# City Council



## **SPECIAL MEETING AGENDA - AMENDED**

Date: 8/22/2023 Time: 6:00 p.m. Locations: Zoom.us/join – ID# 881 7306 2781 and City Council Chambers 751 Laurel St., Menlo Park, CA 94025

## This amended agenda removes the Brown Act Stockton, CA location.

Members of the public can listen to the meeting and participate using the following methods. If you have issues viewing the meeting, please email the city clerk at jaherren@menlopark.gov.

How to participate in the meeting

• Submit a written comment online up to 1-hour before the meeting start time: city.council@menlopark.gov

Please include the agenda item number you are commenting on.

- Access the meeting real-time online at: Zoom.us/join – Meeting ID 881 7306 2781
- Access the meeting real-time via telephone at: (669) 900-6833
   Meeting ID 881 7306 2781
   Press \*9 to raise hand to speak
- Watch meeting:
  - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto: Channel 26
  - City Council Chambers

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: The format of this meeting may be altered or the meeting may be cancelled. You may check on the status of the meeting by visiting the city website menlopark.gov. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.gov/agendas).

According to City Council policy, all meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

#### A. Call To Order

B. Roll Call

#### C. Special Business

C1. Review and provide feedback on potential Zoning Ordinance, Specific Plan, and conforming General Plan amendments associated with the adopted 2023-2031 Housing Element (Staff Report #CC-186-23) (Presentation) Not a California Environmental Quality Act (CEQA) project.

#### D. Adjournment

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or before, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.gov. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Cal. Gov. Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.gov/agendas and can receive email notification of agenda postings by subscribing at menlopark.gov/subscribe. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 8/17/2023)

# AGENDA ITEM C-1 Community Development



## STAFF REPORT

City Council Meeting Date: Staff Report Number:

8/22/2023 23-186-CC

Study Session:

Review and provide feedback on potential Zoning Ordinance, Specific Plan, and conforming General Plan amendments associated with the adopted 2023-2031 Housing Element

## Recommendation

Staff recommends the City Council conduct a study session to provide feedback on potential changes to the Zoning Ordinance, El Camino Real/Downtown Specific Plan (Specific Plan), and related conforming changes to the Land Use Element and other elements of the General Plan that would modify residential densities and associated development standards, and allow large family daycare homes by right in residential zoning districts, to implement programs in the City's adopted 2023 to 2031 Housing Element.

## **Policy Issues**

The City Council will not be taking action on any items at the study session. At a future meeting, the City Council will be the final decision-making body for amendments to the General Plan, Zoning Ordinance and Specific Plan, and rezoning of certain parcels to allow increased residential densities or opportunities for new multifamily residential or mixed-use developments. The discretionary actions are anticipated to be reviewed at a City Council public hearing in late fall 2023/early winter 2024. Additional information, including recent Housing Element milestones, is available in the Policy Issues section of the Aug. 14 Planning Commission study session staff report (Attachment A).

## Background

The purpose of the study session is to receive feedback from the City Council and members of the public on the proposed Zoning Ordinance amendments, rezonings, and related items to meet the City's Regional Housing Needs Allocation (RHNA) of 2,946 units for the 2023 to 2031 planning period. The City must adopt these regulations within one year of the Housing Element deadline, or by Jan. 31, 2024, or be subject to regulations that minimize local control related to housing developments pursuant to state law. On Aug. 14, the Planning Commission held a study session to provide feedback on these items. The focus of this City Council staff report is to supplement the information previously provided in the Planning Commission staff report (Attachment A), providing a summary of the feedback received at the Planning Commission meeting and additional clarifying information to assist the City Council in reviewing the material and providing feedback.

Information regarding basic requirements for a general plan housing element in state law, the City's RHNA for the 2023 to 2031 planning period, and land use scenarios included in the City's adopted Housing Element to accommodate development of the RHNA are provided in the Background section of Attachment A. A map showing the housing opportunity sites inventory adopted in the 2023-2031 Housing Element is included in Attachment B and a list of the sites by address is included in Attachment C.

## Analysis

Attachment A provides an overview of potential modifications to the Zoning Ordinance and Specific Plan that could result in the production of up to 4,000 net new housing units through 2040 (as studied in the certified subsequent environmental impact report (SEIR) for the Housing Element Update project). The Analysis section of Attachment A discusses proposed changes to densities and development standards in the Specific Plan area, changes to provide new multifamily and mixed-use residential opportunities in existing commercial-only zoning districts, basic concepts behind proposed changes to the affordable housing overlay (AHO) to incentivize affordable housing development, and Zoning Ordinance modifications to allow large family daycare homes by-right in residential zoning districts.

Major themes from the Planning Commission's discussion Aug. 14 are listed in the subsections below and organized by topic area. Staff has provided additional information in response to the Planning Commission's comments for the City Council's consideration and feedback on the proposed zoning changes. Staff will use the feedback to prepare the draft Zoning Ordinance amendments, rezoning maps, and SEIR addendum for review and recommendation by the Planning Commission and final action by the City before the Jan. 31, 2024 deadline.

## Specific Plan proposed changes

The proposed amendments to the Specific Plan would increase densities, ranging from 40 dwelling units per acre (du/ac) to 100 du/ac to demonstrate zoning capacity to meet the City's RHNA plus a 30% buffer. To accommodate the increased development potential, the residential cap of 680 units is proposed to be removed from the Specific Plan. The proposed changes would not modify the net new non-residential residential square footage allowance of 474,000 square feet.

