

# City of San Mateo



## Workshop Report For the July 9, 2012 Required Retail Frontage Public Workshop

City of San Mateo  
Community Development Department  
Planning Division  
330 W. 20<sup>th</sup> Avenue  
San Mateo CA 94403

Required Retail Frontage Web Site: <http://www.cityofsanmateo.org/index.aspx?NID=2477>

**City of San Mateo  
Workshop Report  
Required Retail Frontage Public Workshop**

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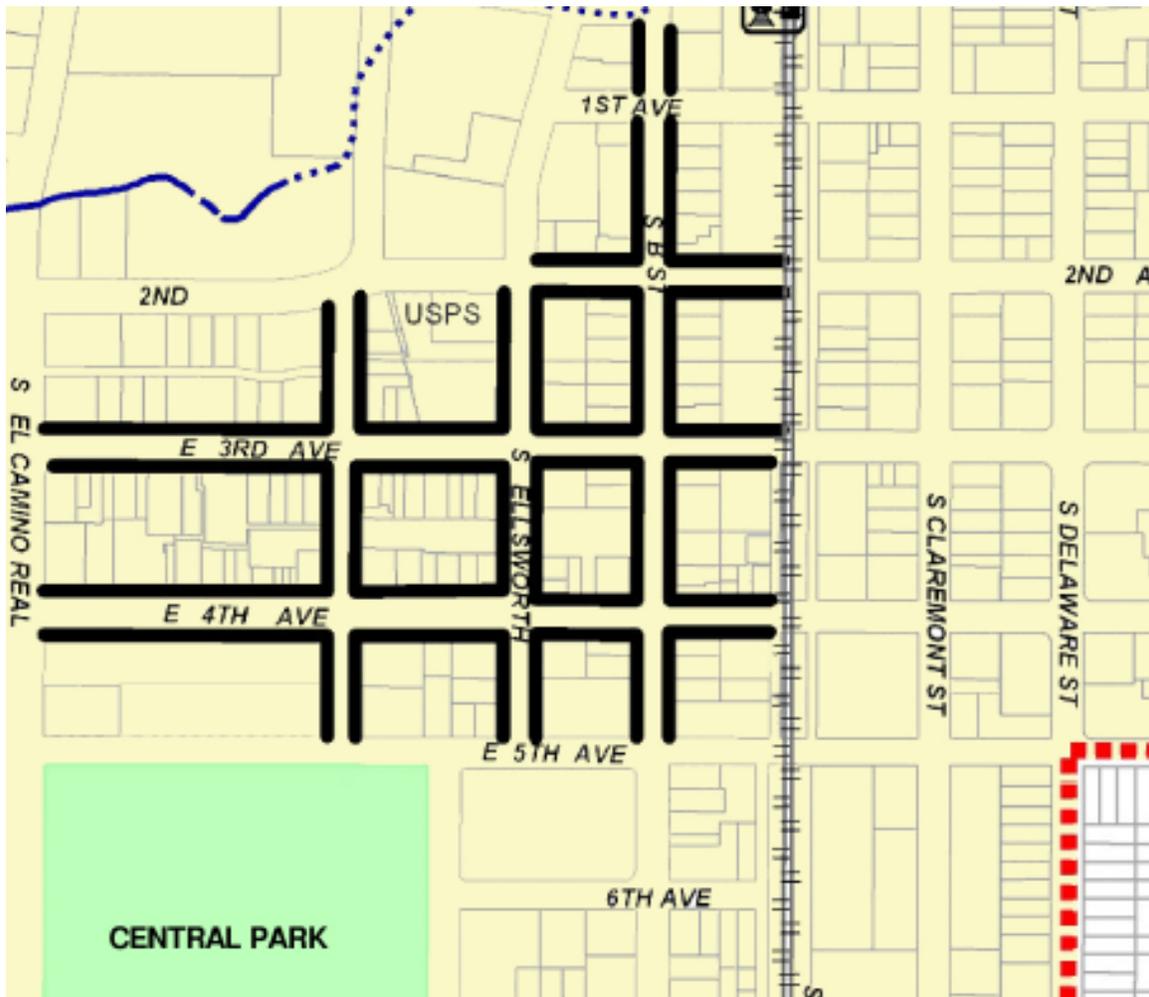
**Attachments:**

- PowerPoint: Downtown Ground Floor Retail Frontage Requirements
- PowerPoint: Downtown San Mateo Market Analysis Update
- PowerPoint: Downtown Parking

## INTRODUCTION

The Required Retail Frontage requirements were first established in 1986 with the adoption of the Downtown Plan. The requirements at that time (see attached) had allowed as a permitted use a small percentage of the ground floor to be devoted to any type of office use or other use otherwise permitted in the Central Business District.

