



PLANNING COMMISSION MINUTES

November 14, 2011

7:00 p.m.

City Council Chambers

701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:00 p.m.

ROLL CALL – Bressler (Chair), Eiref, Ferrick (Vice Chair), Kadvany, O'Malley, Riggs, Yu

INTRODUCTION OF STAFF – Deanna Chow, Senior Planner; Kyle Perata, Assistant Planner

A. REPORTS AND ANNOUNCEMENTS

1. Update on Pending Planning Items

Planner Chow said the City Council would receive an informational memo from the Council's Facebook Subcommittee at its November 15th meeting. She said the release of the draft Environmental Impact Report on this project was scheduled for December 8 and it was anticipated that the Planning Commission would receive comments on the draft report at its January 9, 2012 meeting.

2. Gross Floor Area Review – City Council November 15, 2011

Commissioner Riggs confirmed with Planner Chow that staff's recommendation to the Council was to wait on the Commission's recommendations until such time as a more comprehensive zoning ordinance amendment took place, which had also been staff's recommendation to the Council two years prior.

B. PUBLIC COMMENTS

There was none.

C. CONSENT

Commissioner O'Malley asked that the September 19, 2011 minutes be pulled from the consent calendar. Commissioner Ferrick asked that the October 3, 2011 minutes also be pulled.

1. Approval of minutes from the September 19, 2011 Planning Commission meeting.
 - Page 13, 2nd full paragraph from the end of the page: “Commissioner O’Malley said one of the questions was the value of the commercial space and residential **as compared to** and just having residential, which he thought ~~the answer had been~~ it would be more profitable to do just residential.
2. Approval of minutes from the October 3, 2011 Planning Commission meeting.
 - Page 3, 3rd paragraph: “Commissioner Ferrick said she was acquainted with Ms. Lauren Calhoon as they sit on a PTO together; **she wanted to disclose that in case anyone thought she should recuse herself from the item.**”

Commission Action: Commission consensus to approve the minutes of September 19 and October 3, 2011 with the modifications previously emailed to staff and those presented at the meeting.

Action carried 7-0.

D. PUBLIC HEARING

1. **Use Permit Revision/100 Middlefield Road Partners LLC/100 Middlefield Road:** Request for a use permit revision to allow financial establishments as a permitted use on the ground floor of an existing two-story, non-medical office building located in the C-4 (General Commercial – Other than El Camino Real) zoning district. The second floor of the building would remain for nonmedical office uses. In addition, the parking is proposed to remain at a ratio of four parking spaces per 1,000 square feet of gross floor area and retain the existing nine landscape reserve parking spaces for an overall ratio of five spaces per 1,000 square feet of gross floor area.

Staff Comment: Planner Chow said there were no additions to the staff report.

Questions of Staff: Commissioner O’Malley asked about a traffic impact fee. Planner Chow said there was a condition for the payment of a traffic impact fee. She said this was because the existing use permit limited the uses to only non-medical office and with a change of use to a discretionary permit, staff looked at the net increase in trips, thus the traffic impact fee.

Public Comment: Mr. Boyd Smith introduced himself as the property owner and said he was available for questions.

Mr. Bruce Barnes said he owned the building across the street and was here to support the project but not increased traffic. He said his concerns were traffic impacts and the

parking ratio. He noted that cars frequently try to change directions on Willow Road and use Clover Lane, which was a closed street to turn around or his parking lot to get back onto Middlefield Road. He said a bank would increase the number of trips to and from the site. He said also he was concerned about the parking ratio. He said he owned a similar size building and had more parking spaces but was limited as to the number of occupants in his building. He said his concern was with the number of car trips to a bank at this location. He said he would like the parking increased to five spaces per 1,000 square feet.

Chair Bressler closed the public hearing.

Commission Comment: Commissioner Kadvany said he was appreciative of Mr. Barnes' observations but noted they were not the Transportation Division or Commission.

