CITY OF MENLO PARK

PLANNING COMMISSION MINUTES

Regular Meeting June 8, 2015 at 7:00 p.m. City Council Chambers 701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:02 p.m.

ROLL CALL – Combs (departed at 8:08 p.m.), Ferrick (arrived 7:04 p.m.), Goodhue, Kadvany, Kahle, Onken (Chair), Strehl (Vice Chair - left at 9 p.m.)

INTRODUCTION OF STAFF – Justin Murphy, Assistant Community Development Director, Deanna Chow, Senior Planner; Kyle Perata, Associate Planner; Thomas Rogers, Senior Planner; Corinna Sandmeier, Associate Planner

A. REPORTS AND ANNOUNCEMENTS

- A1. Update on Pending Planning Items
 - a. ConnectMenlo
 - i. Housing Commission May 28, 2015
 - ii. Transportation/Bicycle Commissions June 1, 2015
 - iii. General Plan Advisory Committee June 3, 2015

Senior Planner Rogers reported on activities related to ConnectMenlo, the City's General Plan Update. He said the Housing Commission held a special meeting with a panel on May 28, 2015 and the Transportation and Bicycle Commissions held a special joint meeting on June 1 and heard a presentation from a well known transportation consultant Jeff Tumlin. He said both of the meetings were filmed and videos would be available online. He reported that the General Plan Advisory Committee (GPAC) meeting on June 3 provided additional information for the ConnectMenlo item on the Commission's agenda this evening.

b. Budget - City Council - June 2 and 16, 2015

Senior Planner Rogers said the Council discussed the City Manager's proposed budget at their June 2 meeting. He said there were investments proposed in Building, Planning and Engineering in response to development applications. He said the Council would continue the budget review at their June 16 meeting.

c. Santa Cruz Street Café Pilot Program – City Council – June 2, 2015

Senior Planner Rogers said the Council considered the Santa Cruz Street Café Pilot Program for conceptual approval and update at their June 2 meeting. He said they looked at angled and parallel parking scenarios, approved the program in concept and outlined a cost sharing protocol. He said downtown merchants would be asked to apply to the City and then move forward with construction and implementation of an appropriate number of applications.

Commissioner Ferrick arrived at the meeting.

Commissioner Kadvany provided a handout he had prepared on the topic of public benefit in the El Camino Real/Downtown Specific Plan area. Copies were provided to Commissioners and staff, and were also made available to the public. He noted this was spurred by a comment by a developer after the Commission's consideration of public benefit under a study session recently for a project in the Specific Plan area. Chair Onken suggested to staff to have the topic placed on a future Commission agenda for discussion.

B. **PUBLIC COMMENTS**

There was none.

C. CONSENT

C1. Approval of minutes from the May 4, 2015, Planning Commission meeting. (Attachment)

Commissioner Kadvany asked that the first line, first paragraph, on page 11, attributed to him, be deleted as it was missing context and it was not needed.

Commissioner Combs noted he had been absent from the May 4 meeting but understood that did not preclude him voting on the minutes of that meeting. He moved to approve as submitted with the one modification requested by Commissioner Kadvany. Commissioner Strehl seconded the motion.

Commission Action: M/S Combs/Strehl to approve the minutes with the following modification:

Page 11, 1st paragraph, 1st line: Delete "Commissioner Kadvany said he thought the surface interest was about 75%"

Motion carried 7-0

PUBLIC HEARING

Commissioner Kahle recused himself from the consideration of item D1 due to a potential conflict of interest as the applicant had worked for him and they had numerous mutual friends.

D1. Use Permit/Joy Torab/2191 Avy Avenue: Request for a use permit to demolish an existing single-story, single family residence and detached garage, and construct a new two-story, single-family residence on a substandard lot with regard to lot width and lot area in the R-1-U (Single-Family Urban) zoning district. (Attachment)

Staff Comment: Senior Planner Rogers said that there were no additions to the staff report.

Questions of Staff: Commissioner Kadvany asked about the long legs of the second story trellis. Senior Planner Rogers said it was supported by a cable on both sides and was likely not load bearing.

Public Comment: Ms. Joy Torab, applicant and property owner with her husband Justin Dustzadeh, said the overall style was modern ranch. She said they and were trying to improve all of the setbacks above the minimal requirements. She said the height would be 24-foot

where 28-foot maximum height was allowed. She said the landscaping would be increased by 11%. She said they shared their plans with their two neighbors in the rear, the neighbors on each side, and three neighbors across the street, all of whom had written letters of support for the project.

