



PLANNING COMMISSION MINUTES

Regular Meeting
September 23, 2013 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:02 p.m.

ROLL CALL – Bressler, Eiref (Vice Chair – arrived 7:06 p.m.), Ferrick, Kadvany (Chair), Onken, Riggs (arrived 7:08 p.m.), Strehl

INTRODUCTION OF STAFF – Rachel Grossman, Associate Planner; Arlinda Heineck, Community Development Director; Kyle Perata, Assistant Planner; Thomas Rogers, Senior Planner

A. REPORTS AND ANNOUNCEMENTS

A1. Update on Pending Planning Items

- a. General Plan – City Council – September 24, 2013
- b. El Camino Real Lane Reconfiguration Alternatives Analysis RFP – City Council – October 1, 2013

Planner Rogers provided a short update on the items listed above, which will be considered by the City Council.

B. PUBLIC COMMENTS

There were none.

C. CONSENT

C1. Approval of minutes from the August 19, 2013 Planning Commission meeting

Commission Action: Minutes approved with the following edits.

- Page 6, 1st paragraph, 1st line: Replace “Mr. Avey’s” with “Mr. Aebi”
- Page 10, 2nd paragraph, 2nd line: Replace “... 23,000,000 KWH of electricity.” with “... 23 million kWh of electricity per year.”
- Page 11, 1st paragraph, 6th line: Replace “He said he would like to see one-story shops around the perimeter of the campus.” with “He noted he might like to see one-story shops or something similar around the perimeter of the SRI campus. However, he doesn’t expect it to be altered to have a different character, but is looking forward to the development of a plan.”

Action carried 6-0, with Commissioner Strehl abstaining:

- C2. Architectural Control Revision/Khoan Duong/139 Stone Pine Lane:** Request for a revision to a previously approved architectural control application to incorporate a balcony on the upper level along the rear façade and extend the left-side wall along the property line to align with the proposed balcony, on an existing residence in the R-3 (Apartment) zoning district. The proposed modification would result in an increase in building coverage.

Commission Action: Project approved as recommended in the staff report.

1. Adopt a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
 - e. The property is not within any Specific Plan area, and as such no finding regarding consistency is required to be made.
3. Approve the architectural control request subject to the following **standard** conditions of approval:
 - a. Development of the project shall be substantially in conformance with the plans prepared by John Lum Architecture, Inc., consisting of six plan sheets, dated received by the Planning Division on September 18, 2013, and approved by the Planning Commission on September 23, 2013, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.

- b. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, San Mateo County Health Department, and utility company's 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. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. Landscaping shall properly screen all utility equipment that is installed outside of a building and cannot be placed underground. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.

Action carried 7-0.

D. PUBLIC HEARING

- D1. Use Permit/Maryam Tabatabaei/715 Cambridge Avenue:** Request for a use permit to demolish an existing single-story, single-family residence and detached accessory structure, and construct a new two-story, single-family residence including a basement and an attached garage on a substandard lot with regard to lot width in the R-2 (Low Density Apartment) zoning district. An initial version of the proposal was reviewed by the Planning Commission at the meeting of August 5, 2013, and was continued with direction for redesign. The proposal has since been revised, with changes to make window forms more consistent, reduce the prominence of the front entry, simplify roof forms, and show existing and proposed landscaping.

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

Public Comment: Ms. Maryam Tabatabaei, property owner, said that with Commission direction from the August 5 meeting they had made changes to make the window forms more consistent, reduced the front entry, and simplified the roof forms. Fatemeh Ziae also addressed the Commission.

Chair Kadvany closed the public hearing.

Commission Comment: Commissioner Ferrick said the changes improved and unified the design. She thanked the property owner for being responsive.

Commissioner Onken noted the new trellis but questioned its location as it seemed to protrude.

Commissioner Eiref said he was impressed with the changes noting the second floor rear window was centered and looked much nicer. He said he had regretted using vinyl windows on his own house and suggested they might want to consider changing their window materials.

Commissioner Riggs said he seconded all the comments. He thanked the property owner for being responsive.

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

1. Make a finding that the project is categorically exempt under Class 3 (Section 15303, "New Construction or Conversion of Small Structures") 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 prepared by Glush Design Associates consisting of 12 plan sheets, dated received September 9, 2013, and approved by the Planning Commission on September 23, 2013, 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.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.

- e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
- f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
- g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.

Motion carried 7-0.

D2. Use Permit/Level 10 Construction/308 and 309 Constitution Drive: Request for a use permit for the placement of conex boxes (reusable steel storage containers), and approximately 300 construction employee parking spaces on the TE Connectivity site for use during the construction of the Facebook West Campus. The trailers and parking would be located on an undeveloped portion of the TE Connectivity Campus that is currently utilized for outside storage and overflow parking. The project site is located within the M-2 (General Industrial) zoning district.

Staff Comment: Planner Grossman said staff had no additions to the written report.

Commissioner Onken recused himself from consideration of Agenda Item D2 due to a potential conflict of interest.

Public Comment: Mr. Roland Flores, Level 10 Construction, project manager, said storage and parking was needed for construction that was not available onsite. He said they would only access these areas through the Facebook West Campus and not through Tyco Campus. He said it was about three acres of property. He said 85% of the site could be used for construction parking and the remainder for storage of mainly construction materials that would be placed in conex boxes to be shut and locked after each day. He said access to the area would be 6 a.m. to 6 p.m. Monday through Saturday. He said to delineate their use from Tyco's they would install a six-foot fence. He said they would maintain fire lane access and per Fire District's request would install man gates close to existing fire hydrants. He said they expected to use 20 conex boxes during peak construction. He said they would use the site through May 2015.

Chair Kadvany closed the public hearing.

Commission Comment: Commissioner Riggs said he appreciated staff's work in reviewing the issues and the implications. He said he thought this solution would have the lowest impact for the construction site. He moved to approve as recommended. Commissioner Ferrick seconded the motion.

