



# CITY OF SAN MATEO

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## Agenda Report

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Agenda Number: 2

Section Name: PUBLIC HEARING

File ID: 19-2089

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**TO:** Planning Commission  
**FROM:** Ron Munekawa  
**PREPARED BY:** Community Development Department  
**MEETING DATE:** November 12, 2019  
**SUBJECT:**  
180 E. 3<sup>rd</sup> Ave., SPAR + SDPA (PA-2019-002)

### RECOMMENDATION:

That the Planning Commission approve PA-2019-002 180 E. 3rd Ave., SPAR + SDPA by making the following motions:

- A. Find the project exempt from the California Environmental Quality Act (CEQA) as a Class 32 Section 15332 In-Fill Development Projects Categorical Exemption, based on the Findings for Approval in Attachment 1.
- B. Approve the Site Plan and Architectural Review for the construction of a new mixed-use building and Site Development Planning Application for tree removal based on the Findings for Approval in Attachment 1 and subject to the Conditions of Approval in Attachment 2.

### BACKGROUND:

The subject project consists of a proposed three-story mixed-use building located at 180 E. 3<sup>rd</sup> Ave. The proposed building consists of retail on the first floor, offices on the basement through third floors, and a private rooftop terrace. No on-site parking is proposed as the applicant has requested to pay Central Parking and Improvement District (CPID) parking in-lieu fees for all required parking. The proposed architectural style is best characterized as traditional in its use of brick veneer, stucco pilasters, and decorative mid-cornices which are common design elements found in the project setting in the Downtown Historic District. The Planning Commission reviewed this project in November of 2018 as a Study Session and provided input pertaining to the building design and the request for parking in-lieu fee payment as a substitute to on-site parking. Meeting Minutes from the project's Pre-Application Neighborhood Meeting and from the Study Session are included as Attachment 3 and Attachment 4 respectively.

### Site Description

The project site is located at the southwest corner of E. 3<sup>rd</sup> Ave. and S. Ellsworth Ave. and has a total site area of 7,038 square-feet (0.16 acre). The existing building consists of offices and a larger retail space that is currently leased to a gymnastics studio and was formerly leased to Aaron Brother's.

The project site is zoned CBD (Central Business District) and is designated Downtown Retail Core by the General Plan Land Use Map. Adjacent uses include the Central Parking Garage along the site's southern property line and an existing one-story restaurant building along the western property line. The project site is located within the Downtown Retail Core Sub-Area and the Downtown Historic District. The San Mateo Downtown Caltrain station is located approximately one-quarter of a mile north of the project site. A location map showing the project's vicinity is included as Attachment 5.

### Project Description

The project consists of complete demolition of the existing building to construct a 17,187 square-foot mixed-use building consisting of retail and office uses.

A total of 3,412 square-feet is devoted to retail, which occupies most of the ground floor. On the first through third floors, a total of 13,625 square-feet is devoted to office uses plus an additional 5,801 square-feet of office uses on the basement level. Ground floor lobby entrances to the office floors are proposed along both the E. 3<sup>rd</sup> Ave. and S. Ellsworth Ave. frontages. Private open space includes a rooftop terrace and third-floor balcony. The project plans showing proposed improvements are included as [Attachment 6](#). The existing building was evaluated in April of 2019 by Architecture + History, which their historic resources evaluation concludes that the existing structure does not qualify as an historic resource pursuant to CEQA.

## **Applicable Code and Policy Review**

### General Plan

The General Plan Land Use Map designates the project site as Downtown Retail Core. The project has been evaluated to be in conformance with the applicable General Plan policies. A list of applicable General Plan policies and a discussion of the project's conformance to them are included in the Findings for Approval in [Attachment 1](#).

### Zoning Code

The project site is zoned CBD (Central Business District). The project conforms to applicable development standards such as floor area ratio (FAR), building height, and parcel coverage. The proposed building FAR is 2.42 where 3.0 is the maximum. In addition, the proposed building height is 55 feet where 55 feet is the maximum. The project is also subject to downtown-specific provisions such as the Required Street Wall Area, which the proposed design conforms to. A Factual Data Sheet listing the applicable Zoning Code standards and the project's conformance to them are included in [Attachment 7](#).

