



PLANNING COMMISSION STAFF REPORT

FOR THE PLANNING COMMISSION
MEETING OF JUNE 25, 2012
AGENDA ITEM: D3

LOCATION:	389 El Camino Real (321-389 El Camino Real, 603-607 College Avenue and 612 Partridge Avenue)	APPLICANT AND PROPERTY OWNER:	389 El Camino Real, LLC
EXISTING USE:	Single-Family Residence, Triplex and Vacant Land (formerly Anderson Truck Lot)		
PROPOSED USE:	26 Residential Condominium Units	APPLICATION:	Use Permit, Architectural Control, Tentative Map, BMR Agreement, Application of State Density Bonus Law, and Environmental Review
ZONING:	C-4 ECR (General Commercial, Applicable to El Camino Real) and R-3 (Apartment)		

PROPOSAL

The applicant is requesting to demolish an existing single-family residence and triplex and construct 26 residential units, designed as 17 attached townhomes and nine single-family residences, and related site improvements on property located in the R-3

(Apartment) and C-4 ECR (General Commercial, Applicable to El Camino Real) zoning districts. The proposed project would require approval of the following:

- 1) Use Permit for construction of three or more units in the R-3 zoning district and new construction of residential units in the C-4(ECR) zoning district;
- 2) Architectural Control for design review of the new buildings and site improvements;
- 3) Tentative Map to merge seven lots into two lots, abandon the public street easement for Alto Lane, and create 26 residential condominium units;
- 4) Below Market Rate (BMR) Housing Agreement to provide three on-site BMR units in accordance with the City's Below Market Rate Housing Program and State Density Bonus Law;
- 5) Application of the State Density Bonus Law to allow one incentive and six development standard waivers; and
- 6) Environmental Review to review the proposed project for potential environmental impacts.

The subject site consists of seven legal parcels currently addressed 321-389 El Camino Real, 603-607 College Avenue, and 612 Partridge Avenue, but is commonly referred to as 389 El Camino Real. The site is currently developed with a single-family residence, a triplex, and a vacant lot formerly used for auto sales. The site spans the block between College and Partridge Avenues, with the exception of a parcel at the corner of El Camino Real and Partridge Avenue where Planet Auto, an auto body shop, is located. The majority of the subject site is zoned C-4 (ECR), with the property located at 603-607 College Avenue zoned R-3 (Apartment). As part of the proposal, the portion of Alto Lane within this block is proposed to be abandoned and become part of the development site.

The properties located across El Camino Real and to the left side of the subject site (when viewing from El Camino Real) are in the C-4(ECR) zoning district. The properties across College Avenue are zoned C-4 (ECR), R-3-A (Garden Apartment Residential), and R-1-U (Single-Family Urban). Single-family houses in the R-1-U and R-3 zoning districts located in the Allied Arts neighborhood are to the rear of the site. A mix of uses and several large vacant parcels characterize the El Camino Real corridor. The parcels along the El Camino Real corridor, including the subject parcels, will be part of the El Camino Real/Downtown Specific Plan area once the Plan approvals become effective on July 12, 2012.

BACKGROUND

In September 2009, the applicant submitted plans for a 26-unit residential project under the State Density Bonus Law, Government Code Section 65915 and relevant amendments. A Planning Commission study session was held on this project on June 28, 2010, in which both the Planning Commission and members of the public commented on the proposal. Commissioners generally shared similar sentiments about the proposal, and highlighted potential concerns about the lack of open space, the impacts to the local school district, and too many inconsistencies with the Zoning

Ordinance's development regulations, which created elements that were out of character with the Allied Arts neighborhood. The primary concerns raised by the neighbors were the density and scale of the development compared to its surroundings. The topics of parking and traffic were also issues. In addition, the Commission and several members of the public were interested in learning more about the State Density Bonus Law, which would allow the project to have a density bonus and apply development standard waivers.

On May 2, 2011, the Planning Commission conducted a study session regarding the State Density Bonus Law (Government Code section 65915) with the City Attorney's Office. The study session was not specific to the 389 El Camino Real project, but the City Attorney's Office reviewed components of the Law that would be applicable to the project. The applicability of the State Density Bonus Law with respect to the proposed project is further discussed below in the State Density Bonus Law section.

