



COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: March 13, 2007

Staff Report #: 07-043

Agenda Item #: B1

STUDY SESSION: Consideration of and Possible Direction to Staff on a Proposal to Construct a Mixed-Use Development Comprised of 134 Residential Units and Approximately 81,000 Square Feet of Commercial Space on Property Located at 1300 El Camino Real.

RECOMMENDATION

Staff recommends that the City Council provide direction on the policy issues related to the proposed General Plan and Zoning Ordinance Amendments, Rezoning, and Planned Development (PD) Permit that are part of the 1300 El Camino Real Mixed-Use development proposal.

BACKGROUND

1300 El Camino Real Review to Date

In December 2005, the Sand Hill Property Company submitted a preliminary application for a mixed-use development at 1300 El Camino Real, the former Cadillac dealership. While it still required approval of a rezoning and a PD Permit, the application for the project at 1300 El Camino Real anticipated utilizing the General Plan and Zoning Ordinance Amendments that were part of the Derry Lane Mixed-Use Development application. Those amendments provided properties within the area bounded by Oak Grove Avenue, El Camino Real, Glenwood Avenue, and the Caltrain right-of-way with the opportunity to request rezoning to the PD District, and propose up to 40 dwelling units per acre (du/ac), a residential floor area ratio (FAR) of 115 percent, a total FAR of 150 percent, and a maximum building height of 50 feet. The purpose of the amendments was to encourage high-density, transit-oriented development near the Caltrain station.

The City Council held a study session on February 7, 2006 to discuss the future of the El Camino Real corridor and listen to development concepts for three different properties on El Camino Real. Sand Hill Property Company presented its conceptual proposal to demolish the automobile dealership building located at 1300 El Camino Real and to construct a mixed-use project of residential, retail, and non-medical office. A majority of Council members expressed a willingness to consider higher densities along

the El Camino Real corridor, noting that public benefit would be an important component of any proposal.

On April 4, 2006, an additional City Council study session specifically devoted to this project was held. The preliminary project plans proposing to demolish all existing structures on the project site, merge the lots, and construct 134 apartments, 78,065 square feet of commercial space, and at-grade and fully submerged parking levels were discussed at that meeting. The topics outlined for discussion in the April 4, 2006 staff report included density and FAR, public benefit, recreational requirements, trees, and compatibility with the Derry project, a proposed mixed-use, high-density, transit-oriented development. The basic components of the Derry project are summarized in the project comparison matrix included as Attachment C. More information can be found on the project page on the City's website at http://www.menlopark.org/projects/comdev_dmu.htm.

At that time, a majority of the Council members were comfortable with the increase in density and FAR, and a preference was stated for high quality retail or restaurant(s) on the ground floor. The Council decided to form a subcommittee to work towards creating a framework to quantify public benefits for PD projects, and to consider the timing for the payment of recreation-in-lieu fees. Finally, there was consensus that the existing London plane trees should remain along El Camino Real, and that this project and the Derry project should be harmonious, but not identical projects.

On May 15, 2006, a joint EIR scoping session and Planning Commission study session was held. The preliminary project plans were discussed at this meeting. The Planning Commission discussed the proposed size, mix and type of uses, parking, maximum building height, building design, and the Notice of Preparation for Environmental Review.

Public Benefit Discussions

As a result of direction provided at the April 4, 2006 City Council meeting, a subcommittee was established to consider the creation of a framework for determining an appropriate level of public benefit for projects seeking increased density through PD zoning. The subcommittee included Council Members Cohen and Duboc and staff. Staff organized two meetings of the subcommittee to discuss a framework for considering public benefits and also discussed examples of items that could be considered for public benefit. Staff also discussed the topic with the applicants for the Derry and 1300 El Camino Real projects.

The subcommittee had two primary objectives: 1) defining categories of items that could be considered for public benefit; and 2) creating a mechanism for calculating the appropriate amount of public benefit. Public benefit was defined as items above and beyond inherent project characteristics or required mitigations that can be quantified monetarily based on tangible benefits. The subcommittee suggested calculating an appropriate value for a project's public benefit commitment by using a percentage of the project's average construction value, based on the assumption that average construction value is a good proxy for the intensity/density of a development. A potential

range between 0.5 percent and 2.0 percent of average construction value with no cap was considered. On August 22, 2006, the City Council considered the framework and determined that using a percentage of the project's average construction value to calculate public benefit requirements could result in a loss of flexibility. The Council decided that the framework was not appropriate at that time, but expressed a desire to further explore which items could be considered as public benefit.

Derry Project

On August 29, 2006, the Derry project was approved by the City Council (including the General Plan Amendment), and on September 12, 2006, the City Council waived the second reading and adopted the ordinances amending the Zoning Ordinance and rezoning the property. In October 2006, a referendum petition was submitted to the City. Since the subject parcels for the 1300 El Camino Real project were included in the boundaries of the General Plan and Zoning Ordinance Amendments for the Derry project, this project is now proposing its own General Plan and Zoning Ordinance Amendments, limited to the project boundaries, due to the unknown status of the Derry project approvals.

El Camino Real Planning Initiative

On February 12, 2007, the City Council held a special meeting to discuss economic development and land use issues along the El Camino Real Corridor/Santa Cruz Avenue Area. The Council determined that it wished to move forward with a long range planning effort for this area, and directed staff to come back shortly with a work program for the Council to discuss. The Council also came to a consensus that individual projects in this area with existing applications should continue to be processed. This is an opportunity for the Council to consider the merits of the 1300 El Camino Real project and provide direction to the applicant and staff regarding the processing of this project. Staff plans to return with a visioning plan for El Camino Real and the Downtown at a future meeting in March 2007.