Commissioner Eiref asked if they would be working on Saturdays or accessing the site. Mr. Flores said they would need to get approval from the City to work on the weekend. Planner Grossman said in relation to the City's noise ordinance, municipal code section 8.06, construction noise was limited Monday through Friday from 8 a.m. to 6 p.m. She said interior work could occur outside those hours as long as they did not violate the noise ordinance, which was a maximum of 60 dba during the day and 50 dba during the night. She said there would be the potential for work outside with a noise exclusion request.

Commission Action: M/S Riggs/Ferrick to approve the item as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 3 (Section 15303, "New Construction or Conversion of Small Structures") 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 prepared by Level 10 Construction consisting of four plan sheets, dated received September 17, 2013, and approved by the Planning Commission on September 23, 2013, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.
 - b. 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. The applicant 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 subject to the following **project-specific** conditions:
 - a. The use of the project site for temporary storage of materials in conex boxes and for construction employee parking shall terminate on or before May 31, 2015.

- b. In the event of construction delays that result in the Facebook West Campus project not completing building permit final inspections on or before May 31, 2015, the applicant shall be able to request one administrative one-year extension of the use permit, subject to the review and approval of the Community Development Director. The use permit extension request shall be made in writing to the Community Development Director no later than April 30, 2015.
- c. The days and hours of operation for use of the project site for temporary storage of materials in conex boxes and construction employee parking shall be limited to Monday through Saturday from 6:00 a.m. to 6:00 p.m. (excludes holidays).
- d. Use of the site shall comply with the requirements of Municipal Code Section 8.06, Noise, for the term of the use permit of the site.
- e. Vehicle parking shall be limited to construction employee vehicles. No construction equipment or construction vehicles shall be parked on the project site.

Motion carried 6-0 with Commissioner Onken recused.

Commissioner Onken returned to the dais.

E. REGULAR BUSINESS

- E1. Architectural Control/Rita Parasnis/727 El Camino Real:** Request for architectural control to remodel and construct additions to an existing hotel, including new glass panels and railings, new stone veneers, new wood slat fences, and a new lobby/storefront entry, as well as the addition of eight guest rooms for a total of 47 guest rooms, located in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district. The proposal includes the application of the Transportation Manager's discretion to approve a parking rate for a use type not listed in Specific Plan Table F2, specifically a parking ratio of 0.8 spaces per hotel room, based on the Institute of Transportation Engineers (ITE) parking generation rates for motel and business hotel uses.

Staff Comment: Planner Perata said staff had no additions to the written report. He said a colors and materials board had been provided for review.

Public Comment: Mr. Thom Jess, Arris Studio Architects, introduced P.B. Patel and Rita Parasnis, Bpr Property Management, the property owners, Tony Carrasco, architect, and Joseph Cott, transportation engineer. He presented a PowerPoint presentation showing prior hotel rehabilitations his firm has done. He said the property owners had bought the property recently with a goal to renovate and upgrade the hotel. He said the Mermaid Inn was located on El Camino Real between Cook's Seafood and Safeway. He showed the two existing curb cuts and access points, the fence around

the pool and an inaccessible area to the rear of the property. He said they wanted to make the public areas and the pool area much more pleasant, expand the breakfast area and give the hotel a street presence. The breakfast area and fitness room would now open to the pool area. They removed one curb cut so there would be one ingress/egress area. He said they expanded the parking area into the area that had previously been inaccessible and added a total of eight rooms. He said they were creating an outdoor roof patio opening to the pool area. He said in front they would replace the picket fence screening with a glass screen that would unify the front of the building and they would update the rock veneer with stone veneer. He said they would screen the walkway to the pool area.

Responding to a question about signage, Ms. Rita Parasnis, one of the property owners, said they were putting a lot into this plan and their signage would be reflective of the quality of hotel. Commissioner Onken asked about the word "Motel" down the front of the building. Ms. Parasnis said they would be refacing the signage to reflect that it was a hotel.

Commissioner Eiref said he liked the look of the project. He asked if the Specific Plan helped shape their proposal. Mr. Jess said he thought they were one of the first projects to come through the Specific Plan process. He said there were some additional requirements such as doing a historical resource research on the property but the principles in the design guidelines in conjunction with the Specific Plan were very helpful in designing the project. Ms. Parasnis said the Plan encouraged their proposal.

Commissioner Ferrick asked if there was a way to get from the roof patio to the pool deck easily. Mr. Jess said there were stairs on either side that open up to the pool area.

Commissioner Onken asked about signage. Mr. Jess said the hotel was not yet named so they had not made a formal application for signage yet. He said the intent was to reuse the existing sign locations.

Commissioner Onken asked about the parking rate of 0.8. Planner Perata said Table F.2 of the Specific Plan circulation traffic chapter set a rate for a hotel at 1.5 spaces per room and also the ability for the Transportation Manager to evaluate different land uses on a case by case basis. He said in this case the hotel parking rate in the Plan was determined to be more for a full service hotel and this proposal was more similar to a motel or business hotel that have rates of 0.75 and 0.85. He said the Transportation Manager was comfortable with requiring a 0.8 parking requirement for the proposed hotel.

Chair Kadvany asked about the open space calculation used for the project. Planner Perata said the Specific Plan required a certain percentage of open space and for this project that was 30%. He said the existing site has less than that so as part of the project the applicant was proposing to reconfigure the site with a no-net loss of open

space note and not increase the nonconformance. He said the second floor patio would be considered as open space.

Commissioner Riggs said the sidewalks on that side of El Camino Real were an issue as there was barely room enough for one person to travel the sidewalk expanse. He asked what would happen if this project attempted a 12-foot sidewalk as noted in the Specific Plan. Mr. Jess showed a visual that a portion of the hotel would have to be removed and parking would be lost. Commissioner Riggs said an electrical room was being converted to a guest room and asked if that was the same on the second floor. Mr. Jess said the second floor above was already a hotel room. Commissioner Riggs asked what the market was for a ground level guest room on a six-foot sidewalk on El Camino Real. Mr. Jess said there was a trash and electrical room at the sidewalk and inboard of that was the first guest room. He said on the second floor there was a guest room that looked over the sidewalk but there was a screen for it. He said although not the most desirable unit it was marketable. Commissioner Riggs asked about garbage collection and if the trucks stop on El Camino Real. Mr. Jess said that was how trash was picked up currently and would continue to be picked up. He said it was picked up around 5 or 5:30 a.m.