Chair Onken said the front setback was shown in the staff report as 22-feet, seven-inches. He asked how that was measured from along the tilted front façade. Senior Planner Rogers said under the zoning ordinance that setbacks were measured to fascia and foundation on the ground floor and architectural features or intrusions such as eaves were allowed either 18inches into a setback of less than 10-feet or three feet into a setback greater than 10 feet. Chair Onken said the intrusion was the entire second floor. Senior Planner Rogers said he found the most helpful diagram of the section on page A7 of the architectural sheet that showed what was really the side building wall versus the entire floor element. He said the bedroom wall was vertical and staff found the cantilevered roof and eaves to be an architectural feature.

Chair Onken closed the public hearing.

Commission Comment: Commissioner Strehl asked about the division of the garage. Ms. Torab said they were separate parking units and each had access to the main house. She said one also had access from the outside. She said the decision to have them separate was to keep the space more organized.

Commissioner Kadvany asked about the practicality of the second floor trellis and whether they had considered clerestory windows instead on the second floor. Ms. Torab said a plan checker with the City had suggested the trellis as a decorative element. She said the master bath was on the other side of the trellis and the window for the bathroom was on the side and not in front. She said they were using 12-inch by 36-inch tile in the bathroom and that could not be cut. She said if there were windows the tile would need cutting.

Chair Onken said he could support the project noting there were some idiosyncrasies with the decorative architectural elements. He moved to approve the item as recommend in the staff report. Commissioner Ferrick seconded the motion and noted she liked that the applicants were increasing conformance with setbacks. She said she thought that the architecture, although somewhat different, would work with the streetscape.

Commission Action: M/S Onken/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 Inspiroy Design, consisting of twelve plan sheets, dated received May 26, 2015, and approved by the Planning Commission on June 8, 2015, 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 6-0 with Commissioner Kahle recused.

D2. Use Permit and Variance/Farhad Ashrafi/677 Live Oak Avenue: Request for a use permit to demolish an existing single-story duplex and detached garage and construct a new two-story, single-family residence and detached garage on a substandard lot with regard to width and area in the R-3 (Apartment) zoning district. The proposal includes a request for a variance for the new residence to encroach into the required 20-foot separation between main buildings located on adjacent lots. (*Attachment*)

Staff Comment: Planner Sandmeier said there were no additions or changes to the staff report.

Public Comment: Mr. Farhad Ashrafi, project architect, said the issue of the variance was a hardship because neighboring properties did not conform to setback requirements.

Commissioner Kahle asked if they had considered a front porch. Mr. Ashrafi said they had but the width of the project site and the depth of the development were issues. He said there were

two parking spaces in the rear - one a garage and the other an uncovered space - and the mobility of vehicles to access those would be impacted if the building were pushed back further to allow for a porch.

Commissioner Strehl asked if there was a three-foot setback from the garage to the property line. Mr. Ashrafi said if the garage was adjacent to an accessory structure like a garage that setback could be maintained.

Commissioner Kadvany asked if they had considered continuing the siding on the second story to the first story of the house. Mr. Ashrafi said the idea was to introduce some texture and they did not want the entire the building to be the same finish.

Chair Onken closed the public hearing.

Commission Comment: Commissioner Ferrick said the report indicated the project adhered to the 10-foot setback so she was unclear why a variance was needed. Planner Sandmeier said in the R-3 zoning district there was a 20-foot distance requirement between main buildings on adjacent lots. She said the main buildings on either side of the subject property do not conform to the 10-foot setback requirement.

Chair Onken said the two-story building to the south of the subject property was 18-foot, 6inches away. He said most of that home's living space on the upper story seemed to be facing this property. He asked if there had been any privacy concerns expressed by neighbors. Planner Sandmeier said they had not received any correspondence from neighbors.

Commissioner Ferrick asked about neighbor outreach.

Mr. Ashrafi said the property owners, Dr. and Mrs. Sadeh, had sent letters to all of the neighbors requesting input and stating they were available to answer any questions about the plans. He said none of the neighbors asked to see plans. Commissioner Ferrick asked if they had mentioned the new home would be two-story. Mr. Ashrafi said the letter was attached as F1. He said they had not sent plans but invited people to contact them if they wanted to review the plans or had any questions.