### Downtown Area Plan

The project is located within the Downtown Plan Study Area. The Downtown Area Plan prioritizes eight goals in the overall vision of the downtown and establishes policies for the evaluation of projects and their consistency with the downtown Plan. A few goals that specifically pertain to the proposed project include:

- Enhance Downtown's Role as City Center and Maintain Its Unique Sense of Place
- Enhance the Vitality and Activity of Downtown by Incorporating an Overall Good Mix and Diversity of Uses
- Enhance the Downtown's Pedestrian Environment and Enhance the Safety and Attractiveness of Downtown
- Protect Key Landmarks and the Historic Character that Exists in Parts of Downtown
- Ensure Adequate Parking to Meet Expected Needs, Enhance the Quality of the Parking Environment, and Improve Public Perceptions About Parking Availability

The proposed project conforms to the above and other policies of the Downtown Area Plan in that the proposed building combines two uses that compatible within the existing retail core. The proposed building also enhances the character of the Downtown Historic District by providing an attractive building design on a prominent corner in the downtown. The building's design, sidewalk treatment, and proposed building use also facilitate an improved pedestrian environment. With regard to parking, the Downtown Area Plan contains policies that restrict on-site parking to further the pedestrian environment and retail continuity. The project does not propose on-site parking and, in turn, does not propose driveways or curb cuts. In evaluating this request, a Parking Analysis has been prepared for this project, which concludes that adequate long-term parking is available in the adjacent Central Parking Garage. In addition, a Transportation Demand Management Plan has been prepared, which contain strategies that the applicant and future business tenants will implement to reduce reliance on vehicles and parking. A discussion of the project as it relates to parking is included in the *Discussion Items* section below.

Compliance with the applicable goals and policies of the Downtown Area Plan are found in the Findings for Approval in [Attachment 1](#).

### Pedestrian Master Plan

The project implements sidewalk designs that conform with the Citywide Pedestrian Master Plan, which contains street

and sidewalk design guidelines. The applicable sidewalk standard along the E. 3<sup>rd</sup> Ave. frontage is *A.8. Sidewalk Standards – Retail/Commercial Type C New Development*. Along this frontage, the project provides the sidewalk dimensions below in conformance with the required sidewalk standard:

- 14'-10" Overall Width
- 4'-0" Frontage Zone
- 6'-4" Through Zone
- 4'-0" Planter Zone
- 0'-6" Curb

In addition, the applicable sidewalk standard along the S. Ellsworth Ave. frontage is *A.6. Sidewalk Standards – Retail/Commercial Type A Parallel Parking*. Given the constraints of the existing sidewalk width along S. Ellsworth Ave., the project provides a reduced Through Zone width of 3'-5" where the Pedestrian Master Plan would encourage a minimum 5'-0". A reduced Through Zone width is appropriate given that the build-to line of the proposed building would match that of existing, adjacent structures. The building also incorporates several recesses on the ground level to provide the required Frontage Zone.

The applicable sidewalk standards found in the Citywide Pedestrian Master Plan are included in [Attachment 8](#).

## **Discussion Items**

### Design Review

The Planning Commission reviewed the building design in the project's pre-application Study Session held on November 28, 2018. A majority of the Planning Commission expressed support for the building design, but provided input including the following:

- Consider building enhancements to be more consistent with the Downtown Historic District
- Use of stucco does not appear consistent with the Downtown Historic District
- Examine use of more stone or brick elements
- Reduce the height of rooftop mechanical screening
- Consider additional landscaping

The building design was also reviewed by the City's design review consultant, Larry Cannon of Cannon Design Group. The project's final design review letter dated September 5, 2019 identifying issues and recommendations to the design is included in [Attachment 9](#). During the review process, Larry Cannon identified elements of the City's Downtown Retail Core and Downtown Historic District Design Guidelines that the building design should integrate, including the following:

- Trash collection through the office lobby is not preferred
- Retail and lobby entries were not recessed sufficiently
- Lacking transition between the one-story restaurant building and the proposed building
- Limited reference to common details found in the Downtown Historic District

In response to the Planning Commission and Larry Cannon's design review comments, the applicant made several design revisions to the project, including the following:

- Reduced height of rooftop mechanical screening by two feet
- Reduced color contrast and added green screen to the rooftop mechanical screening
- Relocated trash collection door
- Enhanced detailing at brick cornices
- Enhanced metal canopy design
- Adjusted color palette to reduce contrast between brick and stucco
- Added window muntins

Two other recommendations that Larry Cannon made, which staff highly encouraged the applicant incorporate, were related to the proposed atrium design and second floor window design. With regard to the atrium, the applicant emphasized the atrium's intent of affording natural light to the basement level. Larry Cannon and staff had an initial concern that the atrium would compromise the pedestrian-level view of the ground floor retail space. Both the project's S. Ellsworth Ave. and E. 3<sup>rd</sup> Ave. frontages are located in the Central Business District *Required Retail Frontage* as outlined in the Zoning Code, requiring that buildings provide interior view of active retail, office, or lobby space. The applicant, however, modified the atrium design by reducing the depth by 18 inches, specifying transparent glass, and by incorporating public artwork within the atrium that would be visible from the exterior. The atrium would also afford semblance of two uses rather than one—both office and retail—at the pedestrian level. Staff also incorporated Condition of Approval 71, which requires that the atrium windows be kept clear of visual clutter or window film that would compromise the view of the ground floor retail activity.

