



CITY OF SAN MATEO

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Agenda Report

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TO: Planning Commission

FROM: Rendell Bustos, Acting Senior Planner
Lisa Costa Sanders, Contract Planner

PREPARED BY: Community Development Department

MEETING DATE: July 28, 2020

SUBJECT:

Concar Passage Mixed Use Project, Site Plan and Architectural Review (SPAR), Site Development Planning Application (SDPA), Vesting Tentative Map, Development Agreement, and Supplemental Environmental Impact Report (EIR) (PA-2018-052)

RECOMMENDATION:

That the Planning Commission recommend City Council approval of the project by making the following motions:

1. Recommend adoption of the Supplemental Environmental Impact Report, as adequate to assess the environmental impacts of the project, based on the Findings for Approval in Exhibit A of Attachment 1, and
2. Recommend approval of the Site Plan and Architectural Review (SPAR), Site Development Planning Application (SDPA) and Vesting Tentative Map, to allow the development of 961 residential units and 40,000 square feet of commercial space with associated common area based on the Findings for Approval in Exhibit A of Attachment 1 and subject to the Conditions of Approval in Exhibit B of Attachment 1.
3. Recommend approval of the Development Agreement included in Attachment 2.

BACKGROUND:

The applicant, California Coastal Properties, submitted a formal Planning Application on September 20, 2018 to redevelop the Concar Shopping Center with a mixed-use development. The project site is zoned TOD (Transit Oriented Development) and is located within the Hayward Park Station Overlay Zone of the Rail Corridor Transit Oriented Development Plan (Rail Corridor Plan). Project entitlements include a Site Plan and Architectural Review, Site Development Planning Application, Vesting Tentative Map, and a Development Agreement.

Project Description

The project proposes to demolish the existing commercial buildings and construct 961 multi-family dwelling units and approximately 40,000 square feet of commercial/retail space among five buildings. The project includes 73 very-low income housing units, associated on-site parking, and 4.67-acres of publicly accessible open space. Proposed commercial uses include Trader Joe's, Peninsula Ballet Theatre, 7-Eleven and a food hall, with other retail space as well as a daycare facility with capacity for approximately 70 children. The project plans are included as Attachment 3.

Site Description

The project site is located on Concar Drive, between S. Grant Street and S. Delaware Street. The site is approximately 14.5 acres in size and is currently occupied by a shopping center that includes Trader Joe's, Peninsula Ballet Theatre, Ross Dress for Less, The Pantry, Rite-Aid, T.J. Maxx, Shane Co., and 7-Eleven. The existing shopping center includes 165,000 square feet of retail space.

The site is comprised of eight parcels (APNs 035-243-090, -140, -160, -170, -190, -200, -210, -220), located at 640, 666, 678, 690 Concar Drive, 1820, 1850 S. Grant Street and 1855 S. Delaware Street. Surrounding land uses include 19th Avenue Park (single-family residences) to the north, 400-450 Concar office buildings to the west, Crossroads offices to the east, and Highway 92 to the south.

The project site is zoned TOD (Transit Oriented Development) and is located within the Hayward Park Station Overlay Zone of the Rail Corridor Plan. The site is also within one-half mile from the Hayward Park Caltrain station. A site location map is included in [Attachment 4](#).

Applicable Code and Policy Review

General Plan, Zoning Code, and Rail Corridor Plan

The General Plan land use designation for the site is Transit Oriented Development. The project site is zoned Transit Oriented Development (TOD) consistent with the General Plan. The proposed project is consistent with both the existing General Plan and zoning designation of the site.

A goal outlined in the General Plan is to promote transit-oriented development in designated areas adjacent to Caltrain stations, such as the Hayward Park station. Projects located within the designated areas shall implement and comply with the policies identified in the Rail Corridor Plan. Policies within the Plan include focusing transit-oriented development within the designated areas by locating the highest intensities of development around the station and utilizing horizontal and vertical mixed-use development. The Rail Corridor Plan includes policies for development to establish pedestrian friendly streetscape improvements, circulation system that will accommodate many modes of transit, provide for multifamily uses to be developed at transit supportive densities, creation of publicly accessible open space areas, inclusion of multi-modal transit facilities, inclusion of neighborhood and commuter serving retail uses and services and inclusion of mixed-use community serving retail uses.