Commissioner Bressler asked about the hatch areas on A.10. Mr. Jess said there were a series of columns that support the structure above and the spacing was not enough to be used for vehicle parking.

Chair Kadvany asked if there was any public comment.

Ms. Elizabeth Houck, Menlo Park said she had served for eight years on the Safeway development neighborhood committee and during that had worked with the owners of the Mermaid Inn, who were quite amenable. She said this project would not contribute greatly to the TOT noting that with the Specific Plan the City was expecting a large full service hotel on the Stanford property.

Chair Kadvany closed the public comment period.

Commission Comment: Commissioner Onken noted the improvements being proposed but he could not approve the project without knowing what the signage would look like. He said the current "motel" sign was the tallest sign along El Camino Real until one got to Sunnyvale. He said he would push to continue the project until they have the signage with the rest of the design before the Commission. He said they were now being asked to approve for the next fifty years the same stone façade two-story building too close to the pavement. He said it would be helpful if the front wall was pushed back or at least was not all stone façade. He said he would like to hear that the "Motel" sign was being removed and the tall sign reduced to a small monument sign.

Commissioner Bressler said he could not approve the project with the narrow sidewalks, and they needed to expect better of projects developed under the Specific Plan.

Commissioner Riggs said he had a similar aesthetic reaction as Commissioner Onken. He said the overall aesthetic was plain, the color gray with an emphasis on dark gray, stone veneer which now would look very 2013 to its advantage and to its disadvantage 13 years hence. He said dry stack stone collected dust noting the property's proximity to El Camino Real. He said there was minimal landscape and that with the lack of detail and the cold colors was not inviting. He said he thought the lobby would be fun. He said the larger issues were the signage and the sidewalk. He said he tended to agree with staff that removing part of the building to increase the sidewalk and the implications of that was probably not appropriate. He said however there was the opportunity to have a larger scale project. He said if it was a three-story motel there would be a parking challenge. He said he might approve the project with the condition that the signage be removed or at least new signage approved by the time the applicant got a certificate of occupancy.

Chair Kadvany asked if the applicant had thought about a larger structure if some parking arrangement could be made.

Mr. Tony Carrasco, architect, said he was a friend of BPR Property Management and had assisted them on this project. He said once they developed their branding they would bring their signage application before staff. He said BPR had paid an enormous amount of money for the property and in the short term could not afford to demolish it. He said they were amenable to coming back with a landscape plan for the sidewalk. He said that BPR Property operates a 70-unit hotel in Palo Alto with no parking and 200-unit hotel in Berkeley with no parking. He said it seemed the goal was for this area to become more urban under the Plan and potentially the hotel could increase its size without adding parking or needing additional parking. Ms. Parnasis said they would add more rooms if parking was not a constraint. She said with the hotel in Palo Alto there was a public parking garage and street parking and in Berkeley a parking garage across the street from the hotel.

Commissioner Eiref said there had been discussion to not have massive sized buildings on the western side of Menlo Park. He said it would be nice to have wider sidewalks but those would happen under the broader plan. He said the signage should definitely be improved.

Commissioner Onken said he could move to approve if all of the signage was removed as a condition, and a new signage proposal made. Motion died for lack of a second.

Commissioner Ferrick asked about the property next door and if there was any interest in redeveloping. Senior Planner Rogers said there had been some action to renovate what had been an Arby's but it was not operating. Commissioner Ferrick said those buildings were even closer to the sidewalk and street than the Mermaid Inn. She asked how tall the Safeway building was on the other side. Senior Planner Rogers said it was built under a Conditional Development Permit but he did not think they exceeded the 30-foot height limit.

Commissioner Bressler said they were backing down from what they had hoped for under the Specific Plan, and they would have what was being presented at this site for 50 years. He said he thought a portion of the building could be removed. He said it was their job to protect the public's interest. He said counting the roof patio as open space and the sidewalk setback remaining at this small amount bothered him.

Commissioner Strehl said short of demolishing the building and redeveloping the site that this improved upon the existing property with the constraints. She said she did not know if the intent of the Specific Plan had been the wholesale redevelopment of specific properties on El Camino Real. She said it would be prohibitively expensive and not work within their business plan to tear down part of the building to create a wider sidewalk particularly when on either side the sidewalks would remain narrow. She agreed about the signage.

Chair Kadvany said he noted the sidewalk in reviewing the plans and understood Commissioner Bressler's concern.

Commissioner Eiref said he could support approval with removal of the signage and the signage coming back and asked staff how that would be conditioned. Senior Planner Rogers said if the Commission required that the existing signage be removed and any new signage follow the sign and awning guidelines that would not require the Planning Commission's review. He said when signage was in conflict with the sign and awning guidelines the Commission would consider such sign applications. Commissioner Eiref said he would approve if they removed the signage and brought back the sign application come back to the Commission. Commissioner Onken said the project could be continued to address other concerns and then have the project and sign application come back.

Commissioner Ferrick said this was an existing structure that was being renovated. She said if it was a newly built property she would think differently. She said they would be using the same basic structure, which had sustainability value.

Commissioner Strehl seconded Commissioner Eiref's motion to approve but with the sign application coming back to the Commission.

Commissioner Eiref noted he felt similarly as Commissioner Riggs about the stacked stone.

Commissioner Bressler said if people did not like the stacked stone why not take action as this was architectural control. He said part of his concern was the setback and the ugly wall. He said there was minimal landscaping.

Mr. Carrasco said when they return with the sign application they will return with a materials change for the wall.

Discussion ensued with staff agreement that the item could come back on a consent calendar as it was not a public hearing item. Planner Rogers said also that the project could be approved with conditions that would come back to the Planning Commission on the consent calendar. He said usually conditions are set upon some trigger such as a time period or building application.

