



STAFF REPORT

Planning Commission

Meeting Date: 6/20/2016
Staff Report Number: 16-050-PC

Public Hearing and Study Session:

**Draft Environmental Impact Report (EIR) Public
Hearing on the General Plan and M-2 Area Zoning
Update**

Recommendation

Staff recommends that the Planning Commission conducts a public hearing to receive comments on the Draft EIR for the General Plan and M-2 Area Zoning Update. All comments received on the Draft EIR will be responded to as part of the Final EIR.

The Planning Commission will not take any actions on the project at its June 20 meeting. The proposal will be subject to additional review and a recommendation at a future Planning Commission meeting scheduled for August 29, 2016. Staff recommends the Planning Commission proceed as follows for the June 20 meeting:

- Introduction by Staff
- Presentation by Consultant
- Public Comments on EIR
- Commissioner Questions on EIR
- Commissioner Comments on the EIR

Policy Issues

The General Plan and M-2 Zoning update process will consider a number of policy issues. The General Plan, itself, is a policy document that will serve as the blueprint for future development in the City. The Planning Commission and City Council will need to consider whether the proposed zoning requirements reflect desired development and support the overall Guiding Principles, and goals and policies of the General Plan Update.

The June 20 meeting is a Draft EIR public hearing, which provides an opportunity for Planning Commissioners and the public to comment on the completeness and accuracy of the Draft EIR document. No actions on the proposed General Plan and M-2 Area Update will occur at the June 20 meeting. Ultimately, the City Council will need to consider the proposed project and the potentially significant and unavoidable impacts and the accompanying statement of overriding considerations.

Background

The General Plan serves as the City's comprehensive and long range guide to land use and infrastructure development in the City. Although required by State law, a General Plan is customized to reflect the values and vision of each jurisdiction. Since the summer of 2014, the City has embarked on the General Plan Update and M-2 Area Zoning Update process known as ConnectMenlo. Thus far, approximately 60 meetings, events and activities related to ConnectMenlo have occurred to help educate and inform, share ideas, and gather input on the potential changes in the current M-2 Area of the City and citywide circulation. Members of the community, property owners and other interested parties from varying organizations have been involved, and broad community outreach continues to be a key aspect of the process. The General Plan Advisory Committee (GPAC), comprised of Council, Commission and community representatives has also played an important role in helping guide the process.

Project description

General Plan Update

The City is proposing to update the Land Use and Circulation Elements of the General Plan, including revising the goals, policies and programs, the establishment of new land use designations, and the creation of a new street classification system. The General Plan Update seeks to create a live/work/play environment that fosters economic growth, increased sustainability, and improved transportation options and mobility, while preserving the existing residential neighborhood character and quality of life enjoyed today. The proposed focus of land use change is located within the M-2 Area, which is primarily the existing industrial and business parks located between Bayfront Expressway and Highway 101. A location map is provided in Attachment A. The proposed changes in the area could result in an increase in development potential above what would be allowed under the current General Plan, as follows:

- Up to 2.3 million square feet of non-residential space
- Up to 400 hotel rooms, and
- Up to 4,500 residential units

This additional development combined with the development potential under the current General Plan, would result in up to 4.1 million square feet of non-residential development and up to 5,500 residential units in the City. As part of the General Plan Update, the General Plan land use designation of a majority of the properties in the M-2 Area would be amended to reflect one of the proposed land use designations of Office, Life Science and Mixed-Use Residential. No other land use changes are anticipated outside of the M-2 Area as part of the proposed project.

Zoning Ordinance Update

Concurrent with the General Plan Update, the City is also proposing the M-2 Area Zoning Update. Proposed changes to the Zoning Ordinance include the creation of three new zoning districts in the M-2 Area for consistency with the proposed General Plan Update. The proposed districts include the Office (O), Life Science (LS) and Residential-Mixed Use (R-MU) designations, and each zoning district includes development regulations, design standards, and green and sustainable building requirements. Provisions for community amenities in exchange for increased development potential (floor area ratio up to 200%) and/or height (up to 120 feet) are also being considered. Where General Plan land use designation amendments are proposed, the properties would also be rezoned for consistency between the land use

designation and zoning. In addition, changes to the C-2-B zoning district to allow for residential uses and modifications to streamline the hazardous materials review process are being proposed.

