



Item No: 2
Meeting Date: February 25, 2014

To: Planning Commission

Date: February 17, 2014

Authorized By: Ron MuneKawa
Chief of Planning

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Subject: PA13-077 Hillsdale Terrace Mixed Use
Pre-Application; 2700, 2728 & 2790 El Camino Real, APN's: 039-352-060,
039-352-070 & 039-352-090

RECOMMENDATION

That the Planning Commission review the proposed Hillsdale Terrace Mixed Use project on a preliminary basis and provide input to the applicant and staff.

PROJECT DESCRIPTION

The proposed mixed-use project consists of the demolition of the existing on-site structures and construction of a new five-story structure with 17,328 square feet of ground floor commercial space, 68 residential condominiums, and a 3-level below grade parking garage. Outdoor open space for the residents would be provided on a second floor deck and a roof top garden. The roof would also house mechanical equipment and elevator shafts.

The residential units include 7 one bedroom units, 54 two bedroom units and 7 three bedroom units situated on four levels above the commercial floor.

The proposed project features streetscape improvements along El Camino Real and 27th and 28th Avenues that include:

- An open plaza with outdoor seating and a prominent art feature at the corner of 28th Avenue and El Camino Real;
- 20-foot wide sidewalks that provide a 10-foot wide through/frontage zone and 10-foot for planting areas and street furnishings such as benches; and,

- New street trees and landscaping.

A total of 172 parking spaces would be located on site at ground level behind the building and in a 3-level below grade parking garage beneath the building. These spaces include gated spaces for the residents and ungated spaces for guests, tenants, customers and for loading. See Table 1 for a breakdown of spaces as required by the Hillsdale Station Area Plan. These standards are generally lower than required by the City's Zoning Code Section 27.64 due to the approach to parking taken in the places designated TOD under the Rail Corridor Plan. Using the city-wide minimum parking requirements might result in an oversupply of parking because development that occurs within the Station Area will likely have lower parking demand given the higher density, mix of uses, and proximity to transit. The Rail Corridor Plan calls for parking standards to be established based on a project specific Trip Reduction and Parking Management Plan. Table 1 shows the minimum parking requirements.

SITE DESCRIPTION

The proposed project site includes 43,525 square feet of partially developed land that extends approximately 356 feet along the entire west side of El Camino Real from 27th Avenue on the north side to 28th Avenue on the south side. The site covers approximately one half of this block, the eastern portion, for a depth of 120 feet.

The site consists of three parcels; two parcels are occupied by two buildings and parking lots currently used for auto sales, and the third parcel is vacant. The site is bounded to the north, east and south by commercial uses along El Camino Real and to the west by multi-family residential and some office uses on Edison Street. The area west of Edison Street is primarily residential. Fire Station # 23 is located within one block of the site at the corner of 27th Avenue and Edison Street.

Public transportation is served by SamTrans buses along El Camino Real and Caltrain at the Hillsdale Caltrain Station located on the east side of El Camino Real. The Hillsdale Caltrain Station is planned to be relocated closer to the project site between 28th and 31st Avenues with improved connectivity via grade separated railway crossings at 28th and 31st Avenues. These grade separations will also improve connectivity from the project site to the new 83-acre Bay Meadows Transit Village, which is currently under construction.

Table 1
Hillsdale Station Area Plan Parking Requirements
San Mateo Municipal Code Section 27.04.200 (d)

<i>Use</i>	<i>Floor Area for Parking Calculations¹</i>	<i># Units</i>	<i>Commercial</i>	<i>Residential (must be gated) Parking Ratio</i>	<i>Residential Guest Spaces Parking Ratio</i>	<i>Residential Guest Spaces Ungated</i>	<i>Residential Gated</i>
Commercial (assume Restaurant)	17,328		4/1000			69	
Residential- 1 BR unit		7		1	0.2	1.4	7
Residential- 2 BR unit		54		1.3	0.2	10.8	70.2
Residential- 3 BR unit		7		1.6	0.2	1.4	11.2
Total = 172						83	89

1. Hillsdale Station Area Plan Policy TRA-4.1 also requires preparation of a Trip Reduction and Parking Management Program.