ANALYSIS

The main purpose of this staff report and the study session is to gain Council direction on key policy issues regarding the proposed development at 1300 El Camino Real. Questions are outlined for discussion at the end of each policy section, and are summarized at the end of this report for ease of reference. Council direction on the process will ensure that all interested parties are aware of the steps in the review process. The following sections provide a brief description of the project and requested applications, details regarding the proposed amendments to the General Plan and Zoning Ordinance and development standards, information on development agreements, a discussion of public benefit as it relates to the entitlement requests, information regarding potential public processes and fiscal impact analysis that would require direction from the Council. The report does not attempt to address every issue that has been raised to date or anticipate issues that may be raised in the future.

The Analysis section is organized as follows:

- Project Description
- Requested Applications
- General Plan and Zoning Ordinance Amendments
- Development Regulations
- Development Agreement
- Public Benefit
- Public Review Process
- Fiscal Impact Analysis
- Summary of Questions

Project Description

The most recent set of project plans dated October 20, 2006 are included as Attachment B. The applicant is proposing to demolish all existing structures on the 146,754 square foot project site, merge the lots, and construct 134 apartments, 81,000 square feet of commercial space, with at-grade and fully submerged parking levels. All calculations found in this report are based on the gross lot size above.

The applicant is proposing to construct 55 one-bedroom units and 79 two-bedroom units ranging in size from 788 square feet to 1,089 square feet. To meet the below market rate (BMR) housing requirement of 15 percent, this project is proposing to provide 11 one-bedroom BMR units and 12 two-bedroom BMR units. The commercial portion of the property would occupy the El Camino Real frontage of the project site, with approximately 41,500 square feet of retail space on the ground level and 39,500 square feet of non-medical office space on the second level. While the applicant plans on renting the residential units and leasing all of the commercial space, a condominium map, consisting of 134 residential units and eight commercial units, is included as part of the application to allow for potential sale of the units in the future.

The proposed project consists of essentially two buildings connected by a podium element. The front "building" on El Camino Real is proposed to be three stories high and the rear "building" on Garwood Way is proposed to be on top of the podium element, and therefore four stories high, even though it only has three floors. A courtyard located on the podium level between the two buildings would be an internal focal point of the development, with plantings, fountains, and walkways enriching the space.

Attachment C provides comparisons of development regulations for the current proposal, the pre-existing zoning district, and other projects in the vicinity, namely the Derry project, Menlo Square (location of Gambardella's Ristorante), Menlo Center (location of Café Barrone), and the Glenwood Inn (a senior housing project).

Requested Applications

The project as currently proposed would require the following applications. Various aspects of the applications require recommendations by the Planning Commission and Housing Commission, and review and approval by the City Council:

- General Plan Amendment to modify the El Camino Real land use designation and the associated land use intensity tables to allow the density for residential uses to exceed the base density of 18.5 du/ac and to allow the intensity to exceed the overall FAR on this property;
- Zoning Ordinance Amendment to modify Chapter 16.57 PD District to allow the density for residential uses to exceed the base density of 18.5 du/ac and to allow intensity to exceed the overall FAR requirements of the pre-existing zoning designation on this property through the approval a PD Permit;
- Rezoning the property from C-4 General Commercial District (Applicable to El Camino Real) to PD District;
- Planned Development Permit to establish specific development regulations and architectural designs for the demolition of existing commercial structures associated with the former car dealership and the construction of:
 - 134 residential units at a density of 40 du/ac where 18.5 du/ac is the maximum density permitted by the pre-existing zoning designation;
 - Approximately 41,500 square feet of retail space and 39,500 square feet of non-medical office space for a total of 81,000 square feet;
 - An approximate residential FAR of 110 percent and commercial FAR of 55 percent for a total FAR of 165 percent where 75 percent is the maximum FAR permitted by the pre-existing zoning designation; and
 - Three- and four-story building elements with a maximum building height of 56 feet where 30 feet is the maximum building height permitted by the pre-existing zoning designation;
 - 560 parking spaces in an at-grade and below-grade parking structure where 754 parking spaces would be required by the pre-existing zoning designation;
- Major Subdivision to merge six existing lots and create eight commercial and 134 residential condominium units;
- Development Agreement to guarantee development rights associated with the requested entitlements; and
- Environmental Impact Report to analyze the potential environmental impacts of the proposal.

General Plan and Zoning Ordinance Amendment

The proposed project requires amendments to the General Plan and Zoning Ordinance. The draft General Plan and Zoning Ordinance Amendments are included as Attachments D and E. As proposed, the amendments would allow development on this property, and only on this property, to exceed the maximum density and FAR allowed by the pre-existing General Plan and Zoning designations, which in this case is C-4 (Applicable to El Camino Real). The PD Permit, which would be created specifically for this project, would establish the specific development regulations. Attachment C provides comparisons of density and FAR for the current proposal, the pre-existing zoning district, and other projects in the vicinity.

As proposed, the 40 du/ac would be constructed where 18.5 du/ac is currently the maximum density. The overall total FAR for the project, including utility and trash rooms, would be slightly less than 165 percent with a rough breakdown of 55 percent commercial FAR (28 percent retail FAR and 27 percent office FAR) and 110 percent residential FAR. The pre-existing zoning designation, C-4 El Camino Real, allows a maximum FAR of 75 percent with the approval of a conditional use permit, with the restriction that office uses may not exceed 40 percent FAR.

