



PLANNING COMMISSION STUDY MEETING REPORT

FOR THE PLANNING COMMISSION
MEETING OF SEPTEMBER 13, 2004
AGENDA ITEM D1

LOCATION: 550, 558, 560, 562, 564, 580 Oak Grove Avenue
540, 550, 560, 570 Derry Lane

APPLICANT: O'Brien at Derry Lane, LLC

EXISTING USE: Car wash
Retail
Fast food
Dry cleaner
Automobile storage

PROPERTY OWNER: Derry Family

PROPOSED USE: Residential/Commercial **APPLICATION:** Study Meeting

EXISTING ZONING: C-4 General Commercial Applicable to El Camino Real

PROPOSED ZONING: PD Planned Development

PROPOSAL

The applicant is seeking initial input and direction from the Planning Commission on a proposal to demolish existing commercial uses and construct 135 new residential units and 17,000 square feet of commercial space on 3.45 acres located at Oak Grove Avenue and Derry Lane.

BACKGROUND

In January 2004, the City Council held a study session at the request of O'Brien at Derry Lane, LLC, to discuss a potential application for a mixed-use residential/commercial development on Oak Grove Avenue west of the Caltrain tracks, on the properties owned by the Derry family. These parcels were identified for study as a high-density residential opportunity in the Housing Element Environmental Impact Report. At the study session, the Council primarily focused on questions about the necessary zoning and General Plan changes that would be needed for the project.

The project applicant has submitted a proposal to the City to demolish the existing buildings and construct a residential/commercial mixed use development on the 3.45-acre site. The formal application was filed by O'Brien at Derry Lane, LLC, in February 2004 and supplemented with additional information in June 2004.

Multiple actions will need to be taken by the Planning Commission and City Council in order to allow this project to go forward. In addition to a Planned Development (PD) permit for the mixed use development, the applicant is also seeking abandonment of the Derry Lane right-of-way and existing plan lines and easements on the property, a lot merger for the existing eight parcels and Derry Lane, a General Plan and Zoning Ordinance amendment, and rezoning of the project site from C-4(ECR) to PD. Based on the February 2004 submittal, Planning staff determined that an environmental impact report (EIR) would be needed to adequately assess the project impacts and identify mitigations for any significant impacts created by the project.

A Scoping Meeting was conducted on June 17, 2004 to gain input from agencies and members of the public on issues that they felt should be addressed in the EIR. Staff is anticipating that the Draft EIR will be reviewed by the Planning Commission in early December 2004.

ANALYSIS

The proposed project site consists of eight existing parcels and the Derry Lane right-of-way, totaling 3.45 acres. Existing uses include several single story commercial buildings along Oak Grove Avenue, a cleaners business and a vacant structure fronting Derry Lane, and a surface parking lot used for car storage. For discussion purposes in this report, the project site will be considered as one 3.45 acre parcel.

The site extends along Oak Grove Avenue from the Caltrain tracks to the commercial uses that front on El Camino Real (see Attachment A, Location Map). The rear portion of the site is adjacent to the "Cadillac, Buick, Pontiac, GMC of Menlo Park" car dealership. Menlo Square, a mixed use residential/ commercial development, is located across Oak Grove Avenue, and the Menlo Park Caltrain station is located southeast of the project site. The site is separated from single- and multiple-family residential uses to the east by the Caltrain tracks. Caltrain is considering future grade separation between the tracks and the four current grade crossings in Menlo Park, including Oak Grove Avenue, which could affect the project site.

The applicant is proposing to demolish all existing structures on the project site, merge the lots and the Derry Lane right-of-way, and construct 135 residential units, 17,000 square feet of commercial space, and parking to serve the new uses (see Attachment B, Project Plans, Sheet L1.1). The units would be 1-, 2-, and 3-bedroom rental units, with 15% of the units meeting requirements of the City's Below Market Rate (BMR) housing program. The BMR proposal requires review and a recommendation by the Housing Commission and review and approval by the City Council.