Project plans are included as Attachment 2. A mixed-use data form has been prepared that shows how these preliminary plans meet the development standards for the project as Attachment 5. Additional details related to the Hillsdale Terrace Mixed Use project will be provided with the formal planning application submittal.

As presently designed, the project requires Site Plan and Architectural Review (SPAR) for the demolition of existing buildings and uses and the construction of the mixed use building, a Site Development Planning Application for tree removal; and a Vesting Tentative Subdivision Map to subdivide the units for sale. In addition, specific General Plan findings to allow a building height of 55 feet are required (see below). Sample findings for these planning applications are included as Attachment 6.

CODE AND POLICY COMPLIANCE

Overview

The developer, Hillsdale Terraces LLC, has assembled three contiguous parcels along El Camino Real that are located in the Hillsdale Station Area and within ½ mile of the existing Hillsdale Caltrain Station, and within two blocks of the proposed new transit center that will be located between 28th and 31st Avenues. The amount of new development that will be built in the ½ mile walking distance of the Hillsdale Caltrain Station is projected to result in a large net increase in ridership. The new ridership is due to projected residential and commercial development within the Station Area as well as in nearby Bay Meadows Phase II. From 2009 to 2035, there is a

projected increase in ridership of 250 percent, from 1,941 to 6,838 weekday riders. The City of San Mateo's population is expected to grow by 22 percent between 2010 and 2030, reaching 116,200 residents in 2030¹. This projected population and ridership growth emphasizes the need to plan for housing in the vicinity of transit. The proposed project would locate new dwelling units in the proximity of existing and planned transit facilities.

The City's General Plan (2010), the Hillsdale Station Area Plan (2011), the El Camino Real Master Plan (2001) and the San Mateo Rail Corridor Transit-Oriented Development (TOD) Plan (2005) all support infill and redevelopment of sites within the Hillsdale Station Area that promote compact, sustainable and pedestrian/transit-oriented development. These plans also indicate the need for mixed-use development to incorporate higher density housing and commercial uses within the area of the proposed project.

The Hillsdale Station Area Plan specifically envisions the stretch of El Camino Real north of 31st Avenue to serve as a bridge between the Station Area's two major commercial nodes, the Hillsdale Shopping Center and 25th Avenue, to create a cohesive network of neighborhoods and commercial hubs. The Hillsdale Station Area Plan further defines this corridor as the Active Zone of the Station Area and requires non-residential ground-floor uses. New development along this corridor should be designed to enliven the street and create space that is open and inviting.

28th Avenue is designated as a major east-west connection in the Station Area to provide vehicular, bike and pedestrian connections between Bay Meadows, the Station Area, and residential neighborhoods to the west. As such, a grade separation is proposed at 28 Avenue and the railroad. The street is designated as a Class III signed bicycle route west of El Camino Real and a Class I multi-use path east of El Camino Real through Bay Meadows.

General Plan: The General Plan Land Use Diagram designates the project site as Mixed Use, Regional Community Commercial / High Density Multi-Family. The proposed project is consistent with this land use designation. The project site is located within the "Beresford Park" planning area which contains a policy supporting commercial and high density residential use of the area of South El Camino Real between SR 92 and 29th Avenue.

Building heights up to 55 feet may be permitted within this planning area if the project site is more than 100 feet deep and meets the following criteria and is approved by the City Council:

- a. The project provides amenities, such as landscaped plazas, covered parking, setbacks from the street, stepbacks of upper stories, and public improvements substantially in excess of City requirements;

¹ Association of Bay Area Governments (ABAG)

- b. The building has high design quality, which is enhanced by additional building height;
- c. Increased building heights are visually related to surrounding building heights and promote the creation of a coherent City image;
- d. Increased building heights are compatible with surrounding land uses, and will not create adverse shadow or visual impacts on surrounding residential uses; and
- e. The City's infrastructure is adequate to accommodate the proposed development.