The City Council may wish to consider the following questions, with the first question being a key question. If the Council were to determine that it is not appropriate to consider the requested General Plan and Zoning Ordinance Amendments at this time, the project would require a substantial redesign to comply with the existing General Plan and Zoning Ordinance with regard to density and FAR. In that case, the second and third questions become moot and need not be answered.

1. Is the Council willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow the density for residential uses to exceed the base density of 18.5 du/ac and to allow the intensity to exceed 75 percent FAR on this property, or should the project be designed to comply with the existing density and intensity?
2. *If the Council is willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow increased density, is 40 du/ac an appropriate density? If not, what number of dwelling units per acre, between 18.5 and 40, would be appropriate?*
3. *If the Council is willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow increased intensity, is 165 percent FAR an appropriate intensity? If not, what FAR, between 75 percent and 165 percent, would be appropriate?*

Development Regulations

The property could be rezoned to PD without amending the General Plan and Zoning Ordinance; however, without the amendments, the density could not exceed 18.5 du/ac and the FAR could not exceed 75 percent. The PD Permit would establish the specific

uses, development regulations, and architectural designs for this project. The following topics are development regulations that are of particular concern, due to the extent of the proposed departure from the existing regulations.

Building Height

As stated earlier, the project consists of three- and four-story building elements with a maximum building height of 56 feet where 30 feet is the maximum building height permitted by the pre-existing zoning designation. The maximum roof height measured to top of plate is 46 feet, the maximum roof ridge height is approximately 52 feet, and eight gable roof elements reach a height of 56 feet. The tallest element on the building, an elevator tower, is approximately 59 feet tall. Building height is defined in the Zoning Ordinance as, “the vertical distance from the average level of the highest and lowest points of the natural grade of the portion of the lot covered by the structure to the topmost point of the structure, excluding elevator equipment rooms, ventilating and air conditioning equipment and chimneys.” Staff has consistently made the interpretation that parapets providing roof screening for mechanical equipment are also excluded when measuring building height. Based on this definition, if the gable roof elements, which add architectural variety to the rear elevation, were eliminated, then the maximum building height would be 46 feet, as measured to top of plate. However, because the gable roof elements extend the wall height, and therefore cannot be considered parapets, the maximum building height as proposed would be 56 feet.

The Council may wish to consider the following:

4. Are three stories along El Camino Real and four stories along Garwood Way appropriate for this site?
5. When considering that the height of top of plate height is 46 feet, the height of the roof ridge providing screening of the mechanical equipment is 52 feet, and only eight gable roof elements reach a height of 56 feet, is a maximum building height of 56 feet appropriate?

Parking

All 560 parking spaces will be provided in an at-grade and below-grade parking structure. Unlike other zoning districts, the PD zoning district does not have specific off-street parking requirements. The parking requirement for the C-4 (ECR) zoning district is six spaces per 1,000 square feet of commercial gross floor area, and two spaces per residential dwelling unit. With 134 dwelling units and an approximate total commercial gross floor area of 81,000 square feet, the parking requirement would be 754 spaces in the pre-existing zoning designation. The applicant has utilized the R-4 zoning district parking standards, the administrative parking guidelines for commercial uses, and an assumed 10 percent sharing reduction to assist with determining appropriate parking standards for this project. The parking standards proposed by this project and comparisons to other zoning districts and projects are summarized in the matrix (Attachment C), and Attachment F outlines the recently adopted commercial parking standards based on use.

The Council may wish to consider the following:

6. Based on the mix of uses and the potential for shared parking, does the Council consider the approach of using the R-4 zoning district parking standards, the administrative parking guidelines for commercial uses, and an assumed 10 percent sharing reduction to assist with calculating the proposed number of parking spaces to be appropriate? If not, what calculation method would be preferred?

Setback from El Camino Real

The entire first floor frontage along El Camino Real is proposed to be retail (non-office) space. The left side of the ground level, where the major tenant is proposed to be located, would be setback seven feet from the El Camino Real property line, with building articulation providing ten feet in certain areas. The right side of the ground level, where a restaurant would potentially be located, would be setback ten feet from the El Camino Real property line. These setbacks would be combined with eight feet of public right-of-way to create fifteen- to eighteen-foot wide "sidewalks" that would allow for outdoor seating (see sheet A1.1 in Attachment B). The applicant is proposing to improve the entire El Camino Real frontage, plant street trees, and provide planters to create a pedestrian environment along the street frontage. Although the setbacks vary due to building articulation (see the title sheet in Attachment B), in many places the second level would be located sixteen feet from the El Camino Real property line, and the third level would be located approximately 24 feet from the El Camino Real property line (see sheet A2.2 in Attachment B). The pre-existing zoning designation does not have any building setback requirements.

The Council may wish to consider the following:

7. Do the proposed building setbacks that result in fifteen- to eighteen-foot wide sidewalks provide sufficient room for outdoor seating and pedestrians, and are they therefore appropriate for this stretch of El Camino Real?

Development Agreement

In order to secure entitlements for an extended period of time, the applicant is pursuing a legally binding development agreement. The purpose of development agreements is to strengthen the public planning process, encourage private participation in comprehensive planning, reduce the economic risk of development, and define so-called mutual benefits to inure to the proponent and the City. Under State law, development agreements enable the City to grant a longer-term approval in exchange for demonstrable public benefits. Review of requests for development agreements is governed by Council Resolution No. 4159. To date, the only development agreement that the City has approved is for the Sun Microsystems campus.