For reference, the draft Land Use and Circulation Elements, draft O, LS and R-MU zoning districts, and draft M-2 Area Zoning map are included by links in Attachments B to G, respectively. The proposed project requires approval of General Plan text and land use amendments, Zoning Ordinance text and map amendments, Rezoning, and environmental review, including the adoption of a Statement of Overriding Considerations.

A Draft Environmental Impact Report (EIR) has been prepared to analyze the potential environmental impacts of the proposed project, which is further discussed in the CEQA review and Analysis sections below. In addition, a Fiscal Impact Analysis (FIA) is being prepared for the proposed project, and will be brought to the Planning Commission for review and comment in the coming months.

California Environmental Quality Act (CEQA) review

Pursuant to CEQA, the City determined that the proposed project could result in potentially significant environmental impacts and that an EIR would be required. On June 18, 2015, the City circulated a Notice of Preparation (NOP) of an EIR for a 30-day review period. In addition, on September 21, 2015, a public scoping meeting was held on the EIR. The NOP and scoping process solicited comments from responsible and trustee agencies, as well as interested parties regarding the scope of the EIR.

On June 1, 2016, the City released the Draft EIR for the General Plan and M-2 Area Zoning Update. The Draft EIR is available for review by the public and interested parties for a 45-day review period, ending on Friday, July 15, 2016. During the review period, the public is invited to provide written comments via email or mail on the Draft EIR. The Planning Commission meeting of June 20 on the Draft EIR is an opportunity for members of the public and Commission to provide comments on the adequacy of the document. All comments received on the Draft EIR at the meeting will be recorded and responded to as part of the Final EIR, which will be prepared following the close of the 45-day review period. The Final EIR will be available at least 10 days prior to the Planning Commission's public hearing on the proposed project. The Planning Commission will review the Final EIR as part of the Commission's recommendation to the City Council on the project.

The members of the Planning Commission were previously provided a copy of the Draft EIR. Hard copies of the EIR are available at the Main Library, Belle Haven Branch Library, Onetta Harris Community Center and the Community Development Department. An electronic copy of the Draft EIR is located on the project webpage at <http://www.menlopark.org/1013/Environmental-Impact-Report>.

Analysis

Draft EIR

An EIR is the most comprehensive form of environmental documentation in the CEQA Guidelines. The document provides decision-makers and the public with information regarding the potential environmental consequences associated with a proposed project. The General Plan and M-2 Area Zoning Update Draft EIR analyzes the potential impacts of the proposed project across a wide range of impact areas, including:

Topic Areas	
▪ Aesthetics	▪ Air Quality
▪ Biological Resources	▪ Cultural Resources
▪ Geology, Soils and Seismicity	▪ Greenhouse Gas Emissions
▪ Hazards and Hazardous Materials	▪ Hydrology and Water Quality
▪ Land Use and Planning	▪ Noise
▪ Population and Housing	▪ Public Services and Recreation
▪ Transportation and Circulation	▪ Utilities and Service Systems

Other environmental impact areas of Agricultural and Forestry Resources and Mineral Resources were determined to have no impact from the project and are discussed in Chapter 6, CEQA-Mandated Assessment, of the Draft EIR, rather than in its own chapter.

The Draft EIR is a *program* level EIR that analyzes the adoption and implementation of the proposed project. A program level EIR is different from the most common type of EIR, which is the *project* EIR, which examines the environmental impacts of a specific development project. A program level EIR is appropriate when a project consists of a series of actions related to the issuance of rules, regulations, and other planning criteria. In this case, the proposed General Plan and M-2 Area Zoning Update are long term plans to be implemented over a 24-year buildout horizon. No specific development is proposed as part of the project. Future projects that qualify as a project under CEQA would be subject to compliance with CEQA, which may require additional project-specific environmental review.