Mr. Jess asked if they could get clear direction on what material was wanted for the wall.

Commissioner Onken said it was not just the material but maintaining the monolithic nouveau 70s wall. He said it could be articulated differently so it was halved with different material on the top and bottom. He suggested landscaping might help.

Commissioner Riggs said the community and Planning Commission have reacted against flat masonry forms in more recent years.

Chair Kadvany said it would be helpful if the building façade was activated.

Commissioners Eiref and Strehl as the makers of the original motion and second modified the motion to include other treatment to the left front wall including different material.

Senior Planner Rogers said Planner Perata had raised the concern that the stone veneer was used in the interior and near the pool. Commissioner Eiref said he did not have an issue with its use on the interior. Commissioner Onken said it was really the front left wall that because of its scale was an issue.

Commission Action: M/S Eiref/Strehl to approve with additional conditions for the as listed:

1. Make findings with regard to the California Environmental Quality Act (CEQA) that the proposal is within the scope of the project covered by the El Camino Real/Downtown Specific Plan Program EIR, which was certified on June 5, 2012. Specifically, make findings that:
 - a. The project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.
 - b. Relevant mitigation measures have been incorporated into the project through the Mitigation Monitoring and Reporting Program (Attachment F), which is approved as part of this finding.

- c. Upon completion of project improvements, the Specific Plan Maximum Allowable Development non-residential use total will be reduced by 3,497 square feet, accounting for the project's share of the Plan's overall projected development and associated impacts.
- 2. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
 - e. The development is consistent with the El Camino Real/Downtown Specific Plan. The exterior changes would comply with relevant design standards and guidelines. In particular, standards and guidelines relating to ground-floor window transparency, orientation to the street, and architectural projections to create interest would be addressed. In addition, the project would adhere to standards and guidelines relating to the provision of usable open space.
- 3. Approve the architectural control request subject to the following **standard** conditions of approval:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Arris Studio Architects, dated received September 9, 2013, consisting of 28 plan sheets and approved by the Planning Commission on September 23, 2013, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. The applicant shall comply with all West Bay 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. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. Landscaping shall properly screen all utility equipment that is installed outside of a building and that cannot be placed underground. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.
4. Approve the architectural control request subject to the following **project-specific** conditions of approval:
- a. Prior to building permit issuance, the applicant shall pay the El Camino Real/Downtown Specific Plan Preparation Fee, which is established at \$1.13/square foot for all net new development.
 - b. Prior to, or concurrent with, the submittal of a complete building permit application, the applicant shall submit a revision to the material and appearance of the front left wall to the Planning Division. The proposed modification to the wall material and appearance shall be reviewed and approved by the Planning Commission, and subsequently incorporated into the building permit plans, prior to building permit issuance.**
 - c. Prior to, or concurrent with, the submittal of a complete building permit application, the applicant shall submit a new signage program to the Planning Division, identifying the size and location of new signage and noting that all existing signage will be removed. The signage program shall be reviewed and approved by the Planning Commission, and subsequently incorporated into the building permit plans, prior to building permit issuance.**

Motion carried 6-1 with Commissioner Bressler opposed:

- E2. El Camino Real/Downtown Specific Plan/Initial Review:** Initial evaluation of the El Camino Real/Downtown Specific Plan, which was approved in 2012. As specified by Chapter G ("Implementation"), the Planning Commission and City Council will conduct an initial review of the Plan one year after adoption, with ongoing review at two-year intervals thereafter. This review is intended to ensure

that the Plan is functioning as intended, as well as to consider the policy-related implications of various Plan aspects. Depending on the results of the initial review, potential modifications may be formally presented for Planning Commission recommendation and City Council action at subsequent meetings. Any such modifications may require additional review under the California Environmental Quality Act (CEQA). ***Continued from the meeting of September 9, 2013***

Staff Comment: Senior Planner Thomas reviewed the straw votes the Commission had taken at its September 9 meeting in the review of the El Camino Real/Downtown Specific Plan (Plan).

1. "Leaving aside the question of control/uses, do you believe the Specific Plan's overall building parameters (e.g., FAR, densities) are generally acceptable, with the potential for some interpretations or refinements?"

Result: 5-0 in favor with Commissioners Onken and Strehl abstaining for recusal.

2. "Do you believe another form of project control is needed to achieve the Plan's valued outcomes, above and beyond the current Architectural Control and Environmental Review requirements?"

Result: 4-3 in favor with Commissioners Onken, Riggs, and Strehl in opposition.

3. "Do you think additional review of, and potential revisions to, the Plan's use regulations is warranted?"

Result: 7-0 in favor.

Senior Planner Rogers said what the Plan has for project controls already includes architectural control. He said it was focused on design but allowed for full and meaningful consideration of that topic. He said all projects require environmental review noting that larger projects need more detail analysis. He said dependent upon the specifics projects might need a project specific environmental impact report. He said the use permit allowed for broader consideration of health, safety, morals, comfort and general welfare and similar to architectural control the findings have to be fact based. He said under the Plan use permits apply to somewhat unusual projects or potentially problematic uses such as liquor sales, animal boarding, and funeral and internment services. He said that requirement could be broadened and expanded to uses currently permitted. He said the last typical action that could apply to certain projects was the public benefit bonus and structured negotiation. He said with a two-tier development project – two tier density and intensity standards - the ones with the largest most intense uses were required to go through some type of fiscal or economic analysis with the intent to quantify the benefit to the City and also to the developer and whether that was roughly in parallel. He said if the City did not see the value to the City as proportional, it could deny the project. He said it had not appeared the Commission

wanted to add hurdles to residential, retail or mixed uses but seemed most concerned with office uses. He provided a graphic to demonstrate FAR for offices noting the Plan already has existing office FAR limits. He said staff believes having these clear, non-negotiable office FAR limits was the best process, but the Commission could consider requiring use permits for some of the office use scenarios, some ideas for which were listed in the staff report. He said a broad requirement for a developer's agreement was not advised noting cost elements of those and legal questions as result of recent Supreme Court decision that appeared to question open-ended discretionary acts like development agreements. He said following up on whether retail standards were set correctly under the Plan as to specifics and incentives that they had reviewed that by City Council direction during the draft Plan process. He said the Plan supported a long-term economic shift away from the historic pattern of auto-oriented convenience retail along El Camino Real to a mixed-use neighborhood with pedestrian-friendly supportive retail. He noted there was a requirement for 10,000 square feet of retail/restaurant uses at the east side of El Camino Real at Middle Avenue.

