



Addendum to the Hercules New Town
Center EIR
Design Review Permit (DRP) 25-04
Vesting Tentative Map (VTM) 25-02
Planned Development Plan (PDP) 25-02

Emblem Hercules Apartments

1601 Willow Avenue

City Council - May 26, 2026

Presentation Agenda

- 1 Project Overview
- 2 State Housing Law Context
- 3 Regulatory Context
- 4 Project Description
- 5 Objective Development Standards / State Density Bonus Law — Development Standard Waivers
- 6 Findings
- 7 CEQA / Environmental Review
- 8 Recommendation

Project Overview

Location

1601 Willow Avenue
(Loop Site)
APN 406-070-042-6

Applicant

Quarterra Multifamily
Communities

Entitlements

DRP 25-04 · VTM 25-02 ·
PDP 25-02

General Plan / Zoning

New Town Center (NTC)

180

Apartment Units

102 one-bed · 66 two-bed ·
12 three-bed

18

Affordable Units (10%)

Very low-income households

26.8

Gross Density

35.4 Net Density

6

Three-Story Apartment Buildings

44 ft height

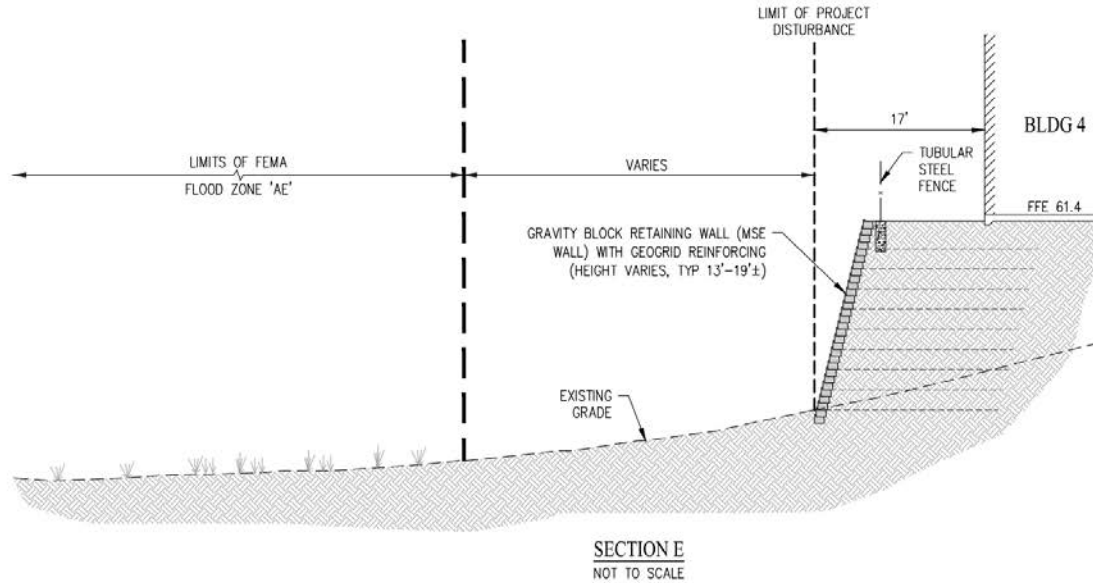
Project Overview



Project Overview



Project Overview



TYPICAL GRAVITY BLOCK WALL (MSE WALL)

NOT TO SCALE

State Housing Law Context

Housing Accountability Act (HAA)

Prohibits denial or density reduction of qualifying residential projects unless a specific, quantifiable adverse impact on public health or safety is demonstrated. Review is limited to objective standards.

Gov. Code §65589.5

Housing Crisis Act — SB 330 / SB 8

Project submitted SB 330 Preliminary Application on Oct. 21, 2024 — prior to Housing Element certification. Project vested rules in effect at that time, including eligibility for Builder's Remedy.

Gov. Code §65589.5(o)

Builder's Remedy 2.0 (AB 1893)

Project qualifies: purely residential, SB 330-vested, and 10% of units (18) restricted to very low-income households. City may not deny or reduce density unless it finds that Project would have a specific, adverse effect on public health and safety — one that is significant, quantifiable, direct and unavoidable -- based on objective written standards in effect at time of pre-application.

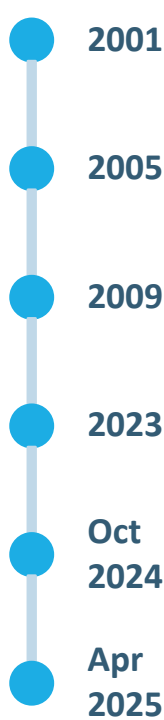
Gov. Code §65589.5(d)(5)

State Density Bonus Law

Project qualifies for density bonus waivers, reducing maximum parking ratios to 1 space/studio-1BR and 1.5 spaces/2-3BR. Four development standard waivers are requested under SDBL (Gov. Code §65915).

