



PLANNING COMMISSION AGENDA

Regular Meeting
January 12, 2015 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:00 p.m.

ROLL CALL – Bressler, Combs, Eiref (Chair), Ferrick, Kadvany, Onken (Vice Chair), Strehl

INTRODUCTION OF STAFF – Justin Murphy, Assistant Community Development Director; Thomas Rogers, Senior Planner; Corinna Sandmeier, Associate Planner; Tom Smith, Associate Planner

A. REPORTS AND ANNOUNCEMENTS

Under “Reports and Announcements,” staff and Commission members may communicate general information of interest regarding matters within the jurisdiction of the Commission. No Commission discussion or action can occur on any of the presented items.

A1. Update on Pending Planning Items

- a. ConnectMenlo (General Plan Update) - Open House (January 8, 2015)
- b. 700 Oak Grove Avenue (Fire Station #6) – City Council (January 13, 2015)
- c. Economic Development Plan – City Council (January 13, 2015)

B. PUBLIC COMMENTS #1 (Limited to 30 minutes)

Under “Public Comments #1,” the public may address the Commission on any subject not listed on the agenda within the jurisdiction of the Commission and items listed under Consent. When you do so, please state your name and city or political jurisdiction in which you live for the record. The Commission cannot respond to non-agendized items other than to receive testimony and/or provide general information.

C. CONSENT

Items on the consent calendar are considered routine in nature, require no further discussion by the Planning Commission, and may be acted on in one motion unless a member of the Planning Commission or staff requests a separate discussion on an item.

C1. Approval of minutes from the December 8, 2014 Planning Commission meeting ([Attachment](#))

C2. Approval of the excerpt minutes for 700 Oak Grove Avenue from the December 15, 2014 Planning Commission meeting. ([Attachment](#))

D. PUBLIC HEARING

D1. Use Permit and Architectural Control/John Onken Architects/418 Willow Road: Request for a use permit and architectural control to allow medical office at an existing building that is nonconforming with regard to parking and located in the C-2-A (Neighborhood Shopping District, Restrictive) zoning district. The architectural changes include comprehensively repainting the building. ([Attachment](#))

- D2. Development Agreement Annual Review/Bohannon Development Company/101-155 Constitution Drive and 100-190 Independence Drive (Menlo Gateway Project):** Annual review of the property owner's good faith compliance with the terms of the Development Agreement for the Menlo Gateway (Bohannon Hotel & Office) project. ([Attachment](#))

E. REGULAR BUSINESS – None

- E1. Confirmation of Planning Commission Input on the Draft Five-Year Capital Improvement Plan for Fiscal Years 2015-2020** ([Attachment](#))

F. COMMISSION BUSINESS – None

ADJOURNMENT

Future Planning Commission Meeting Schedule

Regular Meeting	January 26, 2015
Regular Meeting	February 9, 2015
Regular Meeting	February 23, 2015
Regular Meeting	March 9, 2015
Regular Meeting	March 23, 2015

This Agenda is posted in accordance with Government Code Section §54954.2(a) or Section §54956. Members of the public can view electronic agendas and staff reports by accessing the City website at <http://www.menlopark.org/notifyme> and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service on the City's homepage. Agendas and staff reports may also be obtained by contacting Vanh Malathong at 650-330-6736. (Posted: January 7, 2015)

At every Regular Meeting of the Commission, in addition to the Public Comment period where the public shall have the right to address the Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the Commission's consideration of the item.

At every Special Meeting of the Commission, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item.

Any writing that is distributed to a majority of the commission by any person in connection with an agenda item is a disclosable public record (subject to any exemption under the Public Records Act) and is available for inspection at The Community Development Department, Menlo Park City Hall, 701 Laurel Street, Menlo Park, CA 94025 during regular business hours.

Persons with disabilities, who require auxiliary aids or services in attending or participating in Planning Commission meetings, may contact the City Clerk at (650) 330-6600.

Planning Commission meetings are recorded and audio broadcast live. To listen to the live audio broadcast or to past recordings, go to www.menlopark.org/streaming.



PLANNING COMMISSION

Agenda and Meeting Information

The Planning Commission welcomes your attendance at and participation in this meeting. The City supports the rights of the public to be informed about meetings and to participate in the business of the City.

ASSISTANCE FOR PERSONS WITH DISABILITIES: Person with disabilities who require auxiliary aids or services in attending or participating in Planning Commission meetings, may call the Planning Division office at (650) 330-6702 prior to the meeting.

COMMISSION MEETING AGENDA AND REPORTS: Copies of the agenda and the staff reports with their respective plans are available prior to the meeting at the Planning Division counter in the Administration Building, and on the table at the rear of the meeting room during the Commission meeting. Members of the public can view or subscribe to receive future weekly agendas and staff reports in advance by e-mail by accessing the City website at <http://www.menlopark.org>.

MEETING TIME & LOCATION: Unless otherwise posted, the starting time of regular and study meetings is 7:00 p.m. in the City Council Chambers. Meetings will end no later than 11:30 p.m. unless extended at 10:30 p.m. by a three-fourths vote of the Commission.

PUBLIC TESTIMONY: Members of the public may directly address the Planning Commission on items of interest to the public that are within the subject matter jurisdiction of the Planning Commission. The City prefers that such matters be presented in writing at the earliest possible opportunity or by fax at (650) 327-1653, e-mail at planning.commission@menlopark.org, or hand delivery by 4:00 p.m. on the day of the meeting.

Speaker Request Cards: All members of the public, including project applicants, who wish to speak before the Planning Commission must complete a Speaker Request Card. The cards shall be completed and submitted to the Staff Liaison prior to the completion of the applicant's presentation on the particular agenda item. The cards can be found on the table at the rear of the meeting room.

Time Limit: Members of the public will have **three** minutes and applicants will have **five** minutes to address an item. Please present your comments clearly and concisely. Exceptions to the time limits shall be at the discretion of the Chair.

Use of Microphone: When you are recognized by the Chair, please move to the closest microphone, state your name and address, whom you represent, if not yourself, and the subject of your remarks.

DISORDERLY CONDUCT: Any person using profane, vulgar, loud or boisterous language at any meeting, or otherwise interrupting the proceedings, and who refuses to be seated or keep quiet when ordered to do so by the Chair or the Vice Chair is guilty of a misdemeanor. It shall be the duty of the Chief of Police or his/her designee, upon order of the presiding officer, to eject any person from the meeting room.

RESTROOMS: The entrance to the men's restroom is located outside the northeast corner of the Chamber. The women's restroom is located at the southeast corner of the Chamber.

If you have further questions about the Planning Commission meetings, please contact the Planning Division Office (650-330-6702) located in the Administration Building.



PLANNING COMMISSION DRAFT MINUTES

Regular Meeting
December 8, 2014 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, Combs, Eiref (Chair), Ferrick (arrived 7:07 p.m.), Kadvany, Onken (Vice Chair), Strehl (departed 8:56 p.m.)

INTRODUCTION OF STAFF – Jim Cogan, Economic Development Manager; Jean Lin, Associate Planner; Vanessa Marcadejas, Environmental Specialist; Thomas Rogers, Senior Planner; Corinna Sandmeier, Associate Planner

A. REPORTS AND ANNOUNCEMENTS

A1. Update on Pending Planning Items

- a. ConnectMenlo (General Plan Update)
 - i. City Council Presentation (November 18, 2014)
 - ii. GPAC Meeting #3 (December 4, 2014)
 - iii. City Council/Planning Commission Study Session (December 9, 2014)
 - iv. Workshop #2 (December 18, 2014)

Senior Planner Rogers reported on the recent and upcoming activities related to ConnectMenlo (General Plan update). He said there was a possibility that the December 18 workshop date might change, but that should be confirmed either way shortly.

Commissioner Bressler said he received a call from Tim Tosta asking him to come to Facebook to talk about an item that would be on the Commission's next meeting agenda. He said he asked Mr. Tosta by email if there was anything that would be discussed in that meeting that could not be discussed in a public meeting. He said he had not received any response to that question. He said he would appreciate it if other Commissioners who met with Facebook would report on those discussions when the Planning Commission considered the Facebook item.

B. PUBLIC COMMENTS #1

There was none.