Commissioner Riggs asked if the traffic impact fee with this recommendation had been imposed twice on this project. Planner Chow said this project was approved in 2009 and there was the potential to pay a Middlefield Road Traffic Impact Fee. She said since then the City had adopted a new traffic impact fee that applied when there was additional square footage or a change of use through a discretionary review process. She said through the first approval there was not a fee levied as the prior service station use generated more traffic trips than a non-medical office use would. Commissioner Riggs asked if a bank had greater traffic impact than other office use. Planner Chow said that was correct. Chair Bressler asked how much the traffic impact fee would be. Planner Chow said there was a preliminary figure of \$127,000 and the City was preparing to do an independent study that might create its own traffic generating data rather than using data from the International Traffic Engineering standards. She noted that these fees go into a general fund.

Commissioner Ferrick asked how many bank employees there would be for the potential tenant. Mr. Smith said that 13 was the number hypothetically indicated. He said this was a unique location that would cater to local residents and low volume private clients.

Commissioner O'Malley said he assumed that the bank would let the property owners know if the parking was an issue (having noted the nine landscape reserve parking spaces). Mr. Smith said that was accurate.

Commissioner Kadvany asked if the upstairs was vacant. Mr. Smith said if they went with the potential tenant they would hypothetically lease both floors. Commissioner Kadvany asked if there was a scenario wherein the tenant would only lease the bottom floor. Mr. Smith said that was accurate. Commissioner Kadvany asked if that had implications for what the Commission needed to decide this evening. Planner Chow said the Commission was being asked to expand the uses for the site to include non-

medical office for the first and second floors with the ground floor being used by the financial institution for retail banking.

Commissioner Yu asked if the parking spaces had to be maximized what would be done to soften the hardscape. Mr. Smith said the landscape reserve was at the back of the building and similarly to landscaping in the front of the building they would use plantings to transition to the landscape reserve parking.

Commissioner Kadvany asked if parking spaces had to be constructed in the landscape reserve area whether the applicant would have to get permission. Planner Chow said that either by the request of staff or the applicant, landscape reserve could be converted to parking spaces. She said the applicant would have to bring in a revised plan based on the demonstrated demand but this was an administrative process.

Commissioner Yu asked if the ATM was 24-hours. Mr. Smith said the retail bank would have typical banking hours and ATMs would be located in the lobby. He said he did not know if that was available 24 hours or not. He said he understood clients would use their ATM card to swipe doors to gain entry. Commissioner Yu said she was concerned about lighting and safety. Mr. Smith said they had installed a new large light on the corner next to Mike's Café.

Commission Comment: Commissioner Riggs moved to accept the findings and approve the revision to the use permit. Commissioner Ferrick seconded the motion.

Commissioner O'Malley said he was pleased that this attractive building would be occupied. Commissioner Yu said she agreed and also asked the applicant to consider the neighbor's concerns about access and traffic.

Commissioner Kadvany asked about condition 4.b. He said it stated that additional parking could be made available, but at the request of the City or the applicant. He said he assumed that any neighbor with an issue with the parking would speak with the applicant or City. Planner Chow said staff would definitely receive comments if there were concerns with parking.

Commission Action: M/S Riggs/Ferrick to make the findings and approve the revision to the use permit as recommended by staff.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301 "Existing Facilities") of the current CEQA Guidelines.

2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit revision subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Bill Bocook, consisting of five plan sheets, dated received November 7, 2011 and approved by the Planning Commission on November 14, 2011, except as modified by the conditions contained herein subject to review and approval by the Planning Division.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
4. Approve the use permit revision subject to the following **project-specific** conditions:
 - a. Financial establishments on the ground floor and non-medical office are the only permitted uses for the building.
 - b. The applicant shall maintain a minimum of 45 off-street parking spaces, of which nine parking spaces are in landscape reserve. If landscape reserve parking needs to be converted into parking spaces in the future, either the applicant or the City can make a request, which is subject to review and approval by the Planning Division.
 - c. Prior to building permit issuance for the ground floor tenant improvements as a financial establishment, the applicant shall be required to pay a Traffic Impact Fee, subject to review by the Planning and Transportation Divisions, for the change of use of the ground floor from non-medical office to a financial establishment.

Motion carried 7-0.