In 2000, during the “dot.com boom”, a number of ground floor spaces were being converted to offices. As a result, the City Council adopted an urgency ordinance prohibiting the establishment of any new ground floor offices in the downtown. After study and analysis of this issue, the present requirements were adopted by the City Council in 2001 and remain in place today.



## ***General Plan, Downtown Plan and Implementing Zoning Code Standards***

Policy LU 3.1 of the current City of San Mateo General Plan states the following:

**LU 3.1: Downtown Plan.** As the social, cultural and economic center of the City, the downtown shall maintain a wide range of office, medical, residential, entertainment, and retail uses at high intensities and densities.

Policy II.2 of the Downtown Plan states the following:

***II.2 Required Retail Frontage.*** *Require the provision of ground floor retail uses with windows on properties located on the primary shopping streets as identified in the Required Retail Frontage Zone Map (see map at the end of this chapter). In addition to traditional retailing activities, permit entertainment and cultural uses, and allow fast food establishments in limited instances.*

This policy is implemented by Zoning Code Section 27.38.110 Required Retail Frontage (see attached). This section requires the ground floor of buildings within the Required Retail Frontage Area to be used for retail sales, personal services, eating and drinking establishments, theaters and cultural facilities, and banks (with the exception of block corners).

The zoning code does allow for consideration of a Special Permit Use for “ground floor dependent offices” (maximum of 2,500 sq. ft.) upon making a finding that “Such uses shall require ground floor visibility to serve patrons on an unannounced or drop-in basis, shall conduct a majority of their business face-to-face on the premises with their customers, and shall maintain retail storefronts comparable to traditional retail sales operations, including display of goods and services for sale.”

It should be noted that these provisions apply to ground floor space only and do not apply to the upper floors, or basements of buildings. In addition, while Downtown San Mateo is large in comparison to other peninsula downtown areas, the Required Retail Frontage areas are concentrated in the retail core, as indicated below:

### ***Recent Council Direction***

During the recent public hearing regarding expansion of snapLogic (PA 11-052), a proposed expansion of a software company to a ground floor space within the Required Retail Frontage area, the City Council endorsed a review of the ground floor retail zoning code requirements given the City’s interest in encouraging startup companies within the downtown area.

July 9, 2012  
5:30 pm  
Oak Room, Main Library



## *Public Workshop Agenda*

### Downtown Ground Floor Retail Frontage Requirements



5:35 – 5:40 pm Introduction, Purpose and Review of Agenda  
(Ronald Munekawa, Chief of Planning)



5:40 – 6:10 pm Downtown Retail Market Study  
(AECOM – Bill Lee, Linda Cheu, Anita Roth)



6:10 – 6:25 pm Downtown Parking  
(Matt Bronson, Interim Facilities Manager)

6:25 – 6:45 pm Other Options, Thoughts and Feedback

6:45 – 7:00 pm Wrap up.

\*If you would like to provide your comments/suggestions please write in your comments below and drop it in the comment box at the sign in table on your way out or send an email to Julia Yeh at [jyeh@cityofsanmateo.org](mailto:jyeh@cityofsanmateo.org). Thank you!

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*(Please use the back side of this sheet for additional comments.)*

# REQUIRED RETAIL FRONTAGE PUBLIC WORKSHOP

Monday, July 9 2012  
Main Library, Oak Room

## WORKSHOP SUMMARY

### *Presentations*

This workshop was held to discuss issues concerning City of San Mateo Required Retail Frontage Requirements.

Approximately 25 members of the public attended this workshop. The workshop began with a presentation by City of San Mateo staff outlining the items noted in the *Introduction* section above.

AECOM, an economic/market research firm, then presented the findings of their study, which was intended to examine market forces that affect the viability of downtown retail.

AECOM's presentation included the following key findings:

- **Future Outlook is Strong**
  - Restaurants have continued to thrive during economic recession.
  - Recent opening of higher quality and "hip" restaurants in Downtown.
  - Downtown retail sales recovering faster than the city and the county.
  - Strong demand for retail in next 10 years.
  
- **Challenges**
  - Downtown retail affected negatively by the economic recession.
  - Long term retail vacancies do exist.
  
- **Key Conclusions**
  - Allowing for rear conversion of retail space to office will not have a significant negative impact on City revenue.
  - Benefits include preservation of a vibrant pedestrian retail environment and flexibility and greater revenue for property owners.
  