The proposed project is designed to be consistent with the intent of the goals and policies of the General Plan, TOD zoning district, and the Rail Corridor Plan by providing a variety of streetscape and right-of-way improvements to increase accessibility to the Hayward Park station and to transit-oriented retail and commercial uses including a food hall and grocery store. The project furthers the transit-oriented, mixed-use environment by providing multi-family residential units, including below market-rate units.

A list of applicable General Plan policies and Rail Corridor Plan Policies is included within [Exhibit A of Attachment 1](#). The project's required proposed development standards are listed in the Factual Data Sheet in [Attachment 5](#).

Housing Accountability Act (HAA)

California Government Code Section 65589.5 outlines application review limitations for projects subject to the Housing Accountability Act (HAA). As a development project that is at least 2/3 housing, the project is subject to the HAA, which is intended to limit a local agency's ability to deny, reduce the density of, or render housing development projects infeasible if objective standards are met. As proposed, this project meets all applicable objective standards in the General Plan, Zoning Code, Rail Corridor Plan, and other local policy documents. The HAA outlines that if a housing development project, whether affordable or market-rate, is consistent with the City's objective development standards, the local agency may deny or reduce the density only if certain findings pertaining to adverse impacts to codified, objective public health or safety standards are made.

State Density Bonus Law

The proposed project utilizes provisions of the State Density Bonus and Other Incentives Law - State Government Code Section 65915. The City, to comply with the state density bonus law and to implement the housing element of the San Mateo General Plan, provides increased residential densities, use of statewide parking standards, and "incentives or concessions" for projects providing certain amounts of affordable housing. The maximum allowable density on the subject parcel is 50 dwelling units per acre, which equates to 725 units. The applicant proposes to provide 73 very-low income units, which is 10% of the base density units.

By providing the 10% very-low income units, the project is eligible for a 32.5% density bonus and one incentive or concession, the bonus allows for an additional 236 units above the 725 units allowed under the Rail Corridor Plan, for a total of 961 units. The applicant has elected to utilize the concession to construct the affordable units in a stand-alone building as opposed to constructing throughout the site. This provides the applicant the opportunity to partner with an affordable housing developer on the stand-alone building. In addition, State Density Bonus law provides parking standards that have been applied to this project. The project is also eligible to utilize the Statewide Parking Standards as well as request concessions or incentives. Parking is discussed in more detail below.

The applicant's density bonus request letter is included as [Attachment 6](#).

Tree Removal

The project entitlements include a Site Development Planning Application (SDPA) under Municipal Code Section 23.40.040 for the removal of all existing 64 trees comprising of 15 different species, of which eight (8) are considered Heritage Trees. None of these trees are native to the San Mateo Area as all trees appear to have been planted as part of the shopping center development. The project proposes an extensive landscape plan including the planting of 319 new trees. New trees will line the perimeter of the site and the internal paseo and will be planted within the central open spaces.

Pedestrian Master Plan

The project implements sidewalk designs that conform with the City's Pedestrian Master Plan, which contains sidewalk design guidelines to improve the pedestrian network citywide. The applicant proposes to implement the Pedestrian Master Plan by implementing the "A.9 Mixed-Use Type A Zero Setback" standard with the following sidewalk through-zone widths:

- S. Delaware Street: 6'-0" to 13'-7"
- Concar Drive: 10'-0" to 18'-9"
- S. Grant Street: 8'-0" to 11'-6"

On both the Concar Drive and S. Grant Street frontages, the project incorporates a landscape strip on both sides of the sidewalk through-zone. Landscape strips are provided along S. Delaware Street with the exception of the portion in front of the Trader Joe's at Building 1 to accommodate the proposed Class IV bike facility.

The streets located within the project site, Depot Way and Passage Way, are private and are not subject to the Pedestrian Master Plan standards. However, the pedestrian walkways within private property provide adequate sidewalk widths consistent with the Pedestrian Master Plan with a proposed through-zone width ranging from 8'-0" to 14'-3" with varying widths of landscape strips on either side.

Bicycle Master Plan

The City's Bicycle Master Plan, adopted by the City Council in April 2020, provides policies and recommendations to implement citywide infrastructure improvements to support bicycle and micromobility use. The applicant proposes to implement the City's 2020 Bicycle Master Plan by constructing the following new bicycle facilities:

- Class IV separate bicycle lanes along the western and eastern sides of S. Delaware Street
- Two-way Class IV cycle track along the north side of Concar Drive
- Class IV separate bicycle lanes along the eastern and western sides of S. Grant Street.