C. CONSENT

C1. Approval of minutes from the November 3, 2014 Planning Commission meeting ([Attachment](#))

Commission Action: M/S Eiref/Onken to approve the minutes with the following modifications as previously emailed to staff by Commissioner Kadvany:

- Page 9, 2nd to last paragraph, 5th line: Replace “human exposure to radio magnetic fields...” with “human exposure to radio frequency and magnetic fields...”

- Page 12, 1st paragraph, last sentence: Replace “He said that another similar proposal would not acceptable to him.” with “He said that another similar proposal, on a second building, would not be acceptable to him.”

Motion carried 6-0 with Commissioner Ferrick abstaining.

D. PUBLIC HEARING

D1. Use Permit and Architectural Control/Yasmin Mustafa & Adam Aisha/1199 Willow Road: Request for a use permit to allow a restaurant use (Senor Pomodoro) in the C-2-B zoning district to operate during the hours of 10:30 a.m. to 10:00 p.m. Monday through Thursday, 10:30 a.m. to midnight Friday through Saturday, and 10:30 a.m. to 8:00 p.m. on Sunday, on a property that is substandard with regard to parking. This application also includes a request to allow outdoor seating in front of the restaurant and architectural control to allow exterior modifications to the existing building. ([Attachment](#))

Staff Comment: Planner Sandmeier said there were no changes to the written report.

Public Comment: Mr. Josef Mustafa said he was representing his daughter and her husband, who were unable to attend. He read a statement from his daughter which included information such as: Senor Pomodoro would provide the Belle Haven neighborhood and community with a quality pizza restaurant; the facility would be designed to match the surrounding area and would be family and children focused; the facility would not serve alcohol, and would have a children's menu; the facility would be as green as it possibly could be; the owners would create and maintain a healthy, respectful and fun environment and provide employees with fair compensation; and they expected a high demand for deliveries and would have two eco-vehicles for that purpose.

Commissioner Onken asked about the later hours on Friday and Saturday nights. Mr. Mustafa said he thought that dining hours would be probably until 9 p.m. with only deliveries until midnight.

Chair Eiref said he visited the site and there seemed to be ample parking noting 20 spaces in the rear. Mr. Mustafa said there was parking for another business in the rear and shared parking. He said the building owner had indicated they could use his parking area.

Commissioner Kadvany asked about employee parking. Mr. Mustafa said he thought they would park in the rear. He said initially it would be just his daughter, her husband, and himself operating the facility. Commissioner Kadvany said that a nearby restaurant had been very busy at lunch and he had noticed there were only a couple of parking spaces open.

Mr. Jay Karwash said he owned the Rancho Mercado at 1209 Willow Road and a lot across the street located in East Palo Alto that could provide ample parking for both the applicants and customers for his grocery store, noting that many of his customers walked or rode bicycles to his store. He said he was more than happy to supply any amount of parking needed for the applicants at his grocery store lot. He noted the police substation had been vacated in January and he would do anything to bring more vitality to the area.

Commissioner Strehl noted there had been community outreach and asked if there had been any response. Planner Sandmeier said the City had not received any comments or correspondence from the community about the project.

Commissioner Combs said he was familiar with the area and that the lot for the barber shop he frequented was nearly always full. He said that parking was an issue. He asked how customers would know to park in the other lots.

Mr. Karwash shared the signage he was ordering. He noted that he had 20 spots in front of his Taqueria and about 70 spaces on his parcel.

Commissioner Combs said he thought the signage would be more effective if the actual tenants' business names were listed. Mr. Karwash said his concern would be turnover of tenants but he would try to do that. Commissioner Kadwany suggested in the busy parking lot behind the pizzeria signage there could indicate that parking for this address was also available across the street. Mr. Karwash said he would do whatever was needed to help with the parking for his tenants.

Chair Eiref closed the public hearing.

Commission Action: M/S Ferrick/Eiref to approve the item 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** condition:
 - a. Development of the project shall be substantially in conformance with the plans prepared by RCUSA Corporation, consisting of three plan sheets, dated received November 10, 2014, and approved by the Planning Commission on December 8, 2014, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
4. Approve the use permit subject to the following **project-specific** conditions:
 - a. The hours of operation shall be limited to 10:30 a.m. to 10 p.m. Monday through Thursday, 10:30 a.m. to midnight Friday through Saturday and 10:30 a.m. to 8 p.m. on Sunday.
 - b. Service shall be limited to non-alcoholic beverages and food items.
 - c. Seating shall be limited to a maximum of 36 seats for customers, including outdoor seats.
 - d. Simultaneous with the submittal of a complete building permit application, the applicant shall submit revised plans that demonstrate compliance with the disabled access requirements of the California Building Code, including the location of disabled access seating in the outdoor seating area.

- e. Prior to issuance of a building permit, the property owner shall submit a plan for the parking lot located at the corner of Newbridge Street and Carlton Avenue. The parking plan shall include the following: new signage to replace the two existing “authorized parking only” in the parking lot, installation of wheel stops for each of the parking spaces located adjacent to the sidewalk on Newbridge Street, and repainting of the striping of all of the parking spaces. The new signage shall indicate that the parking lot is for use of the customers and tenants of the commercial building located at 1183-1199 Willow Road and 824-830 Newbridge Street. The parking lot improvements shall be completed prior to occupancy of the tenant improvements.

Motion carried 7-0.

E. REGULAR BUSINESS

- E1. Architectural Control/City of Menlo Park/701 Laurel Street:** Request for architectural control to allow a new structure for covered parking located in an existing surface parking area at the Civic Center campus, which is in the P-F (Public Facilities) zoning district. The new structure would be located in the parking lot between the Administration Building and Arrillaga Family Gymnastics Center and would not affect the number of parking spaces. As part of the proposed project, an 18-inch diameter heritage camphor tree in good condition is proposed for removal. The project is associated with a proposal to install new solar energy facilities on City sites, although the overall solar project is not subject to architectural control review. ([Attachment](#))

Staff Comment: Planner Lin said there were no additions to the written report and that a color chip was being circulated.

Questions of Staff: Commissioner Bressler said he was concerned that more than ground parking was not being proposed for this very busy lot. He asked if this project would hinder any future parking structure project that was needed. Planner Lin said the proposed carport project should not affect any future potential for modifications to the parking lot. She said the current proposal had no changes to the number of parking spaces and noted there were parking choices throughout the Civic Center complex.

Commissioner Bressler said they had discussed parking needs previously and there had been proposals for employees to park in other lots and for parking to be monitored. He asked if there were any plans to expand this parking lot. Planner Lin said she was not aware of any plans to expand the parking lot and that she was aware of heightened demand in the afternoon for this particular lot. She said the lot next to the police department often had available spaces. Senior Planner Rogers said the City’s CIP would be considered by its various city commissions in the near future. He suggested that projects considered to be a priority by the Planning Commission could be recommended to the City Council through that process. He said building a carport would likely not be the primary factor determining whether a parking structure was feasible or not.

Commissioner Kadvany asked if Menlo Park was paying for this project entirely or was contributing to a pool. Ms. Vanessa Marcadejas, Environmental Specialist, with the City’s Environmental Programs Division, said there was no upfront cost for the project. She said the City did a proof of power agreement (PPA), which is a 20-year energy agreement, with

Cupertino Electric, also known as CEI Solar One, and that City would pay for the renewable energy only.

Commissioner Kadvany asked what direction the panels would face. Planner Lin said the panels would be slanted and not directly south-facing but more southwesterly-facing.

Ms. Marcadejas said the solar carport project was being proposed due to the City's participation in a Regional Renewable Energy Program (R-REP). She said this program was led by Alameda County to collaboratively purchase renewable energy with 19 other counties and cities. She said sites for the proposed project included the Arrillaga Gymnastics Center, the Arrillaga Gymnasium, the City corporation yard, and the Onetta Harris Community Center. She said the installation of renewable power at the four proposed sites through the R-REP project would assist in offsetting 80 percent of current energy use at each site. She said it was estimated these sites would save the City over \$461,000 in energy costs during the course of the 20-year PPAs and could potentially reduce 419 tons of Greenhouse Gas Emissions from government operations per year which was a community-wide savings of 0.1 percent annually. She said Mr. Luke Wegener-Vernagallo, Project Engineer, with Cupertino Electric, was present.