In the intervening time since the June 28, 2010 study session, the applicant has worked with a Neighborhood Task Force and staff to discuss and address concerns. Based upon the comments raised by the Commission, the Neighborhood Task Force, and staff, the applicant has made the following revisions to the project:

- Reduced the overall height of the buildings to conform with the height limitations of the C-4(ECR) and R-3 zoning districts;
- Reduced the height of the single-family residences adjacent to the Allied Arts neighborhood from three stories to two stories;
- Reoriented units to face El Camino Real;
- Increased the front setback for the single-family unit fronting on College Avenue, to provide a better transition between the townhouses closer to El Camino Real and the adjacent single-family neighborhood;
- Increased the setbacks along the right side property line of the R-3 zoned property, creating more private open space for these units as well as providing a greater buffer between these units and the adjacent single-family residential property;
- Increased the size and amenities of the College Avenue pocket park;
- Created a new common open space area along El Camino Real through the elimination of a driveway;
- Redesigned the architecture to avoid uniformity and blend in more appropriately with the Allied Arts neighborhood;
- Incorporated higher quality building materials and finishes; and
- Provided the option for an elevator to be installed in five of the nine single-family residences, which would provide flexibility for disabled persons to purchase a residence in the development.

A Planning Commission study session was held on the project and public hearing held for the Draft EIR on March 19, 2012, in which both the Planning Commission and members of the public had the opportunity to comment on the Draft Environmental Impact Report (EIR) and discussed the revisions made to the project since the last

study session. Comments received on the Draft EIR from this meeting are included in the Response to Comments document that was released on June 14, 2012, and included as Attachment G, and are also discussed in the Environmental Review section of this report.

The staff reports from all of the meetings are available online and at the Community Development Department for review.

PROCEDURE

The purpose of the June 25, 2012 Planning Commission meeting on this project is to review and provide a recommendation on the Environmental Impact Report, and the actions associated with the proposed 26-unit residential project identified in Attachment C. The Planning Commission should formulate its final recommendation for the City Council in a manner that addresses all of the actions identified in Attachment C and described below. The City Council is scheduled to review the Project on July 31, 2012.

ANALYSIS

Proposed Project

The proposal involves the demolition of one single-family residence and a triplex and the construction of 26 residential units, designed as 17 attached townhouses and nine single-family residences on a 1.23-acre site.

Site Layout/Access

The townhomes would be arranged in a series of four rows perpendicular to El Camino Real, consisting of four to five units per row. To provide a more active street presence along El Camino Real, the entrances to the units adjacent to El Camino Real, with the exception of the end unit in Building C adjacent to Planet Auto, are oriented to face El Camino Real. Each of the El Camino Real entrances provides a porch, which not only helps frame the entry, but is an inviting architectural feature.

The single-family semi-attached and detached units would be located parallel to El Camino Real along the rear of the property (as viewed from El Camino Real). The frontage of the two units along College Avenue and Partridge Avenue are oriented to face the street, while the seven interior units are oriented to face the internal driveway.

Access to the site consists of two driveways off of El Camino Real, with each driveway providing two-way access to and from the site. These driveways connect to form a loop, providing access to all but two units. Two single-family units would be independent and take access from College and Partridge Avenues. The Menlo Park Fire Protection District has been consulted on the proposed site layout to ensure that emergency vehicles would be able to make a loop through the site if access is needed.

Mix of Units/Size of Units

The proposed 17 townhouse units feature a mix of two- and three-bedroom units, while the nine single-family units (includes semi-attached and detached units) are all four-bedroom units. The table below shows the mix of units as well as an approximate square footage for each of the units. The overall gross floor area for the project is approximately 46,600 square feet.

Product Mix		
	Sq. ft/ (range)	Number of Units Proposed
2 bedroom/2.5 baths	1,342 – 1,410	2
3 bedroom/3 bath	1,471 – 1,582	7
3 bedroom/3.5 bath	1,653 – 2,038	8
4 bedroom/2.5 bath	1,925 – 2,059	9

Architectural Style and Materials

The architectural style is traditional in nature to blend with the varied architectural styles of the Allied Arts neighborhood, with articulation through the use of pop out windows, balconies and porches.

The townhouse units feature gable roofs, shingle siding, divided light windows (with interior and exterior grids and a between-the-glass spacer bar), copper gutters and downspouts, decorative corbels, “spider” and decorative metal railings, tapered columns, and enhanced use of stone veneer at the bases and columnar features. The building height of the proposed townhouses is 30 feet to the top of the roof; however, an additional 3.8 feet of roof height would be provided to screen for rooftop mechanical equipment. The design of the roofline, both for the actual roof and roof screening, have been designed to blend in with the overall architectural style of the buildings.