Compliance with the above criteria will be developed with the formal planning application. General Plan policies that apply to this project address a variety of topics, including land use, urban design, and noise. (See Attachment 7- list of applicable policies)

Zoning Code: The project site is zoned C3-1/R4 (Regional or Community Commercial / High Density Multiple Family Dwellings). The commercial zoning permits a broad range of office, retail, and service uses of community-wide or regional significance. Although the site is located within close proximity to the existing and proposed relocated transit center, the site is not zoned Transit Oriented Development (TOD). However, such a location offers opportunities for TOD type of development of the site. At this time, the specific type of commercial use that would occupy the project's commercial space has not been determined. For purposes of calculating parking requirements for the preliminary plans, the applicant used the highest ratio for a restaurant use as specified in the Hillsdale Station Area Plan Parking requirements.

The residential overlay zoning district permits high density residential up to 50 units per acre and a floor area ratio of 2.0. The mixed use project is required to comply with the setbacks of the underlying zoning district (in this case, C3) and the residential usable open space requirements of the R5-D zoning district.

The formal planning application will document compliance with all applicable Zoning Code requirements. Generally the project appears to comply with these requirements.

Green Building: The project is anticipated to be in compliance with the California Green Building Standards Code. The CALGreen Code replaces the City's Green Building Ordinance which was rescinded effective January 1, 2014. Green building components identified at this time include:

1. Green roof landscaped by low-maintenance indigenous species of plants.
2. Incorporated water catchment system to help control runoff as well as reduce water demand.

3. Providing short term and long term bicycle parking both for commercial and residential area to encourage trip reduction strategy to the nearby Hillsdale station.
4. Dedicated Parking space for alternative vehicles.
5. Building will employ low-e glazing and well insulated building envelop to reduce the effect of solar heat gain.
6. Combined heat and power system to drive down the consumption of energy while providing effective heating and cooling.

Density Bonus: The applicant will be requesting a 35 percent increase in the residential density increase under the State Density Bonus and Other Incentives Law – State Government Code 65915. The City, to comply with the state density bonus law and to implement the housing element of the San Mateo General Plan, provides increased residential densities and an “incentive or concession” for projects that guarantee that a portion of the housing units will be affordable to very low, low, or moderate-income households, provide senior citizen housing, or include child care facilities.

The project is proposing to provide 15% or 10 of the 68 units to very low income residents and as a result is proposing 68 units per acre which is a 35% percent density increase from the 50 units per acre allowed in the R4 zoning. By providing 10% very low income units, the applicant is allowed a 35 percent increase in density and three concessions or incentives. At this time, the applicant is requesting to increase the Floor Area Ration (FAR) from 2.0 to 2.5.

Relevant Area and Master Plans: A summary of the relevant area and master plans and the major policies related to the Hillsdale Terrace Mixed Use planning application is included in Attachment 7. Key plans that are pertinent to the project are summarized below.

El Camino Real Master Plan

In 2001, the City Council adopted the El Camino Real Master Plan which provides a vision for enhancements to El Camino Real from State Route 92 to the Belmont City Limits border. The Master Plan provides infrastructure and guidelines to create a vibrant mixed-use community with enhanced opportunities for public transit and a safe pedestrian environment. The Master Plan includes a streetscape plan for public improvements such as landscaping medians, creating theme intersections with landscaping and street furniture, and recommendations for parking enhancements. Design guidelines address the character of private development along the El Camino Real corridor. Topics such as building facades, setbacks, building form, location of parking, and signage are discussed in the guidelines. The land use vision for the project supports increased development density around transit nodes and by encouraging opportunities for aesthetically pleasing, high-quality buildings with a mix of uses along the corridor.

The project site is located within the ECR3 district which envisions land use that promotes a mixed-use transit-oriented community that makes the best use of its proximity to the Hillsdale Caltrain station.