Commissioner Combs asked how the \$461,000 estimated in savings was calculated. Ms. Marcadejas said the average energy cost for PG&E service at city sites was \$0.17 per kilowatt hour (kwh). She said with the installation of the solar carports that the cost would be reduced to \$0.11 to \$0.14 per kwh. Commissioner Combs asked if that rate was fixed or based on market fluctuations. Ms. Marcadejas said it was fixed and would allow the City to project energy costs for a 20-year period.

Chair Eiref noted there were no public speakers and closed the public hearing.

Commission Comment: Chair Eiref asked if the inverter would be visible so the public could see the energy generation.

Mr. Luke Wegener-Vernagallo, Cupertino Electric, said he was the onsite project manager. He said the inverters for the carport would be mounted on the columns at an eight-foot height. He said this would be located near the inbound driveway next to the fence for the Police Department. He said Cupertino Electric would provide a monthly statement of usage and cost per kwh. He said third party monitoring was also used to show the delta of what was being produced and what was being used. Chair Eiref suggested that information be posted on the City's website.

Commissioner Onken asked if the fixed rate included equipment and maintenance costs over the 20-year period. Mr. Wegener-Vernagallo said Cupertino Electric would replace PG&E as the provider, and would front all the costs and install their equipment. He said in 20 years the City could keep the equipment or ask for it to be removed. Commissioner Onken said he thought paying for the equipment upfront was more beneficial. Mr. Wegener-Vernagallo said through the R-REP, the City had contracted with Optime who was running the project. He said the feasibility studies were done before his company was brought onboard and the discussion was that the PPA would be the best option.

In response to Commissioner Onken, Ms. Marcadejas said they went to the City Council for consideration of the contracts on October 7 and had given for the Council's consideration

several plan mechanisms, which included doing 20-year PPAs, leasing agreements or purchasing the system for the City to operate and maintain. She said for the last option the City did not currently have staff trained for that type of work.

Commissioner Strehl asked which other cities had contracted with Cupertino Electric for this work. Mr. Wegener-Vernagallo said they were working with the cities of Cupertino and Foster City. He said Menlo Park was their third city under the R-REP. He said they would also work with the City of Redwood City.

Commissioner Strehl confirmed with staff that this item would also be heard by the City's Environmental Quality Commission.

Commissioner Strehl moved to recommend that the City Council approve the item as recommended in the staff report. Commissioner Onken seconded the motion.

Commissioner Kadvany noted the Commission was considering architectural control for the project. He asked if there were pylons down the center supporting the solar panel arrays. Mr. Wegener-Vernagallo described the support system for the panels. Commissioner Kadvany asked if these would look very utilitarian and whether there were architectural features that could be used to create more visual interest. Mr. Wegener-Vernagallo said some customers wanted architectural features incorporated but that reduced the energy savings as the structure would cost more. Commissioner Kadvany noted bicycle racks that were shaped like bicycles and asked if there was anything like that for solar panels. Mr. Wegener-Vernagallo said that there would be paint treatment to help the system blend with the campus architecture but he did not know of anything else architecturally that could be done. Commissioner Onken noted that the inverter was shown as painted white and suggested it be painted the same brown as the installation. Mr. Wegener-Vernagallo said painting of the main unit was done offsite for quality control purposes. He said the inverter was a very sensitive piece of equipment and therefore could not be painted. He noted that the system has an anti-glare coating.

Commission Action: M/S Strehl/Onken to recommend that the City Council approve the item 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 Cupertino Electric, consisting of five plan sheets, dated received by the Planning Division on December 3, 2014, and recommended by the Planning Commission on December 8, 2014, 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.
 - 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. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.

Motion carried 7-0.

F. COMMISSION BUSINESS

There was none.

G. STUDY SESSION

There was none.

H. PRESENTATIONS

- H1. Economic Development Plan Update Presentation/City of Menlo Park/701 Laurel Street:** The City is undertaking an update to the Economic Development Plan, in order to make Menlo Park more competitive in the regional and global economy. Staff will provide the Planning Commission with an informational presentation, with the opportunity for comments from the public and the Commission. ([Attachment](#))

Commissioner Strehl noted she had attended the Economic Development meeting a few weeks prior and had heard this presentation. She indicated she would probably not stay for the entire discussion.

Mr. Jim Cogan, the City's Economic Development Manager, introduced staff person Ms. Amanda Wallace. He noted that any reports he mentioned during his presentation were available on the Economic Development website.

Mr. Cogan highlighted in his presentation that the City's main employers were located in the M2 zoning district, downtown and Sand Hill Road area. He said the City's office use has a slightly higher vacancy rate than other comparative cities in the region but that was balanced with a relatively high per square foot cost for office space. He said the City was somewhat behind comparable cities for retail and that was made up for by services, which were not taxable. He said a lot of the City's industrial properties were antiquated in the M2 area and also the City's highest vacancy rates were there. He said the City had recently seen a considerable drop in taxable sales. He said as part of the trends report they had sent a survey to 751 businesses in Menlo Park.

Mr. Cogan said the evolving economy in Menlo Park was innovation. He said a recent book called *The New Geography of Jobs* stated that there were three non-professional service jobs and two professional jobs for every innovation job brought into an area. He said they were focusing on identifying the transit opportunities and that through the General Plan update they would look at how to maximize the Dumbarton Rail spur opportunity. He said a critical part of the General Plan update was the economic aspect and answering the question of what needed to be done to insure Menlo Park was able to compete in an innovative economy.

Responding to Chair Eiref, Mr. Cogan said the General Plan was a 20-year plan and an economic development plan was for three to five years usually and was intended to reflect the character and goals of the community. He said they would also be marketing the Specific Plan to stimulate good projects in the plan area.

Chair Eiref noted the tensions of lower retail use and vacant office use. Mr. Cogan said often the question asked was whether to focus on retail or office use. He said both needed focus noting that office daily/weekly foot traffic supported retail. He said one effort would be to have Facebook offer retail space to create something similar to Santana Row.

Responding to Commissioner Kadvany's concerns related to developers reluctant to build retail and what planning was doing wrong or right to cause more retail use, Mr. Cogan said that a good mix of uses was desirable. He said the Specific Plan offered the opportunity for the market to determine what that mix was. He said however the M2 zone had not had a zoning change update since 1967, and the regulations that affect retail were very antiquated. He said

in the downtown the office market was hot and retail was in flux. He said however that it was cheaper and easier for retailers to be in downtown Menlo Park than in downtown Palo Alto or Stanford Shopping Center. He said they had to show prospective retailers that the downtown and City has the visitors needed to support retail.

Commissioner Onken said among the development community the City's downtown was seen as having a parking issue. He said if the City was in favor of small growth development in the downtown then taking a much more proactive view of parking structures was very important. He said also among the development community it was widely thought that Menlo Park was an incredibly difficult place to do anything. He asked if there was anything that could be done about that perception.

Mr. Cogan noted the Commission's welcome of the food trucks and support for places like The Refuge. He said those were changes in the business model that he felt would start changing the negative perception of the City which Commission Onken had noted. He said updating the General Plan and the Housing Element also served to help change that perception. He said that the City was making headway in showing a new model for development that was not anti-growth but more of a measured growth approach.

Commissioner Bressler said he thought the City really needed to define what was wanted. He said there were contradictions in what was being said and the reality. He said Facebook was a huge employer and was closed off, and asked if they really wanted to have another such employer here. He said a retail area in the M2 could be easier to access than either Stanford or Hillsdale shopping centers.

Commissioner Strehl said she worked on a huge campus east of Highway 101 in Sunnyvale and they were encouraged to stay onsite for lunch as it was impossible to get to downtown Sunnyvale for lunch and get back in an hour. She said each campus has its own needs. She said employees at Facebook would not be able to get to downtown Menlo Park or Palo Alto within an hour for lunch. She said they needed to be thoughtful about what kind of businesses the City was attracting and where they were located.

Commissioner Strehl left the meeting at 8:56 p.m.

Commissioner Ferrick said the City has a higher services ratio than other cities and that could not be replaced by online. She said retail jobs were important but she did not think it was necessarily a bad thing that the City's numbers for those types of jobs were low as those jobs were not generally supportive of upward mobility.

Mr. Cogan said there was no single use to get the City to where it needed to be and the City's prosperity depended upon a continuous process to be responsive to market pressures and indicators. He said part of the goal for the Economic Development Plan and the continuing work of economic development was to make recommendations that put the City in the best possible position for capturing revenue, whatever type of revenue that was.