- Planning Commissioners expressed support for the Density Increase Option developed in response to feedback received at the December 2022 City Council initial study session on Housing Element-related zoning changes. The Density Increase Option would allow opportunities for residential and mixed-use development with densities up to 100 du/ac at the public benefit bonus level in certain Specific Plan subdistricts.
- The Planning Commission emphasized that meeting the state's requirements to complete the zoning changes by Jan. 31, 2024 was of the greatest importance and that implementing changes that fit within the amount of development potential studied in the Housing Element Update Project SEIR was necessary. It was also requested that any additional environmental review needed to confirm the Density Increase Option is consistent with the SEIR be completed before the state deadline, preferably by fall 2023 if possible. The project team believes the Density Increase Option would be consistent with the SEIR through the preparation of an addendum to the SEIR. Any modifications to the proposed changes to further increase the du/ac would require additional review by the project team and could affect meeting the state-mandated deadline. Staff's priority is to bring the zoning ordinance and Specific Plan amendments and associated General Plan changes to the Planning Commission and City Council in order to adopt the various documents by Jan. 31, 2024.
- Planning Commissioners indicated support for setting a 20 du/ac minimum density for residential development in the Specific Plan to reduce the use of residential floor area ratio (FAR) for large luxury units only.
- A recent state law, Assembly Bill (AB) 2097, prohibits minimum automobile parking requirements for any residential, commercial, or other development project located within one-half-mile of a major transit stop (e.g., the Menlo Park Caltrain Station). A map of parcels located with one-half mile of a major transit stop

is included as Attachment D. Planning Commissioners acknowledged that this law would result in zero minimum parking requirements in the Specific Plan area and beyond, leaving parking decisions up to developer/market forces. Some Planning Commissioners expressed support for the creation of maximum parking amounts.

 The Planning Commission supported the "step-up FAR" concept to help incentivize housing for larger household sizes and homeownership opportunities. A couple of Planning Commissioners asked that the parameters that qualify a development for step-up FAR be modified to separate the provision of units for large households and for-sale units into separate criteria with the option to provide a minimum of three of four parameters to receive the step-up incentive. Staff believes the separation of the two criteria (provision of units for large households and for-sale units) into two different categories provides clarity that there is a choice between the options, not a requirement to do both.

## Zoning Ordinance proposed changes

## Commercial zoning districts

- The Planning Commission was supportive of the proposed changes to combine the C-1-A, C-2 (except the Sharon Heights Shopping Center parcel), C-2-A, C-2-B, C-2-S, C-4, and P zoning districts into one mixed-use zoning district using the C-2-B zoning regulations. Staff continues to evaluate all of the districts for their development standards and permitted, administratively permitted and conditional uses to try to reduce unintended consequences such as making an existing use non-conforming and/or incentivizing commercial redevelopment without the addition of housing.
- The Planning Commission was also supportive of the proposed changes to add additional FAR for
  residential uses in the existing C-1, C-1-C and C-2 commercial zoning districts. For the C-2 zoning
  district (which would consist of only the Sharon Heights Shopping Center), Planning Commissioners
  believed that the existing maximum height of 30 feet is too low and requested that a higher maximum
  height be considered for a development that would incorporate residential uses. Staff agrees that height
  increases should be explored for mixed-use developments in the C-2 zoning district and would also
  evaluate height increases for mixed-use development the other C districts to be modified, if requested by
  City Council.
- Some Planning Commissioners commented that they would like to see parking minimums eliminated in the new combined C-2-B district.
- Some Planning Commissioners indicated concern for maintaining neighborhood-serving retail and commercial uses, such as grocery stores, and ensuring that opportunities for these uses are encouraged and preserved. Under state housing law, parcels included in the Housing Element sites inventory cannot be precluded from redeveloping an existing commercial development with an all-residential development. However, for sites not on the Housing Element inventory, this requirement would not apply.

## Affordable housing overlay (AHO)

- Planning Commissioners expressed interest in increasing the maximum density for a 100% affordable housing project using the AHO from 100 du/ac to 150 du/ac, given feedback from affordable housing developers. Staff has prepared an example calculation for a 100% affordable project using the AHO and state density bonus to achieve a density of 150 du/ac (Attachment E). The AHO density bonus for an all-affordable project at 150 du/ac would be 175%.
- A couple of Planning Commissioners asked that examples be prepared showing how projects might utilize the AHO and a 50% state density bonus for a mixed-income project.

## Other Zoning Ordinance modifications

- Planning Commissioners asked that the project team consider allowing up to 30 du/ac of density for all R-3 lots across the city, not just in the R-3 areas around downtown (shown in Attachment F).
- The Planning Commission indicted strong support for the proposed changes to bring the City's large family daycare homes regulations into conformance with state law. Under the updated regulations, all child daycare homes with valid state permits would be allowed by-right in residential districts.

## Other comments

- Planning Commissioners asked that visual examples of the developments that could be constructed under the proposed zoning regulations be prepared to show members of the public conceptual drawings to help them understand the proposed changes. The project team is preparing an example for the Aug. 22 City Council study session presentation.
- A Planning Commissioner commented that, separate from the changes necessary to implement the Housing Element, the review process for all residential projects should be streamlined as much as possible.
- Planning Commissioners also indicated support for structuring policies and regulations to focus on the creation of new affordable housing and less emphasis on zoning changes that would incentivize the production of market-rate housing.

#### Next steps

Based upon the City Council's input and guidance, staff will further develop the proposed Zoning Ordinance and Specific Plan area modifications and create draft ordinances, which would be reviewed at future Planning Commission and City Council meetings tentatively planned for late fall 2023/early winter 2024.

It should be noted that the proposed changes described in this report are an effort to update the City's codes and ordinances for compliance with state law and the City's commitments to implement programs in its adopted Housing Element within one year of Jan. 31. Over the course of 2024 and beyond, staff will continue to make progress to implement other important programs such as the development of an anti-displacement strategy (Program H2.E), an accessory dwelling unit (ADU) amnesty program (Program H2.D), incentives and zoning text amendments for special needs housing (Programs H3.D and H3.G), and others.

The Planning Commission and City Council will also continue to receive annual progress reports on housing production toward meeting the City's RHNA. Housing Element Program H1.H commits to a mid-cycle review in 2027 to evaluate the progress of the City's zoning changes in helping to meet the City's RHNA. Based on the results of the annual and mid-cycle reviews, the City Council may revisit zoning and direct staff to evaluate further modifications to densities and development standards in order to produce satisfactory levels of affordable housing in the community.