The semi-detached and detached single-family residences along the rear would feature complimentary, but different materials. The seven interior homes would feature hip roofs, a combination of stucco and horizontal siding, or stucco and board and batten on the exterior façades. Wood trim, trellises and simulated divided light windows, similar to the townhouse units, would also be used on these single-family homes.

The residences facing Partridge and College Avenues will have an independent design to not appear as part of the larger project, and to create a transition into the adjacent neighborhood. The residence on College Avenue has been designed to reflect

Craftsman-style architecture, with a mix of hip and gable roofs, shingle siding, divided light windows, tapered wood porch column, dormers, decorative wood corbels, and stone veneer base. The proposed residential unit on Partridge Avenue is reminiscent of Spanish style architecture, and features a hip concrete tile roof, stucco siding, decorative ceramic tile and metal railing, divided light windows, arched entryway with decorative stucco and ceramic tile trim, and decorative metalwork throughout the façade.

Open Space

The proposed project includes two common open space areas: a large open space area along El Camino Real located between Buildings A1 and A2, and a smaller “pocket park” along College Avenue. The open space areas are not only amenities to the residents on the site, they also aesthetically enhance the neighborhood as the two areas are visible from College Avenue and El Camino Real. The open space near El Camino Real will include a fountain that will serve as a focal point, and include other passive elements such as a lawn and a barbeque. The pocket park near College Avenue features the existing Heritage redwood tree that will be preserved in place. Both of these areas will include functional and decorative features such as seating areas and wood trellises. Although they are not public parks, both common open spaces would remain publicly accessible. Permanent barriers are not proposed, and limitations to public access (i.e. permanent barrier fencing, gates) would not be encouraged as these areas aesthetically enhance the streetscape along El Camino Real and College Avenue.

Landscaping

The site contains one heritage size redwood tree located at 603 College Avenue, which is to remain and be part of the pocket park. As part of the off-site improvements, the applicant proposes to remove five of the existing, non-heritage street trees along El Camino Real to accommodate the new driveways and provide views to the fountain and open space. One non-heritage street cedar tree along College Avenue is recommended for removal by the City Arborist, as this tree is in poor condition and competes with the nearby heritage redwood tree.

The applicant is proposing to plant 58 new trees throughout the site, including decorative accent trees (crepe myrtle and Eastern redbud) along El Camino Real and College Avenue, and a row of trees (arbutus marina) along the fence line in the rear yards of the single-family homes to provide privacy screening for both the new homeowners and the adjacent neighbors.

The front yard landscaping along College Avenue, as well as the other common open spaces, will be maintained by the future homeowners’ association to maintain a quality and manicured presence.

Subdivision

The seven legal parcels that comprise the project site will be merged to form two new parcels that will substantially follow the existing zoning boundary line between the C-4 (ECR) and the R-3 districts. The larger of the two parcels is approximately 0.98-acre and will be in the C-4(ECR) zoning district, while the smaller parcel is approximately .25-acre and will be in the R-3 zoning district. The technical front property line for each of the two new lots would be along College Avenue.

The 26 residential units would be condominiums on these two shared common lots. With the exception of exclusive use easements for private open space, all shared facilities and landscaping would be maintained by the future homeowner's association.

Abandonment of Alto Lane

The proposed development includes the abandonment of the public street easement for Alto Lane. As part of the proposed street abandonment, the existing storm drain easement that runs through Alto Lane and extends the length of the project site will also be abandoned, and a new realigned storm drain easement will be created.

The portion of Alto Lane on this block is only accessible from College Avenue, as it ends mid-block and does not provide a connection to Partridge Avenue. Currently, this portion of Alto Lane appears only to serve the triplex at 603-607 College Avenue. With the demolition of the triplex as part of the proposed project, this portion of Alto Lane will no longer serve a useful purpose as a public street easement, and its abandonment will not affect any users. The area occupied by Alto Lane will be incorporated into the overall project site, divided between the two new parcels, and assume the respective zoning designations of these two parcels.

The abandonment of Alto Lane and the existing storm drain easement are necessary for the development of the proposed project, as the function of the proposed site layout and circulation are conditional upon the abandonment of these easements.