Responding to Commissioner Ferrick regarding the survey results, Mr. Cogan said 76% of the respondents indicated they were staying and planning to expand in Menlo Park. He said only 15% cited downtown parking as a big problem. He said respondents cited high rents charged as a minus for doing business in the City, but rents were outside the City's control.

Commissioner Ferrick said the hazmat permit hearings while seemingly perfunctory did provide neighbors an opportunity to address any concerns with the applicant. She asked if there was a way to streamline the process and provide an opportunity for the public to have any concerns addressed.

Mr. Cogan said they would be looking at that and noted there would be new information presented at the Economic Development Stakeholder Group meeting the following night.

Commissioner Ferrick said there were food services jobs associated with Facebook and asked how the City captured the numbers for those retail jobs. Mr. Cogan said those numbers were not well captured and also with Facebook there was a question of where the point of sale was related to sales tax.

There were no public speakers on this topic.

ADJOURNMENT

The meeting was adjourned at 9:23 p.m.

Staff Liaison: Thomas Rogers, Senior Planner

Recording Secretary: Brenda Bennett



PLANNING COMMISSION DRAFT EXCERPT MINUTES

Regular Meeting
December 15, 2014 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:03 p.m.

ROLL CALL – Bressler, Combs, Eiref (Chair), Ferrick, Kadvany, Onken (Vice Chair), Strehl

INTRODUCTION OF STAFF – Jean Lin, Associate Planner; Thomas Rogers, Senior Planner; Kyle Perata, Associate Planner

D. PUBLIC HEARING

- D1. General Plan Amendment, Rezoning, Zoning Ordinance Text Amendment, Use Permit, Architectural Control, Lot Merger, Sign Review, Heritage Tree Removal Permit, and Environmental Review/Menlo Park Fire Protection District/700 Oak Grove Avenue and 1231 Hoover Street:** Request to redevelop Fire Station 6 using properties located at 700 Oak Grove Avenue and 1231 Hoover Street. The proposed redevelopment would include demolition of the existing fire station and adjacent single-family residence, construction of a new fire station consisting of a two-story firehouse and a vintage vehicle display building, and relocation of an existing carriage house from its present location at 300 Middlefield Road onto the subject site. The application includes the following requests: ([Attachment](#))
- 1) **General Plan Amendment:** To amend the site's General Plan land use designations from El Camino Real/Downtown Specific Plan and Medium Density Residential to Public Facilities;
 - 2) **Rezoning:** To change the site's zoning designation from the SP-ECR/D (El Camino Real/Downtown Specific Plan) and R-3 (Apartment) districts to P-F (Public Facilities) district, to allow the proposed use of the subject site to be more consistent with the appropriate zoning designation;
 - 3) **Zoning Ordinance Text Amendment:** To allow the maximum allowable Floor Area Ratio (FAR) to exceed 30 percent, up to a maximum of 60 percent on sites with a lot area of two acres or less, inclusive of contiguous parcels in the P-F zoning district, subject to obtaining a use permit;
 - 4) **Use Permit:** To allow the fire station use, proposed FAR of approximately 59 percent, and the use and storage of hazardous materials;
 - 5) **Architectural Control:** To review the design of the proposed fire station and site improvements;
 - 6) **Lot Merger:** To merge two parcels into one parcel;
 - 7) **Sign Review:** To review a comprehensive sign program for a fire station, including two signs on each individual street frontage;
 - 8) **Heritage Tree Removal Permit:** To allow the removal of three heritage trees; and,

- 9) **Environmental Review:** To evaluate the potential environmental impacts pursuant to California Environmental Quality Act (CEQA) in the Mitigated Negative Declaration (MND).

Staff Comment: Planner Lin noted a correction on page 11 of the staff report in the sign review section to be modified as shown here: *The subject property is permitted up to 146 square feet of sign area, and proposed signage would result in a total of approximately **85 78** square feet of sign area that includes all four signs.* She said a second correction was needed in Attachment E, Draft Conditions of Approval, condition number 24, on page E7, 2nd sentence, as follows: *The Hydrology Report shall confirm that the project does not result in increased storm water runoff as measured by the peak flow rate for a 10-year storm and shall also confirm that the on-site depressed garages will not be subject to flooding during a 10-year storm.* She said the colors materials board was being circulated and the environmental consultant from GHD and the applicant were present to answer any questions.

Questions of Staff: Commissioner Strehl said the Fire District wanted a zoning change to be a government agency district as opposed to a public facility district, and asked why that was not included as a recommendation.

Planner Lin said the Public Facilities zoning district (P-F district) currently allowed certain uses of federal, county and local governments by right. She said it also stated that other agencies' use would be conditional. She said staff considered the request from the Fire District to change the use designation from conditional to permitted. She said they found that would significantly expand the scope of the proposal as well as require an expansion in scope of the environmental review. She said the impact of changing the zoning district would need to be considered citywide. She said changing the Fire District's current uses from conditional to a permitted use by right in the P-F district would need to be evaluated and might require evaluation of any fire district uses in any P-F district.

Commissioner Bressler asked if this project would impact any of the build out numbers in the Specific Plan area. Planner Lin said the proposed project should not impact any of the build out numbers under the Specific Plan.

Public Comment: Menlo Park Fire District Chief Schapelhouman said the project architect, staff person Jon Hitchcock, and legal counsel Tim Cremin were present. He said the P-F district was an issue for the Fire District but in terms of the proposed project that desired change would have required city review. He said as the project had taken quite some time, they did not want to cause any further delays. He said the existing station had been in its location since the 1950s and was not sufficient for the District's current needs. He said they needed two stories and were maximizing floor space on the first floor. He said it was a drive through and larger facility to accommodate any equipment needed.

Chair Eiref asked if the antique fire truck display facility would be available for public events. Chief Schapelhouman said they would want to be cautious in creating any other uses beyond educational tours for that display area as they would want to first gauge neighbors' comfort level with the new facility before considering such events.

Commissioner Onken asked about the change in the display area design. Chief Schapelhouman said the District had changed architects since the last time they had brought a

design before the Commission, and in this proposal they had responded to feedback from the Commission from the previous consideration, which he thought had been in February 2013. He said with their new architect they considered a more traditional design. He said they decided against the large windows for the display building as beyond the need to clean those frequently they would allow more sun damage to the interior. He said they went for a design that would allow a view of the antique equipment but also would serve to preserve the surfaces of the antique equipment.

Chief Schapelhouman said the District might come back in the future to have the P-F district review made to allow for Fire District permitted use in that zone.

Mr. Carter Warr, CJW Architecture, project architect, said the proposal was a response to both the Planning Commission comments and the District's desire to have a handsome and functional facility that would last for the next 50 to 100 years. He said the proposed design though contemporary paid tribute to its historic roots. He said neighbors had weighed in on the design and the applicants had visited with them. He said they made changes in response to the neighbors to the historic display buildings. He said those buildings had been moved significantly away from the property line. He said this was a more sympathetic response to the residential interface and the buildings themselves. He said they were looking to coordinate landscape design to further meet the neighbors' needs.

Commissioner Strehl noted the arborist report indicated a tree would need to be removed to allow for the trash enclosure and asked if the tree removal could be avoided. Mr. Warr said potentially. He said the project was intended for the next 50 to 100 years and there was a desire to avoid periodic rebuilding as things changed. He said the trash enclosure was outside the secure area of the station and located for servicing so that access to the secure parts of the station was not needed. He said the tree would not allow for that design.

Commissioner Kadvany asked about the location of the bench seat in the plaza. Mr. Warr said it was in the flagpole area and part of it was within the street dedication area. He said should the City decide to widen Oak Grove Avenue, the applicants had agreed this feature could be demolished. Commissioner Kadvany asked about the potential for solar panels. Mr. Warr said they were planning to have solar panels and those were not yet engineered. He said he would expect them to be located on the back roof which would face the sun and not be visible from Oak Grove Avenue.

