Safeway site. As part of the City's review of the project, the City's consulting traffic engineer evaluated the proposed crossing and sidewalk design and features for compliance with applicable regulatory standards from the Federal Highway Administration. All on-site and off-site improvement plans must additionally be reviewed and approved by the City Engineer when they are submitted following the Planning approvals.

Further, Condition of Approval 56 requires the design and features of this new pedestrian crossing to be consistent with the Preliminary Willow Avenue Plan Line dated January 20, 2026 submitted to the City. The condition requires that the new crossing include high visibility striping, pedestrian warning signage, ADA compliant curb ramps, and additional pedestrian safety enhancements such as Rectangular Rapid Flashing Beacons (RRFBs), refuge islands, lighting, or other measures determined necessary by the Public Works Director based on the City's traffic engineering review.

On June 6, 2026, the applicant provided additional exhibits clarifying the scope of the pedestrian improvements, including details of the crosswalk and sidewalk design and the schematic location of new streetlights (Attachment 2). These exhibits depict the midblock crossing in compliance with Condition of Approval 56 and including high visibility striping, pedestrian warning signage, ADA compliant curb ramps, RRFBs, refuge islands, and lighting.

The City's consulting engineer reviewed the new exhibits and stated that RRFBs are an established, FHWA-supported countermeasure for uncontrolled crossings and, when combined with the proposed features (high-visibility striping, median refuge, lighting, etc.), are consistent with acceptable standards intended to ensure pedestrian safety.

The applicant team and the City's consulting engineer will be available for questions.

Noise

Condition of Approval 36, Exterior Noise Level Acoustical Analysis, notes that a Preliminary Environmental Noise Study was prepared by Salter (Project No. 24-0542, dated January 22, 2025) and submitted with the project application; this study confirmed that all residential units require STC-rated windows and exterior doors, that mechanical ventilation shall be provided so that windows may remain closed, and that upgraded exterior wall assemblies (minimum STC 50) are required at the southern façades of Buildings 5 and 6 to address single-event railroad noise (L_{max} criterion: 50 dB in bedrooms, 55 dB in other habitable rooms).

A preliminary environmental noise study prepared by Salter was included in the May 26 agenda packet as Appendix E; however, some exhibits referenced in the text were inadvertently omitted. and the complete version is included as Attachment 3 to this report. The preliminary study confirmed that all residential units require STC-rated windows and exterior doors, that mechanical ventilation shall be provided so that windows may remain closed, and that upgraded exterior wall assemblies (minimum STC 50) are required at the southern façades of Buildings 5 and 6 to address single-event railroad noise (L_{max} criterion: 50 dB in bedrooms, 55 dB in other habitable rooms). The study provides recommendations to achieve interior and exterior noise levels in accordance with the City's General Plan standards, including construction of a sound wall at the clubhouse patio on Willow Ave. and at the dog run, as shown in Figure 4.

The project is subject to the Hercules New Town Center EIR Mitigation Measures NOI-1 through NOI-4, which require a final acoustical analysis prior to building permit issuance. This analysis must confirm interior noise levels do not exceed 45 CNEL, exterior courtyard levels do not exceed DNL 60 dB, and deck levels do not exceed DNL 65 dB. Sound Transmission Class-rated windows, mechanical ventilation, and upgraded wall assemblies are required on the most noise-exposed facades.

The applicant's architect and acoustical engineer and the City's environmental consultant will be available for questions.

Air Quality

Air quality impacts of the Project on the environment due to grading, construction, and greenhouse gas emissions are addressed by Mitigation Measures AQ-1 through AQ-8.

The Bay Area Air District (BAAD) encourages but does not require CEQA analysis of a project's exposure to existing pollution sources. BAAD recommends evaluating risks for residences within 500 feet of a major freeway for informational purposes.

The New Town Center EIR included a Health Risk Assessment, which concluded that the health risk impact before mitigation was less than significant.

The CALGreen building code, Title 24, and the California Mechanical Code include the following requirements:

1. Mechanical ventilation required (ASHRAE 62.2).

All new homes must include continuous mechanical ventilation to ensure a minimum amount of outdoor air is brought inside.

2. MERV 13 filtration is mandatory.

Air supplied through mechanical systems must be filtered with Minimum Efficiency Reporting Value (MERV) 13 or better. This is the most important air-quality protection requirement for freeway-adjacent housing.

3. Mechanical systems must be designed for high-efficiency filters.

HVAC units must accommodate MERV 13 filters without compromising airflow or system performance.

4. Indoor humidity and pollutant control.

Kitchens and bathrooms must have local exhaust to remove moisture and pollutants.

5. Proper duct sealing and airflow.

Ductwork must be sealed and tested to ensure no leakage and adequate airflow for ventilation and filtration.

6. Outdoor air intakes must be filtered.

Any mechanically supplied fresh air (e.g., through an HRV/ERV or HVAC system) must pass through MERV 13 filtration before entering living spaces.

These requirements, and specifically the MERV 13 filtration, are the state's primary mechanisms for reducing exposure to freeway pollutants (PM2.5, ultrafine particles, diesel exhaust) inside new residential buildings. Staff also notes that the impacts of the existing environment on the project cannot be analyzed under CEQA pursuant to recent appellate rulings.

The applicant team and the City's environmental consultant will be available for questions.

FISCAL IMPACT:

There are no direct fiscal impacts associated with this item.

ATTACHMENTS:

- Attachment 1 – Resolution
- Attachment 2 – Exhibits from Applicant
- Attachment 3 – Complete Preliminary Noise and HVAC Study (Appendix E to Addendum)