Impact Analysis

For each of the analyzed topic areas, the Draft EIR describes the existing setting (including regulatory and existing environmental conditions) and analyzes the potential environmental impacts, noting the thresholds of significance used to evaluate the existing setting with and without the project to determine whether the impact is significant. Impacts are considered both for the project individually, as well as for the project in combination with other projects and cumulative growth.

For each potential impact identified, a level of significance is determined using the following classifications:

- Potentially Significant – Impacts include a description of the circumstance where an established or defined threshold would be exceeded.
- Less-than-Significant – Impacts include effects that are noticeable, but do not exceed established or defined thresholds, or are mitigated below such thresholds.
- No Impact – Describes circumstances where there is no adverse effect on the environment.

Where a potentially significant impact is identified, the Draft EIR identifies mitigation measures to reduce,

eliminate, or avoid the adverse effects. If one or more mitigation measure(s) would reduce the impact to a less-than-significant level, this is stated in the Draft EIR. If a mitigation measure cannot eliminate/avoid an impact, or reduce the impact below the threshold of significance, it is considered a significant and unavoidable impact. The identification of a program-level significant and unavoidable impact does not preclude the finding of less-than-significant for subsequent projects that comply with the applicable regulations and meet the thresholds of significance.

The following table identifies which topic area in the Draft EIR that was determined to be less-than-significant (LTS), less-than-significant with mitigation (LTS/M) or significant and unavoidable (SU):

Topic Areas	
▪ Aesthetics (LTS)	▪ Air Quality (SU)
▪ Biological Resources (LTS/M)	▪ Cultural Resources (LTS/M)
▪ Geology, Soils and Seismicity (LTS)	▪ Greenhouse Gas Emissions (SU)
▪ Hazards and Hazardous Materials (LTS/M)	▪ Hydrology and Water Quality (LTS)
▪ Land Use and Planning (LTS/M)	▪ Noise (LTS/M)
▪ Population and Housing (SU)	▪ Public Services and Recreation (LTS)
▪ Transportation and Circulation (SU)	▪ Utilities and Service Systems (LTS/M)
LTS = less-than-significant, LTS/M = less-than-significant with mitigation, SU = significant and unavoidable	

Potentially Significant and Unavoidable Impacts

Air Quality

The EIR determined that the cumulative development within Menlo Park could exceed the regional significance thresholds, and therefore the project could contribute to an increase in adverse health effects in the San Francisco Bay Area Air Basin until the attainments are met. However, it should be noted that the program level impact does not preclude the finding of less-than-significant impacts for subsequent projects that comply with the Bay Area Air Quality Management District’s screening criteria or meet applicable thresholds of significance. Additional measures could be considered during project-level review based on site-specific and project-specific characteristics to reduce impacts. Because those projects and measures are not known at this time, the impact is considered potentially significant and unavoidable. The same conclusion is also true for construction emission impacts since specific project level mitigation is not known at this time.

Greenhouse Gas Emissions (GHG)

The proposed project would result in a substantial increase in GHG emissions from existing conditions by

the horizon year 2040, although per capita emissions under the proposed project would decline. In addition to local measures included in the proposed project, additional state and federal measures are needed to achieve the more aggressive targets established for 2050 in Executive Order S-03-05. The order established the GHG emissions reduction target of 80 percent below 1990 levels by 2050. While the proposed project supports the progress towards these long term goals, it cannot yet be demonstrated that Menlo Park will achieve such reduction goals. Achieving the reductions will require a substantial commitment to technology development and innovation. Since there are no post 2020 federal and state measures that would assist the City in achieving the efficiency target for the year 2040, the impact would be considered potentially significant and unavoidable.

Population and Housing

The proposed ConnectMenlo land use changes would add residential land uses and allow greater intensity in commercial development, which could result in an increase in population and employees above what ABAG has projected. Because ABAG's planning documents for regional growth do not include the new development potential under the proposed ConnectMenlo project, implementation of the project would introduce growth where adequate planning in the region has not yet occurred. Therefore, the impact is considered potentially significant and unavoidable. ABAG prepares forecasts of the region's population and employment every two to four years. When ABAG does its future forecasting, it will take into consideration the General Plan update, which will bring the two planning documents in alignment.

