



CITY OF SAN MATEO

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Agenda Report

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TO: Planning Commission
FROM: Zachary Dahl, Interim Director
PREPARED BY: Community Development Department
MEETING DATE: February 13, 2024

SUBJECT:

1218 Monte Diablo Avenue - Pre-Application Review for a Proposed Multi-Family Residential Project (PA-2023-026)

RECOMMENDATION:

Review the proposed project on a preliminary basis, receive public comments, and provide input to the applicant and staff pertaining to the following project elements:

1. Site Plan – Placement of the proposed buildings and their transition to adjacent uses;
2. Building Design – Exterior design elements and their consistency with objective design standards; and,
3. Other project aspects that should be considered during the formal Planning Application.

BACKGROUND:

S.C. Properties (Applicant) has submitted the subject Pre-Application, PA-2023-026 (Project) to demolish all existing structures on 1218 Monte Diablo Avenue and 131 N. Kingston Street, and construct a 75-unit multi-family residential development consisting of a 64-unit apartment building and 11 townhome units all of which would be for-rent. As proposed, the project would require a Site Plan and Architectural Review (SPAR) and Site Development Planning Application (SDPA), and Tentative Parcel Map for construction of new multi-family buildings, tree removals, grading, and to merge two existing parcels into one parcel. The formal Planning Application would be subject to Planning Commission review and City Council approval because the project includes a building that is over 55 feet in height.

PROJECT DESCRIPTION:

Project Site

The project site consists of two parcels at 1218 Monte Diablo Avenue and 131 N. Kingston Street with a combined parcel area of approximately one-acre (44,445 square feet). The resultant parcel shape, once merged, would have an irregular “U” shape and wrap around two existing parcels at 139 and 145 N. Kingston Street developed with single-family homes. The project site has a General Plan 2030 Land Use Designation of High Density Multi-Family and is zoned R4 (Multiple Family Dwelling – High Density). In the updated General Plan 2040, the site’s land use designation is anticipated to be Residential Medium I (36-50 units/acre and 3-5 story height range). The project site is approximately one mile from the nearest Caltrain Station (Downtown Caltrain Station) and is adjacent to an existing pedestrian overpass crossing over Highway 101. The property is also located within a flood hazard area (Flood Zone AE), which will require a formal review by the City’s Building Division for an elevation certificate and compliance with the City’s Floodplain Management Ordinance (SMMC Chapter 23.33).

The existing on-site uses include a single-family dwelling at 131 N. Kingston Avenue and a commercial building at 1218 Monte Diablo Avenue including the former Fred’s Market. The adjacent uses include:

- North (Monte Diablo Avenue): Three-story multi-family residential building zoned R4;
- South: Two-story duplex buildings zoned R2 (Two Family Dwelling);

- East (N. Kingston Street): One- and two-story single-family and duplex buildings zoned R2; and,
- West: Three-story motel building (Inn at Bayshore) zoned R4, with Highway 101 just beyond.

A location map showing the project site, its vicinity, and adjacent zoning designations is included as [Attachment 1](#).

Building Design and Site Plan

The proposed project is a multi-family residential development consisting of 64 apartment units and 11 townhome units resulting in a total of 75 units, all of which would be for-rent. The 64-unit apartment building is approximately 55'-10" in height (five stories) and is located along the northern half of the site with frontage along both Monte Diablo Avenue and N. Kingston Street. The apartment building consists of one-level of below-grade parking accessed along Monte Diablo Avenue with 45 parking spaces. The 11 townhome units are split into two main buildings approximately 31'-6" in height (three stories) and are located toward the southern half of the site with frontage along N. Kingston Street. Each townhome unit would consist of an at-grade, private one or two-car garage accessed through a shared driveway that connects with N. Kingston Street. The apartment building and townhomes have a unified architectural style that is best characterized as contemporary based on the minimal use of ornamentation and details, exterior materials palette and varying building volumes. The building design is discussed in greater detail in the *Items for Planning Commission Discussion* section of this report.