Pedestrian Access Easement along El Camino Real

The proposed development would require the dedication of a 3.7 foot wide pedestrian access easement (PAE) along the site's El Camino Real frontage. The PAE would accommodate the proposed six foot wide sidewalk by providing public access over this portion of the project site because there is insufficient width in the existing right-of-way. Additional discussion of the sidewalks is provided in the El Camino Real/Downtown Specific Plan comparison section of this report.

Below Market Rate (BMR) Housing Agreement

The applicant is proposing to provide three on-site BMR units to low-income households, in compliance with the City's Below Market Rate Housing Program and State Density Bonus Law. The provision of low-income units would provide a level of

affordability that exceeds that of typical BMR units in the City, which are generally at moderate income levels. All three units are townhouses consisting of one 2 bedroom/2.5 bath unit, one 3 bedroom/3 bath unit, and one 3 bedroom/3.5 bath unit. These units are spread out across the site in three different buildings, and are generally representative of the selection of townhouse floor plans. The draft Below Market Rate For-Sale Agreement is included as Attachment F. The Housing Commission has reviewed the BMR Housing Agreement and approved the selection of these three units at their regular meeting on May 2, 2012.

Application of the State Density Bonus Law to the Project

The applicant is proposing to apply the provisions of Government Code Section 65915 (GC 65915), the State Density Bonus Law, to the project. A copy of GC 65915 is included as Attachment D. The purpose of GC 65915 is to encourage and provide incentives to developers to include lower income housing units in their developments. In this case, the applicant is proposing to include three units for low-income households. Where the proposal exceeds the requirements of the City's Below Market Rate (BMR) Ordinance, the applicant is entitled to the benefits provided by GC 65915. The language of GC 65915 is mandatory; therefore, the City must grant the applicant a density bonus, which would allow the applicant to increase the density above the maximum allowable limit under the Zoning Ordinance, and grant one or more incentives or concessions for the production of housing units.

Density Bonus

The percentage density bonus for low income, very-low income and moderate income units is detailed in the tables found in sub-section (f) of GC 65915. The more low-income units provided, the greater the density bonus up to a maximum of 35 percent. Since 14 percent (three of 21 units) of the project units are designated for low income households, the applicant is entitled to a 26 percent density bonus or six additional units. While this would allow for a maximum of 27 residential units on the site, the applicant is requesting approval of 26 units. Per GC 65915, the applicant must agree to restrict the low-income units for at least 30 years.

Incentives

An applicant that has applied for a State density bonus may submit a proposal for specific incentives. An incentive means any of the following:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements that result in identifiable, financially sufficient, and actual cost reductions.
2. Approval of mixed use zoning in conjunction with a housing project.
3. Other regulatory incentives proposed by the developer that result in identifiable, financially sufficient, and actual cost reductions.

The number of incentives a project is entitled to depends on the percentage of low, very-low or moderate income units provided (no incentive is provided for the provision of non-income restricted senior housing units). In this case, the applicant is entitled to one incentive because the project includes at least 10 percent of total units for low income households. Per GC 65915, the City shall grant the incentive requested by the developer, unless the City makes a written finding, based upon substantial evidence, of any of the following:

1. The incentive is not required to provide for affordable housing costs as defined in Health and Safety Code Section 50052.5.
2. The incentive would have a specific adverse impact, as defined in Government Code Section 65589.5(d)(2), upon public health and safety or the physical environment or any real property listed in the California Register of Historic Places.
3. The incentive would be contrary to federal or state law. (GC 65915(d)(1))

The applicant has identified the requested incentive to have the maximum allowable Floor Area Ratio (FAR) for the C-4 (ECR) zoning district be 75 percent. Per the existing C-4 (ECR) zoning district regulations, the maximum allowed FAR (for non-office uses only) is 55 percent, except that an FAR not exceeding 75 percent may be authorized by a use permit. In this case, a use permit to obtain the 75 percent FAR would not be required, if granted as an incentive per GC 65915. The incentive shall be granted unless a finding based on one of the three criteria noted above is made.

Development Standard Waivers

In addition to an incentive, the applicant is entitled to development standard waivers if the application of a development standard would physically preclude construction of a project that includes lower income housing. There is no limit on the number of development standard waivers that an applicant may request. Furthermore, the City is obligated to grant the requested development standard waiver(s), unless it can find that the waiver would have a specific adverse impact, as defined in Government Code Section 65589.5(d)(2), upon public health and safety or the physical environment or any property listed on the California Register of Historical Places or would be contrary to federal or state law.

