



Item No: 2
Meeting Date: December 9, 2014

To: Planning Commission

Date: December 1, 2014

Authorized By: Ron Munekawa
Chief of Planning

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Subject: PA 14-081, 2 East 3rd Ave Pre-Application
2 E 3rd Ave (APN: 034-143-010)

RECOMMENDATION

That the Planning Commission review the proposed commercial project on a preliminary basis, receive public comments, and provide input to the applicant and staff on the conceptual project, including its relationship to other proposed projects at the Three Corners site.

SITE DESCRIPTION

The project site is located at the intersection of East 3rd Avenue and South El Camino Real, which was formerly home to a gas station but has been vacant. The site is located within the area generally known as the City's "downtown core" and together with the two other corner properties at East 3rd Avenue and South El Camino Real, the intersection has the potential to form a major entryway into downtown.

The project site is approximately 8,604 square feet in size and is located on the southeast corner of East 3rd Avenue and South El Camino Real in downtown San Mateo (refer to Attachment 1). The site borders South El Camino Real, a state highway, on the western side, East Third Avenue on the northern side, an existing single-story contributor historic building on the eastern side, and the parking lot of a commercial building to the south. The subject property is adjacent to a variety of uses with Mills Medical Center further to the north,

commercial to the east and south, and residential and office/commercial to the west. The Caltrain Commuter Rail Line is located a few blocks to the east of the project site and the City's Central Park is located a few blocks to the south of the site. The property is zoned CBD (Central Business District) and the General Plan land use designation is Downtown Retail Core.

BACKGROUND

The Planning Commission reviewed a preliminary planning application for a different development proposal on this site at the June 26, 2008 Planning Commission meeting (PA08-036). The project in its previous form was a four-story mixed-use retail, office, and residential development totaling approximately 27,400 square feet, with 6,620 square feet dedicated to retail on the ground floor, 6,790 square feet of retail/office on the second floor, and 12 senior-only apartments on the third and fourth floors (refer to Attachments 2 & 3).

As previously proposed, the building's Floor Area Ratio was 3.2, which exceeded the maximum permitted FAR of 3.0. The building height was 53 feet (maximum allowed is 55 feet). The units are all one bedroom units ranging in size from 780 square feet to 950 square feet, and each would have private balconies ranging in size from 38-115 square feet, with a minimum of 80 square feet per unit required by the Zoning Code. The residential density as proposed was 60 units per net acre, which exceeds the maximum permitted density of 50 units per net acre. The applicant considered submitting a density bonus request to allow this density and make the project eligible for at least one incentive or concession as outlined in State law.

The previous project would have required approximately 48 parking spaces depending on the intensity of the commercial uses. The project is located in the CPID (Central Parking and Improvement District) Primary Benefit Zone. The applicant requested to pay parking in-lieu fees instead of providing parking on the project site.

The current proposal before the Commission is substantially different from the previous proposal.

PROJECT DESCRIPTION

A formal planning pre-application proposal has been submitted for the construction of a new three-story commercial building with ground floor retail space and two levels of office above (refer to Attachments 4 & 5). The retail space will be approximately 3,943 square feet and total office area will be approximately 20,025 square feet, for a total of 23,968 square feet (refer to Attachment 6).

The proposed architectural style is contemporary and provides for a ground floor canopy for an enhanced pedestrian experience and visual relief from the building massing. In conjunction

with the stone and stucco finish, glass, aluminum, and brick veneer, the varying materials create interesting texture and relate better to the older surrounding buildings.

As presently designed, the project is anticipated to require the following planning approvals:

- Site Plan and Architectural Review (SPAR) for new commercial building
- Environmental Review Document

CODE AND POLICY COMPLIANCE

The City's General Plan and Downtown Area Plan include specific policies that are tailored to the unique characteristics of the City's Downtown. Proposed developments in the City's downtown are reviewed for conformance with applicable polices and guidelines set forth in the General Plan, Downtown Area Plan, zoning code, and other applicable regulations (refer to Attachments 7 & 8 for applicable policies).