Mr. Jerry Winges, architect, Burlingame, said he was representing his past clients, Andy and Melody Mabardy. He said his clients owned a four-unit property at 701 Elizabeth Lane which shared the back property line with the District. He said they liked the design of the new fire station. He said over the past few months they have met with the architects and fire station personnel, and said they appreciate the flexibility shown. He said moving the buildings away from the property line further helped immensely. He said they supported the project but were requesting four conditions of approval. He said those were summarized in the letter from CJW Architecture dated December 10, 2014 to them. He said the first was to have some flexibility in the planting arrangement and for the applicants and his clients to come to agreement on the landscape plan. He said the second concern was that the facility for the antique equipment might become an active fire station. Mr. Winges said the applicant's response was the building would be for storage primarily for antique engines but also for reserve engines. He said any reserve engines should be stored in the main building. He said they were looking for a

statement that this storage building would not become an active fire station building. He said their third condition was that there be no public assembly or noisy events in the rear of the building. He said they supported the proposed tours of the display building. He said their fourth condition was that interior lights be used only as needed and not for public assemblies.

Chair Eiref closed the public hearing.

Commission Comment: Commissioner Bressler asked if the facility would be exempt from the City's noise ordinance. Planner Lin said certain emergency uses were exempt from the noise ordinances such as alarms and bells for emergency purposes. She said in non-emergency situations the facility was subject to the City noise ordinance. Commissioner Bressler asked if the facility would be subject to the same noise restrictions that would apply to any party being held anywhere else in Menlo Park. Planner Lin said that was generally correct.

Commissioner Ferrick said she appreciated the design changes made in response to Commission and neighbor input. She said she liked the way the new windows worked and the brick. She said she also appreciated the applicants' sensitivity to the neighbors. She said the only window that might emit light to the neighbors in the evening was for the fitness room. She said blinds would be an easy solution to that potential impact.

Commissioner Kadvany asked for input on the question of engines being stored and moved that the neighbors had raised. Chief Schapelhouman said the antique apparatus that would be stored had no service life. He said a reserve engine was used when one of the primary front engines needed repair. He said in the main station there were living quarters, dayroom and kitchen facilities, and an operating office as well as the fire apparatus and engines. He said normal operations would be completely separate from the other building housing the display engines.

Commissioner Onken asked for clarification that the display building had no facilities for charging engines, draining hoses, or anything associated with a normal apparatus bay. Chief Schapelhouman said they have two field mechanic trucks that would respond if they could not get something running or if have a fuel problem. He said they have a 5,000 square foot maintenance facility at their Station 77 on Chilco and that's where apparatus go for repair. Commissioner Onken noted the display building door was only 15-foot wide which he thought was not wide enough for normal sized fire trucks. Chief Schapelhouman said that apparatus was much larger than they had been previously. He said the display building was designed around the historical and antique equipment size and there would be two antique trucks displayed there.

Commissioner Strehl said that in the future Chief Schapelhouman had indicated they would pursue a government agency zoning designation. She asked if that would have to go through a General Plan review process or would it be specific to future locations and designations. Planner Lin said a request to make fire district uses permitted by right in a P-F district would require a zoning ordinance text amendment, which would need to go through the Planning Commission and the City Council. She said it was something that could be pursued in the future.

Chair Eiref said he thought the design was a great improvement over the previous design and liked that the project would support a historical resource.

Chair Eiref moved to recommend to the City Council as outlined in the staff report.
Commissioner Combs seconded the motion.

Commissioner Kadvany said he thought the small outbuildings would buffer noise quite a bit from the parking lot and that there was the potential for it to be a valuable public space. He said he was commenting on that in hopes of assuaging the neighbors' noise concerns.

Commission Action: M/S Eiref/Combs to recommend that the City Council approve the item as recommended in the staff report as outlined in Attachment D.

ATTACHMENT D

DRAFT – December 15, 2014

FINDINGS AND RECOMMENDED ACTIONS FOR APPROVAL

700 Oak Grove Avenue and 1231 Hoover Street Menlo Park Fire Station 6 Project

The Planning Commission recommends that the City Council take the following actions:

Environmental Review

1. Make the following findings relative to the environmental review of the proposal and adopt the Mitigated Negative Declaration:
 - a. A Mitigated Negative Declaration has been prepared and circulated for public review in accordance with current State CEQA Guidelines;
 - b. The City Council has considered the Mitigated Negative Declaration prepared for the proposal and any comments received during the public review period; and
 - c. Based on the Initial Study prepared for the Mitigated Negative Declaration and any comments received on the document, there is no substantial evidence that the proposed project will have a significant effect on the environment.
2. Adopt a Resolution Adopting a Mitigated Negative Declaration and Adopting a Mitigation Monitoring and Reporting Program for the Menlo Park Fire Station 6 Project for Properties Located at 700 Oak Grove Avenue and 1231 Hoover Street (Attachment O)

General Plan Map Amendments

3. Adopt a Resolution Amending the General Plan to Change the Land Use Designation for Properties Located at 700 Oak Grove Avenue and 1231 Hoover Street (Attachment F)

Rezoning

4. Introduce an Ordinance of the City of Menlo Park, Rezoning Properties Located at 700 Oak Grove Avenue and 1231 Hoover Street (Attachment G)

Zoning Ordinance Text Amendment

5. Introduce an Ordinance of the City of Menlo Park, Amending Chapter 16.49 [Public Facilities District] of Title 16 [Zoning] of the Menlo Park Municipal Code (Attachment H)

Use Permit

6. 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.
7. Approve the Use Permit for construction of a new fire station with an FAR of up to 59 percent in the P-F zoning district.

Architectural Control

8. 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 structures 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; and,
 - 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 proposed project is not within any Specific Plan area, and as such no finding regarding consistency is required to be made.
9. Approve the proposed design of the new buildings and site improvements.

Lot Merger

10. Make findings that the proposed lot merger is technically correct and in compliance with all applicable State regulations, City General Plan, Zoning and Subdivision Ordinances, and the State Subdivision Map Act.

Sign Review

11. Make a finding that the sign is appropriate and compatible with uses and signage in the vicinity.

Heritage Tree Removal Permit

12. Adopt a Resolution Approving the Heritage Tree Removal Permits for the properties located at 700 Oak Grove Avenue and 1231 Hoover Street (Attachment K).

Motion carried 7-0.



PLANNING COMMISSION STAFF REPORT

FOR THE PLANNING COMMISSION
MEETING OF JANUARY 12, 2015
AGENDA ITEM D1

LOCATION:	418 Willow Road	APPLICANT:	John Onken Architects
EXISTING USES:	Construction Company and Non-Medical Office	OWNERS:	Nancy Chillag/Mark Mongird
PROPOSED USES:	Medical Office	APPLICATION:	Use Permit and Architectural Control
ZONING:	C-2-A (Neighborhood Shopping District, Restrictive)		

PROPOSAL

The applicant is requesting a use permit and architectural control to allow a medical office at an existing building that is nonconforming with regard to parking and located in the C-2-A zoning district. The architectural changes include comprehensively repainting the building.

BACKGROUND

The subject site has recently been used as office space for a construction company and a law office. On June 2, 2008, the Planning Commission approved a request for architectural control to remodel the exterior of the building.

There is an existing 13-foot wide plan line that runs along the front of the property. The plan line was originally established several decades ago for the potential future widening of Willow Road, although the City has not actively pursued such widening. The plan line gives the City the authority to require dedication of property associated with new construction.

ANALYSIS

Site Location

The subject property is located at 418 Willow Road, near Gilbert Avenue, in the C-2-A (Neighborhood Shopping District, Restrictive) zoning district. Using Willow Road in the north to south orientation, the parcel to the north of the subject site is also in the C-2-A zone and is developed with a pool supply store and residential uses. The parcel to the southwest is also in the C-2-A zone and is developed with Mardini's Deli. The parcels to the southeast and east of the subject site are in the R-1-U (Single-Family Urban Residential) zoning district and are developed with single family homes. The parcel to the west of the subject site, across Willow Road, is in the R-3-X (Apartment, Conditional Development) zone and is developed with residential condominiums.

Project Description

The applicant is requesting a use permit and architectural control to allow a medical office at an existing building that is nonconforming with regard to parking. Medical offices, limited to the hours of 8 a.m. to 8 p.m. and within an existing building, are a permitted use within the C-2-A zone. However, this application requires use permit approval because the building is nonconforming with regard to parking. The building is also considered a legal nonconforming structure with a rear setback of approximately 18 feet, where 20 feet is required for parcels in the C-2-A zone that abut a residential district. When the cost of maintenance, repair, alteration and/or expansion, within a 12-month period, of a nonconforming structure in the C-2-A zone exceeds 50 percent of the replacement cost of the existing structure, a use permit is required. However, the value of the proposed interior remodeling is 33 percent of the replacement cost of the existing structure, so use permit approval is not required for the proposed remodeling.