## Impact on City Resources

As part of the fiscal year 2020-21 budget, the City Council appropriated nearly \$1.5 million from the general fund to support the Housing Element Update (including preparation of the SEIR). On March 14, the City Council approved an amendment to the professional services agreement with M-Group, the City's Housing Element Update project consultant, in the amount of \$75,414, for an overall contract total of \$1,547,466. Staff is working with the consultant team to understand anticipated budget augmentations and contract modifications for continued support on the Housing Element and related components, such as the

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Environmental Justice Element, and is expected to bring the information to the City Council for review at an upcoming meeting.

## **Environmental Review**

This study session item is not a project within the meaning of the California Environmental Quality Act. As part of the Housing Element Update process (i.e., Housing Element and Safety Element updates and a new Environmental Justice Element, and associated changes including zoning), a SEIR was prepared. On Jan. 31, the City Council adopted Resolution No. 6808 certifying the SEIR and associated CEQA actions. On Feb. 1, a Notice of Determination (NOD) was filed.

The certified SEIR studied densities consistent with those shown in the columns labeled 12/22/22 Study Session Proposal of Attachment A. The zoning regulations for the Density Increase Option in Attachment A would also be consistent with the SEIR and would be evaluated through an administrative SEIR Addendum, which could typically be completed within a few months' time. If higher densities are requested, additional environmental review may be required and could take several months or longer to complete. Given state requirements and the adopted Housing Element commitment to complete zoning changes by January 2024, preparation, circulation, and certification of a new the SEIR would not be a feasible option to meet the City's required deadlines. Therefore, it is recommended that any zoning increases beyond those shown in Attachment A be addressed in connection with future zoning code updates after the City completes the rezoning necessary by Jan. 31, 2024 to maintain a legally adequate Housing Element.

## **Public Notice**

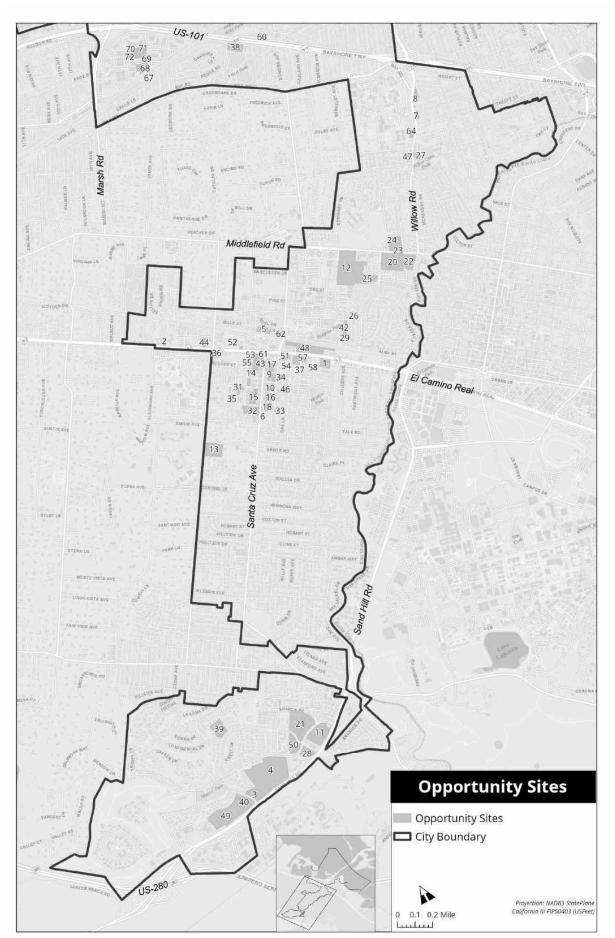
Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. A bilingual (English and Spanish) mailer providing an overview of the proposed zoning changes and invitation to join the Aug. 14 Planning Commission and Aug. 22 City Council study sessions was mailed to every mailing address in Menlo Park as well as property owners with mailing addresses outside of Menlo Park. A Weekly Digest article was posted Aug. 4 with similar information. A standard public meeting notice for the Aug. 22 study session was published in the Examiner-Redwood City Tribune Aug. 10. A special bilingual (English and Spanish) advertisement notice in the Almanac will be provided Aug. 18 in advance of the Aug. 22 study session. Notice was also provided via the City's social media channels.

## Attachments

- A. Hyperlink Aug. 14 Planning Commission staff report packet: menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2023meetings/agendas/20230814-planning-commission-agenda-packet.pdf#page=67
- B. Housing Element residential opportunity sites map
- C. Housing Element residential opportunity sites list by address
- D. Menlo Park parcels within one-half-mile of major transit map
- E. Example calculation for 100% affordable project utilizing AHO and state density bonus to achieve 150 du/ac
- F. Map of R-3 parcels around downtown

Report prepared by: Tom Smith, Principal Planner Staff Report #: 23-186-CC Page 6

Report reviewed by: Mary Wagner, Assistant City Attorney Deanna Chow, Assistant Community Development Director