Planner Sandmeier said an initial notice was sent to property owners within 300-feet with a drawing showing that the development was a two-story structure.

Chair Onken said that an 18-foot, six-inch distance between a bedroom in one building and the bathroom in the other building was close proximity for neighbors" living space.

Commissioner Ferrick said they could do multi-family in the R-3 zone and asked why they were doing a single-family residence. Mr. Ashrafi said this development was a family home and if it were a duplex it would require four parking spaces. He said that would cramp the building given the lot width. Chair Onken said this R-3 lot was really too small for the zone it was located in.

Commissioner Kahle said he did not have a concern with the variance request as the neighboring property did not conform to the 10-foot side setback and that created the hardship for this lot. He said he would like the project to have a front porch. He said the 10-foot ceiling on the first floor and the first floor being a couple of feet above grade created a 12-foot wall to

the right of the entry that would be broken up with a porch. He said it was a nicely designed house. He said there were corner boards on the second floor where there was Hardy siding that he would like to see have mitered corners, or to have the siding come to the corners so there was no view of the trim boards painted out, or at least painted out to match the siding. He said there appeared to be a louvered window above the entry and asked if it was decorative. Mr. Ashrafi said it was decorative. Commissioner Kahle suggested removing it as he did not think it necessary as the wall there was not particularly large. Mr. Ashrafi said mitering corners with Hardy boards usually caused a problem because of the contraction and expansion of the building materials and caulking had to be used miter a corner. He said being exposed to the weather there was always opportunity for physical and weather related damage and that was why they had closed those for a better sealed joint. Mr. Kahle said there were websites describing how this material could have either woven corners or shiplap corners that looked really nice. Mr. Ashrafi said they would look into that construction detail information.

Commissioner Strehl moved to make the findings for the variance request and approve as recommended in the staff report.

Commissioner Ferrick asked if the applicant would be able to add a porch if the Commission approved the project this evening. Planner Sandmeier said the applicants would have to reduce the building size to add a porch as they were at 29.7% of 30% allowable coverage area.

Chair Onken asked Commissioner Strehl as the maker of the motion if she wanted to add any of the elements commented upon by Commissioner Kahle. Commissioner Strehl said the porch did not seem to be an option. She said she was not an architect so she could not speak to the other elements. She said if those were something the applicant was willing to consider she was willing to amend her motion to include Commissioner Kahle's recommendations except for the porch. Commissioner Goodhue seconded the motion.

Commissioner Combs asked if the recommendation was that the applicant would look at a website to check out corner finishes but would not necessarily have to do that construction detail. Commissioner Kahle said his recommendation would be to consider eliminating the corner, or if they remained to paint them to match the siding, and to remove the louvered window. Chair Onken asked if Commissioner Kahle was asking the applicant to consider the modifications or approve with those modifications as conditions. Commissioner Kahle said it was to approve with modifications the applicant consider different corner treatment or paint to match the siding, and eliminate the louvered window.

Mr. Ashrafi said he would discuss removal of the louvered window with the property owners and if they supported, they would eliminate it from the design. He said they would paint the corner boards to match the siding.

Commissioner Kadvany suggested the applicant be given some flexibility about whether to keep or remove the louvered window as it was a decorative detail.

Chair Onken asked Commissioner Strehl to recap her motion. Commissioner Strehl moved to make the findings approving the variance request and the use permit as recommended in the staff report, and that the applicant look for alternative treatments of the corners of the Hardy boards, and at a minimum have it painted the same as the siding, and to have the owners' input on whether or not they wanted to remove the louvered window. Commissioner Goodhue confirmed her acceptance of the rephrased motion and seconded it.