General Plan

The General Plan Land Use Diagram designates the project site as Downtown Retail Core. A preliminary list of applicable General Plan policies is included in Attachment 7. These include policies pertaining to commercial and economic development in downtown, traffic, parking, transportation demand, and tree preservation, encouraging pedestrian enhancements, and encouraging good urban design. The project has been designed to generally conform to the goals and policies of the General Plan. The formal planning application submittal will be required to provide further clarification and/or documentation to ensure conformance with all applicable polices and guidelines.

Downtown Area Plan

The project site is located in the Downtown Area Plan area. A preliminary list of applicable Downtown Area Plan policies is included in Attachment 8. The proposed retail and office uses are a mix of uses typically found in the downtown. Additionally, the location of the building on the site, floor area ratio, height, setbacks, and proposed uses for ground floor tenant space(s) are generally in conformance with the Downtown Area Plan. However, the project may need further refinement to conform to specific policies.

Zoning Code

The property is zoned CBD (Central Business District). The project proposes a floor area ratio of 2.78, which is under the maximum permitted floor area ratio of 3.0. The project proposes a height of 43', which is under the maximum height of 55'. No setbacks are required. The applicant is expected to provide more detail in their formal planning application submittal; which will then be reviewed for compliance with all applicable municipal code requirements.

Open Space. Open space is required to be provided for the project, in an amount equal to 1% of the total square footage of nonresidential area (unless the projected amount less than 200 square feet, in which case open space would not be required). Preliminary calculations indicate that a minimum of 240 square feet of open space is required subject to other provisions of the Central Business District. The Zoning Code Section 27.04.350 "OPEN SPACE" defines commercial open space as open space on the project site in the form of a plaza, square, court, or other urban space which is at least 75% open to the sky, free from automotive traffic, and accessible to the public at large. Required open space must be illustrated in the formal planning application submittal.

Downtown Design Guidelines and Design Review

The proposed design will be reviewed by the City's design review consultant, Larry Cannon, AIA, of Cannon Design Group, for consistency with the City's Downtown Design Guidelines and General Plan Urban Design Element and to address design concerns expressed by the Planning Commission.

Staff has reviewed the preliminary project plans and they appear to be generally consistent with the Downtown Design Guidelines (see Attachment 9); however, a detailed project review will be done once a formal Planning Application has been submitted.

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. At this preliminary stage, the applicant has identified the following green building components for the project: the provision of short term and long term bike parking and areas for photo voltaic panels. The applicant has indicated that they are aware of the new CALGreen Code requirements and will be able to provide more detail as the project design evolves.

Additional Policies

Furthermore, the project will also be evaluated for consistency with the city's Pedestrian Master Plan and Bicycle Master Plan.

ISSUES

Payment of Fee In-Lieu of Providing On-Site Parking

The site is located in the downtown parking district (Central Parking and Improvement District - CPID) which enables property owners to meet parking requirements by providing required parking on-site, off-site or through a Parking Agreement with the City to pay a fee in-lieu of providing parking on-site. The applicants are requesting a Parking Agreement and will pay an in-lieu fee for approximately 60 parking spaces at the rate in effect at the time of building

permit application. Staff will verify the exact number of required parking spaces during review of the formal planning application, after a thorough analysis of the project is completed.

On November 17, 2014, the City Council held a Study Session on the Downtown San Mateo Parking Management Plan Update. The purpose of the meeting was to provide City Council an update on the implementation strategy of the Parking Management Plan that was approved at the April 7, 2014 City Council meeting. A comprehensive update including parking rates, parking time limits, in-lieu of parking fees, valet parking, and other items will be brought before the Council in early 2015. Additional information regarding the update can be located here: <http://www.cityofsanmateo.org/index.aspx?NID=170>.