The combined floor area of the project is 96,515 square-feet with unit sizes ranging from 480 square feet to 1,384 square feet. The apartment unit mix consists of four studio units, 47 one-bedroom units, nine two-bedroom units, and four three-bedroom units; and the townhome unit mix consists of four two-bedroom units and seven three-bedroom units. The applicant proposes to designate eight below market rate (BMR) units (15.68% of the total) at the Lower-Income category and four BMR units (7.84% of the total) at the Very Low-Income category, for a total of 12 BMR units (23.5%). The below market rate and density bonus requirements are discussed further in the *State Density Bonus Law and Local Inclusionary Requirements* section of this report.

Project plans showing the proposed site plan, floor plans, and exterior elevations are included as [Attachment 2](#). The project plans included in this Pre-Application submittal do not include detailed grading, or existing and proposed tree disposition or landscaping information. The applicant will be required to provide this information as part of their formal Planning Application submittal.

APPLICABLE CODE AND POLICY REVIEW:

General Plan

The General Plan 2030 Land Use Plan designates the project site as High-Density Multi-Family. A preliminary list of applicable General Plan policies is included in [Attachment 3](#). Should the applicant submit a formal application after the effective date of the updated General Plan 2040, scheduled for adoption by the City Council in March of 2024, the policies and land use designation of the updated General Plan would apply. In addition, the project site is listed in the 2023-2031 Housing Element's Sites Inventory of Sites, which assigns 74 units to the subject site. As an all-residential project, the project would be consistent with 2030 General Plan Land Use Policy LU 1.7 *Multi-Family Areas* in that the project incorporates a permitted, residential use in a multi-family residential zone. In addition, the project would comply with 2023-2031 Housing Element policy H 2.6 *Require Replacement Units* in that the project would replace the existing residential units with a higher quantity of new residential units.

Zoning Code

The project site is zoned R4 (Multiple Family Dwellings – High Density), which is subject to development standards in Chapter 27.24 of the Municipal Code, including density, maximum floor area ratio (FAR), and setbacks. A project data sheet listing the applicable Zoning Code standards is included in [Attachment 4](#). Staff has evaluated the project plans and finds that the project would need to be revised to conform to the maximum density, FAR, and building height. The project would also need to comply with the minimum parking requirements and setbacks, which are outlined in the Pre-Application comment letter ([Attachment 5](#)). Alternatively, the applicant may revise the project's Density Bonus Request Letter to include these standards in the project's concession and waiver requests.

Regarding minimum parking requirements, the project proposes a total of 63 off-street parking spaces where 87 off-street parking spaces are required under State Density Bonus Law. Because the project is over one-half mile from a major public transit stop, the project is not eligible for Assembly Bill 2097, which would remove off-street parking requirements. In addition, the site plan does not show an on-site loading zone where one on-site loading zone is required. Regarding density, the project exceeds the combined maximum density allowed through the R4 density (50 units per acre) and State Density Bonus Law. As proposed, the project consists of 75 units; however, staff calculates that the maximum number of units is 66 units based on the percent affordable to Lower-Income households. As a result, the applicant would be required to reduce the overall density or increase the percent affordable to be eligible for a higher Density Bonus.

State Density Bonus Law and Local Inclusionary Requirements

California Government Code Section 65915 outlines density bonus standards for residential and mixed-use projects that designate a portion of residential units as affordable, or below market rate (BMR). The City also has an adopted BMR Inclusionary Program that requires residential projects to designate at least 15 percent of its base density as affordable at the Low-Income or Very Low-Income level for rental projects. For reference, a Very Low-Income unit is affordable for families or individuals who make up to 50% of Area Median Income (AMI), and Low-Income is affordable up to 80% of AMI and. For 2023, the AMI in San Mateo County for an individual is \$122,500 and a family of four is \$175,000.

The project's zoning designation of R4 permits a maximum base density of 50 units per acre, which provides a maximum base density of 51 units for this 1.02-acre site. The applicant proposes to devote 15.68% of the base density to the Lower-Income category and 7.84% to the Very Low-Income category based on the Density Bonus Request Letter ([Attachment 6](#)). This would equate to eight Low-Income units and four Very Low-Income units. However, in the project's Pre-Application comment letter ([Attachment 5](#)), staff has outlined deficiencies in the Density Bonus Request Letter, particularly noting that the project exceeds the maximum density permitted in State Density Bonus Law (27.5% is allowed; project requests 47% density bonus).