The project also includes intersection improvements at Concar Drive and Depot Way to enhance multimodal safety and connectivity and a new mid-block pedestrian crossing on S. Grant Street. In addition to the project's infrastructure improvements, the project also provides short-term and long-term bicycle parking in excess of the Zoning Code requirements.

DISCUSSION:

Site Plan and Architectural Review

The project entitlements include a Site Plan and Architectural Review (SPAR) under Municipal Code Section 27.08.030 for the demolition of the existing shopping center and construction of a mixed-use development consisting of 961 residential dwelling units and 40,000 square-feet of commercial uses. The project proposes a diverse layout of buildings, land uses, and designs that promote a transit-supportive, mixed-use environment. Residential uses are located throughout the site among Buildings 1 through 5, with Building 5 being devoted to the 73 units afforded to the very-low income level. The project also provides approximately 30,000 square-feet of interior residential amenities throughout the site. A new food service hall called “SEED” will be located at the corner of Concar Drive and S. Delaware Street. Additional commercial space is provided along S. Delaware Street including performance space. A new building for Trader Joe’s is located at the southwestern corner of the site along S. Delaware Street at Building 1. Performance and commercial spaces for the Peninsula Ballet Theatre are located along S. Delaware St. and Concar Drive adjacent to live/work studio units at Building 2. A new 7-Eleven building will be located at the corner of Concar Drive and S. Grant Street at Building 4 with surface parking and landscaping improvements. The project also includes a daycare facility that can accommodate approximately 70 children at Building 5 along S. Grant St., which is across from the YMCA.

A proposed mobility hub called the “Depot Lounge” is located at Building 1 towards the center of the site and is available for tenants as well as public access. The project will replace the large surface parking lot with subterranean and ground-level parking that will be located behind the residential and retail uses. The project provides a total of 1,328 parking spaces for the residential uses, and 244 parking spaces for the nonresidential uses. Vehicle access is provided to the project site from S. Delaware Street, Concar Drive and S. Grant Street with a proposed private road connecting S. Delaware Street and Concar Drive through the site called Depot Way. Bicycle and pedestrian access is provided to the site with a protected bike intersection at Concar/Delaware, Concar/Grant a new protected intersection at Concar/Depot Way as well as a new mid-block pedestrian crossing on Grant Street. Delivery vehicle access is provided from S. Delaware Street and S. Grant Street with a new private road connecting both streets through the site called Passage Way.

The project includes a total of 6.83 acres of open space area including 4.67 acres accessible to the public. Open space areas include landscaped plazas and large open grass areas with a variety of planting and seating. The project also includes an enhanced greenbelt connection to the 19th Avenue neighborhood to the north, the office complex to the west and the YMCA/Office buildings to the east.

Design Review

The Planning Commission held two study sessions to review the design of the proposed development. The first was held on March 27, 2018 to review the Pre-Application, and the second held on June 9, 2020 to review the revised design and provide comments to the applicant. The design of the proposed development has also undergone several rounds of staff review by development departments as well as several reviews by the City’s Design Review Consultant, Larry Cannon of Cannon Design Group. The proposed design has incorporated comments received from the Planning Commission, public, staff and Larry Cannon.

The proposed development consists of five podium buildings, each with unique character. Both the SEED food hall and 7-Eleven buildings on the project corners have been inspired by Eichler architecture to complement the predominantly Eichler homes in the 19th Avenue neighborhood. The buildings are all designed in contemporary architectural styles with a mix of high-quality exterior materials to break up apparent massing and increase visual interest. The residential, mixed-use buildings are 4-5 stories and are below the 55-foot height limit with massing along Concar Drive reduced to 35 feet to comply with the height limitations outlined in the Rail Corridor Plan.

Chapter 6 of the Rail Corridor Plan outlines design guidelines that support the creation of highly walkable, transit-supportive neighborhoods. To define the public realm and provide visual interest at the pedestrian level, the Rail Corridor Plan encourages expressing the “streetwall” by building up to the sidewalk and having buildings frame streets and parks. The proposed design employs these guidelines by proposing consistent setbacks along all frontages and by locating publicly accessible open spaces at the center of the site. This breaks up the mass of the buildings and provides a focal point for the development. The proposed design also provides a high level of dimensional detailing with window moldings, balconies, and reveals that altogether provide visual relief. Lastly, the project proposes locating retail uses on the ground floor to provide an active pedestrian experience.