The second recommendation made by Larry Cannon relates to the second-floor window design. Larry Cannon identified a pattern in the Downtown Historic District of narrowed second-floor windows that were often paired, vertically proportioned, and included a fabric awning. Staff encouraged the applicant incorporate a narrowed second-floor window design along both frontages to improve compatibility with the Downtown Historic District and further consistency with the Downtown Historic District Design Guidelines which call for acknowledgement of window patterns.

To visualize and evaluate the recommendation, staff requested that the applicant prepare an exhibit showing an alternative design with narrow, vertically proportioned second-floor windows, which is included as [Attachment 10](#). In reviewing this exhibit and the applicant's response letter, staff finds the narrowed window design an overall enhancement and more consistent with the Downtown Historic District Design Guidelines. Staff has integrated Condition of Approval 38 requiring that the project's future building permit plans incorporate the narrowed window design. The applicant submitted a response letter addressing this concern, which notes that the narrow windows reduce available natural light and, in turn, impacts leasing opportunities. The applicant also suggests that a number of buildings within the Downtown Historic District maintain the window proportion of the first floor to the second floor. The applicant's response letter to the suggested window design is included as [Attachment 11](#).

#### Trip Generation and Transportation Demand Management

Hexagon Transportation Consultants conducted a Trip Generation and Parking Analysis, dated October 21, 2019 and included as [Attachment 12](#). The proposed project is estimated to generate no net new peak hour trips. An evaluation of the project's trip generation conducted during the weekday AM and PM peak hours show that the project is estimated to generate:

- 3 new inbound AM peak hour trips
- 7 fewer outbound AM peak hour trips
- 16 fewer inbound PM peak hour trips
- 7 fewer outbound PM peak hour trips

Hexagon has also prepared a Transportation Demand Management (TDM) plan, dated October 21, 2019. The project's TDM plan lists measures involving programs and services that the project will provide to promote sustainable modes of transportation, which would then result in trip reduction. These measures include:

- Subsidized transit passes
- Emergency Ride Home Program
- Carshare membership
- Bicycle user amenities (showers, lockers)

In addition to the required measures, the TDM plan also outlines recommended measures for increased trip reduction including employee parking cash out and flexible working hours. The site's setting and proximity to public transit are also expected to result in trip reduction. The TDM plan estimates that the required TDM measures and the site's setting are expected to result in a total vehicle trip reduction of 25 percent.

The project's TDM plan prepared by Hexagon is included in [Attachment 13](#) and is included as Condition of Approval 75. Additionally, the project's Climate Action Plan (CAP) Consistency Checklist outlining other proposed sustainable measures in addition to the those in the TDM plan is included in [Attachment 14](#).

### Parking

As indicated previously, the project does not provide on-site parking and requests to pay Central Parking and Improvement District (CPID) parking in-lieu fees for all parking spaces that would normally be required by the Zoning Code. New projects within the CPID are required to provide either parking on-site, enter into a parking agreement for parking in-lieu fees, or a combination of both.

In addition to the CPID, the site is within Limited Parking Zone (LPZ) which places greater limitations on on-site parking. The LPZ encompasses much of the Downtown Retail Core Sub-Area where the focus is on retail continuity and the pedestrian environment. Policy *V.5 Limited Parking Zone* in the Downtown Area Plan calls for restricting parking on primary pedestrian retail streets to reduce traffic and maintain the pedestrian environment. This ensures that the pedestrian environment is not disrupted by curb cuts or other vehicular improvements. This policy is carried through in the Zoning Code in that sites within the LPZ are permitted on-site parking only for visitors, not employees, subject to the approval of Special Use Permit. The visitor parking ratio is 0.5 space per 1,000 square-feet for retail, and 0.2 space per 1,000 square-feet for offices. This would calculate to a maximum of six on-site parking space permitted for this project. To permit more than the six visitor spaces, the LPZ requires that the site contain access from a street outside the LPZ, or be located on a corner with a minimum lot area of 22,000 square-feet. The project site meets neither of these requirements and thus would only be permitted up to six on-site parking spaces.