To be eligible for a density bonus up to 50%, the applicant could revise the project to include a minimum of 24% at the Low-Income level and/or 15% at the Very Low-Income level, either of which would satisfy the City's BMR Inclusionary Program.

Incentive/Concession and Waiver Requests

Based on the percent of affordable units proposed, 15 percent at the Lower-Income level, the project is eligible for one incentive or concession as well as additional waivers of development standards. At this time, the applicant has not requested an incentive or concession. The project's Density Bonus Request Letter outlines three waiver requests:

1. Reduction in the minimum front, street-side, interior, and rear setback requirements;
2. Exceedance of the maximum 45-foot maximum building height by approximately 15-feet; and,
3. Reduction in the minimum off-street parking ratio.

State Density Bonus Law provides that waivers are reductions from standards that would otherwise physically preclude the development of the project at the proposed density. The City shall grant the waiver requests unless findings can be made that granting the waiver would have an adverse impact on any historical resource or would be contrary to state or federal law. Staff has noted some deficiencies in the project's Density Bonus Request Letter with respect to its waiver requests, however, since this is a Preliminary Application, consistency with State Density Bonus Law will be addressed when the formal Planning Application is submitted.

Housing Accountability Act

The Housing Accountability Act (HAA), as implemented under Government Code Section 65589.5, establishes application review limitations for new development projects that are at least two-thirds housing. As an all-residential project, this project would be subject to the HAA, which limits a local agency's ability to deny, reduce the density of, or render housing development projects infeasible if objective standards are met. If the formal Planning Application were to meet all applicable objective standards in the General Plan, Zoning Code, and other local policy documents, the local agency may only deny or reduce the density if certain findings pertaining to adverse impacts to codified, objective public health or safety standards are made.

Design Review

The project will be subject to the City's recently adopted Objective Design Standards (ODS), which are applicable to all multi-family and residential mixed-use projects with two or more units and where at least two-thirds of the development is designated for residential uses. The applicant may, however, elect to pursue a discretionary design process pursuant to the City's Multi-Family Design Guidelines in lieu of designing to the ODS. Because the project incorporates more than 25 residential units and has a building height greater than 55 feet, the formal Planning Application will be subject to City Council approval whether the project utilizes the ODS or Multi-Family Design Guidelines. The project's consistency with the ODS and Multi-Family Design Guidelines at a preliminary level is further discussed in the *Items for Planning Commission Discussion* section below.

Pedestrian Master Plan

The City's Pedestrian Master Plan contains recommendations to improve the pedestrian realm throughout the City. Appendix A of the Pedestrian Master Plan provides guidelines for sidewalk designs and types specific to a project's land use and street parking configuration. The applicable sidewalk standard along both project frontages is A.5 *Residential Type C New Development*, which recommends an overall sidewalk width of 9'-6". The applicant will be required to demonstrate consistency with the Pedestrian Master Plan in the formal Planning Application stage with more detailed sidewalk sections and plans.

Bicycle Master Plan

The City's Bicycle Master Plan provides policies and recommendations to implement citywide infrastructure improvements to support bicycle use. The Bicycle Master Plan also lays out a proposed bicycle network of various bicycle lanes, paths, and routes. Specific to this project site, the Bicycle Master Plan calls for a bicycle boulevard (Class III) along both project frontages. Bike boulevard facilities consist of pavement markings in which bicyclists share lanes with vehicular traffic implemented on low-speed roads (less than 25 miles per hour). The applicant may be required to install the bike boulevard and/or demonstrate that the proposed site plan does not inhibit future installation of these facilities.

DISCUSSION:

Site Plan, Access and On-site Circulation

The proposed apartment building is located on the corner of the site adjacent to an existing apartment building across Monte Diablo Avenue. In addition, the townhome uses are placed toward the southern portion of the site to serve as a transition from the apartment building toward the lower density uses to the south. Vehicular access to the apartment building garage is located along Monte Diablo Avenue, immediately adjacent to an entrance to the pedestrian overpass. Access to the townhome garages is provided through a shared driveway along N. Kingston Street. Ground floor entries to the apartment building and townhomes are along a raised walkway accessed on N. Kingston Street. Other street-facing components include a leasing office, resident lounge, and utility rooms (trash and electrical). The site plan also incorporates a courtyard and other open spaces; however, the plans do not show landscaping or other details within these spaces.