Planner Rogers said the Plan had an overall FIA that was intended to inform the process but not drive it. He said the City had approved a 138-room hotel in the Plan area and although not one of the opportunity sites it was an existing use that would be converted. He said the greatest cost projected in the Plan was public parking garages. He said by approving a fairly significant hotel project at 555 Glenwood Avenue, and concurrently not approving any parking garages the City was fairly consistent with the FIA projections and should anticipate significant revenues to the City for near term. He said the City has the ability to direct those funds to proactively fund infrastructure. He said the City Council had authorized the Ravenswood/El Camino Real right hand turn lane project to help operations at that intersection through the Capital Improvement Program. He said there was also a lane configuration study that was pending.

Planner Rogers said all projects were required to pay a traffic impact fee (TIF). He said for the Plan area there were also some additional intersection improvement fees based on the scale of the project, noting Mermaid Inn was required to pay based on the floor area and proportional to what the impacts are. He said they also collect other fees for Plan environmental impact reports and construction street impacts. He said there was also a fee for recreational impacts for residential subdivision projects. He said the City could always consider new impact fees. He said the establishment of new impact fees has to follow procedures outlined by state law; in essence the fee could not fund existing deficiencies but only the impacts of the project.

Planner Rogers said the transportation demand management (TDM) topic also was raised, and under the Plan, all projects, regardless of size, were required to establish TDM plans. He said there have been comments about a newer concept of transportation management association or TMAs. He said it might hold promise but at this point the specifics were unclear.

Planner Rogers said there was an option for interpretation or clarification memorandums that could be accomplished without changing the Plan and could be prepared and reviewed on an ongoing basis. He said they suggested doing that for the hotel parking rates in the September 9 staff report. He said the next tier would be modest changes to the Plan and that was something in the text of the Plan that would change. Those changes did not revise the graphics or the fundamental principles of the plan as those would need a noticing and analysis process that would take three to five months at a minimum. He said the Council and Planning Commission could consider a moratorium on the Plan if that was the desired direction. He said lastly were major modifications and those would impact graphics or would revisit core principles of the Plan. He said that would take six months to a year and a moratorium on the Plan would need to be considered.

Planner Rogers provided an outline of principles for the Commission to consider when considering potential changes to the Plan.

- What is the basis for the proposed change? In particular, based on the projects that have been approved and/or proposed since the Specific Plan was adopted, why is the change warranted?
- How would the change support the overall project objectives (Vision Plan Goals + Specific Plan Guiding Principles)? A modification may appear to enhance one goal/principle when viewed in isolation, but not when considered in relation to all objectives.
- Within the Specific Plan itself, would the change have any ripple effects for other aspects of the Plan? Many elements are interrelated, and what appears to be a small positive change in one area could have negative consequences for another part of the Specific Plan.
- Was the change previously considered during the Specific Plan development process? If so, is there substantive new information justifying the change?
- Could the change affect the Housing Element, the pending General Plan update or other City plans/projects?

Questions of Staff: Commissioner Eiref said there was a public comment about the original vision of the Plan having a fairly substantial new hotel conference type facility. He said there was a \$2.1 million positive impact and asked what that assumed. Planner Rogers said that was the Plan's projection for 380 hotel rooms being developed over the entire Plan lifetime. He said in the first year of the Plan they have had 146 hotel rooms approved including the Mermaid Inn this evening. Commissioner Eiref said his concern with the financial model was the relatively narrow margin of profitability for the City. Planner Rogers said at this point the only way the Plan would be fiscally negative would be if the approved hotel projects didn't occur, and concurrently the City builds two

parking garages now. He said the Glenwood Hotel proposal would continue to generate revenues for the City. He said the FIA was conservative in looking at only direct revenues to the City and regarding office and housing had not projected any revenue for spending by the new people using those sites.

Commissioner Eiref said they were up-zoning in the Plan area and making the land more valuable for the property owners and he hoped that the City would benefit as equally from that.

Commissioner Riggs asked about fees for incremental changes. Planner Rogers said for every individual project there was potential requirement for them to implement an improvement if they were affecting something in such a substantial way that the project would not actually function without it. He said this was where they were compromised by not having reviewed any project in detail under the Plan yet. He said if an applicant implemented a traffic improvement that others also have a responsibility for then they would get a credit for the TIF. Commissioner Riggs said as an example the intersection at Middle Avenue and El Camino Real was nearly impassable but might be improved by some traffic light adjustments. He said adding another 3,000 vehicles to that intersection as is might make it inoperable during certain sections of the day. He asked if the intersection improvement would be solely the applicant's adding the 3,000 cars or would it also be shared by future applicants in the area. Planner Rogers said that was exactly the question they started to pursue but the particular project they were considering went on a different track that was less project operations oriented and more abstract about the general pros and cons of the project. He said generally there were examples of projects that would have such an impact on a planned mitigation that the project applicant would be required to implement it. Commissioner Riggs asked if a traffic study was required and it indicated significant degradation and the mitigation was a certain thing was that supportive of considering the mitigation as part of the project. Planner Rogers said that was the kind of information that fed into such decision.

Commissioner Bressler asked about significant impacts for which there were no mitigations. Senior Planner Rogers said the Program EIR did identify some significant impacts that were unavoidable. He said on El Camino Real the biggest constraint why a project could not do mitigation was because Caltrans controls El Camino Real so the City cannot direct changes to that roadway. He said the applicant could be required to pursue the mitigation but there was no control it could be accomplished.

Chair Kadvany said regarding control and architectural review that the process was much broader than he had originally perceived but it could benefit from considerable clarity and articulation.