In his final design review letter dated March 25, 2020, Larry Cannon makes no further recommendation for changes and writes that the project made major changes since the March 2018 Study Session, including larger central open space; more below-grade parking; and increased building design articulation and visual variety. Larry Cannon's final design review letter is included in [Attachment 7](#).

Traffic and Parking

Transportation Impact Analysis (TIA)

Two Transportation Impact Analysis (TIA) memos have been prepared by the City's transportation consultant, Hexagon Transportation Consultants, to evaluate the potential impact of the proposed project. The first memo is included in the Supplemental Environmental Impact Report (EIR) to evaluate the project utilizing the metric of Vehicle Miles Traveled (VMT) required by CEQA. This analysis method is required under Senate Bill 743 (effective July 1, 2020) to aim at reducing single vehicle occupancy trips rather than increase roadway capacity. Although the project, due to its density and proximity to transit is exempt from further review, Hexagon completed an analysis of VMT and found the project would not result in a significant impact.

The second TIA is based on the City's General Plan criteria for Level of Service (LOS) operating conditions at intersections. The project's net trip generation rates were estimated by utilizing the Institute of Transportation Engineers (ITE) average trip generation rates and subtracting for existing trips generated by the shopping center. A trip reduction rate was applied due to the mixed-use nature of the project and proximity to transit. The analysis estimates the project would generate 2,471 net new daily trips, with 123 net new trips during the AM peak hour and 166 net new trips during the PM peak hour. The AM peak hour is generally between 7:00 and 9:00 A.M. and the PM peak hour is generally between 4:00 and 6:00 P.M. The estimated trips evaluated in the TIA does not take into account the required TDM measures outlined below. With the implementation of the TDM plan, the trips generated by the project will be further reduced by 20%.

The analysis found that the LOS at the following intersections would degrade based on the City's General Plan criteria:

- Delaware Street & Concar Drive
- Delaware Street & 19th Avenue
- Delaware Street & Bermuda
- Grant Street & Concar Drive
- Grant Street & 19th Avenue
- YMCA Driveway & 19th Avenue
- SR 92 westbound ramps & Concar Drive
- US 101 southbound ramps & Fashion Island Boulevard

A "micro-simulation" analysis was used, which analyzes traffic impacts along a corridor rather than individual intersections. The intersections above are all impacted as a result of corridor congestion along the 19th Avenue/Fashion Island Boulevard corridor. The analysis showed that these intersections were either the bottlenecks causing the corridor congestion, or intersections affected by the feedback queues at the bottlenecks. Therefore, while the analysis indicates that these identified intersections would experience substantial intersection delay increases, improvements would still need to address the broader congestion issue along the whole corridor.

The City is in the process of completing an analysis of the 19th Avenue/Fashion Island Boulevard Corridor. The preliminary analysis identified several improvement measures that would alleviate congestion and bring the Corridor back to an acceptable operating level. The total cost of the Corridor improvements is estimated at \$9,640,000. As a part of the developer's community benefits package included in the Development Agreement, the developer has agreed to contribute \$7,500,000 towards transportation improvements within a one-half mile radius of the project site, and along the 19th Avenue/Fashion Island Boulevard corridor and a portion of S. Delaware Street south of the project site. In addition to the community benefits contribution, the project is required to pay a Transportation Improvement Fee (TIF).

Hexagon's Transportation Impact Analysis is included in [Attachment 8](#).

Transportation Demand Management Plan and Parking

The City's consultant, Nelson Nygaard prepared a Transportation Demand Management (TDM) Plan for the project, which includes trip reduction strategies with the goal of reducing overall vehicular trips by 25% as outlined in the Rail Corridor Plan. The TDM measures to be implemented for the proposed project include design measures related to the physical attributes of the site and programmatic measures to encourage the use of sustainable forms of transportation. For the proposed project, these measures include:

- High-quality pedestrian spaces
- The Depot Mobility Hub
- Protected/separated bicycle facilities
- Bike share hub with bicycle repair facilities
- Secure bicycle storage
- Rail-hailing credits
- Guaranteed Ride Home
- Public/private shuttle program
- Transportation Information Center
- Transportation Coordinator
- Subsidized Transit passes

The location of the project results in a trip reduction of 16% based on the project's proximity to transit and mixed-use design. In addition, implementation of the TDM measures will result in a 20% trip reduction, which results in a total reduction of 36%. Specific trip reduction measures and strategies are included in the project's TDM Plan by Nelson/Nygaard in [Attachment 9](#). Conditions of Approval requiring implementation are included in [Exhibit B of Attachment 1](#).