As presently designed, all proposed setbacks are less than the minimum required by the Zoning Code. The applicant requests reduction of the required setbacks through a Density Bonus waiver. A full list of the proposed and required setbacks are listed in the project data sheet (Attachment 4). Because the project is adjacent to other residentially zoned parcels, many setbacks are determined through the total building height to increase the transition to lower density uses. For example, the minimum setback along N. Kingston Street is equal to the building height or 15', whichever is greater. This results in a minimum setback of 55'-10" to the apartment building, and 31'-6" to the townhomes. Along this frontage, the project provides setbacks of 6'-0" and 4'-9" respectively.

When evaluating the proposed site plan, staff recommends the Planning Commission consider the following questions:

1. Does the placement of the apartment building and townhome building provide a reasonable transition to adjacent residential uses?
2. Are there certain site plan elements the applicant should consider updating or changing to improve the pedestrian realm and/or building façades? This could include placement of the pedestrian entries, vehicular entries, or utility rooms.

Building Design

The project employs a contemporary architectural style for both the apartment and townhome buildings through minimal ornamentation, use of varying materials to express volumes, and flat roof design. The primary exterior materials proposed for the apartment building include stucco, composite siding, and vinyl windows. The exterior materials proposed for the townhome buildings are substantially the same but also include wood siding panels and metal balcony railings. The proposed color palette appears unified for both buildings, which include light grey, dark grey, beige, and white.

As an all-residential project, the formal Planning Application will be subject to Objective Design Standards (ODS), unless the applicant elects to go with the discretionary design review process that is subject to the Multi-Family Design Guidelines. Based on the current proposal, the townhome buildings would qualify as “low-rise” buildings (up to three stories and less than 35-feet in height), and the apartment building would qualify as a “mid-rise” building (between 4-7 stories and less than 90-feet in height). Based on a preliminary review of the design, it appears the project would meet all adopted objective design standards, except for the following:

- ODS Section 4.1 *Massing and Articulation*: The exterior walls appear to consist of articulation details, but the project plans do not identify or dimension these elements. Possible compliance methods include balconies per unit, bay windows per unit, or window recesses at least three inches in depth. The apartment building appears to provide a clear base and body along the street frontages but not along the interior elevations. In addition, the apartment building is located on a corner and must provide a corner treatment. Lastly, the townhomes appear to include horizontal wall plane breaks, but the plans do not dimension the depths of the wall plane breaks.
- ODS Section 4.2 *Ground Floor Requirements*: The entries to both the apartments and townhomes are approximately 48 inches above the adjacent sidewalk, but the ODS limits the height to a maximum of 42 inches above the sidewalk.
- ODS Section 4.5 *Roof Form*: The townhomes do not provide variations in roof height or form given that the roof design is flat throughout.
- ODS Section 4.6 *Windows and Doors*: Utility rooms (electrical and trash rooms) serving the apartment building are located along the primary street frontage (Monte Diablo Avenue) and do not appear to incorporate the same materials as the main entry doors.

Should the applicant elect to apply the Multi-Family Design Guidelines, the building design will be subject to a discretionary review and will need to be revised or clarified to verify consistency with the Guidelines. In the Pre-Application comment letter, staff outlined certain design elements that do not appear consistent with the Multi-Family Design Guidelines, which include the following:

- Design Guideline A *Building Scale*: The townhome buildings are taller than the adjacent residences at 139 and 145 N. Kingston Street by more than one-story, but do not provide a transition through step-backs or a reduction in height.
- Design Guideline B *Relationship of Building to the Street*: The Guidelines recommend street-facing doors for living units or a small group of units. Utility rooms serving the apartment building face a street frontage. In addition, a townhome’s side-facing façade faces the street frontage.
- Design Guideline D *Architectural Qualities*: The architectural style appears contemporary, but the dominant architectural character of the surrounding neighborhood appears traditional.
- Design Guideline H *Screen Trash, Utility, and Service Functions*: This Guideline recommends placing utility equipment away from the street when possible. Utility equipment is located along the N. Kingston Street frontage immediately adjacent to the existing residence at 145 N. Kingston Street.