Commissioner Bressler did a presentation on development in the Plan area noting when up-zoning was given to a project there was private benefit notably an increase in FAR. He showed a slide demonstrating what was built because of the increase. He asked whether the City should get any benefit from up-zoning. He noted a project at 395 Page

Mill Road in Palo Alto with its up-zoning from FAR of .51 as compared to 500 El Camino Real which was .55 and final FAR was 1.23 and for Stanford project was 1.25 FAR. He said the land was 9.86 acres and 310,000 square feet of office was added. He said for this up-zoning the public benefit was up to \$50 million. He said 500 El Camino Real was 8.4 acres but the City's public benefit was zero. He said his final question was what was a public benefit. He said a mitigation was not a public benefit. He said the benefit most benefit the public in general such as parks plazas and open space.

Chair Kadvany asked that speakers limit their comments to two to three minutes and provide new information.

Public Comment: Ms. Adina Levin, Menlo Park, said there was the opportunity to strengthen TDM provisions in the Plan. She said there should be reporting and accountability provisions, and there should be some consequences if the objectives of the TDM were not attained. She said regarding TMAs that have been done in other cities such as San Mateo and Mountain View that the benefits were more money for more support of transit alternatives when projects worked together.

Ms. Gita Dev, Sierra Club, said they had submitted a letter recommending a housing to office ratio change and that office should be 25% total. She said that was based on job/housing balance. She said she liked where Commissioner Bressler was going with the concept of public benefit noting needed infrastructure and a need for funding.

Ms. Cherie Zaslawsky, Menlo Park, said Commissioners commented they felt unfavorable about the monolithic wall at the Mermaid Inn and they were unfavorable about it because the community was. She said the Stanford project was an example of a monolithic project that the community did not support. She said the Planning Commission was the community's representatives and not Stanford's, the developers, Sierra Club's, or Planning staff. She said the Commission would greatly influence the City Council. She said if the Stanford project was built and the Plan remained as it was that was the end of the Menlo Park that they lived in and loved. She asked that they consider everything even repeal of the Plan.

Ms. Elizabeth Houck, Menlo Park, said she appreciated Commissioner Bressler's public benefit slides and likewise did not consider mitigation a public benefit. She also did not consider balconies as open space. She said she would be okay with a 10-story building on the Stanford property if seven of the eight acres was open space. She disagreed with staff that there were taxable items that could be bought at Trader Joe's, Draeger's and Safeway that would add to the City's sales tax revenue. She said the anchor hotel they had wanted was creeping up in small additions of rooms. She said the FIA for the Plan did not work. She said she would like an independent financial analysis of the Plan. She said the 500 El Camino Real project was a land grab by Stanford for the 127 or 218% bonus they were getting. She said the impacts on Middle Avenue and El Camino Real corridor would be horrible from that project. She said the plaza at Middle Avenue did not need cars on it and the driveway could be put on the north side of

Middle Avenue or onto Ravenswood. She said the southbound exit could be at the Stanford Park Hotel. She said that would mitigate traffic in all of Allied Arts but there had been no creativity to solve the congestion problems at Middle Avenue. She said staff was giving the City away and the City should be getting more public benefit.

Mr. George Fisher, Menlo Park, said he favored the proposal presented by Save Menlo and the Sustainability Committee of the Sierra Club to reduce office space to 25%, add infrastructure fees and reduce the height of the El Camino Real southeast to that of the rest of the Plan area or 48 feet with a 38 foot façade. He said he listened to the four hour City Council meeting at which the Plan was adopted and the reason for this initial review was because of the gap between the “by right” development and public benefit. He said either the gap should be public benefit or it should be control of the project. He said the gap was too high and they needed to look at height and density, more housing and infrastructure fees. He encouraged the Commission to listen to the Council’s discussion that was about four hours and 20 minutes into the meeting.

Mr. Stefan Petry, Menlo Park, said he had provided the Commission with a packet on three elements he thought important including revenue to the City, reduction in traffic, and creating visual vibrancy while allowing developers to build profitable projects. He asked regarding the Commission’s discussion at the last meeting on building parameters that they reconsider those as the proposal he submitted would impact building parameters.

Chair Kadvany closed the public comment period.

Commission Comment: Commissioner Bressler said the comment about the gap was important. He said that any up-zoning above the previous zoning should require public benefit. Chair Kadvany asked if he meant above .55 FAR or the previous allowable FAR. Commissioner Bressler said it was upsetting to the community that there was not a process for public benefit and the City was giving development rights away.

Commissioner Onken asked about mechanism that might exist or could be layered into the Plan for public benefit. He asked about an appendix to the Plan. Planner Rogers said the City and community had spent a lot of time discussing that topic, talking to the consultants and looking at what other cities have done. He said the preference going into that discussion was to have a standard fee that provided predictability for everyone. He said there were so many vagaries in term of developments which was acknowledged in the Plan such as parcel size and shape, land use being proposed against what the market was at that moment, which effectively made it impossible to determine a standard fee. He said the Plan presented an open ended process that gave the City control in determining public benefit. He said they viewed development from the position of what the City wanted to see in development and how it contributed to the City’s values.

Commissioner Onken suggested implementing a scale of some sort for public benefit rather than being subjective about it.

Commissioner Eiref said he thought a scale or threshold that started at the zoning level prior to the Plan zoning that would escalate from that base for public benefit was appropriate. He said in Palo Alto the developer was building a police station in lieu of money as the public benefit. He said the City's intent was not to extract all the value from the potential of the development but there should be an element of fair balance.

Commissioner Ferrick said page E-15 of the Plan showed different parts of the Plan and the FAR. She said at nearly the last Commission meeting on the Plan before the Commission forwarded recommendations to the City Council in discussing the El Camino Real southeast, the Commission agreed they supported higher density development in that area. She said they did not talk about the recommendation of making that some sort of value. She said she still supported density there but thought they should consider how that would help to build a tunnel there for bicyclists and pedestrians. She said that was her main concern.