Commission Action: M/S Strehl/Goodhue to approve the item with the following modifications:

- 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. Make the following findings as per Section 16.82.340 of the Zoning Ordinance pertaining to the granting of variance:
 - a. The main buildings on both sides of the subject parcel do not conform to the required interior 10-foot side setback required in the R-3 zone. When combined with these non-conforming buildings, the narrow width of the parcel creates a uniquely small area for the permitted building footprint. This hardship is unique to the property, and has not been created by an act of the owner.
 - b. If the proposed residence were built to be 20 feet away from the main buildings on the neighboring lots, the residence would only be 24 feet wide, resulting in a long narrow structure with little usable rear yard. If the structures on either side where in conformance with their required side setbacks, the variance would not be necessary for the proposed 30-foot wide residence. The variance would thus be necessary for the preservation and enjoyment of substantial property rights possessed by other conforming property. Given that other properties in the vicinity do not have similar constraints with regard non-conforming structures on both sides, the requested variance would not represent a special privilege.
 - c. The setback to the building on the right side of the subject property would be 18.5 feet and the setback to the property on the left side would be 15.5 feet. If the two adjacent parcels are redeveloped in the future, they would be required to adhere to 10-foot side setbacks and the proposed variance would no longer be needed. The proposed project would be below the maximum allowed building coverage and all other Zoning Ordinance standards would be met. In particular, the structure would be well within the 35-foot height limit. As such, granting of the variance would not be materially detrimental to the public health, safety, or welfare, and will not impair an adequate supply of light and air to adjacent property.
 - d. Although there are a few other narrow parcels in the area that may be adjacent to properties that are not in conformance with the required 10-foot interior side setbacks on both sides, these are exceptions. As such, the conditions on which the variance is based would not be generally applicable to other property in the same zoning classification.
 - e. The property is not within any Specific Plan area, and as such no finding regarding an unusual factor is required to be made.

- 4. Approve the use permit and variance subject to the following *standard* conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by F. Ashrafi Architect, consisting of 14 plan sheets, dated received May 14, 2015, and approved by the Planning Commission on June 8, 2015, 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.
- 5. Approve the use permit and variance subject to the following project-specific conditions:
 - a. Simultaneous with the submittal of a complete building permit application, the applicant shall submit revised plans that show an alternative to the corner boards or show that the corner boards will be painted the same color as the rest of the upper floor, subject to review and approval of the Planning Division.
 - b. Simultaneous with the submittal of a complete building permit application, the applicant may submit revised plans without the proposed louvered window on the front elevation, subject to review and approval of the Planning Division.

Motion carried 7-0.

D3. Use Permit/ChemPartner/1430 O'Brien Drive, Suite F: Request for a use permit for the indoor storage and use of hazardous materials for the research and development of medicinal chemistry associated with a contract research organization, located in an existing building in the M-2 (General Industrial) zoning district. All hazardous materials would be used and stored within the existing building. (Attachment)

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

Public Comment: Mr. Mike Lizarzaburu, Senior Chemistry Scientist and Partner at ChemPartner, said he was also in charge of environmental health and safety for their west coast operation. He said his company was a contract resource organization specializing in small molecule drug discovery. He said the company was based in Shanghai, China and was currently opening west coast operations at 1430 O'Brien Drive in Menlo Park. He said they use small quantities of hazardous materials that were handled by chemistry scientists trained in proper handling procedures and that they do not conduct any large scale chemical reactions. He said hazardous waste was removed biweekly by a licensed hazardous material removal company.

Chair Onken closed the public hearing.

Commission Comment: Commissioner Kahle asked the applicant to describe the dangers of the hazardous materials used. He asked where the fumes went with the fume hoods and if they were treated before they were released into the atmosphere. He asked the most dangerous materials on site.

Mr. Lizarzaburu said the fume hoods were designed so that if there was an exposure the scientist working there would be safe. He said only trace releases to the atmosphere were allowed and those limits were governed by state and federal regulations. He said the fume hoods were used every day when there were chemists working in the laboratory. He said the most dangerous materials were solvents because of their flammability and those were kept in anti-flammable cabinets. He said the second highest danger was from pyrophoric materials that ignite spontaneously when contacted with air, but those reagents were handled on a very small scale.

Commissioner Ferrick said the list of chemicals was longer than those generally seen by the Commission and there seemed to be more toxic materials. She asked if they were using all of them. Mr. Lizarzaburu said that it depended on the chemistry being done. He said right now they have about 50 chemicals on site. He said for the most part they were minimal quantities.

Ms. Ellen Ackerman, Green Environment, said one reason the list was so comprehensive was that the company was a contract R&D company and it was unknown what their next project might be. She said they had to list every chemical they would want to have onsite including those for a client in the future. She said they at what they needed for projects done in the past and now, and listed all the materials they expected to use at some point.

Commissioner Ferrick noted for the record that all of the agencies regulating this permit had signed off on the permit request.