The applicant is proposing a total of six development standard waivers, including five waivers in the R-3 zoning district, including modifications to the rear setback, separation between buildings (on adjacent sites), building coverage, floor area ratio, and landscaping, and one waiver in the C-4 (ECR) zoning district regarding building floor area ratio. While the requested incentive would allow the floor area ratio in the C-4 (ECR) zoning district to increase to 75 percent without the need for a use permit, a 90 percent floor area ratio is what would be required to physically enable the construction of the proposed number of units; therefore, it is necessary to apply a development standard waiver for floor area ratio in the C-4 (ECR) zoning district in addition to the requested incentive discussed above.

The following tables summarize the Zoning Ordinance development standards of the R-3 and C-4(ECR) zoning districts, and compare them with the proposed development. The development standards for which waivers are requested are highlighted.

R-3 Zoning District Comparison

	PROPOSED PROJECT		R-3 ZONING ORDINANCE	
Lot area	11,146	sq. ft.	7,000	sq. ft.
Lot width	59.7	ft.	80	ft. min.
Lot depth	158.3	ft.	100	ft. min.
Front setback (College)	20	ft.	20	ft. min.
Rear setback	3.3	ft.	15	ft. min.
Right side setback	15	ft.	10	ft. min.
Left side setback (ECR)	10	ft.	10	ft. min.
Between building setbacks (on-site)	Attached		20	ft. min.
Between building setbacks (adjacent sites)	6.7	ft.	20	ft. min.
Building coverage	4,983	sf	3,343	sf max.
	44.7	%	30	% max.
FAR (Floor Area Ratio)	8,231	sf	5,015	sf max.
	73.8	%	45	%
Building height	27.9	ft.	35	ft. max.
Landscaping	42.9	%	50	% min.
Paving	12.4	%	20	% max.
Balcony	No balconies		20 ft. from the side property line when abutting single-family residences	

C-4(ECR) Zoning District Comparison

	PROPOSED PROJECT		C-4(ECR) ZONING ORDINANCE	
Lot area	42,516	sq. ft.	10,000	sq. ft.
Lot width	189.5	ft.	75	ft. min.
Lot depth	128.6	ft.	125	ft. min.
Front setback (ECR)	3.9 to 16	ft.	0	ft. min.
Rear setback	5.3	ft.	0	ft. min.
Right side setback	2	ft.	0	ft. min.
Left side setback	2.4	ft.	0	ft. min.
Building coverage	19,571	sf	42,516	sf max.
	46.0	%	100	% max.
FAR (Floor Area Ratio)	38,350	sf	31,887	sf max.
	90.2	%	75	%
Building height	30	ft.	30	ft. max.
Landscaping	28.3	%	10	% min.

Parking

GC 65915(p) provides that no city shall require a vehicular parking ratio, inclusive of handicapped and guest parking, for a development with at least 10 percent low-income units that exceeds the following ratios:

1. Zero (0) to one (1) bedroom, one (1) parking space.
2. Two (2) or three (3) bedroom, two (2) parking spaces.
3. Four (4) or more bedrooms, two and one-half (2.5) parking spaces.

The on-site parking requirement can be met through tandem or uncovered parking spaces. The application of GC 65915 differs from the City's Zoning Ordinance, which requires two parking spaces (one covered and the second either covered or uncovered) per dwelling unit, and each space must be independently accessible and not located within the front or side setback. However, parking standards per GC 65915 preempt local parking requirements.

The applicant is proposing 62 parking spaces, consisting of a mix of 34 covered spaces, 18 covered tandem spaces, and 10 uncovered guest parking spaces. Under GC 65915, the required number of parking spaces is 57 spaces as shown in the table below.

Proposed Parking

	Number of Units in Proposed Project	Number of Parking Spaces Required Per GC 65915
0-1 bedrooms (1 space)	0	0
2-3 bedrooms (2 spaces)	17	34
4 or more bedrooms (2.5 spaces)	9	22.5
TOTAL	26	57*

*Per GC 65915, the total number of parking spaces shall be rounded up to the next whole number.