The proposed project consists of seven residential structures and one mixed office/retail/residential building. The applicant is proposing Spanish colonial style architecture, with stucco siding and red tile roofs. All of the residential buildings would be located on top of a parking podium that would cover most of the project site. Some structures would be connected with bridges and/or breezeways. All buildings are proposed to be 3 stories and 35 feet in height above grade. The top of the parking podium would be five feet above grade. The proposed apartments range in size from 750 square feet to 1,250 square feet. Open lawns and plazas would be interspersed with the residential structures, with the main plaza area located at Oak Grove Avenue extending north into the project. The applicant is proposing to extend Garwood Way (as a private drive aisle with a public access easement) from its current terminus at the edge of the property to form an intersection at Oak Grove Avenue. The intersection would be offset from Merrill Street across Oak Grove Avenue.

The commercial portion of the property would occupy the Oak Grove Avenue frontage of the project site, with access to the ground level commercial uses directly from grade level (i.e., not from the parking podium level). The floor above the ground level would likely be used for offices but could be used for retail as well.

The proposed project also includes 328 parking spaces, which represents an 18% reduction from the 384 parking spaces that would be required under the Zoning Ordinance.

The applicant is requesting the following as part of the development proposal:

- 1) **Amendment to the General Plan and PD Zoning District:** Amend the General Plan and PD district to allow increased residential densities along the El Camino Real corridor in the vicinity of the Caltrain station (specifically, between El Camino Real and the railroad tracks, from Ravenswood to Glenwood Avenues).
- 2) **Rezoning to PD:** Change the zoning of the project site from C-4 General Commercial Applicable to El Camino Real to PD Planned Development. Establish specific development regulations and review architectural designs for the project.
- 3) **Right-of-Way and Plan Line Abandonment:** Abandon existing Derry Lane right-of-way and plan lines and storm sewer easement on the property.
- 4) **Lot Merger:** Merge existing eight parcels and Derry Lane right-of-way to form a single parcel.
- 5) **Environmental Review:** Prepare an Environmental Impact Report documenting potential environmental effects of the project.

The focus of this staff report is to introduce the project to the Planning Commission and describe the major components of the project proposal. This project would represent a major change in use for the property and add a substantial new feature to the El Camino Real/Caltrain station area. In addition to the issues that need to be considered in any development of this size, there are also considerations related to the rezoning

and potential future grade separation or other Caltrain modifications that will need to be addressed as the project moves forward in the development review process. The purpose of this study session is to gain input from the Commission on major project issues which should be considered at this relatively early stage in the review process.

Zoning Amendment, Land Use and Rezoning

The current C-4 General Commercial Applicable to El Camino Real zoning allows for residential development at up to 18.5 dwelling units/acre (du/ac). The density of the proposed project is approximately 39 du/acre. Rezoning of the property to R-4, which allows up to 40 du/ac, would not accommodate the project as proposed due to the maximum lot size in the zoning district of one acre and the presence of the commercial activities. Rezoning of the property to R-C Mixed Use, which allows for mixed uses, still would not accommodate the residential density as proposed and would limit the types of commercial development allowable on the property. Therefore, the applicant is requesting rezoning of the property from C-4(ECR) to PD Planned Development.

The PD zoning district does not allow for a property to be developed at a residential density higher than that allowed in the base zoning district. As a result of this application, Planning staff is proposing that higher density residential development be permitted in PD districts close to the Caltrain station. The area in which development at up to 40 units per acre could be permitted, on sites with a minimum size of 1.5 acres, would be bounded by El Camino Real on the west, Glenwood Avenue to the north, the Caltrain tracks to the east, and Ravenswood Avenue to the south (see Attachment C, PD Zoning Amendment Area). This higher density could provide opportunities to concentrate residential development in areas that are convenient to the train station and commercial development downtown and along El Camino Real. Since most of the large parcels in the area are developed, in practice this additional density would likely be pursued at only a few sites in the foreseeable future.