Chair Onken reopened the public hearing.

Public Comment: Ms. Karen Kitterman, Menlo Park, said this company was close to a school and a religious childcare and school. She said many of these children were immigrants and asked if the schools had been notified of this company's permit request. She said she was concerned that children were in the area of hazardous materials.

Chair Onken closed the public hearing.

Commission Comment: Commissioner Ferrick said that these reviews were required to protect the safety and welfare of the community.

Ms. Ackerman said the quantity of each individual material onsite was quite small. She said none of the materials, the hazard they presented or the quantity used required an extraordinary emergency response plan. She said the company will file a hazardous material business plan with the County. She said the fire district would have the plan in their records and within that there was a contingency plan for what to do in the event of a spill or release.

Commissioner Strehl asked if the schools would be notified.

Planner Perata said the notification area for this application was a quarter-mile, and the City sent a notice when the application was received and again when the public hearing was scheduled. He said the referenced school and Casa dei Bambini were located within a quarter mile of this company and would have received the notices.

Commission Action: M/S Onken/Ferrick 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** conditions:
 - a. Development of the project shall be substantially in conformance with the plans provided by DES Architects/Engineers, consisting of eight plan sheets, dated received June 3, 2015, and approved by the Planning Commission on June 8, 2015 except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicant shall comply with all sanitary district, Menlo Park Fire Protection District, and utility companies regulations that are directly applicable to the project.

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

Motion carried 7-0.

STUDY SESSION E.

There was no study session.

F. **REGULAR BUSINESS**

F1. 2015-16 Capital Improvement Program/General Plan Consistency: Consideration of consistency of the 2015-2016 projects of the Five-Year Capital Improvement Plan with the General Plan. (Attachment)

Staff Comment: Mr. Jesse Quirion, City Public Works Director, said the CIP came before the Commission late last year for prioritization. He said since then it has been reviewed by all Commissions and reviewed by the City Council. He said the Commission was asked to consider if the 2015-2016 projects of the Five-Year Capital Improvement Plan were consistent with the General Plan. He said the 2015-2016 CIP was scheduled to be adopted by the City Council as part of the budget at their next meeting.

Commissioner Kahle asked if there were funding amounts associated with the projects Mr. Quirion said there were but not with this staff report as it was only looking at the consistency of it with the General Plan. He said on the City's website and as part of the proposed budget there were full project descriptions and the associated costs.

Chair Onken asked if there was public comment. There being none he closed public comment.

Commission Action: M/S Onken/Goodhue to adopt Resolution No. 2015-03 determining that the 5-Year CIP's projects for FY 2015-16 are consistent with the General Plan.

Motion carried 7-0.

F2. ConnectMenIo/City of MenIo Park: Review and provide a recommendation regarding the Notice of Preparation (NOP) with a maximum potential development to be studied in the General Plan Update Environmental Impact Report (EIR). (Attachment)

Commissioner Combs recused himself due to a potential conflict of interest after consultation with the City Attorney as his employer is a large landowner in the M2 area. He said he would recuse himself from all Commission considerations of General Plan zoning in the M2.

Assistant Community Development Director Murphy introduced Charlie Knox and Rosie Dudley with PlaceWorks, the consultant firm working with the City on the General Plan Update.

Mr. Knox noted that the schedule had been expanded to allow for more community outreach and engagement in the process and additional input on development primarily in the M2 area. He said the main point of the Council's objectives in the M2 area was the focus of change and the growing demand for growth and different uses in the M2 that do not exist now. He said the guiding principles were established at the end of the last calendar year which were used to launch work in January for a land use alternative or land use map, which they were calling a maximum potential development alternative. He said that created an overall umbrella of potential additional nonresidential square footage, hotel rooms, housing and retail to study in the EIR. He said it was not indicating that was feasible or desired by anyone in particular. He said they anticipated the certification of an EIR within a year.

Mr. Knox reported on the community surveys. He said that transit and transportation were identified as priorities by community respondents. He said commonly made comments related to the maintenance of properties and infrastructure in Belle Haven. He said another key comment was to enable current residents to remain and stem the rising tide of gentrification and displacement by using housing strategies to allow residents to stay in Belle Haven and their homes despite the rising prices and rents.