Gov. Code §65915

Regulatory Context - Background

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- 2001** Central Hercules Plan (CHP) Regulating Code adopted — NTC subdistrict established
 - 2005** Disposition & Development Agreement identifies Loop site as Additional Town Center Parcel
 - 2009** New Town Center zoning district created; HNTC EIR certified (SCH #2007062002)
 - 2023** DDA terminated for Loop site by City Council resolution at property owner's request
 - Oct 2024** SB 330 Preliminary Application filed prior to Housing Element certification
 - Apr 2025** Development applications submitted (DRP, VTM, PDP) within 180-day window

Regulatory Context – Land Use Framework

General Plan

New Town Center (NTC) — allows residential multifamily, commercial, or mixed-use

Zoning

NTC New Town Center District (HMC Chapter 13-18)

Central Hercules Plan Opt-In

Loop Site is an 'Additional Town Center Parcel' and did not opt into CHP Regulating Code objective standards

Overlay Districts

Scenic Road & Highway Overlay District (Chapter 13-25) — Willow Avenue frontage standards apply

CEQA

Addendum to HNTC EIR (SCH #2007062002), certified Feb. 10, 2009

Project Description – Dwelling Units

Unit Type	Size (SF)	Total Units	Affordable Units	% Affordable
1-Bedroom (635 sf)	635	78	8	10.3%
1-Bedroom (677 sf)	677	24	2	8.3%
2-Bedroom (924 sf)	924	42	4	9.5%
2-Bedroom (965 sf)	965	12	1	8.3%
2-Bedroom (1,007 sf)	1,007	12	1	8.3%
3-Bedroom (1,207 sf)	1,207	6	1	16.7%
3-Bedroom (1,249 sf)	1,249	6	1	16.7%
TOTAL	—	180	18 (10%)	—

All affordable units restricted to very low-income households, dispersed across all buildings and unit types.

Affordable Housing & No Net Loss

AFFORDABLE HOUSING

18

Very Low-Income Units

10% of 180 total units

10

1-Bedroom Affordable

8 × 635sf + 2 × 677sf

6

2-Bedroom Affordable

4 × 924sf + 1 × 965sf + 1 × 1,007sf

2

3-Bedroom Affordable

1 × 1,207sf + 1 × 1,249sf

NO NET LOSS (GOV. CODE §65863)

The Project results in a change in income-category distribution from what was credited in the Housing Element sites inventory (402 units). Under §65863, the City must identify sufficient replacement sites, including sites for at least 277 very low-income units.

- **Singh Parcel (APN 406-160-002-1)**
140 very low-income units
- **West Coast Drilling (APN 406-160-006-2)**
137 very low-income units
- **Bayfront ABCDJ (Ledcor) – Builder’s Remedy application**
36 low-income units on Block J
- **Bayfront EH (CHW) – SB 35 preliminary application**
22 extremely/very low, 84 low-income and 1 above-moderate income units

Result: 1,129-unit RHNA surplus. No Net Loss requirements by income category are satisfied.

Objective Development Standards

Standard	Required	Proposed	Status
Residential Density	30–75 DUA	Gross: 26.8 DUA / Net: 35.4 DUA	✓ Builder's Remedy min.
Building Height	Min. 20 ft / Max. 85 ft	Apts: 44 ft / Clubhouse: 26 ft	✓ Compliant
Front Setback	0 ft min.	15 ft or more	✓ Compliant
Rear Setback	10 ft (non-residential adj.)	10 ft or more	✓ Compliant
Side Setback	0 ft min.	15 ft or more	✓ Compliant
Parking (SDBL max.)	219 spaces total	239 spaces total	✓ Compliant
Monument Sign	≤ 32 SF face, ≤ 6 ft ht.	31 SF face, 6 ft height	✓ Compliant
Carport space width	10 ft min.	9 ft wide (all carports)	⚠ Waiver (SDBL)
Surface pkg. setback	50 ft from street	< 50 ft along EVA	⚠ Waiver (SDBL)
Pkg. landscape islands	Every 6 stalls max.	Exceeds 6 stalls	⚠ Waiver (SDBL)
Town Center street type	CHP street standards	Infeasible due to freeway interchange	⚠ Waiver (SDBL)

State Density Bonus Law — Development Standard Waivers

Four waivers are requested under Government Code §65915. Each is the minimum deviation necessary to achieve the project's residential density.

1 Standard: 10 ft minimum width required | Proposed: 9 ft wide carport spaces

Carport Parking Space Width

Project cannot achieve required residential density with wider spaces given site constraints.

2 Standard: A/C units prohibited between building facade and street | Proposed: Condensers located at certain building facades

Air Conditioning Condenser Location

Site layout at required density necessitates condenser placement in otherwise prohibited locations. Screened with landscaping.

3 Standard: 50 ft setback from street required for surface lots | Proposed: Less than 50 ft along secondary EVA

Surface Parking Setback

Reducing the parking footprint required to meet the setback would reduce the available project area needed to achieve the residential density.

4 Standard: Landscape island required every 6 consecutive stalls | Proposed: Islands spaced greater than 6 stalls to accommodate carports

Parking Lot Landscape Islands

Strict compliance would reduce the carport and building footprint needed to achieve the residential density.

Findings — Design Review (DRP 25-04)

The Project is not required to comply with subjective development standards, including subjective findings that would otherwise be required for the proposed entitlements.