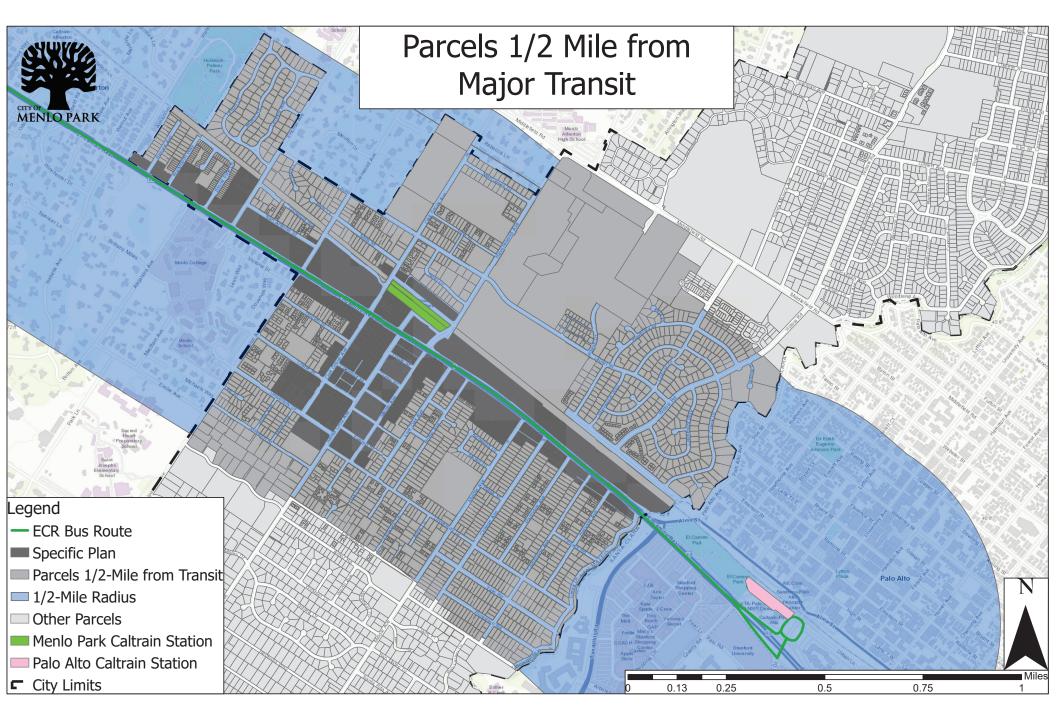


# ATTACHMENT C

	Attachment C: Housing Opportunity Sites									
APN	Site No.	Address	Existing Use	Туроlоду						
071332130	1	525 El Camino Real	Parking Lot	El Camino Real/Downtown Specific Plan (El Camino Real)						
060344250	2(R)	1610 El Camino Real	Office: Single-Story	El Camino Real/Downtown Specific Plan (El Camino Real)						
060344240	2(R)a	1620 El Camino Real	Office: Single-Story	El Camino Real/Downtown Specific Plan (El Camino Real)						
074270240	3	2500 Sand Hill Road	Office: Multi-Story	Site with Residential Carveout						
074270280	4	2480 Sand Hill Road	Office: Multi-Story	Site with Residential Carveout						
061412440	5(R)	1100 Alma Street	Office: Multi-Story	El Camino Real/Downtown Specific Plan (Downtown)						
061412430	5(R)a	1100 Alma Street	Office: Multi-Story	El Camino Real/Downtown Specific Plan (Downtown)						
071084220	6	900 Santa Cruz Avenue	Church	El Camino Real/Downtown Specific Plan (Downtown)						
071084200	6a	1111 University Drive	Church	El Camino Real/Downtown Specific Plan (Downtown)						
071084090	6b	1187 University Drive	Professional Building	El Camino Real/Downtown Specific Plan (Downtown)						
071084110	6c	1155 University Drive	Professional Building	El Camino Real/Downtown Specific Plan (Downtown)						
071084100	6d	1177 University Drive	Office: Multi-Story	El Camino Real/Downtown Specific Plan (Downtown)						
062202050	7	728 Willow Avenue	Store & Residence	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062202060	7a	728 Willow Avenue	Store	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062202210	7b	728 Willow Avenue	Parking Lot	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062211170	8	906 Willow Road	Store & Office	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062211180	8a	906 Willow Road	Store & Office	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062211050	8b	906 Willow Road	Residential: Duplex	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
071284100	9	Between Chestnut and Curtis	Parking Lot	Parking Lot						
071284080	9a	Between Chestnut and Curtis	Parking Lot	Parking Lot						
071283140	10	Between Crane and Chestnut	Parking Lot	Parking Lot						
074283100	11	325 Sharon Park Drive	Shopping Center	Site with Residential Carveout						
062390700	12	345 Middlefield Road	Office: Multi-Story	Site with Residential Carveout						
062421070	12a	345 Middlefield Road	Office: Multi-Story	Site with Residential Carveout						
071071070	13(C)	1105 Valparaiso Avenue	Church	Religious Facility						
071102400	14	Lot between El Camino Real and Chestnut on west side of Santa Cruz	Parking Lot	Parking Lot						
071092290	15	Lot between University and Crane on west side of Santa Cruz	Parking Lot	Parking Lot						
071281160	16	Lot between Evelyn and Crane	Parking Lot	Parking Lot						
071285160	17	Lot between Curtis and Doyle	Parking Lot	Parking Lot						
071273160	18	Lot behind Draegers	Parking Lot	Parking Lot						
071094180	19	Lot off Oak Grove	Parking Lot	Parking Lot						
062422120	20	275 Middlefield Road	Office: Multi-Story	Site with Residential Carveout						
074281120	21	350 Sharon Park Drive	Residential: Five or More Units	Underutilized Residential						
062422080	22	85 Willow Road	Office: Single-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
062271540	23	200 Middlefield Road	Office: Multi-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
062271010	24	250 Middlefield Road	Office: Multi-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
062421010	25	8 Homewood Road	Office: Single-Story	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062390170	26	401 Burgess Road	Office: Single-Story	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062370420	27	570 Willow Road	Hospital	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
074283070	28	2200 Sand Hill Road	Office: Multi-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
062390200	29	445 Burgess Drive	Professional Building	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
071284110	30	720 Menlo Avenue	Supermarket	El Camino Real/Downtown Specific Plan (Downtown)						
071091520	31	800 Oak Grove Avenue	Financial	El Camino Real/Downtown Specific Plan (Downtown)						
071084140	32	930 Santa Cruz Avenue	Office: Single-Story	El Camino Real/Downtown Specific Plan (Downtown)						
071084140	32	930 Santa Cruz Avenue	Office: Single-Story	El Camino Real/Downtown Specific Plan (Downtown)						