Pursuant to Section 16.57.005 of the Zoning Ordinance, “the purpose of the P-D Zone is to encourage the consolidation of smaller parcels into larger parcels to provide benefits to the City which could not otherwise be obtained. In order to obtain these benefits, the project plans should consider the inclusion of specific development controls to develop more usable open space, to provide efficient use of land, utilities, and circulation systems, to develop creative and integrated design and to allow for innovative and desirable mixed use developments that are consistent with the density and intensity requirements of the pre-existing zoning designation and with the aesthetic and environmental qualities of the community.” The Planning Commission may wish to comment on whether the proposed project is consistent with the purpose of the PD zoning district, inclusive of the proposed ordinance amendments to allow higher density residential development.

In addition to the policy-level rezoning, at the time of project review the Planning Commission will be considering the suitability of his site for residential and commercial development in light of the potential impacts on the surrounding community and the

future residents of the site. The EIR that is currently being prepared will help inform the Commission's consideration of these issues.

Plan Lines and Right-of-Way Abandonment

The applicant is requesting that the City abandon the Derry Lane right-of-way, plan lines along Oak Grove Avenue and Garwood Way, and a storm sewer easement on the property. At the September 14, 2004 City Council meeting the Council will consider a Resolution of Intent to Abandon, which is the first step in the legal abandonment process. The Planning Commission will make recommendations to the Council on these abandonments during the project consideration process, prior to the Council's final decision.

The project as proposed, with the extension of Garwood Way, eliminates the need for Derry Lane to provide interior access to the project site. The plan lines are in place along Oak Grove and Garwood to protect future right-of-way that may be needed for street widening (see Attachment B, Existing Plan Lines, sheet C1.3). The City has routinely requested that applicants dedicate the land within the plan lines to the City at the time of development. The applicant is requesting that the existing plan lines be abandoned in order to maximize flexibility and the development potential of the property, as any areas within plan lines that are dedicated to the City would no longer be included in Floor Area Ratio (FAR) or density calculations.

Along Oak Grove Avenue, the applicant is requesting that the plan line be abandoned and that the area be occupied by angled parking spaces and a sidewalk/pedestrian plaza. However, staff anticipates that future widening of Oak Grove may be necessary to accommodate grade separation of the Caltrain tracks or another street improvement, and is not recommending to Council that the plan line be abandoned.

The plan line along Garwood Way is 60 feet wide. Due to the presence of a 40-foot wide water line easement located 20 feet west of the Caltrain right-of-way, no development is proposed within the existing plan line; the area would be occupied by a private drive aisle and parking area, with a Public Access Easement to ensure access along Garwood Way. Staff anticipates that, at some future point, Caltrain may wish to expand its right of way because the railroad right-of-way is at least 20 feet narrower in this location than it is elsewhere in Menlo Park. Staff will work with the applicant to ensure that as much information as possible about Caltrain's plans is understood, in order to plan appropriately for future impacts of Caltrain activity on the project site.

Traffic, Parking and Access

A detailed transportation impact analysis is taking place as part of the environmental review process for this project. That analysis will provide the information needed for discussion of any transportation impacts, including traffic, parking, and access.

As proposed, the site would be accessed from Oak Grove Avenue and Garwood Way. Garwood Way would be the primary access point for the residential portion of the

property and would also provide some parking for the commercial uses. Oak Grove Avenue access would be fairly limited; for example, most of the parking structure would not be accessible from Oak Grove, and no left turns would be permitted to either enter or exit the Oak Grove parking entrance. There is no access proposed from the site to El Camino Real.