Commissioner Riggs said if a property on a major thoroughfare was zoned less than 100% FAR was that its natural status, or was that an unreasonable restriction that may have been applied for decades. He said if that was a restriction, what would the share be for releasing a chokehold. He said they could not assume that the previous base was innately valid or correct. He said they had spent the years developing the Plan to address what the FAR should be. He said the community's majority view was they wanted El Camino Real to be denser and they did it by areas refining the zoning. He noted the FIA was independently developed for the Plan. He said he was not in a position to support the presumptions that were being made about value and up-zoning. He said he supported Commissioner Bressler's urging that the City clarify that public benefit was something that was a widespread benefit to the public. He said that was beyond the public benefit for which they had raised the FAR to get development and to get vibrancy.

Commissioner Bressler said he was Chair of the Commission during the hearings on the Plan, and he had supported public benefit consistently. He said it was frustrating to him that they had just a short amount of time on the last night of the public hearings to discuss public benefit. He said he was presenting facts on the public benefits that projects have provided. He said there was strong support that there should be some process to consider public benefit starting at the "by right" original zoning. He said they did not even have the process for the bonus level under the Plan and they certainly did not have it below the bonus level.

Commissioner Onken said the only way to determine public benefit was through a financial process. He said he supported something monetary, fixed and tangible such as a fee.

Chair Kadvany said the urgency of this was the presentation of a project under the Plan that while it met parameters did not meet the ancillaries of what the City wanted to see built in the Plan area. He said calculating value had to be extremely simple and straight forward and aggregate rather than piecemeal. He said he wanted the City to be more strategic in the Plan as to what was needed for infrastructure and how to pay for it. He said for instance parking would hold up development in the downtown. He said he did not think it was effective to debate public benefit in the abstract and they should look at how to fund things like the parking garages in the downtown. He said as a City residents were putting over \$150 million in bonds into the City and developers needed to help with the infrastructure needed.

Commissioner Ferrick said she thought that the FARs were what the general community wanted to see but it had not been determined how to get the public improvements desired. She said public benefit like the bike tunnel could actually be mitigation as it would reduce traffic. She said that perhaps through larger projects such features of the Plan might be realized as potential mitigations as being directly tied to that project. She said she saw it more of a function of City Council and City management to find that number, that level, that amount for public benefit and not so much land use or FAR characterization.

Commissioner Eiref said beyond calculating the amount what was the determination of where the threshold would start. He said they would need a methodology for the calculation and how it would be shared. He said the Council created a subcommittee to work with Stanford and effectively what they came back with was something that offered nothing more than what was expected. He said they would like to encourage development but to get a substantial benefit for the community as a result. He said he would suggest pinning the benefit initially on what the prior zoning was and some modest benefit that accrued from there upwards.

Commissioner Bressler said in addition to applying a fee or bonus structure for public benefit there had to be a public process to determine public benefit which might be part of the architectural control.

Chair Kadvany asked staff to address ombudsman type development project process.

Senior Planner Rogers said there was distinction between the threshold and the process. He said the process under the Plan clearly set out the public meetings and economic information to inform decisions. He said wherever the threshold was, once the project got into the structured public benefit negotiation, there was a fully public process. He said the question of the threshold levels was potentially more complex. He noted that the land originally zoned for .55 FAR could get .75 FAR through a use permit, although any of the projects at .55 FAR also needed a use permit, so staff generally considered the pre-existing base to be .75. He said the other question was whether the FAR "by right" development was to apply to all land uses and asked how that was consistent with the opinions to encourage residential development and including more

retail and hotel feasibility. He said also if Specific Plan was revised to have base thresholds of .55 or .75 FAR, did the Commission actually want projects built at .55 or .75 FAR, as that was a possible outcome.

Commissioner Eiref said he did not agree with that statement as they were not trying to change the envelope. He said seeking a modest fee should not discourage developers from building bigger projects. He said the land in Menlo Park was some of the most valuable in the country.

Chair Kadvany said if they were going to go in this direction this was a macro rather than a micro economic question.

Commissioner Riggs said he had concerns about the equity of applying fees and causing additional risk to project development by reducing the expected profitability and success of the project. He commented on the years of developing the Plan the goal of which was to make the City better and more vibrant. He said they raised the FAR from .75 to 1.25 but medical office remained under .5 and office under .8. He said they have not opened the door to the type of building done in Palo Alto.

Commissioner Eiref said in the financial analysis they saw the \$2.1 million annual benefit to the City and that was less than the value of a third of an acre. Commissioner Riggs said that was just a cash benefit and not a benefit to the community. Commissioner Eiref asked how they were going to fund infrastructure improvements such as a bicyclist/pedestrian tunnel or sidewalks on Santa Cruz Avenue. He said projects under the Plan were up-zoning and they should look at that.

Commissioner Riggs said the Page Mill site in Palo Alto was much deeper than the Southeast El Camino Real zone and the El Camino Real zone. He said the City did not have the green field opportunity noting that parking in Menlo Park was expensive to put underground. He said he did not want the City to try to wring money out of a project which might kill the project. He said there had been no investment in Menlo Park development even in 2007 when the economy was more robust. He said the FIA indicated one of the reasons was that the zoning was restrictive. He said investment and development were good for Menlo Park.

Commissioner Bressler said they had to come up with a formula and apply a process. He said there had not been an exhaustive study of public benefit. He said some people might view vibrancy as impacts and might not want it unless there was a reason at the end that it was a benefit.

Commissioner Onken made a motion to have staff prepare information relative to establishing thresholds for public benefit and fees to fund infrastructure for the Commission to consider in making a recommendation to Council. There was no second.

Senior Planner Rogers said it was a good suggestion but that staff thought creating a general public benefit process in the Plan had been done. He said he did not mean disrespect to the concept of threshold changes being raised, but those questions had previously been raised during the Specific Plan development process.