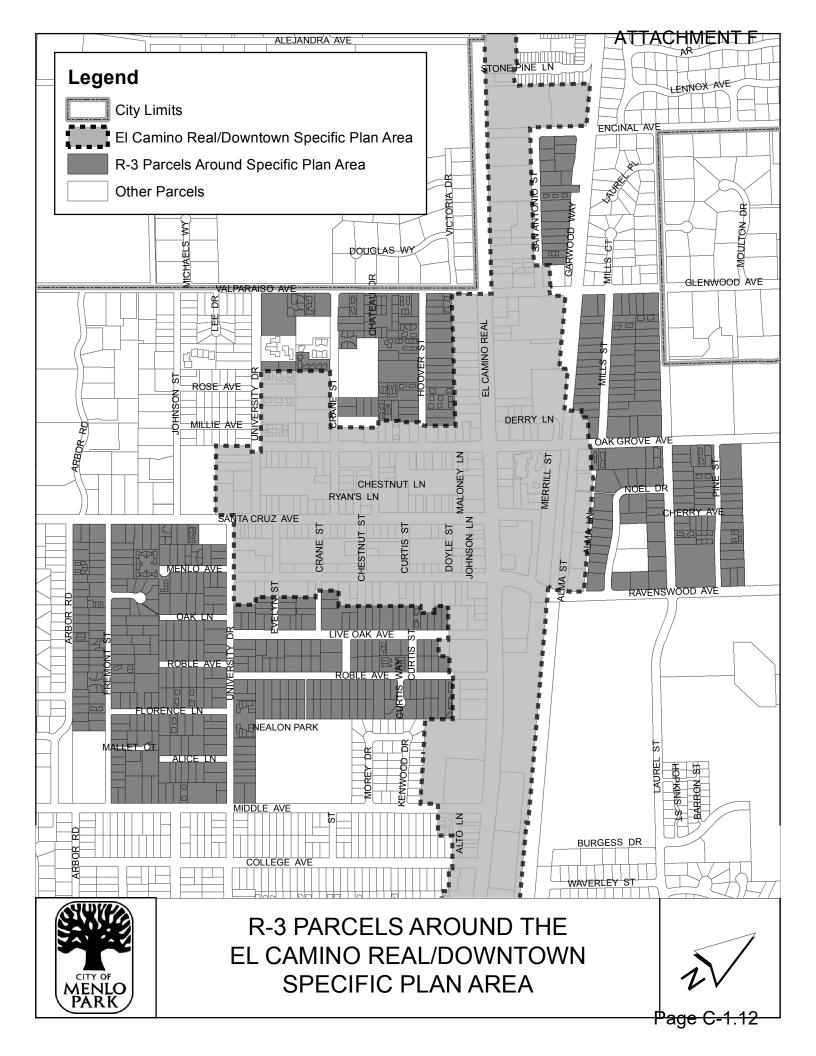
	Attachment C: Housing Opportunity Sites									
APN	Site No.	Address	Existing Use	Туроlоду						
071274140	33	1008 University Avenue	Parking Lot	El Camino Real/Downtown Specific Plan (El Camino Real)						
071288610	34	707 Menlo Road	Office: Multi-Story	El Camino Real/Downtown Specific Plan (Downtown)						
071091310	35	1300 University Avenue	Professional Building	El Camino Real/Downtown Specific Plan (Downtown)						
071103490	36	1377 El Camino Real	Store	El Camino Real/Downtown Specific Plan (Downtown)						
071331180	37	855 El Camino Real	Shopping Center	El Camino Real/Downtown Specific Plan (Downtown)						
055303110	38	300 Sheridan Drive	School	Vacant Land						
074351100	39(C)	2250 Avy Avenue	Church	Religious Facility						
074260740	40(C)	2650 Sand Hill Road	Religious Facility	Religious Facility						
062390190	41	431 Burgess Drive	Office: Multi-Story	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
062390180	42	425 Burgess Drive	Professional Building	Non-Residential Parcels with Complete Redevelopment (Half-Mile from Major Transit Stop)						
071102130	43(R)	1149 El Camino Real	Store	El Camino Real/Downtown Specific Plan (El Camino Real)						
061422350	44(R)	1436 El Camino Real	Service Shop	El Camino Real/Downtown Specific Plan (El Camino Real)						
071288560	46(R)	796 Live Oak Avenue	Residential: Five or More Units	Underutilized Residential						
062285300	47	555 Willow Road	Store	Underutilized Residential						
071333200	48(R)	700 El Camino Real	Office: Multi-Story	El Camino Real/Downtown Specific Plan (El Camino Real)						
074260750	49	2722 Sand Hill Road	Office: Multi-Story	Site with Residential Carveout						
074282070	50	600 Sharon Park Drive	Residential: Five or More Units	Underutilized Residential						
071288210	51	959 El Camino Real	Store	El Camino Real/Downtown Specific Plan (Downtown)						
061430070	52	1246 El Camino Real	Restaurant	El Camino Real/Downtown Specific Plan (Downtown)						
071102350	53(R)	1189 El Camino Real	Store	El Camino Real/Downtown Specific Plan (El Camino Real)						
071288190	54(R)	607 Menlo Avenue	Store & Office	El Camino Real/Downtown Specific Plan (El Camino Real)						
071102390	55(R)	1161 El Camino Real	Indoor Recreation	El Camino Real/Downtown Specific Plan (El Camino Real)						
071102370	56(R)	1179 El Camino Real	Store	El Camino Real/Downtown Specific Plan (El Camino Real)						
071332080	57	761 El Camino Real	Restaurant	El Camino Real/Downtown Specific Plan (Downtown)						
071332090	58	751 El Camino Real	Restaurant	El Camino Real/Downtown Specific Plan (Downtown)						
071288580	59(R)	905 El Camino Real	Store & Office	El Camino Real/Downtown Specific Plan (El Camino Real)						
062013170	60	335 Pierce Road	Residential: Fourplex	Underutilized Residential						
062013230	60a	335 Pierce Road	Vacant Land	Underutilized Residential						
071102140	61(R)	610 Santa Cruz Avenue	Store & Office	El Camino Real/Downtown Specific Plan (El Camino Real)						
061412160	62(R)	550 Ravenswood Avenue	Supermarket	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
062470060	64	795 Willow Road	Hospital	Site with Residential Carveout						
055253140	67	3905 Bohannon Drive	Warehouse	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
055253150	68	3925 Bohannon Drive	Warehouse	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
055253240	69	4005 Bohannon Drive	Office: Single-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
055253190	70	4025 Bohannon Drive	Office: Single-Story	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
055253030	71	4055 Bohannon Drive	Warehouse	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						
055253200	72	4060 Campbell Avenue	Warehouse	Non-Residential Sites with Complete Redevelopment (Further than a Half-Mile from Major Transit Stop)						