The applicant is not requesting extended hours of operation, so a recommended condition of approval has been added limiting the hours of operation from 8 a.m. to 8 p.m. (condition 4a). The applicant's project description letter (Attachment C) indicates that the proposed medical office would be a "concierge" practice and patients would be scheduled with enough time in between appointments so that there is not overlap in the parking lot. Dr. Diana Blum, the practice director of the proposed medical office, would start off as the only physician in the office but another physician would likely be hired within a year and the practice may eventually grow to a total of three to four doctors.

The proposal includes an approximately five-foot tall and three-foot wide monument sign located in the left, front corner of the property. The sign would require a separate sign permit, and because it is located within the Willow Road plan line, any approval of the sign would be conditional with an agreement to remove it if the City were to ever acquire the right-of-way.

Design and Materials

The applicant is proposing to comprehensively repaint the building with three neutral colors, “raccoon fur”, “horizon grey” and “vanilla milkshake”. The existing steel and glass canopy along the front elevation would be removed and replaced with a new dark grey fabric awning, under a separate signage permit. Staff believes the proposed colors and materials would be consistent with other properties in the area.

Parking

The C-2-A zoning district requires six off-street parking spaces per 1,000 square feet of gross floor area, not in any required yard. The submitted site plan indicates a gross floor area of 1,488 square feet, meaning that the building has an off-street parking requirement of nine spaces. The parking lot in front of the building is currently striped with nine parking spaces plus one disabled access space. Because the required 15-foot front setback is measured from the plan line, only three parking spaces are located completely outside the required front yard. As a result, the existing building is considered nonconforming with regard to parking.

Although only three of the existing parking spaces are outside of the plan line and the required front setback, the nine required parking spaces, in addition to a disabled access parking space, are provided on the site. The proposed medical office would be a “concierge” practice, allowing patients to be scheduled with enough time in between so they would not overlap in the parking lot. The parking nonconformity is an existing condition, and opportunities to add additional conforming parking are limited, without comprehensive redevelopment of the site.

The staff recommendation is to approve the use permit request subject to the recommended conditions of approval, although the Planning Commission has the discretion to consider other options, such as:

- Providing a mechanism by which parking-related complaints could be relayed to staff, who would have the discretion to bring documented issues back to the Planning Commission for reconsideration;
- Limiting the intensity of the proposed use (such as limiting the number of employees).

Given the scope of the project, the City is not requiring dedication of the plan line or frontage improvements at this time, nor is the applicant seeking abandonment of the plan line.

Correspondence

Staff has not received any correspondence regarding the proposal. The applicant indicates that the owners of the two properties on either side along Willow Road have been informed of the proposal and have no objections.

Conclusion

Although only three of the existing parking spaces are outside of the plan line and the required front setback, ten parking spaces are provided on the site. The proposed medical office would be a “concierge” practice, allowing patients to be scheduled with enough time in between so they would not overlap in the parking lot. Opportunities to add additional parking are limited, absent redevelopment of the entire site. The building would be comprehensively repainted with three neutral colors. Staff recommends that the Planning Commission approve the proposed use permit and architectural control application.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class 1 (Section 15301, “Existing Facilities”) of the current California Environmental Quality Act (CEQA) Guidelines.

RECOMMENDATION

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. 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.

4. Approve the use permit and architectural control subject to the following **standard** condition:
 - a. Development of the project shall be substantially in conformance with the plans prepared by John Onken Architects, consisting of two plan sheets, dated received December 19, 2014, and approved by the Planning Commission on January 12, 2015, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
5. Approve the use permit and architectural control subject to the following **project-specific** conditions:
 - a. The hours of operation shall be limited to 8 a.m. to 8 p.m.

Report prepared by:
Corinna Sandmeier
Associate Planner

Report reviewed by:
Thomas Rogers
Senior Planner

PUBLIC NOTICE & APPEAL PERIOD

Public notification consisted of publishing a legal notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property. Planning Commission action will be effective after 15 days calendar days unless the action is appealed to the City Council, in which case the outcome of the application shall be determined by the City Council.

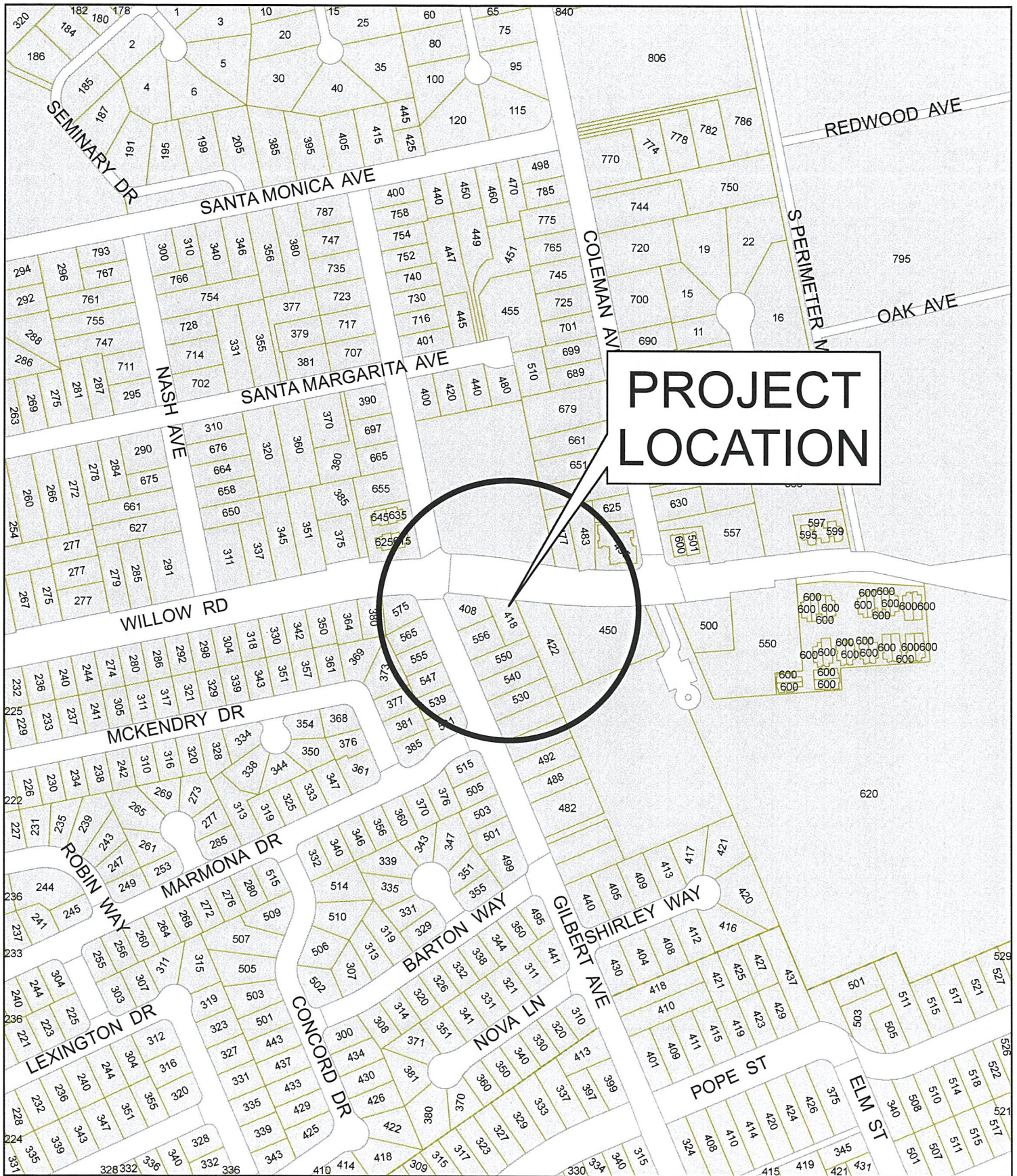
ATTACHMENTS

- A. Location Map
- B. Project Plans
- C. Project Description Letter

Note: Attached are reduced versions of maps and diagrams submitted by the applicants. The accuracy of the information in these drawings is the responsibility of the applicants, and verification of the accuracy by City Staff is not always possible. The original full-scale maps, drawings and exhibits are available for public viewing at the Community Development Department.