Mr. Knox said the City hosted two open houses, one of which was held on Saturday, May 2, the second on Thursday, May 7. He said both were very well attended. He said those attending were encouraged to visit the five information stations and speak with staff, the consultants, and each other. He said additionally that several of the major M-2 property owners, including representatives from Facebook, CS Bio and Tarlton Properties, hosted a station to share their ideas about the future of their properties and to receive input from the community. He said the City hosted a budget workshop "Budget 101" to address questions as to what revenue might be expected and where it would be allocated.

Mr. Knox said at a Housing Commission meeting on May 28, 2015 a panel of four housing experts shared their perspectives on a variety of housing-related issues, such as housing economics, affordable housing policies and strategies, anti-displacement policies, and local housing implementation. The panel agreed that housing is a regional issue that needs to be addressed locally through both the production of more housing units that "fit" the community needs.

Mr. Knox said at a joint meeting of the Transportation and Bicycle Commissions that Commissioners and the public heard from Mr. Jeff Tumlin, Nelson Nygaard, the transportation consultant, on ways to respond to growth and change while creating safe streets, options for getting around town, and new metrics for measuring performance.

Mr. Knox said the GPAC met two weeks prior and had provided the last two changes. He said in the area between Willow Road and University Avenue, north of O'Brien Drive, and the Hetch-Hetchy right-of-way, that the GPAC and the community members who have participated in those meetings felt much more comfortable with a six-story maximum for residential buildings. He said that set an average which informed their environmental analysis and what the impacts might be including those on traffic and parking. He said the orange and blue area shown on the very left of the map represented an M2 landowner's suggestion that if the area currently occupied by FedEx changed to something else that consideration be made for uses there that would support the hotel and mixed use shown in purple. He said this created two distinct places - one at Willow and one at Jefferson - separated by the Belle Haven community and Dumbarton Rail Corridor that supported the Plan update's guiding principles but would require programs in Plan and implementation to manage traffic and parking. He said in exchange for community facilities and increments of new growth those would be tied to amenities to be provided by the development community. He said the maximum potential would allow an additional 2.1 million square feet of nonresidential building, 4,500 housing units, 600 hotel rooms in three different locations and 5,500 new jobs. He said the reason for the 4,500 housing units to study in the EIR was to strengthen the amenities that the community, employers, employees and tenants wanted - a live-work-play-recreate environment.

Commissioner Kahle said an email from a former planning commissioner had been received stating that Menlo Park had lost a significant number of M2 businesses since 2004. Mr. Knox said what he understood from Ms. Fry's email was a concern with the volume of potential growth. He said in the economic analysis there might be statistics available of the type of businesses that generated sales tax in favor of things that don't like high tech media businesses. He said they did not generate data for the existing conditions report that came to that conclusion. He said anecdotally that story was out but he wasn't sure if that was the existing trend or would remain the trend if more development was allowed. He said life science businesses typically generate business to business revenue. He said about 66% of the potential 2.1 million square feet of development on top of what was already allowed in the M2 under the existing Plan would be life sciences firms. He said hotels would generate significant revenue.

Mr. Fergus O'Shea, Director of Campus Facilities for Facebook, said Facebook through this process was not requesting to increase the existing FAR for office space. He said while they supported the GPAC's recommendations on height limits that traffic on Willow Road was a major issue. He said they were working on solutions to address the existing and potential impacts to traffic. He said providing neighborhood serving retail options for example would allow their employees and neighbors to access essential services without having to drive. He said they continue to manage their transportation program and today almost half of their employees do not drive to work. He said the right kind of housing and retail amenities could take traffic off the road. He said they supported the Commission recommending that the City Council authorize the Notice of Preparation for an EIR. He said they would continue to work

with the City on this process as long as there was a predictable path to meet their business needs.

Ms. Vicky Robledo, Belle Haven, said she had been actively involved in meetings on the General Plan update the past two years. She said that many of the Belle Haven residents have met consistently about the General Plan Update and that for the record they did not support 4,500 new housing units. She said one of their greatest concerns was the issue of traffic and that 4,500 additional housing units could add 10,000 to 25,000 more cars. She said regarding additional employment that might be available that they have not addressed affordable housing for people who would work in the additional retail and service jobs. She said regarding traffic that residents have spoken on record that it can take them an hour to travel from Chilco to Willow even in non-rush hour traffic. She said Belle Haven was a beautiful community rich with diversity and they wanted to keep the integrity of that diversity there. She said they wanted affordable housing established west of El Camino Real and not for everything to be situated all in the Belle Haven area. She said Belle Haven was not accessible – they did not have public transportation or trains. She said they wanted the City to consider the impacts of tremendous growth in a short period of time on the Belle Haven residents.