Public Benefit

Through the environmental review process, the potential adverse impacts will be identified. Many potential impacts will have a mitigation that could be implemented to minimize the impact, but there may be some impacts, especially related to traffic, that cannot be mitigated to a less than significant level. In this case, the project would need to demonstrate public benefits for the City Council to adopt a Statement of Overriding Considerations.

When considering the proposed General Plan and Zoning Ordinance Amendments and weighing the appropriateness of the density and FAR increases as proposed, the City Council should examine the potential benefits of the project. The project is requesting a density and FAR that is more than two times the maximum allowable today. It would be helpful if the Council discussed elements that could be considered public benefits of the project, or re-evaluate the previously proposed framework.

An example of public benefit could be transportation improvements above and beyond standard requirements and mitigations. Examples could include pursuing capital improvements identified in the Center City Design Study, such as installing textured pavers in the crosswalks at the intersections of El Camino Real and Oak Grove Avenue and El Camino Real and Glenwood Avenue to provide a stronger pedestrian connection between the train station area and the rest of downtown. Another example could be funding and constructing design improvements to fully mitigate some traffic impacts beyond the project's fair share contribution.

Other subject areas for discussion of public benefit could include:

- Providing additional BMR units beyond the minimum 15 percent or BMR units that are affordable to very low or low-income households;
- Providing a substantial amount of retail space to attract a tenant with a strong potential to generate sales tax revenue and provide services to the community;
- Creating opportunities to incorporate public art or display art;
- Historical building preservation;
- Council Project Priorities that lack necessary funding to pursue; and
- Other items identified by the City Council.

The Council may wish to consider the following:

8. Are there any specific public benefit items that should be considered for this project?
9. Does the Council wish to establish a process for defining public benefit for any project requesting an increase in density and intensity as part of project review?

Public Review Process

Throughout the process, there are opportunities for public input. For this meeting, the City mailed a notice to 2,277 property owners and occupants in the area bounded by the northern city limits on El Camino Real, Laurel Street, Ravenswood/Menlo Avenues, University Drive, and Valparaiso Avenue (see Attachment A). Since the publication of the notice, staff has received two pieces of correspondence that are included as Attachment G. Information can also be found on the project website:

http://www.menlopark.org/projects/comdev_1300ecr.htm. For the previous study sessions on April 4, 2006 and May 15, 2006, approximately 415 people were noticed within 300 feet of the area bounded by Ravenswood Avenue, El Camino Real, Glenwood Avenue, and the Caltrain right-of-way. The following public meetings have been held or are planned:

- City Council Study Session on April 4, 2006;
- EIR Scoping Session conducted by City staff and the environmental consultants on May 15, 2006;
- City Council Study Session on March 13, 2007;
- Planning Commission Public Hearing to review the Draft EIR and the requested development applications, tentatively scheduled for May 2007;
- Housing Commission Meeting to review the Draft Below Market Rate Housing Agreement;
- Planning Commission Public Hearing to make recommendations on the Final EIR, incorporating responses to comments on the Draft EIR, and the requested development applications;
- City Council Public Hearing on the Final EIR and the requested development applications, including introduction of the ordinances to amend the Zoning Ordinance and to rezone the property; and
- City Council Meeting to adopt the ordinances to amend the Zoning Ordinance and to rezone the property.

The Council may wish to consider the following:

10. Is the current noticing area bounded by the northern city limits on El Camino Real, Laurel Street, Ravenswood/Menlo Avenues, University Drive, and Valparaiso Avenue adequate, or does the City Council believe additional community outreach is warranted?

Fiscal Impact Analysis

The applicant has expressed a preference to prepare a Fiscal Impact Report identifying the fiscal impacts of the proposed project on the City. Staff would evaluate the report over the course of negotiating a development agreement. Over the past couple of years, the City has considered these reports in one of two fashions. The first is incorporating the report in the documentation for the decision makers to consider without an independent analysis. The second involves a third party peer review of the Fiscal Impact Report conducted for the City, but paid for by funds provided by the applicant. The applicant has stated that they are willing to pay for a third party peer review.

Summary of Questions

Council direction on the key policy issues discussed above will provide guidance on processing the General Plan and Zoning Ordinance Amendments, development limitations that would be established as part of the PD Permit, public benefit, and the public review process. Below is a summary of the questions that were posed to the Council throughout this report. As stated previously, the first question is a key question. If the Council were to determine that it is not appropriate to consider the requested General Plan and Zoning Ordinance Amendments at this time, the project would require a substantial redesign to comply with the existing General Plan and Zoning Ordinance with regard to density and FAR. In that case, the second and third questions become moot and need not be answered. Regardless of the answer to the first question, the Council should provide feedback on the remaining questions to provide necessary direction to the applicant for use in any redesign of the project:

- 1. Is the Council willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow the density for residential uses to exceed the base density of 18.5 du/ac and to allow the intensity to exceed 75 percent FAR on this property, or should the project be designed to comply with the existing density and intensity?**
- 2. If the Council is willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow increased density, is 40 du/ac an appropriate density? If not, what number of dwelling units per acre, between 18.5 and 40, would be appropriate?*
- 3. If the Council is willing to consider a General Plan Amendment and Zoning Ordinance Amendment to allow increased intensity, is 165 percent FAR an appropriate intensity? If not, what FAR, between 75 percent and 165 percent, would be appropriate?*
4. Are three stories along El Camino Real and four stories along Garwood Way appropriate for this site?