- 2. Conditional Development Permit Amendment/Sharon Land Company, LLC/3000 Sand Hill Road:** Request to modify an existing conditional development permit (CDP) for the restaurant located at 3000 Sand Hill Road to: 1) allow breakfast, lunch and dinner service for the general public, Monday through Friday and for brunch service on weekends, 2) to allow special events (dinners, board meetings, holiday events, etc.) during weeknights and weekends for tenants of the complex and residents of Sand Hill Circle, and 3) for an on-sale beer and wine license to be able to serve beer and wine at the restaurant. The property is located at 3000 Sand Hill Road in the C-1-C(X) - Administrative, Professional and Research, Restrictive, Conditional zoning district.

Staff Comment: Planner Chow said staff had no additional comments to the written report.

Questions of Staff: Commissioner O'Malley asked how the number of special events allowed had been set, noting that the staff report indicated five. Planner Chow said that was at the request of the applicant.

Public Comment: Mr. Jerry Wimmer said he was representing Sharon Land Company. He said the number of special events was based on the existing demand. He said they met with the Sand Hill Circle residents about the proposed project and there was support.

Mr. Murray Baron, Sand Hill Circle and Homeowners Association Board, said the applicant had met with the residents and outlined all the aspects of the proposal. He said there were no parking concerns as all the parking would be on the site and traffic would be minimal. He said the benefits for residents would be having a high quality restaurant within walking distance. He asked the Commission to approve.

Chair Bressler closed the public hearing.

Commission Action: M/S Ferrick/O'Malley to recommend approval of the request to modify the existing conditional development permit for 3000 Sand Hill Road.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.
2. Make a finding that the proposed conditional development permit amendment will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed planned development, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.

3. Make a finding that the conditional development permit amendment provides the opportunity to serve local residents and business with a restaurant use and enhances an existing restaurant to address current trends, and better serve and retain its clientele.
4. Approve the conditional development permit amendment with modification to condition 8e: Restaurant service is available to both office tenants as well as the general public, and shall operate under the following guidelines. Any changes to the restaurant operations are subject to review and approval of a use permit by the Planning Commission:
 - a. Hours of operation shall be limited to the following:
 - 7:30 a.m. to 7:00 p.m., Monday through Friday
 - 10:00 a.m. to 2:00 p.m., Saturday and Sunday
 - b. Special events, up to a maximum of 10 per month, shall be limited to the following:
 - 7:00 a.m. to 10:00 p.m., Monday through Friday
 - 8:00 a.m. to 10:00 p.m., Saturday and Sunday
 -
 - c. On-sale of beer and wine (Type 41 license) is permitted in the restaurant.

Motion carried 7-0.

3. **Use Permit/Pacific Biosciences/940 Hamilton Avenue:** Request for a use permit for indoor use and indoor and outside storage of hazardous materials for the manufacturing of genome sequencing equipment in the M-2 (General Industrial) zoning district. Both the 940 Hamilton Avenue and 960 Hamilton Avenue buildings would access an exterior storage bunker for hazardous materials, located adjacent to the 940 Hamilton Avenue building.
4. **Use Permit/Pacific Biosciences/960 Hamilton Avenue:** Request for a use permit for indoor use and indoor and outside storage of hazardous materials for the manufacturing of single molecule, real time (SMRT) chips and reagents for use in association with genome sequencing in the M-2 (General Industrial) zoning district. Both the 940 Hamilton Avenue and 960 Hamilton Avenue buildings would access an exterior storage bunker for hazardous materials, located adjacent to the 940 Hamilton Avenue building.

Staff Comment: Assistant Planner Perata said staff had no additions to the staff report.

Public Comment: Mr. Paul Intrieri, Director of Facilities, said that Pacific Biosciences had been doing R&D since 2000 but had announced earlier this year that they would

begin commercialization of their instruments and were moving to manufacturing, which was why they were making this use permit request.

Commissioner Ferrick asked about the nitrogen cylinders and if there was any hazard involved with those. Mr. Intrieri said that currently there were a low number of cylinders inside the building but they would put the larger quantity of nitrogen outdoors in a large tank. Chair Bressler noted there was 100 gallons of toluene, which is a poisonous solvent, and asked if it was vented. Mr. Intrieri said the toluene was handled very safely, the machine in which it was used was self-contained with a self-contained waste storage container that was removed very easily. Commissioner Riggs asked under what pressure the 1,000 gallons of nitrogen was stored. Mr. Intrieri the nitrogen was kept liquid at low pressure.