## ATTACHMENT D



## ATTACHMENT E

A	Attachment E: Example of 175% AHO Bonus for C-1 Zoned Parcel with 80% State Density Bonus: 100% Affordable Units at Low Income Level											
Acres	Max Density	Max Base Units	AHO Density Bonus	AHO Bonus Units	Base Units + AHO Bonus Units	80% State Density Bonus Units	Total Affordable Units	Total Market Rate Units	Total Units	Total Density		
(A)	(D)	A*B=	B*1.75=	A*D=	C+E=	F*.80=			F+G=	H/A=		
(~)	(B)	(C)	(D)	(E)	(F)	(G)			(H)	(1)		
1	30 du/ac	30 units	53 du/ac	53 units	83 units	67 units	150 units	0 units	150 units	150 du/ac		





# **HOUSING ELEMENT UPDATE**

Study Session on Zoning Ordinance, Specific Plan, and General Plan Amendments

# INCOMENCE ARK

# PROJECT BACKGROUND





# **HOUSING ELEMENT ADOPTION**

- Housing Element adopted on January 31, 2023
  - Plan for city's housing needs from 2023 to 2031
  - Regional Housing Needs Allocation (RHNA) is 2,946 units
    - 1,490 affordable units
- Housing Element programs commit City to implement zoning changes by January 31, 2024





# **MAJOR LAND USE STRATEGIES**

- Five key zoning strategies in Housing Element
  - Allow undeveloped sites from previous Housing Element "by-right" development for projects with 20% or more affordable units
  - Increase densities in El Camino Real/Downtown Specific Plan area and remove residential cap
  - Increase density bonuses in the affordable housing overlay (AHO) and expand sites that could utilize the AHO
  - Rezone commercial sites to allow mixed-use development
  - Remove 10,000 s.f. minimum lot size to achieve 30 du/ac on R-3 lots around downtown





# **MEETING PURPOSE**

- Share updates since December 2022 zoning study session
- Receive feedback on proposed zoning changes necessary to implement Housing Element programs
- No actions will be taken this evening







# **SPECIFIC PLAN RESIDENTIAL DENSITIES**

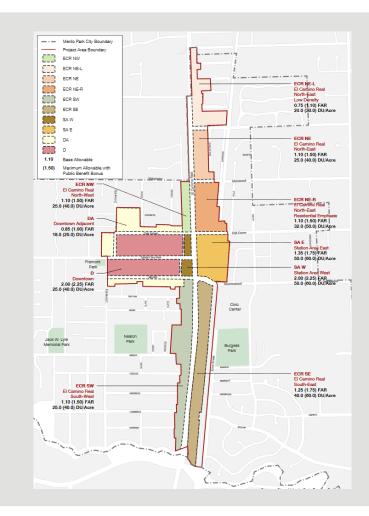
## Specific Plan Existing and Proposed Subdistrict Residential Densities (in du/ac)

Subdistrict	Existing Base Density	12/22 Proposed Base Density	Base Density Increase Option	Existing Bonus Density	12/22 Proposed Bonus Density	Bonus Density Increase Option
Downtown (D)	25	40	60	40	60	100
Downtown Adjacent (DA)	18.5	30	40	25	50	50
El Camino Real North-East (ECR NE)	25	30	40	40	50	50
El Camino Real North-East Low Density (ECR NE-L)	20	30	40	30	40	50
El Camino Real North-West (ECR NW)	25	30	40	40	50	50
Station Area East (SA E)	50	50	60	60	80	100
Station Area West (SA W)	50	50	60	60	80	100
El Camino Real South-West (ECR SW)	25	30	40	40	50	50
Nete Density CAD and beinkt would prove in an infer the I						

Note: Density, FAR, and height would remain as-is for the ECR SE and ECR NE-R subdistricts.

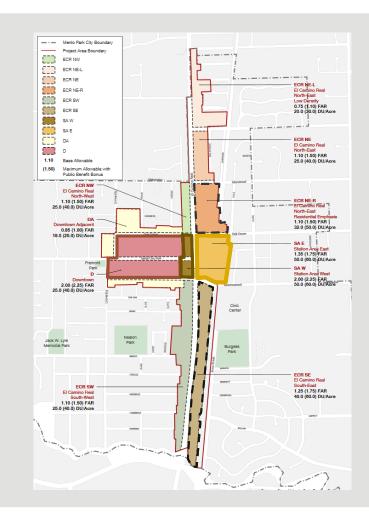








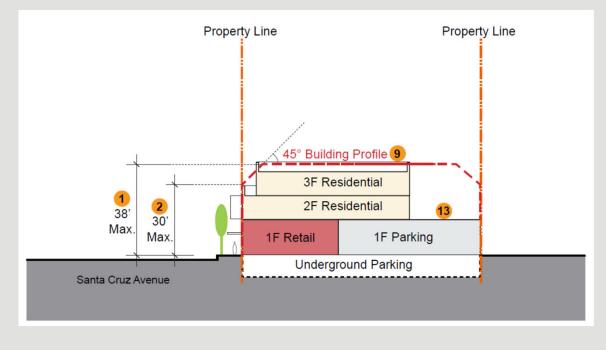














# **DOWNTOWN DEVELOPMENT STANDARDS**

Select Existing and Proposed Development Standards for Downtown Subdistrict at Base Level

Development Standard	Existing	12/22 Proposed	Density Increase Option
Maximum Base Residential Density	25 du/ac	40 du/ac max.	60 du/ac max.
Maximum Commercial FAR	N/A	2.00	2.00
Maximum Total FAR	2.00	2.00	2.75
Step-Up FAR	N/A	2.40	3.15
Maximum Building Height	38 ft	50-54 ft	60-64 ft
Maximum Facade Height	30 ft	40 ft	40 ft
45-Degree Building Profile Sides	Public	Public	Public

\*Step up FAR would be available to developments that provide between 50 percent and 65 percent of the overall building FAR toward residential uses and one of the following options: a) a minimum 50 percent of units with two or more bedrooms including 5 percent of units with three or more bedrooms, or b) all for-sale units. \*\*The maximum height for buildings with a residential density of 20 to 40 du/ac would be 50 feet and scale up to 81 feet for density over 80 du/ac.