The Rail Corridor Plan requires that all development projects in the TOD zone provide a parking analysis tailored to the project's location and land uses. The project is eligible to utilize Statewide Parking Standards as well as request concessions or incentives. The parking provisions of Government Code Section 65915 (p)(1) stipulates that "upon the request of a developer, a city, county, or city a county shall no impose a vehicular parking ratio, inclusive of handicapped and guest parking, that exceeds the following ratios: the ratio shall not exceed one on-site parking space per zero to one bedroom unit, two on-site parking spaces per two to three bedroom unit, and two and one-half parking spaces per four or more bedroom unit." Based on State Density Bonus Law, the project is required to provide 1,161 parking spaces. However, to ensure that there is adequate on-site parking, the applicant is proposing 1,328 parking spaces for the residential units and 244 parking spaces for the retail uses, for a total of 1,572 parking spaces. The final number of parking spaces may vary during the building permit process but in no event will be less than minimum 1,205 parking spaces as outlined in the project's Parking Demand Analysis in the TDM Plan. The TDM plan includes a parking demand analysis that shows the proposed parking supply exceeds the demand forecasted for the site due to reduction in parking demand expected from shared parking, in addition to benefits expected due to the proximity to multimodal transportation options.

Development Agreement

The project includes a Development Agreement as requested by the applicant to secure the project entitlements and vesting rights for a period of 15 years. The proposed Development Agreement is included as [Attachment 2](#). The City's fiscal consultant, Economic & Planning Systems (EPS) prepared an analysis of the project to guide the community benefits discussion. EPS evaluated the project's fair share of transportation improvements, completed a public benefit burden test, and estimated the valuation of vested rights. Based on this analysis, EPS concluded the public benefit contribution should be between \$2.2 million and \$3.3 million with an average of \$2.7 million.

In addition to meeting the City's affordable housing requirement with 73 very-low income units, the applicant proposed 38 moderate income units on-site. The moderate-income units are estimated to cost the developer \$5.16 million. Staff

recognizes the provision of low and very low-income housing units as meeting a critical housing need in the community. However, moderate-income restricted units have not been established as meeting a critical housing need and the rent for moderate income units is comparable to market rate rents charged for mature housing stock in the community.

At the June 29, 2020 City Council meeting, the Council provided direction to staff and the developer to forego the moderate-income units and instead dedicate those funds toward traffic improvements in the corridor that will benefit the immediate neighborhood.

The developer has agreed to contribute a total of \$7,500,000 toward community benefits that will be used toward traffic improvements. Potential improvement measures are discussed under the Transportation section of this report. The Development Agreement includes the financial contribution from the development as well as other community benefits provided by the developer; transportation hub, day care facility, and community theater.

PUBLIC COMMENTS:

The applicant held a formal Pre-Application neighborhood meeting on March 7, 2018 that was attended by over 100 community members. The applicant has also hosted over 40 presentations to community and business groups and briefings with leadership groups and neighboring HOAs. Public comments have also been received at the Planning Commission design study sessions, and through the EIR public review process.

Comments include:

- Concern with traffic
- Support for additional housing, including affordable housing
- Project is too large for the area
- Request to provide a drug store as a tenant
- Support for Peninsula Ballet space
- Concern with noise and vibration during construction

Comments and responses to comments received during the EIR public review process are included in the project's Final Supplemental EIR. Additional public comments received since notice of this Public Hearing are included in [Attachment 10](#).

PLANNING COMMISSION STUDY SESSION:

The Planning Commission, at its March 27, 2018 meeting, reviewed the project on a preliminary basis, received public comments and provided input to the applicant and staff. Since that meeting, the applicant has worked on several design iterations in response to comments from the Commission, public, staff and the City's peer review architect. The Planning Commission held a second study session on June 9, 2020 to review the revised plans to consider the adequacy of the revisions to the design.