5. When considering that the height of top of plate height is 46 feet, the height of the roof ridge providing screening of the mechanical equipment is 52 feet, and only eight gable roof elements reach a height of 56 feet, is a maximum building height of 56 feet appropriate?
6. Based on the mix of uses and the potential for shared parking, does the Council consider the approach of using the R-4 zoning district parking standards, the administrative parking guidelines for commercial uses, and an assumed 10 percent sharing reduction to assist with calculating the proposed number of parking spaces to be appropriate? If not, what calculation method would be preferred?
7. Do the proposed building setbacks that result in fifteen- to eighteen-foot wide sidewalks provide sufficient room for outdoor seating and pedestrians, and are they therefore appropriate for this stretch of El Camino Real?
8. Are there any specific public benefit items that should be considered for this project?
9. Does the Council wish to establish a process for defining public benefit for any project requesting an increase in density and intensity as part of project review?
10. Is the current noticing area bounded by the northern city limits on El Camino Real, Laurel Street, Ravenswood/Menlo Avenues, University Drive, and Valparaiso Avenue adequate, or does the City Council believe additional community outreach is warranted?
11. Is there any other information that the Council needs to fully consider the application as it comes forward?

IMPACT ON CITY RESOURCES

The applicants are responsible for staff and consultant time spent processing the land use entitlement requests.

POLICY ISSUES

The proposed project involves a number of policy issues that are the subject of this staff report, including amending the City's General Plan and Zoning Ordinance.

ENVIRONMENTAL REVIEW

The proposed development project requires environmental review pursuant to the California Environmental Quality Act (CEQA). The Draft Environmental Impact Report (EIR) for 1300 El Camino Real is currently being prepared. The earliest that the document would be available is April 2007.

Megan Fisher
Associate Planner
Report Author

Justin Murphy
Acting Community Development Director

PUBLIC NOTICE

Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed. In addition, a notice was published in the local newspaper, and notices were mailed to all owners and occupants within the area bounded by the northern city limits on El Camino Real, Laurel Street, Ravenswood/Menlo Avenues, University Drive, and Valparaiso Avenue. Members of the public who are interested in receiving periodic updates regarding this project can subscribe to the project page on the City's website at http://www.menlopark.org/projects/comdev_1300ecr.htm

ATTACHMENTS

- A. Location Map
- B. 1300 El Camino Real Project Plans
- C. Matrix Comparing Existing and Proposed Projects Near El Camino Real and the Caltrain Station
- D. Draft General Plan Amendment
- E. Draft Zoning Ordinance Amendment
- F. Policy for Administrative Review of Parking Reduction Requests
- G. Correspondence
 - Branden Tarlow, 1080 Noel Drive Apt. 2
 - Larry Chu, MD

The Following Documents with all of the Attachments were Distributed Previously and are Available for Review During Business Hours at the Planning Division:

1. City Council Study Session Staff Report, dated April 4, 2006
2. Notice of Preparation of the Environmental Impact Report, dated May 8, 2006
3. Planning Commission Study Session Staff Report, May 15, 2006
4. City Council Staff Report on Public Benefit for PD Zoning, dated August 22, 2006

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

**Matrix Comparing Existing and Proposed Projects Along the El Camino Real "Corridor" Near the Caltrain Station
March 13, 2007**

	C-4(ECR)	R-4	Derry	1300 ECR	Menlo Square	Menlo Center	Glenwood Inn
Gross Lot Size	10,000 sf (minimum)	20,000 sf (minimum) one acre (maximum)	150,209 sf 117,200 sf (post-dedication)	146,754 sf	54,372 sf	83,806 sf	98,608 sf
Residential density based on gross acreage	18.5 du/ac	40 du/ac	39 du/acre* 50 du/acre* (post-dedication)	40 du/acre*	18.5 du/acre	N/A	61 du/ac
Max. Number of Dwelling Units	Derry: 63 units 1300 ECR: 62 units	Derry: 138 units 1300 ECR: 134 units	135 units (171,508 sf)	134 units (156,349 sf)	25 units	N/A	138 units (113,803 sf)
Commercial Square Footage	Derry: 112,657 sf max. 1300 ECR: 110,066 sf max. (with use permit)	N/A	10,251 sf (non-office) 12,274 sf (office) 22,525 sf (total)	41,500 sf (retail) 39,500 sf (office) 81,000 sf (total)	7,250 sf	60,863 sf	N/A
Maximum FAR based on gross acreage	55% (permitted) 75% (with use permit)	100%	114% (residential)* 15% (commercial) 129% (total)	110% (residential)* 55% (commercial) 165% (total)	69% (residential)* 8% (retail) 5% (office) 82% (total)	25% (retail, including restaurant) 15% (restaurant) 73% (total)	115%
Maximum FAR for office uses	40%	N/A	8%	27%	40%	48%	N/A
Maximum Height	30 ft.	40 ft.	48.6 ft. (roof plate) <60 ft. (elevator shaft)	46 ft. (roof plate) 56 ft. (gable roof elements) 59 ft. (elev. shaft)	35 ft. (roof/tower) 49.5 ft. (equipment and elev. shaft)	46 ft. (roof) 51 ft. (equipment and elev. shaft)	35 feet
Maximum Stories (above ground)	3	4	4	4	3	3	3
Maximum Building Coverage	N/A	40%	67% (buildings and podium)	92% (buildings and podium)	39%	24%	46%
Minimum Landscaping	10%	30%	19% (includes the podium level)	28% (includes the podium level)	28%	see below	44%
Public Plaza	N/A	N/A	~15,000 sf	~3,400 sf	12,920 sf	44,417 sf (includes landscaped areas)	N/A