El Camino Real/Downtown Specific Plan Comparison

The proposed project is located within the project area for the El Camino Real/Downtown Specific Plan. On June 12, 2012, the City Council completed all actions necessary to approve the Specific Plan. The Specific Plan is expected to go into effect on July 12, 2012. However, the project application was deemed complete prior to final action on the Specific Plan, and therefore, the project would not be subject to its rules and regulations.

Although the applicant intends to pursue the proposal under the General Plan and Zoning Ordinance land use designations prior to the adoption of the El Camino Real/Downtown Specific Plan, and in accordance with the State Density Bonus law, this section of the report provides an overview of how the proposed project would relate to

the El Camino Real/Downtown Specific Plan. This section is for reference purposes only.

Under the Specific Plan, the project site would be located in the El Camino Real Mixed Use land use designation and the El Camino Real South-West (ECR SW) zoning district. The El Camino Real Mixed Use land use designation allows for a mix of retail, service, residential, and public and semi-public uses. Residential dwelling units would be a permitted use within the designation.

The El Camino Real South-West (ECR SW) zoning district establishes a base maximum intensity (FAR) of 110 percent and base maximum density of 25 dwelling units per acre. The base intensity and density may be exceeded up to a maximum intensity of 150 percent and maximum density of 40 dwelling units per acre with the provision of public benefits. With a proposed overall FAR of 87 percent and density of 21.1 dwelling units per acre for the entire project site, the proposed project would be consistent with the base intensity and density.

The ECR SW zoning district restricts height to 38 feet, although façade heights on all but the interior side of a lot are limited to 30 feet. Above the 30 foot maximum façade height, a 45-degree profile is required. All of the buildings of the proposed project are 30 feet or less and therefore, would meet the façade height limit.

The ECR SW zoning district requires setbacks along front and street sides of corner lots of between seven and 12 feet. Rear setbacks are required to be a minimum of 20 feet and interior side setbacks may range from a minimum of five to a maximum of 25 feet. The setback range is intended to provide flexibility to allow each development to optimize building placement according to a specific situation. Additionally, sidewalk widths along El Camino Real are required to be a minimum of 12 feet, which includes a minimum eight-foot wide walking zone and a minimum four-foot wide area for street furnishings.

The proposed project would provide sidewalks that are six feet in width along El Camino Real and College Avenue, which is wider than existing, and would maintain the existing four-foot wide sidewalk along Partridge Avenue. With the proposed building setbacks of 3.9 feet to 16 feet along El Camino Real, it would not be possible to achieve an eight-foot wide sidewalk area along the entire length of the project's El Camino Real frontage. Areas with larger front setbacks would be landscaped. The interior side setback would be met, but the rear setback of 20 feet would not be met.

With regards to parking, the ECR SW zoning district requires a ratio of 1.85 spaces per dwelling unit for a total of 49 spaces where 62 spaces is being proposed. Finally, the ECR SW district requires a minimum of 30 percent open space with additional provisions for private open space. The proposed common open space would be approximately 20.6 percent of the lot area and private open space would be approximately an additional 13.5 percent, for a total combined open space of approximately 34.1 percent.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires the evaluation of the potential impacts of projects that will result in a physical change in the environment. In accordance with CEQA, the preparation of an EIR is required when a project has the potential to result in a significant environmental impact that cannot be mitigated to a less than significant level. The purpose of an EIR is to inform City decision-makers, responsible agencies, and the general public of the potential environmental impacts associated with a project, and will be used by the City and the public in their review of the proposed project and associated approvals.

The EIR for the 389 El Camino Real project evaluates 16 topic areas as required by CEQA for potential project impacts. A Notice of Preparation (NOP) was circulated on February 16, 2011 to notify responsible agencies and interested parties that an EIR would be prepared for the proposed project. Based on the verbal comments presented at the EIR scoping session at the Planning Commission meeting on February 28, 2011 and written communication received during the EIR scoping period, six out of the 16 environmental topic areas were identified as potential areas of controversy surrounding the project. Particular focus on the analysis of these six topic areas are addressed in separate sections of the EIR and include the following:

- Land Use and Planning Policy
- Public Services and Utilities
- Air Quality
- Noise
- Aesthetics
- Transportation, Circulation and Parking

The following topics are not evaluated in detail in the EIR: agriculture and forestry resources; biological resources; cultural resources; geology and soils; greenhouse gas emissions; hazards and hazardous materials; hydrology and water quality; mineral resources; population and housing; and recreation. These topics are discussed together in the Effects Found Not to be Significant section of Chapter VI – Other CEQA Considerations in the Draft EIR.