Chair Bressler closed the public hearings on agenda items #'s 4 and 5.

Commission Action: M/S Bressler/Eiref to approve as recommended in the staff report.

940 Hamilton Avenue

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans provided by Dennis Kobza & Associates, consisting of seven plan sheets, dated received November 9, 2011, and approved by the Planning Commission on November 14, 2011 except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicant shall comply with all sanitary district, Menlo Park Fire Protection District, and utility companies regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.

- d. If there is an increase in the quantity of hazardous materials on the project site, a change in the location of the storage of the hazardous materials, or the use of additional hazardous materials after this use permit is granted, the applicant shall apply for a revision to the use permit.
- e. Any citation or notification of violation by the Menlo Park Fire Protection District, San Mateo County Environmental Health Department, West Bay Sanitary District, Menlo Park Building Division or other agency having responsibility to assure public health and safety for the use of hazardous materials will be grounds for considering revocation of the use permit.
- f. If the business discontinues operations at the premises, the use permit for hazardous materials shall expire unless a new business submits a new hazardous materials business plan to the Planning Division for review by the applicable agencies to determine whether the new hazardous materials business plan is in substantial compliance with the use permit.

960 Hamilton Avenue

- 1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.
- 2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
- 3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans provided by Dennis Kobza & Associates, consisting of nine plan sheets, dated received November 9, 2011, and approved by the Planning Commission on November 14, 2011 except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicant shall comply with all sanitary district, Menlo Park Fire Protection District, and utility companies regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.

- d. If there is an increase in the quantity of hazardous materials on the project site, a change in the location of the storage of the hazardous materials, or the use of additional hazardous materials after this use permit is granted, the applicant shall apply for a revision to the use permit.
- e. Any citation or notification of violation by the Menlo Park Fire Protection District, San Mateo County Environmental Health Department, West Bay Sanitary District, Menlo Park Building Division or other agency having responsibility to assure public health and safety for the use of hazardous materials will be grounds for considering revocation of the use permit.
- f. If the business discontinues operations at the premises, the use permit for hazardous materials shall expire unless a new business submits a new hazardous materials business plan to the Planning Division for review by the applicable agencies to determine whether the new hazardous materials business plan is in substantial compliance with the use permit.

Motion carried 7-0.

- 5. Use Permit Revision/Menlo Business Park LLC/1455 Adams Drive:** Request for a revision to a use permit, previously approved in February of 2007, to increase the types and quantities of hazardous materials used and stored at the site in the M-2 (General Industrial) zoning district. All hazardous materials, except for diesel fuel associated with an existing generator, would be used and stored within the building. The building provides incubator space for start-ups and emerging small businesses to conduct small scale research and development.

Staff Comment: Assistant Planner Perata said the Commission had received two documents, which were Menlo Park Building Department's sign-off on the application and the other a recommended change to specific condition 4.a to add "per control area" after "The aggregate total quantity of hazardous materials used and stored." He said these documents were available at the back of the room for the public.

Public Comment: Mr. John Tarlton, Menlo Business Park, said that their Menlo Labs project had been very successful with a number of tenants ready to expand their R&D and some who were ready to go into manufacturing. He said the request was for increased quantities of hazardous materials at this site.

Commissioner Riggs asked if with the revised way of approving quantities in a categorical way whether staff had considered the total potential quantities in the business park as well as potential quantities in adjacent properties, and discussed that with fire prevention. Assistant Planner Perata said for this request staff had looked at the overall potential of this building per the fire code thresholds but not the quantities in the overall business park or in the overall M-2 zoning district. He said if this was used as a framework for an amendment to the zoning ordinance for hazardous

materials there would also be the potential for that type of consideration in the environmental impact report. Commissioner Riggs asked if in determining maximum quantities per area whether staff had looked at the potential total quantities in the building under this approval process. Assistant Planner Perata said that Planning staff worked with Building Department, Fire District, West Bay Sanitary District and County Environmental Health staff to address the overall potential and that there could be multiple control areas in the building that would permit the use and storage of the total quantities allowed. Mr. Tarlton said they were planning two control areas. Commissioner Riggs asked staff if it was understood that there would only be two control areas. Assistant Planner Perata said the applicant had indicated they intended only two control areas but the number was not limited by the report. Mr. Tarlton said they wanted approval for a certain amount of chemicals in a control area and to create additional control areas as needed without coming back to the Planning Commission. Commissioner Riggs confirmed that the applicant intended two control areas at this time.