Finding 1: Compliance with Zoning and General Plan

NTC designation expressly allows residential multifamily. No GP amendment or zone change required. Project evaluated for compliance with CHP objective standards or SDBL waivers.

Finding 2: Best Interests of Public Health, Safety & Welfare

180 units including 18 affordable to VLI households on transit-proximate infill site. Willow Avenue frontage improvements, RRFB crossing, all-electric construction, solar carports, EV infrastructure.

Finding 3: Site Design Provides Desirable Environment

Development focused on buildable western/southern portions; 50-ft buffer from stream/wetland preserved. Retaining walls address grade. Dedicated left-turn lane and RRFB crossing coordinated with Willow Ave. realignment.

Finding 4: Architectural Character Consistent with Design Standards

West Coast Craftsman-inspired style, consistent Craftsman palette across all 6 buildings and clubhouse. Downcast LED lighting, matte finishes, screened mechanical equipment. Consistent with Scenic Road/Highway Overlay.

Finding 5: Landscape Consistent with Design Standards

176 trees, MWELO-compliant irrigation, Hydrozone Plan submitted. Frontage landscaping consistent with Scenic Road & Highway Overlay District requirements (HMC Chapter 13-25).

Findings — VTM 25-02 & PDP 25-02

VESTING TENTATIVE MAP (Gov. Code §66474)

- Consistent with the General Plan (NTC designation)
- Consistent with NTC zoning and CHP — project uses permitted
- Design/improvements are consistent with the project site
- Consistent with PDP 25-02
- Site is physically suitable for the type and density of development
- HNTC EIR mitigation measures are appropriate
- Will not conflict with easements or access through the subdivision
- Consistent with Title 10 Chapter 2 (Subdivisions) of the HMC

PLANNED DEVELOPMENT PLAN (HMC §48.600)

Use & Density

NTC designation permits residential multifamily. 180 units at 35.4 DUA net density, consistent with Builder's Remedy minimum of 15 DUA.

Streets & Traffic

~1,229 daily trips (13% of HNTC EIR projection). Dedicated left-turn lane on Willow Ave. Subject to Traffic Impact Fee.

SDBL Waivers Justified

Four waivers from NTC/CHP standards requested. Each tied directly to achieving residential density; minimum deviation necessary.

Area Compatibility

NTC planning area surrounds site. Freeway interchange physically separates from incompatible designations. Consistent with HNTC EIR development potential.

Utility Services Adequate

All utility demands within HNTC EIR analyzed capacity. Infrastructure improvements conditioned prior to building permits.

General Plan & Zoning Consistency

The Project is consistent with the NTC General Plan designation and implements the following Housing Element policies:

Policy H1.1

Facilitate affordable housing production

18 units (10%) restricted to very low-income households. Processed under HAA and Builder's Remedy, consistent with City's commitment to remove regulatory barriers.

Policy H2.5

Support high-quality rental housing for large families

180 rental apartments including 12 three-bedroom units. Clubhouse, dog park, and quality amenities support the policy objective.

Policy H2.7

Encourage infill development

Currently vacant NTC-zoned parcel in the City's Housing Element sites inventory. Project provides 180 units on transit-proximate infill site; avoids greenfield development.

No Net Loss

\$65863

Maintain RHNA capacity by income category

No net loss of adequate sites. Replacement sites identified: Singh parcel + West Coast Drilling (277 VLI units) + Bayfront ABCDJ/EH (285 units). Total RHNA surplus: 1,129 units.

Environmental Review — CEQA

Addendum to the Hercules New Town Center EIR

SCH #2007062002 · Certified February 10, 2009

Prepared by City of Hercules as Lead Agency

Project site analyzed as Parcel 3 in HNTC EIR for up to 375 DU.
The proposed 180-unit project is substantially reduced in intensity.

Addendum is appropriate because:

- No substantial changes requiring major revisions to the EIR
- No new significant environmental effects identified
- No new information of substantial importance discovered
- Project does not have one or more significant effects not discussed in the program EIR
- Applicant has agreed to all applicable mitigation measures

REGULATORY AGENCY COORDINATION

Caltrans

Encroachment Permit required for any work in State highway ROW adjacent to I-80 off-ramp and Willow Ave. improvements.

CDFW

Coordination with CDFW is extensively reflected in both the Addendum and the Conditions of Approval. 50-ft buffer maintained. Lake and Streambed Alteration Agreement (if triggered).

USFWS

California Red-Legged Frog (threatened) potential habitat on-site. There is currently no federal nexus for the project because no federal permit or authorization is being sought. Consultation with USFWS is not required.

RWQCB

The Bay Area Regional Water Quality Control Board was consulted early and throughout the review process.

Recommendation

Staff recommends that the City Council adopt a resolution to take the following actions:

1

Approve the
Addendum

Addendum to the
Hercules New Town
Center EIR
(SCH #2007062002)

2

Approve Design
Review Permit

DRP 25-04

3

Approve
Vesting
Tentative Map

VTM 25-02

4

Approve Planned
Development
Plan

Initial and Final PDP
25-02