The overall project was well received during the Study Session and changes made to the project during the initial Study Session were primarily positive. Since then, the applicant has addressed most of the Planning Commission comments.

The meeting minutes from the Pre-Application study session and the formal application's design-focused study session are included in [Attachment 11](#) and [Attachment 12](#) respectively.

ENVIRONMENTAL DETERMINATION:

An Environmental Impact Report (EIR) for the City's Rail Corridor Transit-Oriented Development Plan was certified in 2005 and an Environmental Impact Report for the City's General Plan Update was certified in 2009. The City's environmental review consultant, David J. Powers and Associates, completed an Initial Study checklist, and after consultation with staff, determined a Supplemental EIR, tiering off the previously adopted EIRs listed above, would be the appropriate analysis to complete for this project consistent with the California Environmental Quality Act Guidelines (CEQA).

A Notice of Preparation (NOP) of the project's Supplemental EIR was prepared and circulated for 30-day public review

from March 13, 2019 to April 12, 2019. The City held a scoping meeting for the Supplemental EIR on March 26, 2019 to receive comments directly pertaining to the proposed scope. The City prepared and distributed the Draft EIR for a 45-day public review and comment period, starting on March 26, 2020 and ending on May 11, 2020. The comment period was subsequently extended through May 26, 2020.

The purpose of an EIR is to evaluate and inform the public and decision makers of a project's potential environmental impacts. The EIR includes an analysis of the project's potential impact on the environment, evaluation of the project under a cumulative analysis, review of project alternatives and preparation of a Mitigation Monitoring and Reporting Program.

Project-Related Impacts

In summary, the EIR found that the project would not result in any significant unavoidable environmental impacts. It identified that the following CEQA sections would have a less than significant impact or no impact to the environment:

1. **Aesthetics:** Less than Significant Impact
2. **Agriculture and Forestry Resources:** No Impact
3. **Air Quality:** Less than Significant Impact
4. **Energy:** Less than Significant Impact
5. **Geology and Soils:** Less than Significant Impact
6. **Greenhouse Gas Emissions:** Less than Significant Impact
7. **Hazards and Hazardous Materials:** Less than Significant Impact
8. **Land Use and Planning:** Less than Significant Impact
9. **Mineral Resources:** No Impact
10. **Population and Housing:** Less than Significant Impact
11. **Recreation:** Less than Significant Impact
12. **Transportation:** Less than Significant Impact
13. **Tribal Cultural Resources:** Less than Significant Impact
14. **Utilities and Service Systems:** Less than Significant Impact
15. **Wildfire:** No Impact

The EIR identified significant impacts resulting from the project, but these impacts would be reduced to a less than significant level through mitigations summarized below:

1. **Biological Resources:** Construction activities, including grading and vegetation removal may impact nesting birds. Construction mitigation measures were identified which would reduce these impacts to less than significant.
2. **Cultural Resources:** There is the potential to uncover unknown archaeological resources during the course of construction. Mitigation measures were identified if artifacts or remains are discovered to reduce these impacts to less than significant.
3. **Hydrology and Water Quality:** Grading and site work may encounter shallow groundwater during construction. Mitigation measures were identified to reduce this impact to less than significant.
4. **Noise:** Noise will be generated from the construction of the development. Construction mitigation measures were identified to minimize the noise impacts associated with the construction of the project.
5. **Public Services:** The proposed project has the potential to increase student generation in the project area beyond the capacity of existing middle and high schools. The project is required to pay established school development impact fee to help finance expansion of existing schools, construction of new schools and/or rental of temporary classroom facilities. With the payment of required impact fees, this impact is reduced to less than significant.

Transportation Analysis

CEQA Guidelines Section 15064.3 (pursuant to SB 743), which go in effect on July 1, 2020, requires all agencies to evaluate projects utilizing a metric of vehicle miles traveled (VMT) rather than level of service (LOS) as part of the CEQA review. The guidelines further state that projects within one-half mile of an existing major transit stop are presumed to have a less

than significant impact on VMT. Although the project could be screened out per CEQA Guidelines, the City elected to perform the VMT analysis. The estimated VMT for the development is below the recommended threshold, and as such, the project does not result in a significant transportation impact.