Commissioner Eiref asked if each individual company was responsible for getting and disposing of chemicals, or whether there was more sharing of resources. Mr. Tarlton said that to keep the cost of the startup space as low as possible to allow small science companies to do scientific work without going for venture capitalist they did not do consolidated hazardous waste removal as that would required staff onsite. He said the tenants preferred to keep costs down and the services limited, noting that tenants have to get their own EPA ID number. Commissioner Eiref asked if they were tracking quantities of all the aggregate hazardous materials. Ms. Ellen Ackerman, Green Waste, said to meet the fire code requirements and conditional use permit that she reviews a potential tenant's hazardous materials list to see whether it was compatible with the amounts and types being used by other tenants. Commissioner Eiref asked if the City would be more efficient if it looked at the boundary value of what a facility could have against the specific amount and type. Ms. Ackerman said it would and noted the City of Menlo Park was unique as it was the only local jurisdiction that required an applicant to have a specific list of chemicals and quantities in order to get an operating permit. She said in other areas the applicant would file papers with the fire and environmental health departments.

Assistant Planner Perata said planning has been looking at changes to the zoning ordinance for the business area and the M2 and how to permit hazardous materials. He said this application could be the framework for approval of hazardous materials in this zoning district.

Chair Bressler closed the public hearing.

Commission Comment: Commissioner O'Malley said he was pleased that the Department was beginning to streamline this permit process. He moved to approve as recommended in the staff report. Commissioner Ferrick seconded the motion.

Commissioner Riggs suggested that staff consider the process in this City against those in nearby cities. Commissioner Ferrick said she supported the comments made.

Commission Action: M/S O'Malley/Ferrick to approve as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans provided by DES, consisting of five plan sheets, dated received November 9, 2011, and approved by the Planning Commission on November 14, 2011 except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicant shall comply with all sanitary district, Menlo Park Fire Protection District, and utility companies regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Any citation or notification of violation by the Menlo Park Fire Protection District, San Mateo County Environmental Health Department, West Bay Sanitary District, Menlo Park Building Division or other agency having responsibility to assure public health and safety for the use of hazardous materials will be grounds for considering revocation of the use permit.
4. Approve the use permit subject to the following **project specific** conditions:
 - a. The aggregate total quantity of hazardous materials used and stored within the building, **per control area**, shall not exceed the quantities listed in Table 2703.1.1(1) of the 2010 California Fire Code and subsequent updated codes, including the amounts allowed per footnotes d (sprinklers) and e (cabinets) of the table.

- b. The property owner shall provide a monthly update of the current Hazardous Materials Inventory Statement (HMIS) for the entire building and any changes to specific tenants consistent with the requirements of the California Fire Code (CFC) to the Menlo Park Planning and Building Divisions, the Fire District, the West Bay Sanitary District, and the San Mateo County Environmental Health Division. The submittal shall include a narrative of the changes in quantities and types of materials, and operations for each business at the facility.
- c. When chemical quantities exceed the reportable limits as defined by the California Fire Code, each tenant shall provide a Hazardous Materials Management Plan (HMMP), standard form or short form, or equivalent document to the Menlo Park Fire District and the Sanitary District.
- d. When chemical quantities exceed the reportable limits as defined by the California Health and Safety Code, each tenant shall provide a Hazardous Materials Business Plan (HMBP), or equivalent document the San Mateo County Environmental Health Division and the Sanitary District.
- e. The Fire District shall provide a copy of the annual inspection report for the facility to the Menlo Park Building and Planning Divisions, the West Bay Sanitary District, and the San Mateo County Environmental Health Division. The property owner shall provide a copy of their response to any deficiencies identified in the inspection report to all applicable agencies.

Motion carried 7-0.

E. COMMISSION BUSINESS

There was none.

ADJOURNMENT

The meeting adjourned at 8:19 p.m.

Commission Liaison: Deanna Chow, Senior Planner

Recording Secretary: Brenda Bennett

Approved by Planning Commission on December 12, 2011