San Mateo Rail Corridor Transit-Oriented Development Plan

The San Mateo Rail Corridor Transit-Oriented Development Plan that was adopted in 2005 includes transit supportive policies, land uses, development densities, height standards, and design guidelines. These policies include the establishment of two TOD zones located within the larger plan area in the ¼ mile radius of the Hayward Park and Hillsdale Stations. The proposed project is located within the Hillsdale Station TOD overlay zone of the plan. New development within these TOD zones is highly encouraged to be transit oriented, including mixed-use, different densities and parking requirements, and transit and pedestrian supportive design standards. The plan specifically identifies TOD land use for these areas as:

“Land uses within the area should therefore be the most transit supportive possible, predominantly including multi-family housing and major employment centers. Large scale retail, industrial uses, such as “big-box” retailers, auto sales, home improvement centers, regional shopping centers, or other uses that are non-transit supportive are not allowed in the TOD zone areas. These uses are generally not considered “transit supportive” mainly because transit users are not likely to carry bulk purchases on the train due to general inconvenience. Instead, uses that are more convenience oriented such shops which carry smaller goods, cafes, news stands, dry cleaners, neighborhood grocery stores and even some more specialized services and shops such as daycare, art stores, or similar uses are more appropriate. Each of these uses are envisioned to be developed within larger mixed-use buildings, combined with either residential or office uses.”

Hillsdale Station Area Plan

The Hillsdale Station Area Plan that was adopted in 2011 is a comprehensive, long range (20-year) advanced planning document for the area to the west of the existing Hillsdale Caltrain station. The Hillsdale Station Area Plan is built on the principles founded by years of planning by City officials, designers, and local citizens to make San Mateo a better place to live and work. Taking its cue from local planning efforts such as the General Plan, San Mateo Rail Corridor Transit-Oriented Development Plan, and regional planning frameworks provided by ABAG and MTC, this Plan provides the regulatory framework for compact and sustainable development in the area surrounding the Hillsdale Caltrain Station. The Station Area Plan integrates a planned transportation hub into existing urban and circulation systems, and develops strong connections to Bay Meadows Phase II and surrounding neighborhoods, while maintaining the fabric of existing neighborhoods.

The Plan Area encompasses 150 acres (roughly .25 miles by 1.25 miles) of land in the city. The area stretches from the Caltrain right-of-way west to Flores Street and from 25th Avenue south

to 36th Avenue. 28th Avenue and El Camino Real is designated as a key intersection in this plan to provide opportunities to create distinctive places through consistent treatment of all four corners. Development on all corners of each key intersection is encouraged to carve out setbacks to create vibrant and intimate spaces. Where corner open space proves difficult to achieve due to site constraints, the key intersection node concept can also be achieved using vertical corner features on the buildings. Stepbacks are not required, and are strongly discouraged, for the portions of the building that face any open space developed at a key intersection. The proposed project shows an open plaza at this corner with pedestrian seating and an art feature as well as a setback vertical facade of the building.

Project Design Review: This project will require design review by the City's design review consultant. The consultant's review will focus on conformance with the Urban Design Element and relevant area and master plan design guidelines and policies as applicable.

Environmental Review and Traffic Analysis: An environmental document will be prepared for the project. At this point, it has not been determined what type of environmental document will be prepared.

Environmental factors potentially affected include, but are not limited to:

- Aesthetics
- Air Quality
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use
- Noise
- Public Services and Utilities
- Transportation Circulation and Parking

ISSUES

On-site parking

The project site is located within the Hillsdale Station Area Plan that specifies parking requirements per type of land use. See Table 1 for City requirements. Parking requirements are minimal to encourage multi-modal transit use. Neighbors in the immediate neighborhood have expressed concerns that the proposed project would not provide sufficient onsite parking for the proposed uses and would impact local streets with additional parking application where these streets are already overburdened by parking for existing uses. The proposed parking for the project meets the City requirements contained in the Hillsdale Station Area Plan on site with surface parking and a three level below grade parking garage. Parking will be examined as

part of the transportation circulation and parking report that will be prepared in conjunction with the environmental review.

Building Height

The proposed height of the building is 55 feet, five stories, with additional height on the roof for mechanical equipment. The building would be set back 10 feet from the property line along El Camino Real. A landscaped surface parking lot would provide a buffer between the building and the existing multi-family residential complex behind the building. That structure is approximately three and a half stories high. A sun/shade study would be prepared for the proposed building to determine the potential impacts.

The Zoning Code permits 40 to 55 feet in building height if the proposed project meets the criteria listed under the General Plan discussion above and is approved by the City Council.