Transportation and Circulation

The Transportation and Circulation chapter of the Draft EIR includes analysis for three scenarios: 2014 Existing Conditions, 2040 No Project Conditions, and 2040 Plus Project Conditions. The impacts of the land use and circulation modifications proposed as part of project were evaluated on vehicular traffic conditions during the peak hours and daily, regional routes of significance, pedestrian and bicycle facilities, transit service and delay to transit vehicles, and vehicle miles traveled (VMT). This is the second environmental review document prepared by the City incorporating VMT analysis and thresholds of significance (the Facebook Campus Expansion Project EIR, also currently circulating for public review, was the first). VMT is simply the miles traveled by vehicles in a specified area in a specified time period. It is a key factor in determining greenhouse gas (GHG) emissions from transportation sources, and is also used as an input to the GHG and air quality analyses for environmental review purposes. Thresholds were developed following draft guidelines issued in January 2016 from the California Governor's Office of Planning and Research (OPR) which are anticipated to be adopted later this year.

A citywide travel demand model was developed to forecast traffic volumes in the study area with potential land use changes identified in ConnectMenlo. The city model refines the regional travel model maintained by the Valley Transportation Authority (VTA) and San Mateo City/County Association of Governments (C/CAG) to add detail to the land use and circulation networks within the model. The new model has the appropriate level of detail to provide refined transportation forecasts within Menlo Park, and is responsive to congestion on corridors to provide a more realistic picture of traffic patterns during commute hours.

The Draft EIR determined that impacts to pedestrian conditions, bicycle facilities, transit service, and

vehicle miles traveled would be less than significant, or less than significant with mitigation. However, the transportation impacts on intersections, roadway segments, and routes of regional significance have been determined to be potentially significant. The list below summarizes the intersections that were identified to have significant impacts:

- #1. Sand Hill Road/I-280 Northbound Off-Ramp
- #2. Sand Hill Road/I-280 Northbound On-Ramp
- #28. El Camino Real/Ravenswood-Menlo Avenues
- #33. Willow Road/Newbridge Street
- #36. Willow Road/Hamilton Avenue
- #37. Willow Road/Bayfront Expressway
- #38. University Avenue/Bayfront Expressway
- #45. Chilco Street/Constitution Drive
- #46. Chrysler Drive/Constitution Drive
- #47. University Avenue/Adams Drive
- #51. University Avenue/Bay Road
- #54. University Avenue/Donohoe Street
- #56. University Avenue/US 101 Southbound Ramp
- #60. Chilco Street/Hamilton Avenue

The following list identifies the roadway and routes of regional significance segments that were identified to have significant impacts:

- Adams Drive
- Alameda de las Pulgas
- Alma Street
- Alpine Road
- Bay Road
- Chilco Street
- Constitution Drive
- Encinal Avenue
- Hamilton Avenue
- Haven Avenue
- Ivy Drive
- Junipero Serra Boulevard
- Laurel Street
- Linfield Drive
- Marsh Road
- Middlefield Road
- Newbridge Street
- Oak Grove Avenue
- O'Brien Drive
- Olive Street
- Ravenswood Avenue
- Ringwood Avenue
- Sand Hill Road
- Santa Cruz Avenue
- Sharon Park Drive
- Waverley Street
- Willow Road
- Bayfront Expressway (SR 84)
- US 101
- University Avenue (SR 109)

Strategies to reduce or eliminate impacts have been specified for most intersections/segments routes, including both physical infrastructure modifications and vehicle trip reduction requirements (the proposed Zoning Code includes a requirement that all projects reduce vehicle trips by 20 percent over standard rates). Additionally, the proposed Circulation Element contains goals, policies, and programs serving to minimize potential adverse impacts. These proposed policies would adopt a new street classification

system; develop a citywide Transportation Master Plan and updated Transportation Impact Fee Program; encourage multi-modal transportation options through infrastructure, education, and safety programs; and participate in the formation of a Transportation Management Association to assist employers and community members to take advantage of travel options.