# **SPECIFIC PLAN HEIGHTS**

Approximate Maximum Building Stories in Specific Plan Subdistricts									
Subdistrict	Existing Specific Plan Base/Bonus	12/22 Proposed Base/Bonus	8/23 Density Increase Option Base/Bonus	100% Affordable via AB 1763 (3 Extra Stories within ½ Mile of Transit)					
Downtown (D)	3	4(5)	5(7)	8(10)					
Downtown Adjacent (DA)	3	3(4)	4	7					
El Camino Real North-East (ECR NE)	3(4)	3(4)	4	7					
El Camino Real North-East Low Density (ECR NE-L)	3	3(4)	4	7					
El Camino Real North-East Residential Emphasis (ECR NE-R)	3(4)	3(4)	3(4)	6(7)					
El Camino Real North-West (ECR NW)	3	3(4)	4	7					
Station Area East (SA E)	5 (4 Alma)	5(6) (4 Alma)	5(7) (4 Alma)	8(10) (7 Alma)					
Station Area West (SA W)	4	5(6)	5(7)	8(10)					
El Camino Real South-East (ECR SE)	5	5	5	8					
El Camino Real South-West (ECR SW)	3	3(4)	4	7					



# **OTHER SPECIFIC PLAN CHANGES**

- The limit of 680 residential units in the Specific Plan area would be removed
- A minimum density of 20 du/ac would be established to set a basic floor for residential development
- Minimum parking requirements may be reduced or removed
  - AB 2097 generally prohibits minimum parking requirements within <sup>1</sup>/<sub>2</sub>-mile of transit stops



# COMMERCIAL DISTRICTS

MENLO PARK





# **COMMERCIAL ZONING DISTRICTS**

Table 2: Commercial Districts to Be Combined Under C-2-B Regulations									
District	Max. Coverage	FAR	Height						
Administrative and Professional (C-1-A)	40%	40%	35 feet						
Neighborhood Shopping (C-2)*	50%	40%	30 feet						
Neighborhood Shopping, Restrictive (C-2-A)	50%	40%	One story						
Neighborhood Mixed Use, Restrictive (C-2-B)	60%	40 to 50% comm.; up to 90% res.; 100% total max.	30 to 40 feet						
Neighborhood Commercial, Special (C-2-S)	Per individual development	50%	Per individual development						
General Commercial (C-4)	No max.	40%	30 feet						
Parking (P)**	0%	0%	None						

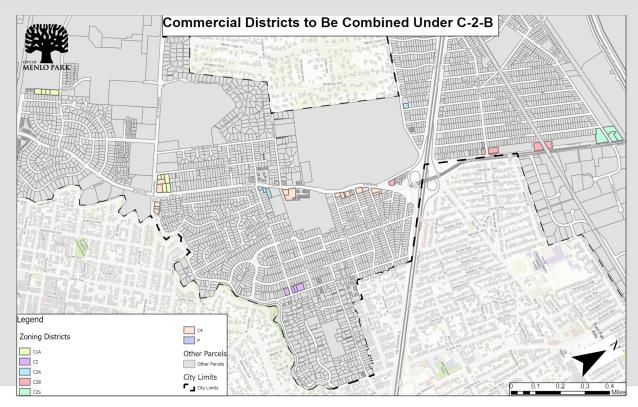
\*All C-2 parcels would be rezoned C-2-B, with the exception of the Sharon Heights Shopping Center parcel, which would be granted additional FAR for residential uses, as shown in Table 3.

\*\*The P district currently only allows parking lots and consists of three parcels citywide. Because of the small size of the parcels, their proximity to sites to be rezoned to allow residential mixed-use developments, and their location near existing residential neighborhoods, the P district presents additional opportunities to build new housing and neighborhood commercial uses instead of prioritizing vehicle-only uses.

- Maximum building coverage would be 60%
- Generally, the FAR for multiple dwelling units would increase on an even gradient up to 0.90 for 30 du/ac
- The FAR for mixed use developments would not exceed 1.00
- Height of structures shall not exceed 30 feet, except for a mixed use structure, which shall not exceed 40 feet









# **COMMERCIAL ZONING DISTRICTS**

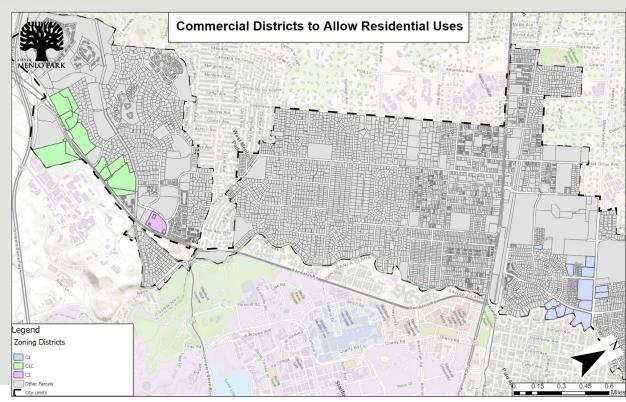
Table 3: Commercial Districts to Allow Residential Uses									
District	Max. Coverage	FAR	Height						
Administrative and Professional, Restrictive (C-1)	40%	30% comm.; <i>up to</i> 90% res.; 100% total max	35 feet						
Administrative, Professional and Research, Restrictive (C-1-C)	20%	25% comm.; <i>up to</i> 90% res.; 100% total <i>max.</i>	35 feet						
Neighborhood Shopping (C-2)*	50%	40%; up to 90% res.; 100% total max.	30 feet						

\*The additional residential FAR would apply to the Sharon Heights Shopping Center parcel only. All other existing C-2 parcels would be rezoned C-2-B.