Key Intersection Corner Feature Design

The project site is located at a key intersection, 28th Avenue and South El Camino Real. The corner of this intersection is required to be designed to meet the development guidelines for corners as set forth in the Hillsdale Station Area Plan. The plan envisions plazas and forecourts incorporating sustainable stormwater treatment anchoring El Camino Real where it intersects 28th Avenue. New mixed-use and commercial development at this corner could be designed to give space to cafes opening onto outdoor seating area, performance areas, benches, fountains, landscaping, and trees. This space would remain part of the private development, and would not be required to be publicly dedicated. Where corner open space proves difficult to achieve due to site constraints, the key intersection node concept can also be achieved using vertical corner features on the buildings.

As an alternative to open space setbacks, buildings located at key intersections shall be oriented and architecturally designed to emphasize the corner as a node of activity and architectural prominence. Solutions for developing projects that are of an exemplary quality include:

- Tower elements as a prominent massing feature
- Entry plazas on corner sites
- Fountains or water features
- Distinct changes in the building volume at the primary entry
- Prominent landscape features, such as tall trees
- Dramatic building lighting for nighttime effect
- Public art installations

The proposed site plan includes an open plaza at the key intersection with a prominent public art feature. The architecture of the building includes vertical tower features at both corners on

the El Camino Real side of the structure. The proposed project will be evaluated by the City's urban design consultant for its urban design merits according to these guidelines prior to submittal of the formal planning application.

NEIGHBORHOOD INPUT

The applicant conducted a neighborhood meeting on January 29, 2014 at the site. Twenty five persons plus applicant and City representatives attended the meeting. The applicant presented a slide show of the proposed plans and discussed the future urban design along the El Camino corridor, the mixed-use concept for the project and its strategic location near the transit center. Concerns expressed by the neighbors included:

- Potential parking impacts to the local streets and the need for more onsite parking
- The 55 foot height and massing of the proposed building and the shading impacts to the multi-family complex adjacent to the rear of the project site
- Construction impacts, especially noise, excavation and parking

A summary of the neighborhood meeting comments is included as Attachment 8.

PUBLIC OUTREACH/COMMENTS:

In accordance with Government Code section 65090, notice of this hearing was published in the Examiner newspaper 10 days before this Study Session. In accordance with Government Code section 65091 and the City's Municipal Code noticing requirements, this hearing was noticed to the following parties 10 days in advance of the neighborhood meeting and the Planning Commission study session:

- Property owners, residential tenants and business tenants within 1,000 feet of the project site;
- The City's "900 List" which contains nearly 100 Homeowner Associations, Neighborhood Associations, local utilities, media, and other organizations interested in citywide planning projects;
- The City's Planning E-Notify Email list; and,
- The interested parties list which includes interested individuals who contacted the City and requested to be added to the project notification list.

All public comments received to date are included with Attachment 6.

SUMMARY AND NEXT STEPS

At this time, staff is seeking Planning Commission comments and input on the following issues:

- Preliminary Design – Architectural style, building materials, massing and building form, height and criteria to allow 55 feet (see General Plan discussion).
- Key Intersection Corner Feature Design – Design features to meet the Hillsdale Station Area Plan guidelines.
- Parking – Evaluation of onsite parking.

Following this study session, the applicant will revise the plans as necessary to respond to comments from staff and the Planning Commission and submit a formal planning application.

ATTACHMENTS

1. Location Map
2. Preliminary Project Plans
3. Applicant's Project Summary, including Density Bonus Request
4. Sidewalk Standard from Citywide Pedestrian Master Plan
5. Mixed Use Data Form
6. SPAR and SDPA Findings for Approval
7. Applicable Area and Master Plan Policies
8. Neighborhood Meeting Summary
9. Public Comments

CC (AR and attachments (hardcopy) via USPS First Class Mail)

George Lam, Hillsdale Terraces, LLC
Winnie Lam, Hillsdale Terraces, LLC
Henry Lam, Hillsdale Terraces, LLC
Albert Costa, Costa Brown Architecture, Inc.

CC (Website link to AR and attachments via Email)

Interested Parties and Neighborhood Meeting Attendees (if email address was provided)