While mitigation measures are proposed to help reduce the impact, the impacts on intersections, roadway segments, and routes of regional significance would remain significant and unavoidable due to factors such as the need to acquire right-of-way to widen impacted roadway segments, the City cannot guarantee identified improvements would occur, or the need for approvals from other agencies. With these impacts, it should be noted that the identification of program-level impacts do not preclude the finding of less-than-significant impacts for subsequent projects that comply with the applicable thresholds of significance.

Alternatives

The Draft EIR includes a review of three different project alternatives. The discussion of the alternatives is intended to inform the public and decision makers of feasible alternatives to the proposed project that would avoid or substantially lessen any significant effects of the proposed project, even if the alternatives would impede to some degree the attainment of the project objectives, or would be more costly.

- No Project Alternative: Pursuant to CEQA, this alternative is required as part of the “reasonable range of alternatives” to allow decision makers to compare the impacts of approving the proposed project with the impacts of taking no action or not approving the project. Future development permitted under this scenario would not increase development potential in Menlo Park beyond what would be currently allowed today under the existing General Plan.
- Reduced Non-Residential Intensity Alternative: Under this alternative, all non-residential development under the proposed project would be reduced by 50 percent, but the proposed residential development would remain the same. Development potential under the existing General Plan would also remain.
- Reduced Intensity Alternative: Under this alternative, the net new development potential in the M-2 Area would be reduced by 25 percent. Potential development under the existing General Plan would remain unchanged.

In addition to the discussion and comparison of impacts of the proposed project and the alternatives, CEQA Guidelines require that an “environmentally superior” alternative be identified, but it cannot be the “No Project” alternative. The Draft EIR identifies the Reduced Non-Residential Intensity Alternative as the environmentally superior alternative because it would result in fewer significant impacts than the Reduced Intensity Alternative. This is in part because the equal reduction of jobs and housing in the Reduced Intensity Alternative would maintain the current imbalance, which could result in higher vehicles miles traveled than both the proposed project and the Reduced Non-Residential Intensity Alternative.

Impact on City Resources

The General Plan and M-2 Area Zoning Update scope of services and budget was approved by the City Council on June 17, 2014, and amended in April 2015 to accommodate additional outreach.

Environmental Review

As discussed in the Analysis section of this report, a Draft EIR has been prepared for the project. Following the close of the comment period, staff and the consultant will prepare the responses to the comments received on the Draft EIR. Once the responses and revisions are complete, the Final EIR will be released. The Final EIR will be considered by the Planning Commission and City Council concurrent with the final project actions.

Public Notice

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a one-quarter mile radius of the M-2 Area. Notice of the Draft EIR's availability and the holding of this public hearing was also provided to agencies and jurisdictions of interest (e.g., Caltrans, City of East Palo Alto, Ravenswood School District etc.).