- **Major Recommendation**
  - We recommend 60 feet as a reasonable retail depth to use for an office conversion policy.
  - Proposed conversion spaces that would create retail spaces less than 60 feet in depth may be considered on a case by case basis through a conditional use permit process.

The primary recommendation of AECOM's analysis is that allowing for the rear conversion of retail space (deeper than 60') to office will not have a significant negative impact on the City.

Matt Bronson, Interim Streets and Facilities Manager for Public Works, then made a presentation regarding the City's long term examination of downtown parking. The presentation started with a brief description of the current status of downtown parking:

- Downtown San Mateo is a vibrant commercial and entertainment hub.
- Numerous changes to parking operations including four hour parking time and multi-space pay stations.
- Funding constraints in parking fund have precluded capital improvement funding for parking facilities.
- Heightened need to manage parking spaces efficiently.

Over the next two years, the Public Works Department will be doing a comprehensive study of downtown parking, including the following key issues:

- Rates
- Time Limits/Duration
- Enforcement Hours
- Parking Passes/Permits
- Residential/Overnight Parking
- In-Lieu Fees
- Need for Additional Spaces
- Use of Technology
- Maintenance Costs
- Retail vs. Office Use

While this long term parking study will extend beyond the time period anticipated for amendments to the City's Required Retail Frontage requirements, the material was presented to give an indication of the City's more long term parking efforts.

### ***Public Comment***

The evening concluded with questions and comments from the public. Generally, the consensus was to move forward with an examination of allowing limited office space within the Required Retail Frontage areas.

The following comments/questions were made, for those in which City staff or consultant responded, the response is also provided:

- What is the depth of storefront that requires a second exit?

*Response:* Second exit is required for cases where the occupancy is more than 49 persons, it is not directly related to storefront depth.

- If there is an existing concrete wall, will new windows need to be installed?  
*Response:* Windows would not be required unless extensive remodeling to the exterior walls was being done.
- The parking ratio for office space seems low given how many people can fit in an office on a square foot basis.  
*Response:* The downtown parking requirements are a blended rate, based upon the fact that multiple destinations can be accommodated by a single trip (parking space).
- How much is a monthly City downtown parking pass? Do we know who uses them?  
*Response:* A monthly pass costs \$126/quarter. Currently 650 such passes have been issued and we do not have a detailed breakdown of users.
- Existing business tenants complain that there is not enough parking at lunch time.  
*Response:* Amendments to the Required Retail Frontage requirements will not significantly impact downtown parking supply. However, the long term downtown parking study will examine parking peaks and management of the parking spaces during those peak periods.
- In addition to parking, concerned about traffic impacts in the downtown. El Camino is terrible and left turns are very difficult in the downtown area.  
*Response:* The limited potential for conversion from retail to office should have a minimal traffic impact. This will be examined prior to public hearings.
- There appear to be minimal impacts based on AECOM's projections. Is it possible to review after a period of time to insure that the projections are not exceeded?  
*Response:* It is possible that as part of the ordinance, a review after a specified period of time could be required.
- Software companies have different qualities than typical offices. How far is the City of San Mateo willing to go to attract these uses?
- Look at putting a cap on 20% of vacant space converting to office within a 5 year period. Look at a periodic review to examine accuracy of projections and impacts.
- Look at pedestrian only crossing such as the ones in San Francisco. Also, examine the feasibility of using parking lifts.

- Maintain the street frontage for retail, and limit the access to offices to a minimum width necessary to meet code requirements.
- Make the requirements flexible. Allow a 40 foot retail depth instead of requiring it to be 60 feet in depth.
- Redwood City just changed their downtown retail requirements. Check to see what they have experienced.

### ***NEXT STEPS***

The overall schedule is as follows:

- May – June Update of Retail Market study, staff analysis, parking review and preliminary draft alternatives.
- July 9 Public Workshop
- July Develop recommended Zoning Code Amendments
- August Planning Commission Public Hearing
- Sept./Oct. City Council Public Hearing

### **City Staff and Consultant in Attendance:**

Matt Bronson, Interim Streets and Facility Manager  
 Linda Cheu, AECOM  
 Erin Healy, Public Works Intern  
 William Lee, AECOM  
 Lisa Grote, Community Development Director  
 Vivian Ng, Administrative Aide  
 Ronald Munekawa, Chief of Planning  
 Anita Roth, AECOM  
 Julia Yeh, Associate Planner

### **Attachments:**

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