**Matrix Comparing Existing and Proposed Projects Along the El Camino Real "Corridor" Near the Caltrain Station
March 13, 2007**

	C-4(ECR)	R-4	Derry	1300 ECR	Menlo Square	Menlo Center	Glenwood Inn
Parking Requirement	6sp/1000sf (commercial), 2sp/unit (residential)	1.5 sp/1-bedroom units, 2 sp/2- and 3- bedroom units, 0.33 guest sp/unit	Established by the PD Permit, standards used: R-4 parking requirements (residential) and use- based standards (commercial) with ~15% sharing credit	Established by the PD Permit, applicant proposing: R-4 parking requirements (residential) and use- based standards (commercial) with ~10 % sharing credit	6sp/1000sf (commercial), 2sp/unit (residential), 18% provided in landscape reserve	Established by the PD Permit	Established by the PD Permit
Parking Quantity	Derry: 372 spaces 1300 ECR: 736 spaces	N/A (commercial not permitted)	341 spaces	560 spaces	98 spaces (78 underground, 2 at- grade, 18 landscape reserve)	275 spaces	82 spaces (does not include additional perpendicular spaces on Garwood Way)
Parking Location	not in any required yard or loading area	not in any required front or side yard, at least one covered space for each unit	Onsite: partially and fully submerged levels, offsite: on- street parallel spaces	Onsite: at grade under podium and fully submerged level	Onsite: at grade and fully submerged level	Onsite: first and second level podium parking and fully submerged level	Onsite: at grade and partially submerged level
Vehicular Access Points	N/A	N/A	Right in, right out access from Oak Grove; Access from Garwood; Access from 1300 ECR garage	Right in, right out access from El Camino; Access from Garwood	Access from Merrill	Access from Santa Cruz and Merrill	Access from Glenwood and Garwood
Pedestrian Connections to Train Station	N/A	N/A	Connecting Garwood to Oak Grove; Constructing Lighted crosswalk on Oak Grove at Merrill	Improving Garwood between Derry property and Glenwood Inn property	Crosswalk across Merrill	Crosswalk across Merrill	Direct connection along Garwood would be created with the Derry project
Heritage Tree Removals	N/A	N/A	4 of 7	3 of 3 onsite 6 of 6 offsite	4 of 9	unavailable	unavailable
Storm Water	N/A	N/A	New storm drain under Garwood	New storm drain under Garwood	unavailable	unavailable	unavailable

**Matrix Comparing Existing and Proposed Projects Along the El Camino Real "Corridor" Near the Caltrain Station
March 13, 2007**

	C-4(ECR)	R-4	Derry	1300 ECR	Menlo Square	Menlo Center	Glenwood Inn
Rec in Lieu Fee**	0.008 * number of dwelling units * current value of land per acre	0.008 * number of dwelling units * current value of land per acre	\$4.3 million	\$4.3 million	\$450,000	N/A	unavailable
Traffic Impact Fee	N/A	N/A	\$97,556	\$224,554	not requested	\$25 for each additional trip generated (TIF and fair share contribution not to exceed \$30,000)	\$25 for each average daily trip generated
Estimated Cost of Construction	N/A	N/A	\$37,000,000	\$37,107,160	unavailable	unavailable	unavailable
Construction Value per Square Foot of Gross Floor Area	N/A	N/A	\$191	\$156	unavailable	unavailable	unavailable
Building Permit Fees	% of construction value	% of construction value	\$269,482	\$270,249	unavailable	unavailable	unavailable
Construction Street Impact Fee	0.58% of construction value	0.58% of construction value	\$214,600	\$215,222	N/A	N/A	N/A
BMR Proposal	N/A	N/A	21 units on-site 10 one-bedrooms (909 sf) 11 two-bedrooms (1279-1284 sf) located on the 1st, 2nd, and 3rd levels	23 units on-site 11 one-bedrooms (788 sf) 12 two-bedrooms (1049 sf) located on all levels	3 units on-site	N/A	N/A

* includes BMR units

** assumes \$4 million per acre land value

Exhibit A

Part II – Land Use/Circulation Diagrams and Standards

El Camino Real Professional/Retail Commercial land use designation is amended to modify the maximum density and FAR range as follows:

COMMERCIAL DESIGNATIONS

El Camino Real Professional/Retail Commercial

This designation provides for retail services, personal services, professional offices, executive, general and administrative offices, research and development facilities, banks, savings and loans, convalescent homes, restaurants, cafes, theaters, residential uses, public and quasi-public uses, and similar and compatible uses. The maximum FAR for non-residential uses shall be in the range of 40 percent to 75 percent. Residential intensity shall not exceed 18.5 units per net acre except for 1300 El Camino Real, assessor parcel numbers 061-430-420 and 061-430-450, which may exceed the maximum through the approval of a Planned Development Permit and a Development Agreement.

Table II-1 is amended to add use intensities for the P-D zoning district as follows:

TABLE II-1 RESIDENTIAL USE INTENSITY ¹			
Land Use Designation	Use Intensity (units per net acre)	Floor Area Limit/Ratio ²	Applicable Zoning Districts ³
Very Low Density	0-3.5	2,800 sq. ft. +25% of lot area over 7,000 sq. ft.	R-E, R-E-S, R-1-S
Low Density	3.6-5.0	2,800 sq. ft. +25% of lot area over 7,000 sq. ft.	R-1-U, R-1-S
Medium Density	5.1-18.5	40-45%	R-2, R-3, R-3-A, R-3-C, R-C
High Density	18.6-40.0 ⁴	100% ⁴	R-4, R-L-U ⁴

¹Residential uses are also allowed in the Professional and Administrative Offices, the Retail/Commercial, and the El Camino Real Professional/Retail Commercial designations, subject to a maximum intensity limit of 18.5 units per net acre.