EXHIBITS TO BE PROVIDED AT MEETING

None



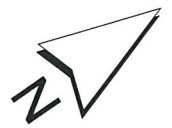
**PROJECT
LOCATION**



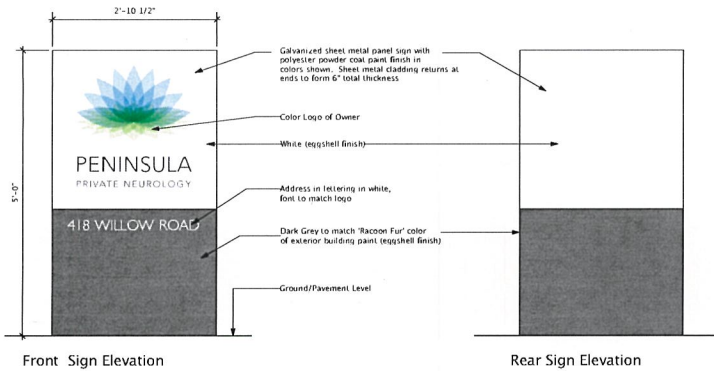
CITY OF MENLO PARK

LOCATION MAP

418 WILLOW ROAD

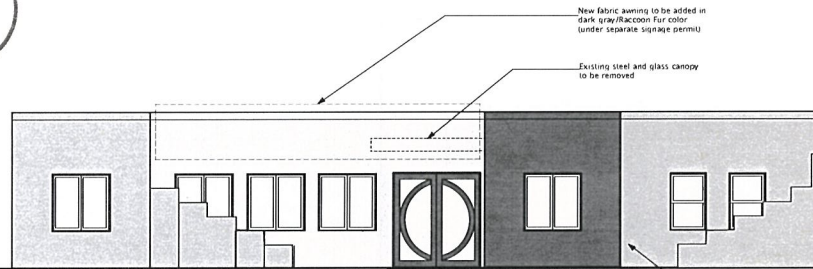


Professional Engineer Seal for John Onken, State of California, License No. C-33732.



(Sign to be approved under separate signage permit)

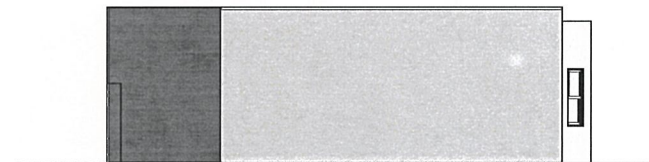
B2



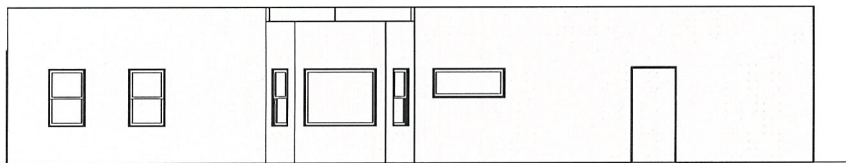
Front Elevation with Proposed Modifications
1/4"=1'-0"

All external surfaces to be repainted in new neutral colors (mixed between trim, stucco, and fascia)- see colors below

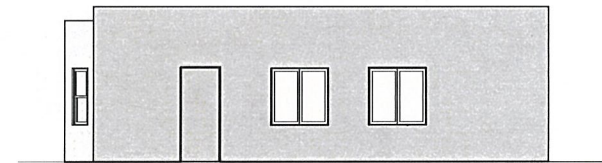
Benjamin Moore colors (skin/eggshell sheen)



Side (South) Elevation (no changes)
1/4"=1'-0"



Rear Elevation (no changes)
1/4"=1'-0"



Side (North) Elevation (no changes)
1/4"=1'-0"



PROJECT: 418 Willow Road
Menlo Park, CA 94025
APN no. 062-320-540

DRAWING:
Permit Application

DRAWING NUMBER: A2

SCALE: Noted

DATE: 3 October, 2014

STATUS: Use Permit

NOTES:
Do not scale from this drawing.
All dimensions in Feet & Inches
All dimensions to be checked on site.
All dimensions and discrepancies to be reported to the architect immediately.
The copyright of this drawing is held by John Onken Architects Ltd. No unauthorized use or copies are permitted without our consent.

REVISIONS:



+1 650 862 8444

JOHN
ONKEN
ARCHITECTS

+44 (0)20 8549 2444

RECEIVED

OCT 07 2014

CITY OF MENLO PARK
BUILDING

USE PERMIT APPLICATION STATEMENT

3 October, 2014

This application is for the change of use of the existing office building at **418 Willow** to medical office, without any change to floor area of the external envelope. The new use is compliant with the uses allowed in the C2A zone and we believe that this will become a successful and valued 'Concierge' practice in the neighbourhood.

Diana Blum, the practice director and applicant, explains the operations of this medical use thus:

Concierge medicine prides itself on personalized care for patients without long waiting room times or quick visits, where doctors rush their patients out because they have patients waiting. I schedule patients with enough time in between where they don't even run into each other in the parking lot or waiting room, on average 1-2 patients per day but can spend over 2 hours with a patient if needed depending on their neurological condition. I am the only physician at Peninsula Private Neurology at this time but I hope to hire another physician next year as my practice is almost full.

We keep our practices small to be able to deliver the kind of quality care patients expect from a concierge doctor. Each doctor will not have more than 50 patients in the practice and patients are typically seen during business hours 9-5, but if someone needs to be seen outside of those hours, we would accommodate that, sometimes even with a home visit if needed.

Neurology is mostly an evaluation and treatment practice where you take a history and do a neurological exam. There are very few procedures, but on occasion I may need to do a lumbar puncture or Botox for migraine management which do not need a specific procedure room, rather it is done in the exam room for patient convenience. Eventually, the practice may grow to 3-4 doctors so at most there would be 3-4 patients at a given time in the office. Current parking would accommodate this with 4 doctors and 4 patients and 2 support staff. Currently it is just myself and I have no support staff but I hope to grow the practice and bring on help as it is needed.

Thank you and please contact John Onken for any queries or further information.

192 STONE PINE LANE, MENLO PARK CALIFORNIA 94025

C1



PLANNING COMMISSION STAFF REPORT

FOR THE PLANNING COMMISSION
MEETING OF JANUARY 12, 2015
AGENDA ITEM D2

LOCATION:	100 – 190 Independence Drive and 101 – 155 Constitution Drive	APPLICANT AND OWNER:	Bohannon Development Company
EXISTING USE:	Offices, Research and Development (R&D), Light Industrial, Vacant Land		
APPROVED USE:	Offices and R&D, Hotel, Health Club, Cafe and Restaurant	APPLICATION:	Annual Review of Approved Development Agreement
ZONING:	M-3-X (Commercial Business Park – Conditional Development)		

PROPOSAL

The City of Menlo Park is conducting the fourth annual review of the property owner's good faith compliance with the terms of the Development Agreement for the Menlo Gateway (Bohannon Hotel & Office) project on nine properties addressed 100 to 190 Independence Drive (Independence Site) and 101 to 155 Constitution Drive (Constitution Site).

BACKGROUND

In June 2010, the City Council voted to approve the Menlo Gateway project, subject to voter approval of a ballot measure for the November 2, 2010 general election. The voters approved Measure T, and the project approvals became effective with the certification of the election results on December 7, 2010.

The project involved General Plan and Zoning Ordinance Amendments and a number

of other approvals, including a Development Agreement, to allow the construction of an office, research and development (R&D), hotel, and health club development on two sites (referred to as the Independence Site and Constitution Site) located between US 101 and Bayfront Expressway adjacent to the Marsh Road interchange. The following table summarizes some of the key features of the project on approximately 15.9 acres:

Land Use	Constitution Site (Closest to SR 84)	Independence Site (Closest to US 101)	Total
Office/R&D	494,699 s.f	200,000 s.f.	694,699 s.f.
Hotel	n/a	173,436 s.f./ 230 rooms	173,436 s.f./ 230 rooms
Health Club	n/a	68,964 s.f.	68,964 s.f.
Café/Restaurant	n/a	4,285 s.f.	4,285 s.f.
Total	494,699 s.f.	446,685 s.f.	941,384 s.f.