Based on this preliminary design, staff is seeking the Planning Commission’s input to guide the project’s design before the formal Planning Application submittal. When evaluating the proposed building design, staff recommends the Planning Commission consider the following questions:

1. Are there certain design elements for articulation details; combinations of colors and materials; or corner treatments that the applicant should consider based on the ODS, particularly when the ODS provides options for compliance?
2. What other design revisions should the applicant consider in order to improve the overall building design for

changes in building height, placement of pedestrian entries, or overall architectural style?

PUBLIC OUTREACH AND COMMENTS:

The applicant held a formal Pre-Application neighborhood meeting on December 14, 2023, and 22 members of the public attended. The applicant's summary of the neighborhood meeting is included as [Attachment 7](#). The most common concerns were traffic impacts, insufficient on-site parking, neighborhood parking impacts, and project density. Other concerns related to proximity of the garage to the pedestrian overpass, impact to public schools, distance to public transit, and impacts to air quality.

Public comments submitted to staff during the Pre-Application review are included in [Attachment 8](#). A total of 12 public comments were provided, many of which expressed the same concerns as those shared during the neighborhood meeting. In addition, staff received a copy of a letter from a neighborhood representative alerting the property owner of Conditions, Covenants, and Restrictions (CC&R's) that may require the property owner to receive approval from other property owners in the associated tract. Staff has forwarded a copy of this letter to the property owner.

Any public comments received after publication of this report will be forwarded to the Planning Commission for consideration at the study session and posted to this item on [the City's Agendas & Minutes Public Meeting Portal](#) as "Post Packet Public Comments."

BUDGET IMPACT:

This project would be subject to several impact and in-lieu fees, which are assessed and collected prior to the issuance of building permits or occupancy:

- Child Care Development Fee
- Transportation Improvement Fee
- Wastewater Treatment Plant Phase II Impact Fee
- School Impact Fees
- Landscape Unit In-Lieu Fee

ENVIRONMENTAL DETERMINATION:

In accordance with Public Resources Code Section 21065, the review of a pre-application is not a project under the California Environmental Quality Act (CEQA) because the Planning Commission is not taking any action. Environmental review will be conducted as part of the formal planning application in conformance with CEQA.

NEXT STEPS:

Following this Study Session, the applicant may further refine the project based on the comments and input provided by staff, the public, and the Planning Commission. Once a formal Planning Application (PA) is submitted and deemed complete, the Planning Commission would hold a public meeting to review the project and provide a recommendation, which would then be forwarded to the City Council for final action. The PA would include the following entitlements:

1. Site Plan and Architectural Review (SPAR) for the construction of a new residential building over 55-feet in height;
2. Site Development Planning Application (SDPA) for the removal of trees greater than six inches in diameter; and,
3. Tentative Parcel Map to merge two parcels into one parcel.

Sample Findings of Approval for the above entitlements are included in [Attachment 9](#).

NOTICE PROVIDED:

In accordance with Government Code section 65091 and the City's Municipal Code public noticing requirements, this Study Session was noticed to the following parties at least ten (10) days in advance of the neighborhood meeting and Planning Commission meeting:

- Property owners, residential tenants, and business tenants within 1,000 feet of the project site;
- The City's "900 List" which contains nearly 100 Homeowner Associations, Neighborhood Associations, local utilities, media, and other organizations interested in citywide planning projects;

- The City’s Planning “Notify Me” email list; and,
- The interested parties list which includes interested individuals who contacted the City and requested to be added to the project notification list.

ATTACHMENTS

Att 1 – Location Map

Att 2 – Project Plans

Att 3 – Applicable 2030 General Plan Elements and Policies

Att 4 – Project Data Sheet

Att 5 – Pre-Application Comment Letter

Att 6 – Density Bonus Request Letter

Att 7 – Neighborhood Meeting Summary

Att 8 – Public Comments

Att 9 – Sample Findings of Approval

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