Although the project does not result in a significant transportation impact, various trip reduction strategies are included in the project that were not included in the analysis. These strategies are intended to further reduce transportation impacts. The strategies are listed in the project's TDM plan, and include a centrally-located mobility hub, subsidized transit passes, ride-hailing credits/discounts, and an on-site transportation coordinator.

Cumulative Impacts

The EIR evaluated the potential environmental impacts of the proposed project with all past, present and pending development projects in the area. The analysis concludes that the proposed project would not contribute to any significant cumulative impacts.

Mitigation Monitoring and Reporting Program

CEQA requires agencies adopt a Mitigation Monitoring and Reporting Program (MMRP). The program is designed to ensure the project's compliance with the mitigation measures. The Draft EIR identified sixteen (16) mitigation measures that would reduce the environmental impacts generated by the project to less than significant. The MMRP is included with the Final EIR and compliance with the MMRP is a condition of the project approval.

Project Alternatives

The EIR evaluated the proposed project against four (4) alternatives, summarized below. Of these, the Adjusted Mixed-Use Alternative is the environmentally superior alternative as it would not result in new peak hours trips and partially fulfills the development objectives of the project. It should be noted that any project alternative incorporating a reduction in the number of total housing units also reduces the total number of affordable housing units required given that the percentage of affordable units required is a percentage of the proposed base density.

- **No Project – No Development Alternative:** In this analysis, the evaluation assumes the continued use of the buildings on-site with some building and site upgrades and new tenants.
- **No Project – Existing Plan Redevelopment Alternative:** This analysis assumes the site is developed consistent with the Corridor Plan with a floor area of up to 2.0 of the site area or 1.2 million square feet.
- **Adjusted Mixed-Use Alternative:** Assumes a reduction of 50% in the number of housing units (480 residential units) on-site and an increase in commercial square footage (376,000 square feet).
- **Reduced Intensity Alternative:** Evaluates two projects; a 20% reduction in the number housing units (769 residential units) and a 30% reduction in the number housing units (673 residential units), both with similar commercial square footages.

EIR Public Comments

Twenty-two (22) written public comments were received during the public review period and several verbal public comments were provided at the April 28, 2020 Planning Commission meeting. The CEQA consultant prepared a response to each comment received as included in the Final EIR.

Public comments include:

- Concern with traffic and circulation impacts
- Request for unbundled parking
- Request to increase affordable housing
- Concern with construction impacts including noise and vibration
- Concern with dewatering and impact on nearby properties
- Request for concrete block wall along Concar Drive
- Concern with impacts to infrastructure including sewer

- Concern with uncertainty due to current COVID-19 pandemic
- Support for the project

Final Supplemental EIR

The Final EIR includes a written response to each comment received and minor text revisions. The commenters did not provide a factual information that required further analysis or resulted in the identification of new or worse impacts. The Final EIR is included as Attachment 13 and together with the Draft EIR comprises the Final Supplemental EIR. The Draft Supplemental EIR was distributed to the Planning Commission for April 28, 2020 meeting; therefore, a hard copy is not included with this report. However, a copy is available online at www.cityofsanmateo.org/passageDEIR.

NEXT STEPS:

Following this Planning Commission Public Hearing, this project will be scheduled for a Public Hearing with the City Council in August 2020 for final action on the application. City Council action is required on the project given that the applicant has requested a Development Agreement, which the City has adopted procedures by resolution to include City Council approval of the Development Agreement.

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 projectsite;
- 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 – Proposed Resolution

Exhibit A – Findings for Approval

Exhibit B – Conditions of Approval

Att 2 – Development Agreement

Att 3 – Project Plans

Att 4 – Location Map

Att 5 – Factual Data Sheet

Att 6 – Density Bonus Request Letter

Att 7 – Cannon Design Group Review Letter March 25, 2020

Att 8 – Traffic Impact Analysis

Att 9 – Transportation Demand Management Plan

Att 10 – Public Comments

Att 11 – Planning Commission Meeting Minutes March 27, 2018

Att 12 – Planning Commission Meeting Minutes June 9, 2020

Att 13 – Final EIR

Note: The Draft EIR was distributed to the Planning Commission for the April 28, 2020 Planning Commission; therefore, a hard copy is not included with this report. However, the environmental document and associated technical documents are available online at www.cityofsanmateo.org/passageDEIR.

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