Attachments

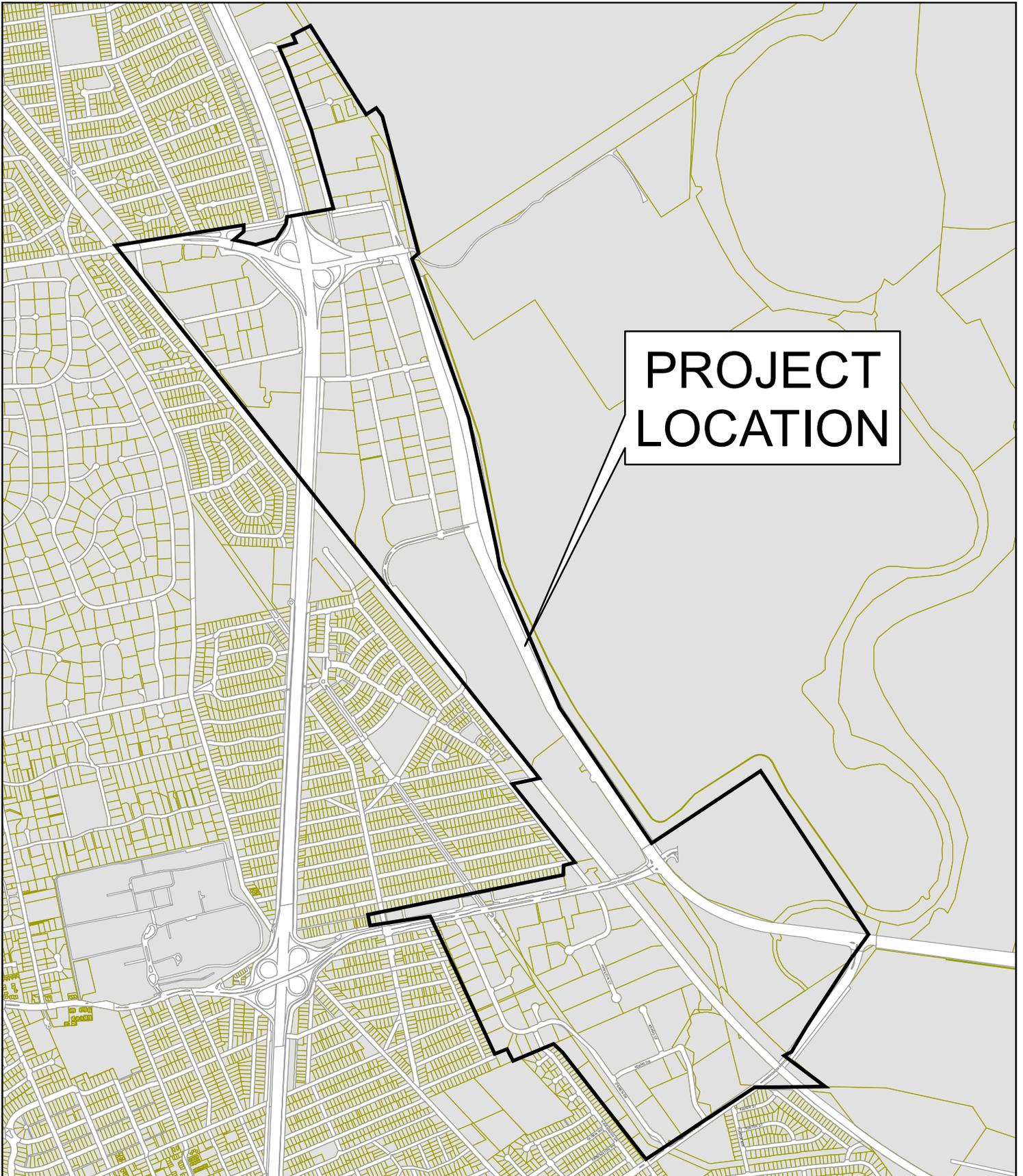
- A. Location Map
- B. Link to: Draft Land Use Element
(<http://menlopark.org/DocumentCenter/View/10328>)
- C. Link to: Draft Circulation Element
(<http://menlopark.org/DocumentCenter/View/10329>)
- D. Link to: Draft O – Office Zoning District
(<http://menlopark.org/DocumentCenter/View/10251>)
- E. Link to: Draft LS – Life Sciences District
<http://menlopark.org/DocumentCenter/View/10252>
- F. Link to: Draft R-MU – Residential Mixed Use Zoning District
(<http://menlopark.org/DocumentCenter/View/10253>)
- G. Link to: Draft M-2 Area Zoning Map
(<http://menlopark.org/DocumentCenter/View/10332>)

Exhibits to Be Provided at Meeting

None

Report prepared by:
Deanna Chow, Principal Planner

Report reviewed by:
Arlinda Heineck, Community Development Director



**PROJECT
LOCATION**



CITY OF
MENLO PARK

CITY OF MENLO PARK

LOCATION MAP

M-2 AREA

DRAWN: TAS CHECKED: DMC DATE: 06/20/15 SCALE: 1" = 300' SHEET: 1