The Planning Commission considered the first annual review on December 5, 2011, the second annual review on December 17, 2012, and the third annual review on December 16, 2013. In each instance, the Commission found that the property owner had complied in good faith with the terms and conditions of the Development Agreement.

ANALYSIS

A Development Agreement is a legally binding contract between the City of Menlo Park and a project sponsor that delineates the terms and conditions of a proposed development project. A Development Agreement allows a project sponsor to secure vested rights, and it allows the City to secure certain benefits. Development Agreements are enabled by California Government Code Sections 6584-65869.5. The City Council adopted Resolution No. 4159 in January 1990, establishing the procedures and requirements for the consideration of Development Agreements.

Development Agreements are commonly used for land use developments which are implemented in phases over a long period of time. Development Agreements provide assurances to both the applicant and the City that the terms of the agreement will be in force until the completion of the project, and they are legally binding on each party.

Government Code § 65865.1 requires periodic review at least every 12 months to determine the applicant's compliance with the terms of the agreement. This requirement is also reflected in Section 7.1 of the Development Agreement. City Council Resolution No. 4159 calls for the Planning Commission to conduct a public hearing at which the property owner must demonstrate good faith compliance with the terms of the agreement. The Planning Commission is to determine, upon the basis of substantial evidence, whether or not the property owner has, for the period under review, complied in good faith with the terms and conditions of the Agreement. If the Planning Commission finds and determines on the basis of substantial evidence that the applicant has not complied in good faith with terms or conditions of the agreement, the City may terminate or modify the agreement. The decision of the Planning Commission is final, unless it is appealed to the City Council.

Section 2 of the Menlo Gateway Development Agreement identifies the term for retaining development rights. The initial term of the Development Agreement is five years from the effective date of December 7, 2010. By the fifth year of the agreement, which ends December 7, 2015, the applicant needs to make a complete building permit submittal, which would likely cost hundreds of thousands of dollars to prepare the necessary documents. Otherwise, the applicant could opt to pay a fee to the City in the amount of \$300,000 for a two year extension, with the ability to get a third year if a complete building permit submittal is made by the end of the second year, i.e. year seven. If a submittal for building permits is made by the fifth year, then there would be an automatic three year extension of the Development Agreement. To keep the Development Agreement active, the applicant needs to obtain a building permit and start construction by the end of the eighth year. Once construction starts on the Independence (Hotel) phase, then the applicant would have until the 15th year from the effective date to start construction on the first office building on the Constitution phase. Upon starting construction on the first Constitution office building, the applicant would have an additional five years (i.e., 20 years from the effective date) to start construction of the second Constitution office building. Section 8 of the Development Agreement provides the potential for additional extensions to deadlines described above.

Section 3.2 of the Menlo Gateway Development Agreement outlines the project phasing. This section requires the construction of the hotel to occur prior to or concurrently with the construction of any of the office buildings. In addition, the hotel construction needs to make substantial progress prior to completion of any of the office buildings.

The Bohannon Development Company has submitted a letter (Attachment B) to demonstrate its good faith effort to comply with the provisions of the Development Agreement. The letter states that the applicant has identified a hotel operator to finance, construct and operate the hotel. Currently, the applicant is in the final stages of negotiating an agreement for the hotel's ownership and hopes to be able to make an announcement in the coming weeks. The hotel would be operated as a full-service hotel meeting the quality requirements of the Development Agreement, but it would be a different program than the previous Marriott Renaissance ClubSport concept. As such, the applicant has filed a pre-application to begin the process of exploring an amendment to the Conditional Development Permit to allow an increase in the number of hotel rooms beyond the current maximum of 230 rooms and a substantial reduction in the size of the health club. A Conditional Development Permit revision ultimately will require review by the Planning Commission and action by the City Council at separate public hearings. The applicant has engaged a project manager and a design team to begin the process of preparing the necessary documents and drawings to comply with the various requirements of the Development Agreement and Conditional Development Permit.

ENVIRONMENTAL REVIEW

Environmental review is not required for the Development Agreement review. On June 15, 2010, the City Council adopted findings in accordance with the California Environmental Quality Act and certified the Environmental Impact Report prepared for

the project. Given that there may be minor modifications to the project as described above, additional environmental review will be conducted to confirm that the proposed project does not result in environmental impacts that were not already identified in the EIR. Staff anticipates that an addendum to the previously certified EIR will be required as part of the project review process.

RECOMMENDATION

Given the identification of a hotel operator and steps the applicant is taking to amend the Conditional Development Permit, staff recommends that the Planning Commission find and determine upon the basis of substantial evidence that the property owner has, for the period between December 2013 and December 2014, complied in good faith with the terms and conditions of the Development Agreement.

Report prepared by:
Tom Smith
Associate Planner

Report reviewed by:
Thomas Rogers
Senior Planner

PUBLIC NOTICE

Public notification consisted of publishing a legal notice in the local newspaper and notification by mail of all property owners and occupants within 300-foot radius of the subject property. Planning Commission action will be effective after 15 days unless the action is appealed to the City Council, in which case the outcome of the application shall be determined by the City Council.

ATTACHMENTS

- A. Location Map
- B. Letter from Bohannon Development Company, dated October 29, 2014

AVAILABLE FOR REVIEW AT THE CITY OFFICES AND ON THE CITY WEBSITE

- City Council Resolution No. 4159
- Development Agreement between the City of Menlo Park and Bohannon Development Company

V:\STAFFRPT\PC\2015\011215 - Menlo Gateway DA Annual Review.doc



Bohannon Development Company T 650.345.8222
Sixty 31st Avenue F 650.573.5457
San Mateo, CA 94403-3404 W ddbco.com

RECEIVED

NOV 04 2014

CITY OF MENLO PARK
BUILDING

October 29, 2014

Mr. Justin Murphy
Development Service Manager
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Re: Menlo Gateway Project – Development Agreement Annual Review

Dear Justin:

We are very pleased to report that substantial progress has been made with respect to the Menlo Gateway Project. After years of difficult market conditions, we have now identified a hotel operator to finance, construct and operate the hotel component of the Project. We are currently working to finalize a plan for the hotel development program and expect to be in a position to file an application in early 2015.

As you are aware, Section 7.1 of the Menlo Gateway Project Development Agreement requires the City to annually review the owner's (i.e., Bohannon Development Company) "good faith compliance" with the terms of the Agreement each year. Due to scheduling conflicts and because we would also like to present the Planning Commission with a complete overview of the revised hotel program, we request that the Planning Commission conduct its annual review of the Project's Development Agreement at its regularly scheduled meeting on January 12, 2015. I will personally be out of town beginning on November 15, 2014, through the remainder of the year, but would very much like to present the revised program personally.

By that time, we should also be in a position to present details regarding the few changes to the Project as well as introduce the City to our hotel partner. Of course, we hope it is clear that we are continuing to pursue commencement of the Project by all reasonable means.

Please do not hesitate to contact me if you have any questions about any of the above.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Bohannon II'.

David D. Bohannon II
Senior Vice President



MEMORANDUM

DATE: January 12, 2015

TO: Planning Commission

FROM: Thomas Rogers, Senior Planner
Community Development Department

RE: **Agenda Item E1: Confirmation of Planning Commission Input on Draft 2015-2020 Five-Year Capital Improvement Plan**

On December 15, 2014, the Planning Commission reviewed the draft Capital Improvement Plan (CIP), as requested by the City Manager. The Planning Commission concluded its review with consensus on the following topics:

- 1) "Downtown Parking Structures – A Feasibility Study" (draft CIP p. 42) should be moved from Non-Funded Project Requests, into the Five-Year CIP;
- 2) "Single-Family Residential Design Guidelines" and/or "Single-Family Residential Zoning Ordinance Amendment" (draft CIP p. 48) should be moved from Non-Funded Project Requests, into the Five-Year CIP; and
- 3) "El Camino Real/Downtown Specific Plan Recommended Improvements" (draft CIP p. 54-55) should generally be prioritized and expedited.

Staff is presenting the above wording for the Planning Commission's confirmation at the January 12, 2015 meeting. The confirmed Commission direction will be considered by the City Council as part of their review of this topic. The Draft CIP is available for reference at: <http://menlopark.org/DocumentCenter/Home/View/5875>

ATTACHMENTS

None

V:\STAFFRPT\PC\2015\011215 - CIP.doc