Public Art

The Art in Public Places fund is administered by the Civic Arts Committee, but the Commission and members of the public provide comment and input. Projects of a certain valuation are required to provide public art if the building permit valuation equals to three million dollars or more. If public art is required, an opportunity exists where the project in conjunction with the other two corner properties could be used to establish a coordinated entry feature signaling a gateway into the downtown area. An alternative would be to provide other recommendations on the nature and/or location of a public art piece.

Open Space

The proposed project does not currently comply with the open space requirement of the Zoning Code, which total 240 square feet of open space. This open space must be provided on site in the form of a plaza, square, court, or other urban space which is at least 75% open to the sky, free from automotive traffic, and accessible to the public at large. The site plan currently does not incorporate this area, and staff is seeking Planning Commission input on the location of the open space area.

NEIGHBORHOOD INPUT

The applicant held a formal pre-application neighborhood meeting on November 18, 2014 jointly with the applicants from the other two corner properties at 221 S El Camino Real and 2 W 3rd Ave. The meeting was attended by approximately 40 community members. The comments were generally positive (refer to Attachment 10). There were a few issues raised by the public that would benefit from further analysis. Public comments are summarized below:

- Parking on-site vs. fulfilling parking requirement via in-lieu fees.
- Signage, lighting, maintain street trees and upkeep of right-of-way, potential tenants.
- Treatment of south elevation.
- Timing of project, construction management for all three projects, completion date.
- Relationship design with this building and other two corner projects.

- Consideration to use contractors who pay area-standard wages and benefits

The Neighborhood Meeting notes and public comments the City has received regarding the proposed project are attached (refer to Attachments 10 & 11).

PUBLIC COMMENTS

Additional public comments were received by staff and are summarized below (refer to Attachment 11):

- Absence of on-site parking, ample parking should be provided and a solution must be created to address the parking issue
- Incorporate solar panels as an integral part of the project design
- Lackluster architectural design, buildings must create a big statement
- Setback corner feature to create an enhanced plaza/entry space

BUDGET IMPACT

This project will be required to pay fees in-lieu of dedicating land for park and recreation purposes, as well as other impact fees applicable to new developments. The exact amount of these fees will be based on the formula and timing established in the city's Comprehensive Fee Schedule.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

There are a number of environmental issues that need to be addressed during the formal review of the project including traffic, noise, air quality, and greenhouse gas emissions, and additional environmental issues as may be raised at the neighborhood meeting or study sessions. The formal planning application review phase will include an analysis of the project's effect on environmental factors as required by the California Environmental Quality Act (CEQA). Areas to be evaluated 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.

While a complete listing of all technical studies that may be necessary for the environmental review is not available at this preliminary stage, it is anticipated that the studies will include: traffic/circulation and parking study, shadow study, design review analysis, greenhouse gas analysis, and geotechnical study.

NOTICE PROVIDED

In accordance with Government Code section 65090, notice of this meeting 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 ten days in advance of the November 18, 2014 neighborhood meeting:

- Property owners, residential tenants and business tenants within 1,000 feet of the three corners project sites;
- 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.

PLANNING COMMISSION STUDY SESSION – REQUESTED INPUT AND NEXT STEPS

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

- Building Design – The overall architectural style and design approach, including building materials, massing and building forms.
- Parking – Evaluation of the proposal to pay in lieu fees for offsite parking.
- Open Space and Public Art – Location of required open space and features, and the provision of a coordinated entry feature signaling a gateway into the downtown area.

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. Elevations from Previous Planning Pre-Application (PA08-036)
3. Commercial Data Sheet Form from Previous Planning Pre-Application (PA08-036)
4. Preliminary Project Plans
5. Preliminary Commercial Data Form
6. Applicant's Project Description
7. General Plan – Applicable Policies

8. Downtown Area Plan – Applicable Policies
9. Downtown Retail Core & Downtown Historic District Design Guidelines
10. November 18, 2014 Neighborhood Meeting Notes
11. Public Comments
12. Sample Findings

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

Property Owners

Applicant

Marcus Clarke, Economic Development Manager

CC (Website link to AR and attachments via Email)

Interested Parties (if email address was provided)