Chair Onken closed the public comment period.

Commission Comment: Chair Onken said it was important to divorce the draft potential development for the EIR from the zoning of the M2 and what the community wanted there. He said the development potential for the EIR was to ensure that they have mitigations identified for the worst traffic and density issues but they should work on what the desirable zoning should be. He said he supported the map. He noted work he was doing in Burlingame. He said that City wanted certain development but their General Plan EIR was old and new development beyond that identified in the EIR required a new EIR which slowed down the process.

Responding to questions from Commissioner Kadvany, Mr. Knox said the reason for a prioritized list of amenities was to attach values so whatever increment of development was proposed it was known which of the amenities needed to be done first. He said for instance a huge item could be reactivating the Dumbarton Rail Corridor and whether that was rapid transit or train, ped or cycle tracks, it would have a large cost. He said if the Council, Commission and community didn't want 2.1 million square feet of development and only 400,000 square feet the increment of value would still be known. He said they would come back to the Commission to look at zoning aspects that would describe what various levels of development would create in amenities and what the mitigations were.

Commissioner Strehl said she was serving on the GPAC and what was being proposed was in response to community concerns in terms of number of stories for residential buildings. She said they were not approving the development potential but describing the outer limit of potential for development.

Commissioner Kahle said he was having trouble conceiving of 2.1 million more square feet. Mr. Knox said it was a little bit less than what the M2 area could allow currently in development. He said there was about 8.75 million square foot of existing development in the M2 and there was a 10 million square foot outer limit of nonresidential under the existing Plan. He said the 2.1 million square foot number was reached through a long complex conversation in the community about what the property owners wanted. He said it was refreshing that the Council at the outset

said since most of the change would occur in the M2 area instructed them to go talk with the property owners in that area and report back to the Council, Planning Commission and the community.

Responding to a question from Commissioner Ferrick, Mr. Knox said at the Housing Commission there was discussion about the importance of rent stabilization and combinations of that which was described as Prop 13 for renters. He said that combined with just-cause eviction meant that a property owner could not just evict renters because they wanted to increase the rent more than an allowable percent increase. He said the housing experts at that meeting showed there were housing shortages in all areas for all socio-economic levels. He said the Housing Commission talked about jobs and housing fit and the housing experts said all of the housing units needed to be built and a variety of types of residential units were needed in the area.

Commissioner Strehl left the meeting about 9 p.m.

Chair Onken re-opened the public comment.

Ms. Adina Levin, City Transportation Commission and its representative on the GPAC, said at the GPAC's last meeting there was much discussion and eventually consensus about building height. She said there were considerations in having a balance between jobs and housing – one of which was about transportation and reducing traffic noting there was no guarantee that someone who lived there would work nearby but there was the opportunity for people to live near where they work. She said the other relevant issue was the community character of Belle Haven and potential displacement of residents with thousands of Facebook engineers moving into the area. She said if there were different levels of housing available including below market housing that the level of displacement could be reduced in the existing community. She suggested keeping the jobs and housing fit.

Chair Onken closed the public comment.

Commission Comment: Mr. Knox said that jobs and housing fit was a regional issue. He said the panel at the Housing Commission had emphasized how important it was to create different levels of housing including low income as that would tend not to exacerbate traffic and provide people a chance to stay in Belle Haven.

Commission Action: M/S Onken/Goodhue to recommend to the City Council as follows:

The map translates into the maximum potential development for the M-2 area, and will be used for study purposes in the EIR and FIA. The Planning Commission concurs with the GPAC's recommendation, and recommends that the City Council accept the Draft M-2 Area Alternative map and associated maximum potential development figures and release NOP to begin preparation of the EIR.

Motion carried 5-0 with Commissioner Combs recused and Commissioner Strehl no longer in attendance.

G. **COMMISSION BUSINESS**

There was no Commission business.

H. **INFORMATION ITEMS**

There were no information items.

ADJOURNMENT

The meeting adjourned at 9:29 pm.

Staff Liaison: Thomas Rogers, Senior Planner

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on July 13, 2015