Mixed-use (residential and commercial) is subject to the following zoning ordinance limitations:

R-C zoning district: residential intensity up to 18.5 DU/net acre and FAR of up to 45%. In a mixed use project, the maximum total FAR is 45% for residential plus 40% for commercial for a total maximum 85% FAR.

C-3 zoning district: residential intensity up to 18.5 DU/net acre and FAR of up to 100%. Any FAR used for residential use would be subtracted from that otherwise allowed for commercial use.

C-4 El Camino Real zoning district: residential intensity up to 18.5 DU/net acre and FAR of up to 75%. Any FAR used for residential use would be subtracted from that otherwise allowed for commercial use.

²The BMR density bonus can result in the density, number of units, and floor area being increased up to a maximum of 15%. The floor area limit for lots under 5,000 square feet shall be determined by use permit.

³Residential uses are also allowed in the P-D zoning district. This district allows residential and other uses at a density or intensity that does not exceed the density or intensity allowed by the pre-existing zoning for the P-D-zoned property except for 1300 El Camino Real, assessor parcel numbers 061-430-420 and 061-430-450, where residential density and intensity may exceed the maximums through the approval of a Planned Development Permit and a Development Agreement.

⁴The R-L-U zoning district allows senior rental housing with residential intensity of 54-97 DU/net acre and FAR of up to 150%. Any new R-L-U project will require a general plan amendment and rezoning.

TABLE II-2
 COMMERCIAL USE INTENSITY

Land Use Designation/Type	Use Intensity (Floor Area Ratio)	Applicable Zoning Districts ¹
Retail/Commercial		
Neighborhood Shopping	40%	C-2
Neighborhood Shopping, Restrictive	40%	C-2-A
Neighborhood Commercial, Restrictive	40% without use permit or up to 50% with use permit	C-2-B
Central Commercial	100% retail without use permit, and up to 100% more with use permit, but office use may not exceed 50%	C-3
General Commercial	40%	C-4 non-El Camino Real
Professional and Administrative Offices		
Administrative and Professional Restrictive	30%	C-1
Administrative, Professional	40%	C-1-A, R-C, R-3-C
Administrative, Professional, and Research Restrictive	25%	C-1-C
El Camino Real Professional/Retail Commercial		
General Commercial	55% without use permit or up to 75% with use permit; provided office use may not exceed 40% and up to 100% for auto storage for auto retailers with a use permit	C-4 El Camino Real, P-D
Administrative and Professional	40%	C-1-A, C-4 El Camino Real, P-D

¹ Commercial uses are also allowed in the P-D zoning district. This district allows commercial and other uses at a density or intensity that does not exceed the density or intensity allowed by the pre-existing zoning for the P-D-zoned property except for 1300 El Camino Real, assessor parcel numbers 061-430-420 and 061-430-450, where commercial density and intensity may exceed the maximums through the approval of a Planned Development Permit and a Development Agreement.

Please Note: This draft ordinance amendment uses redline (~~strikeout~~ and underline) formatting to show the reader the extent of changes to existing Zoning Ordinance provisions in order to provide context.

ATTACHMENT E

DRAFT
March 13, 2007

ORDINANCE NO. ____

An Ordinance of the City of Menlo Park, Amending Title 16 of the Menlo Park Municipal Code, Amending Chapter 16.57 *P-D District*

The City Council of the City of Menlo Park does ordain as follows:

SECTION 1. The following section of Title 16, *Zoning*, Chapter 16.57, *P-D District*, of the Menlo Park Municipal Code is hereby amended to read as follows:

Chapter 16.57

P-D DISTRICT

Sections:

- 16.57.005 Purpose of the P-D zone.
- 16.57.010 Establishment of a P-D zone.
- 16.57.020 Conditional uses.
- 16.57.030 Development regulations.
- 16.57.040 Identification of a P-D zone.
- 16.57.050 Area limitation.

16.57.005 Purpose of the P-D Zone. 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 (i.e., dwelling units per acre) and intensity (i.e., floor area ratio) requirements of the pre-existing zoning designation, except as provided in subsection 16.57.050, and with the aesthetic and environmental qualities of the community.

16.57.010 Establishment of a P-D zone. Applications for the establishment of or reclassification to the P-D zone classifications must include a development plan as described in this chapter. The zone reclassification shall not be approved until a permit approving the development plan has been issued by the Planning Commission and the City Council.

The Planning Commission and City Council, after public hearings, may approve, disapprove, modify or attach conditions to a development plan.

16.57.020 Conditional uses. A use permit shall be required for any and all uses in a P-D zone. A use permit may be issued by the Planning Commission if the land uses and structures comply with the development plan and conditions thereof.