The EIR identifies that the proposed project will result in potentially significant impacts in the Transportation, Air Quality, Noise, and Aesthetics categories. Impacts in all categories, with the exception of Transportation impacts, will be mitigated to a less than significant level. Impacts in the Transportation category are significant and unavoidable. A complete list of impacts and mitigation measures is included in Chapter II – Summary of the Draft EIR. A comprehensive table of all potential environmental impacts and associated mitigation measures can be found in Table II-2, which begins on page 9. Additionally, the significant and unavoidable transportation impacts were explained in detail in the March 19, 2012 Planning Commission staff report.

Comments received on the Draft EIR, both at the March 19, 2012 Planning Commission study session on the project and public hearing on the Draft EIR and in writing during

the public review period, are addressed in the Response to Comments document that was circulated on June 14, 2012, and included as Attachment G.

The key differences between the Draft EIR and the Final EIR are related to transportation and public services, and are summarized below:

- Transportation: As a result of comments by David Roise and Planning Commissioners at the March 19, 2012 study session and public hearing, traffic analysis of the project's potential impacts to the intersection of El Camino Real and Sand Hill Road, and potential traffic through Creek Drive were evaluated. In both cases, the traffic analysis determined that the project would not result in any new impacts upon the roadway system beyond those impacts described in the Draft EIR.
- Public Services: Several Planning Commissioners at the March 19, 2012 study session and public hearing expressed interest in the potential student generation rate from the proposed project, and had asked Staff to look into the actual student generation rates from the 110 and 175 Linfield Drive residential project, which features units of a size comparable to the units in the proposed project. Based on current student enrollment data from the Menlo Park City School District and the Sequoia Union High School District, the actual current student enrollment rate at the 56-unit Linfield Drive project is 15 students (13 elementary/middle school students, and two high school students). As a comparison, the Draft EIR estimated that a total of 15 students would be generated from the proposed project based on the student generation rates provided by the school districts. The project's potential impacts to schools remain less than significant.

The responses and revision in the Final EIR substantiate and confirm the analysis contained in the Draft EIR. No new significant environmental impacts, no new significant information, and no increase in the significance of an already-identified impact have resulted from responding to comments.

Additionally, the Response to Comments includes text revisions that are intended to provide clarification and include previously omitted appendices, but do not identify a new impact or increase in the significance of an already-identified impact. The Draft EIR and the Response to Comments document together constitute the Final EIR. Given the significant and unavoidable impacts associated with the project, the City Council would be required to adopt a Statement of Overriding Considerations, if it determines that the project's benefits outweigh its environmental impacts. A draft Resolution Certifying the Final EIR, Adopting the Statement of Overriding Considerations and Adopting the Mitigation Monitoring and Reporting Program is included as Attachment H. The Mitigation Monitoring and Reporting Program is included as Exhibit A in Attachment H.

FISCAL ANALYSIS

The City's independent economic consultant, Bay Area Economics (BAE) prepared a Fiscal Impact Analysis (FIA), projecting the potential changes in fiscal revenues and service costs directly associated with development of the proposed Project. The FIA evaluated the potential fiscal impacts of the proposed Project for the City of Menlo Park and other governmental entities that serve the project site including the Menlo Park Fire Protection District, Bear Gulch Water District, West Bay Sanitary District, Elementary and High School Districts, San Mateo County Community College District, San Mateo County Office of Education Special District, the Midpeninsula Regional Open Space District, and the Sequoia Health Care District.

The FIA found that the proposed project would have a slight positive fiscal impact (surplus) for the City's General Fund. All special districts would experience a positive net fiscal impact from the proposed project, except for the Menlo Park City Elementary School District and the Sequoia Union High School District. The payment of one-time impact fees and capital facilities charges to the City and special districts would total approximately \$1.1 million.

The Draft FIA was released on May 21, 2012 for a public comment period that ended on June 19, 2012. No comments were received during the public comment period; therefore, the Draft FIA has been finalized with no changes.

The FIA does not require action by either the Planning Commission or the City Council. The Planning Commission and City Council should consider the FIA in reviewing the proposed project. The Commission may provide comments on the FIA for the City Council's consideration as part of the Commission's recommendation on the proposed project.