- Maximum building coverage remain as-is
- Generally, the existing FAR for commercial uses would remain
- FAR for multiple dwelling units would increase on an even gradient up to 0.90 for 30 du/ac
- The FAR for mixed use developments would not exceed 1.00
- Height of structures would not be modified from existing zoning districts









# **AFFORDABLE HOUSING OVERLAY**

- Designed to encourage development of affordable units for low, very low, and extremely low income households
- Would be expanded to include all 6<sup>th</sup> Cycle RHNA housing opportunity sites and R-3 around downtown, in addition to the Specific Plan area
- Would be modified to work in combination with the state density bonus law on a site to achieve densities of up to 100 du/ac

Table 4: Example AHO Application to C-1 Zoned Parcel with 80 Percent State Density Bonus								
Acres	Max Density	Max Base Units	AHO Density Bonus	AHO Bonus Units	Base Units + AHO Bonus Units	80% State Density Bonus Units	Total Units	Total Density
(A)	(B)	A*B= (C)	B*.86= (D)	A*D= (E)	C+E= (F)	F*.80= (G)	F+G= (H)	H/A= (I)
1.0	30 du/ac	30 units	26 du/ac	26 units	56 units	45 units	101 units	101 du/ac



# **AFFORDABLE HOUSING OVERLAY**

 Planning Commission recommended increasing AHO bonus to permit densities up to 150 du/ac for 100-percent affordable projects

At	Attachment E: Example of 175% AHO Bonus for C-1 Zoned Parcel with 80% State Density Bonus: 100% Affordable Units at Low Income Level										
Acres	Max Density	Max Base Units	AHO Density Bonus	AHO Bonus Units	Base Units + AHO Bonus Units	80% State Density Bonus Units	Total Affordable Units	Total Market Rate Units	Total Units	Total Density	
	(B)	A*B=	B*1.75=	A*D=	C+E=	F*.80=			F+G=	H/A=	
(A)	(D)	(C)	<b>(</b> D)	(E)	(F)	(G)			(H)	(1)	
1	30 du/ac	30 units	53 du/ac	53 units	83 units	67 units	150 units	0 units	150 units	150 du/ac	

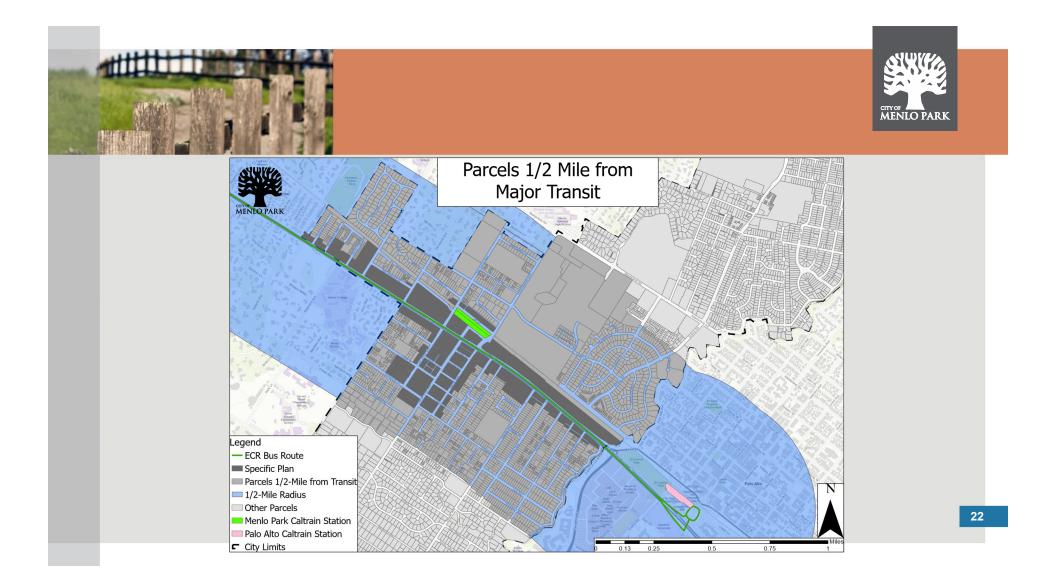




# **OTHER ZONING ORDINANCE CHANGES**

- AB 1763 would allow 100% affordable housing projects within <sup>1</sup>/<sub>2</sub>-mile of a major transit stop:
  - Unlimited density
  - Additional three stories or 33 feet height
- All R-3 properties around downtown would be allowed density up to 30 du/ac
  - All other R-3 properties over two acres would be allowed 20 du/ac
- Child day care homes would be allowed by-right in residential areas

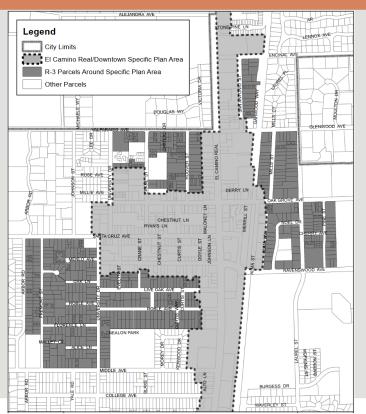






# R-3 PARCELS AROUND DOWNTOWN







# **NEXT STEPS FOR ZONING**

- Staff will use feedback from study session to further develop proposed modifications to Zoning Ordinance and Specific Plan
- Detailed ordinances will be drafted for review in late fall/early winter 2023
- Actions necessary to amend General Plan, Zoning Ordinance, and Specific Plan would be adopted by January 2024





# **THANK YOU**