Community Development Director Heineck said the first time they tried to deal with public benefit was in 2006 when a Council subcommittee was formed and worked with staff to do the exact kind of research that was being suggested this evening. She said that subcommittee did arrive at a formula type approach to public benefit, and that was to take as public benefit between 1% to 2% of the construction value of the job. The full Council chose not to take that approach to public benefit. She said the issue was revisited in 2008 and staff did extensive research on what other cities were attempting to do for public benefit. She said from the cities studied at that time they did not find one which was successfully using a formula approach to public benefit. She said all the cities that were doing public benefit at that time were doing a negotiated process, which was reported to the Council. She said the Council did not take any further action at that time. She said embarking on the Specific Plan they again looked at the issue with staff and the consultants looking at best practices in other cities. She said they came forth with the recommendation of what seemed to be the most effective processes in most cities which was a negotiated process similar to what they have outlined and existed in the Plan today. She said however that was not to say they could not look at a formulaic approach again. She said it would be helpful if the Commission at this point could indicate the suggestion to do a formulaic process and move away from a negotiated benefit. She said if they were going to try to apply a formula that maybe that direction should come from the Council and suggested a recommendation from the Commission to the Council that we want to move in this direction. She said she thought they would need to use financial experts to determine what the amounts might be. She said if they used something like a formulaic approach they would also have the option of setting up a public benefit fund that could then be used to pay for the infrastructure called for in the Plan and potentially some infrastructure outside of the Plan. She said the developer would have the option to pay into fund or the option to build some alternative element but in either case moving toward the implementation of the infrastructure in the Plan in a way that would provide certainty for the community. She said whether to use that approach or the negotiated public benefit process would be a healthy discussion to have. She said once they have had that discussion they could then move to the next step of what the threshold should be and how to calculate what the value of that is.

Commissioner Eiref said in the southeast area that the FAR had been .75 and was now 1.25 but could go up to 1.75 for mixed use residential. He said they had to determine if the threshold was at the right place and then how to account for the public benefit aspect.

Chair Kadvany asked if this applied to all development would it be a disincentive for residential. Planner Rogers much of the public discussion seemed to indicate a desire for more housing. He said lowering the FAR unilaterally would most likely discourage

housing and seemed a crude mechanism. He said to the question where to set the FARs was one of the questions handed to staff by the City Council after the draft Specific Plan review. He said that staff and the consultants did a comprehensive pro forma analysis of building types and what could be developed currently opposed to the new base development level. He said they came to the conclusion if only looking at feasibility there had to be some improvement in FAR over the current development thresholds.

Community Development Director Heineck said residential use projects have the need to provide below market rate housing and that has a substantial cost to the developer, which was an economic factor that was very different between a residential and an office use.

Commissioner Eiref said that an analysis had been done and the reason the thresholds for public benefit were set as they were was the belief that there would not be development if the threshold was lower. He asked about the methodology behind that.

Senior Planner Rogers said the Intensity discussion in the Plan, pages E13 to E16, discussed how the FARs were calculated originally. He said the original draft Specific Plan recommendations incorporated some basic feasibility but they also were primarily about what the community was expressing in community workshops about different building forms and objectives. He said translating those into diagrams and then into models, and getting feedback on those was how the recommendations for the draft Plan had come forward. He said the City Council's charge at the draft Plan stage was whether that was what was needed to get development going so the Final Plan was focused more on feasibility.

Commissioner Eiref asked if the threshold in the Plan represented the point where it economically made sense to develop and the envelope was what the community wanted to see. Senior Planner Rogers said none of them were able to say at what point development became profitable. He said the question to staff was were these levels in the range of where the City wanted to spur development achieving the inherent goals of the Plan and not leaving obvious profit sharing opportunities on the table. He said such models found housing as modestly profitable. Commissioner Eiref said it was reassuring to know these questions had been examined.

Chair Kadvany said he wanted them to consider what they could do to accelerate the revenue stream targeted toward developing targeted infrastructure. He said they were trying to frame the question for Council. He said the Plan should be self-funding.

Commissioner Ferrick suggested taking a vote on recommending to City Council to investigate a formula fee approach commensurate with the size of development for the Plan area to fund the infrastructure in a prioritized order of improvements in the Plan. She said she thought this was a narrow focus and a moratorium would not be needed.

Commissioner Bressler said they should have an objective formula for determining the public benefit, lower the threshold and perhaps differently for different uses, and whatever was done should be with the goal to raise enough money to do the major infrastructure projects.

Commissioner Ferrick said she objected to lowering the threshold but agreed with an objective formulaic approach and that should be layered onto the existing thresholds.

Commissioner Riggs said he objected to Commissioner Bressler's last statement to make a goal of making money off the rejuvenation of the City.

Commissioner Bressler asked who would pay for the infrastructure. He said if they just give the right to develop and there were impacts who would pay for correcting those.

The Commission discussed lowering thresholds and reassessing the fiscal analysis and discussion for continued validity in setting thresholds for public benefit.

Development Director Heineck suggested it would be helpful for them to take a straw vote on the motion made by Commissioner Ferrick as to whether the Planning Commission would recommend that the City Council investigate an objective formula and/or fee approach for public benefit with the intent of providing funding for infrastructure improvements in the Specific Plan area. She said she thought the item would be continued for further discussion and staff could before the next meeting provide the Commission with the memo prepared for the Council on the Public Benefit Financial Feasibility Analysis.

Commissioner Riggs asked what it would cost to do a 2013 FIA update. Planner Rogers said he did not know, noting that a targeted fiscal impact analysis had cost something less than \$50,000.

The Commission did not take any formal action, but did take the following informal (or "straw") vote, with the intent of guiding future discussion:

Commission Action: "Shall the Planning Commission recommend that the City Council investigate an objective formula and/or fee approach for public benefit with the intent of providing funding for infrastructure improvements in the Specific Plan area?"

Result: 7-0 in favor.

Chair Kadvany noted it was 11:30 p.m. Commissioner Strehl suggested they continue the item to the next meeting. There was consensus to continue the discussion to the October 7, 2013 meeting.

F. COMMISSION BUSINESS

There was none.

ADJOURNMENT

The meeting adjourned at 11:31 p.m.

Staff Liaison: Thomas Rogers, Senior Planner

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on October 28, 2013