CORRESPONDENCE

Correspondence received on the Draft EIR during the public review period has been incorporated into the Final EIR's Response to Comments document. Since the March 19, 2012 Planning Commission study session and public hearing, the City has received three pieces of correspondence on the project, which are included in Attachment I, and summarized below.

Barbara Tyler and Tom Curran, residents at 111 Yale Road, noted the extensive neighborhood input that has been included in the project. They further express that they are thrilled at the prospect of an attractive development at the site, and support the project.

Joe Nootbaar, a resident in Menlo Park, expressed that the project's architectural details and scale would complement the adjacent neighborhood, and that the project creates an opportunity for the provision of affordable housing units. He further expresses support for the project.

Preston Butcher, a resident in Menlo Park, indicated frustration regarding the site's vacancy and underutilization, and how it may affect the City's image. Mr. Butcher notes the high quality of the proposed development, and that the proposed project has struck a balance between financial viability and addressing neighborhood concerns, and further expresses support for the project.

RECOMMENDATION

The proposed project would occupy an existing underutilized site and provide higher density housing near Downtown, including providing three low-income housing units for the City. The applicant has redesigned the project to accommodate the requests of the Neighborhood Task Force by shifting the height and mass of buildings away from the neighbors, changing the architectural style to blend more appropriately with the Allied Arts neighborhood, and improving the quality of the building materials and finishes.

As part of the review of the Project, an Environmental Impact Report was prepared, which determined that the Project would result in significant and unavoidable impacts related to transportation. Staff believes that the Project includes substantial benefits that outweigh its significant, and adverse environmental impacts. As such, staff recommends that the Planning Commission recommend that the City Council approve the Use Permit, Architectural Control, major subdivision, BMR Housing Agreement, and application of the State Density Bonus Law. Conditions of approval are included in Attachment E. Staff further recommends that the Planning Commission recommend that the City Council adopt a resolution certifying the Environmental Impact Report, adopting the Statement of Overriding Considerations, and adopting the Mitigation Monitoring and Reporting Program.

Staff recommends that the Planning Commission recommend approval to the City Council of all the actions identified in Attachment C.

Jean Lin
Associate Planner
Report Author

Thomas Rogers
Associate Planner

PUBLIC NOTICE

Public notification consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants in the area bounded by El Camino Real, Harvard Avenue, University Drive, and Middle Avenue, and residents on Morey Drive and Kenwood Drive. In addition, the 389 El Camino Real project page is available at the following web address: http://www.menlopark.org/projects/comdev_389ecr.htm. This page provides up-to-date information about the project, allowing interested parties to stay informed of its progress. The page allows users to sign up for automatic email bulletins, notifying them when content is updated. Previous staff reports and other related documents are available for review on the project page.

ATTACHMENTS

- A. Location Map
- B. Project Plans
- C. Findings and Recommended Actions for Approval
- D. State Density Bonus Law
- E. Draft Conditions of Approval
- F. Draft Below Market Rate For-Sale Agreement for 389 El Camino Real
- G. Response to Comments
- H. Draft Resolution Certifying the Final Environmental Impact Report, Adopting the Statement of Overriding Considerations and Adopting the Mitigation Monitoring and Reporting Program
- I. Correspondence
 - Barbary Tyler and Tom Curran, dated June 21, 2012
 - Joe Nootbaar, dated June 21, 2012
 - Preston Butcher, dated June 22, 2012

Note: Attached are reduced versions of maps and diagrams submitted by the project sponsors. The accuracy of the information in these drawings is the responsibility of the project sponsors, 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.

EXHIBIT TO BE PROVIDED AT MEETING

Color and Materials Boards

DOCUMENTS AVAILABLE FOR REVIEW AT CITY OFFICES AND CITY WEBSITE

- [Final Environmental Impact Report Response to Comments, prepared by LSA Associates, dated June 2012](#)
- [Fiscal Impact Analysis prepared by Bay Area Economics, dated May 17, 2012](#)
- [Planning Commission Staff Report on the Draft EIR and Project Study Session, dated March 19, 2012](#)
- [Draft Environmental Impact Report prepared by LSA Associates, dated February 2012](#)
- [Planning Commission Staff Report on the EIR Scoping Session, dated February 28, 2011](#)
- [Planning Commission Staff Report on the Project Study Session, dated June 28, 2010](#)

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