16.57.030 Development regulations.

- (a) Components. The development plan shall include all of the following:
 - (1) A plot plan map which shows:
 - (A) Existing and proposed public street and sidewalk improvements,
 - (B) Lot design,
 - (C) Areas proposed to be dedicated or reserved for any public use including, but not limited to, public utility easements, public buildings and public land uses,
 - (D) Parking and interior traffic flow, including parking ratios,
 - (E) Land used within five hundred feet of the external boundary of the P-D zone;
 - (2) Site details, including:
 - (A) Preliminary building plans, including generalized elevations,
 - (B) Maximum building heights,
 - (C) Maximum lot or area coverages,
 - (D) Minimum distance between structures,
 - (E) Minimum setbacks from interior lot lines,
 - (F) Minimum setbacks from street rights-of-way,
 - (G) Landscaping, screening and lighting,
 - (H) Population densities within the planned development zone,
 - (I) Floor area ratio of structures;
 - (3) Development schedule, including date of commencement of construction, annual accomplishment, and completion of planned development;
 - (4) Any other reasonably related information necessary for the Planning Commission and City Council to act.
- (b) Standards.
 - (1) General Requirements. Setbacks, building heights, distances between buildings, lot coverage, parking requirements, and landscaping requirements shall be established by the Planning Commission for each planned development.
 - (2) Public Improvements. Improvement to full city standards for all public rights-of-way abutting and within the development shall be required. In addition, if determined necessary for proper traffic circulation, the applicant may be required to provide proper methods of ingress and egress to the development, including acceleration and deceleration lanes, and traffic devices including channelization.

- (c) **Revision of Plan.** A public hearing by the Planning Commission and City Council shall be required prior to issuance of a permit for revisions of the development plan which involve changes in land use, expansion or intensification of development or a relaxation in the standards of development. All other revisions may be allowed after a permit is approved by the Planning Commission and City Council. A public hearing may be called regarding such changes if deemed necessary by the Planning Commission.
- (d) **Filing Fees.** In addition to the fee required for reclassification of the zone, there shall be a fee established by the City Council to provide for publication costs and for the inspection of the development plans. Such fee shall not be required for revisions to the plan unless the Planning Commission or City Council required the holdings of a public hearing.
- (e) **Development Schedule.**
 - (1) A development plan shall be accompanied by a development schedule indicating the approximate date when construction of the project can be expected to begin (which date shall be no later than one year from the effective date of the rezoning of the property) the anticipated rate of development, and completion date. The development schedule, if approved by the City Council, shall be adhered to by the owner of the property in the P-D zone and his successors in interest.
 - (2) Periodically the Planning Commission shall compare the actual development in the various P-D zones with the approved development schedules.
- (f) **Revocation.**
 - (1) A P-D Zoning designation shall be null and void if the construction has not begun within one year from the date of the approval thereof or within any other time limit imposed by the Planning Commission or City Council. Upon expiration of the one-year period or other time period as may have been imposed, the property shall return to its former zoning designation;
 - (2) If the owner is failing or has failed to meet the development schedule approved by the City Council, the City may initiate proceedings to rezone the property and revoke the approval of the development plan, or to amend the development plan;
 - (3) The Council may extend the development schedule.

16.57.040 Identification of P-D zone. Each P-D zone shall be numbered, the first adopted being shown on the zoning maps as P-D (1) and each zone subsequently adopted being numbered consecutively.

16.57.050 Area limitation. Property within the area bounded by El Camino Real, Watkins Avenue, ~~Southern Pacific Railway~~ the Caltrain railroad tracks, and San Francisquito Creek may be placed in a P-D zone in accordance with the provisions of this chapter. No other property may be placed in a P-D zone. Furthermore, development of 1300 El Camino Real, assessor parcel numbers 061-430-420 and 061-

430-450, may exceed the density (i.e., dwelling units per acre) and intensity (i.e., floor area ratio) requirements of the pre-existing zoning designation through a Development Agreement in order to promote transit-oriented development within one-quarter mile of the Menlo Park Caltrain Station:

SECTION 2. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 3. This ordinance shall become effective thirty (30) days after the date of its adoption. Within fifteen (15) days of its adoption, the ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

INTRODUCED on the ____ day of _____, 2006.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the ____ day of _____, 2006, by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:

APPROVED:

Kelly Fergusson
Mayor, City of Menlo Park

ATTEST:

Silvia M. Vonderlinden
City Clerk



COMMUNITY DEVELOPMENT

PLANNING DIVISION
701 Laurel Street
Menlo Park, CA 94025
650-330-6702
www.menlopark.org

POLICY FOR ADMINISTRATIVE REVIEW OF PARKING REDUCTION REQUESTS

Chapter 16.72 of the Zoning Ordinance establishes parking requirements for commercial and industrial uses based on zoning districts. Section 16.72.010 allows for requests to reduce the amount of required parking for a particular use through an administrative permit. In considering such requests, the guidelines contained in this policy should be used.

The following factors should be considered in approving a request to provide less parking than required by the zoning district:

- Primary use of the building;
- Unique physical features of the building;
- Estimates of number of employees and customers;
- Transportation demand management measures;
- Hours of operation;
- Shared parking arrangements;
- Availability of on-street parking;
- Surrounding land uses; and
- Proximity to residential neighborhoods.

The following guidelines should be used when applicable, but are not considered absolutes:

Use	Parking Guideline
Health and Fitness Center	1 space per 200 square feet of gross floor area
Hotel	1.1 spaces per guest room
Office, Medical	1 space per 200 square feet of gross floor area
Office, General	1 space per 300 square feet of gross floor area
Personal Service	1 space per 200 square feet of gross floor area
Restaurant	1 space per 167 square feet of gross floor area
Retail	1 space per 200 square feet of gross floor area
Warehouse	1 space per 1,000 square feet of gross floor area

Amendment to Policy:

This policy may only be amended or revised by action of the City Council, with input from the Planning Commission. The City Council shall give public notice of any proposed changes before amending or revising the policy.

Adopted by: City Council

Date: May 10, 2005

v:\city council policies and guidelines\parking reduction\parking reduction policy.doc