The proposed project also includes 328 parking spaces, which represents an 18% reduction from the 384 parking spaces that would be required under the Zoning Ordinance. The applicant is requesting a reduction in the overall parking requirements from the City standards as well as additional reductions in the amount of parking to be provided for the commercial portion of the property. The proposal reduces the parking spaces provided for the commercial portion of the project from 6 spaces per 1,000 square feet (102 stalls for 17,000 square feet of space) to 4 spaces per 1,000 square feet (68 stalls). The applicant is also proposing a reduction from the City's standards of 10% for all uses to reflect the opportunities for alternative transportation provided by the project's location and the potential for shared parking in the mixed use development. Using these reductions, the applicant has calculated that a total of 314 parking spaces would be required for the project. The proposed 328 parking spaces would be distributed as follows (see Attachment B, Parking, Sheet C2.2):

Location	# of spaces
Garage	244
Surface Lot (within current Garwood Way plan line)	71
Oak Grove Ave angled parking	13
Total	328

The proposed garage contains a single level of parking located at a level of 7 feet below grade, under the podium containing the residential buildings and open areas. The commercial portion of the garage (45 spaces) would be accessed from Oak Grove Avenue and the residential portion of the garage (199 spaces) would be accessed from Garwood Way; a chain link fence would physically separate the commercial and residential parking areas inside the garage. Twelve of the residential parking spaces are proposed as tandem spaces, with one car parked directly behind another. The surface parking lot for the project would be 90-degree angle parking along the train tracks, across Garwood Way from the project.

If the City does not abandon the Oak Grove Avenue plan line or determines that angled parking along Oak Grove Avenue is undesirable, 13 of the proposed parking spaces would be lost. Similarly, if Caltrain does ultimately decide to expand its right-of-way by 20 feet, 48 of the surface lot spaces along Garwood Way would be eliminated. Input from the Planning Commission on the proposed parking configurations, the parking reductions requested by the applicant and on the potential additional reductions in parking from losses related to street expansion would be valuable at this point in the project review process.

Site and Building Design

The proposed site and building design are provided for discussion. While many of the project details are not finalized, staff believes that the study meeting will be a good opportunity for the Commission to discuss the proposed site and building design with the applicant. Some of the proposed project features have significant implications for site design; for example, the use of a partially-submerged parking structure limits the potential for a major street-level public plaza because most of the project would be located on top of a raised podium. Some of the general areas of interest may include:

- Architectural character (e.g. style, building height, façade variation, building materials)
- Relationship of buildings and lawns/plazas
- Siting of buildings atop podium structure
- Site access from Oak Grove/Garwood; question of access from El Camino Real
- Streetscape and neighborhood character
- Pedestrian scale and relationship to Oak Grove Avenue

CEQA--ENVIRONMENTAL REVIEW

As discussed, an EIR is being prepared for this project pursuant to the California Environmental Quality Act (CEQA). Topics that will be examined closely in the environmental review process are potential impacts in the areas of traffic, aesthetics, biological resources, public services and utilities, air quality, noise and vibration, historic and archaeological resources, hazardous materials, land use, and population and housing. Potentially significant impacts and their mitigations will be identified, and the mitigations can be incorporated into the conditions of approval for the project. If a significant impact cannot be mitigated, then the City Council will need to adopt a Statement of Overriding Considerations in order to approve the project.

PLANNING COMMISSION DISCUSSION

The project proposal is before the Planning Commission as a study session item in order for the Commission to give direction to the applicant and staff on certain project components which should be addressed at this relatively early stage in the project review process. These issues include, but are not limited to, the following:

1. Potential amendment to the Planned Development (PD) zoning district, allowing higher density residential development in the vicinity of the Caltrain station.
2. Vehicular access to and from the project site.
3. Parking reductions proposed by the applicant and potential for additional parking loss resulting from Caltrain grade separations or track widening.
4. Use of partially submerged rather than fully submerged parking, and the resulting effect on the relationship between the project and the street.
5. Architectural style and site design.

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PUBLIC NOTIFICATION

Public notification of the meeting was achieved by posting the agenda 72 hours prior to the meeting. In addition, a notice, including select pages of the project plans, was mailed to owners and occupants of property within 300 feet of the area bordered by El Camino Real, Glenwood Avenue, the railroad tracks, and Ravenswood Avenue.

ATTACHMENTS

- A. Location Map
- B. Project Plans
- C. PD Zoning Amendment Area

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