Accepting CPID parking in-lieu fee payment in-lieu of on-site parking is subject to various factors at the City's discretion. Factors to consider in approving requests for CPID parking in-lieu fees are the individual lot constraints in accommodating drive aisles, turnaround, and ramps. Additional factors to consider are the site's proximity to CPID garages and the capacity of those garages. The Parking Analysis prepared by Hexagon shows that the Central Parking Garage, immediately adjacent to the project site, is expected to have sufficient capacity for the additional parking demand created by the project. The Parking Analysis surveyed three privately-owned office parking garages in the Downtown to determine real-time usage by office employees in the Downtown. The analysis determined that the proposed office use would result in a total increased parking demand of 38 spaces based on the peak parking demand of three studied office garages. The Central Parking Garage, which is immediately adjacent to the site, was surveyed during its peak paid-hours (before 6 pm) to have had 40 open, long-term (10-hour) parking spaces. Before applying the project's TDM plan's 25 percent trip reduction, and assuming that all 38 additional vehicles generated by the project were to park in the Central Parking Garage, the Parking Analysis concludes that there would be a sufficient number of available long-term parking spaces on a typical weekday.

### Trash Room Door

As mentioned previously, the project's trash collection had been rearranged during the review process based on recommendations from Larry Cannon. In the initial project plans, the applicant proposed the trash service location in the public realm along S. Ellsworth Ave., which would require trash containers be brought through the office lobby from the building's trash room. The applicant revised the plans to include a roll-up trash door to open the trash room directly to the drive aisle of the Central Parking Garage. This would allow Recology, San Mateo County's solid waste service, to service the building along the drive aisle and place the containers back into the trash room.

It should be noted that the Central Parking Garage is not public right-of-way, but rather private property owned by the City. The California Building Code prohibits openings within three feet along the lot line of another private parcel unless permanent, recorded access is provided to the adjacent lot through an access easement or license agreement. Staff has included Condition of Approval 47, requiring that a license agreement between the City and the applicant be executed and recorded prior to building permit issuance.

## **PUBLIC COMMENTS**

Public comment letters submitted to staff during the pre-application, Planning Commission Study Session, and formal planning application are included in [Attachment 15](#). These comments pertain to impacts to traffic and parking. Several comment letters expressing support of the project are also included. In addition, comments and questions shared by the public at the required Pre-Application Neighborhood Meeting are included in [Attachment 3](#).

## **ENVIRONMENTAL DETERMINATION**

A Categorical Exemption has been recommended for the project, pursuant to the California Environmental Quality Act Guidelines, Class 32 Section 15332 In-Fill Development Projects, since the project is consistent with all applicable General Plan policies and Zoning Code regulations, and is within an urban setting on a project site less than five acres in size. The project site has no value as habitat for endangered, rare, or threatened species. Approval of the project would not result in any significant impacts relating to traffic, noise, air quality, or water quality. Because the site consists of a building with a similar use to the project, the project would continue to be served by all utilities and public services. In addition, a Greenhouse Gas Emissions Assessment dated September of 2019 prepared by ECORP Consulting, Inc., included as [Attachment 16](#). The project is expected to result in a reduction in greenhouse gas emissions when compared to that of the existing building given the net reduction in peak hour vehicular trips. Lastly, an Archaeological Literature Search dated October 1, 2019 was prepared by Basin Research Associates because the project is within a medium archaeological sensitivity zone. The project's Archaeological Literature Search is included as [Attachment 17](#), which concludes that no recorded prehistoric or historic archaeological remains are present within or adjacent to the project site.

## **NOTICE PROVIDED**

In accordance with Government Code section 65090, notice of this meeting was published in the Examiner newspaper at least 10 days before this Public Hearing. In accordance with Government Code section 65091 and the City's Municipal Code noticing requirements, this hearing was noticed to the following parties ten days in advance of the 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 – Findings for Approval
- Att 2 – Conditions of Approval
- Att 3 – Neighborhood Meeting Summary
- Att 4 – Planning Commission Study Session Minutes November 27, 2018
- Att 5 – Location Map
- Att 6 – Project Plans
- Att 7 – Factual Data Sheet
- Att 8 – Citywide Pedestrian Master Plan
- Att 9 – Cannon Design Group Review Letter September 5, 2019
- Att 10 – Alternative Window Design Exhibit
- Att 11 – Applicant Window Design Response Letter
- Att 12 – Trip Generation and Parking Analysis
- Att 13 – Transportation Demand Management Plan
- Att 14 – CAP Consistency Checklist
- Att 15 – Public Comments
- Att 16 – Greenhouse Gas Emissions Assessment September 2019
- Att 17 – Archaeological Literature Search October 1, 2019

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