



County of San Mateo

Inter-Departmental Correspondence

Department: PLANNING AND BUILDING

File #: 16-734

Board Meeting Date: 11/21/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Community Development Director

Subject: Consideration of amendments to the San Mateo County Zoning Regulations and Zoning Map to allow mixed use development along El Camino Real and 5th Avenue in North Fair Oaks, add a new Design Review and Site Development Permit chapter (Chapter 29), and designate properties currently zoned General Commercial/S-1 Overlay (C 2/S-1), Neighborhood Business District/S-1 Overlay (C-1/S-1), and Parking (P) as Commercial Mixed Use-1 (CMU-1), Commercial Mixed Use-2 (CMU-2), or Neighborhood Mixed Use-El Camino Real (NMU-ECR) (Chapters 29.1, 29.2, and 29.3).

RECOMMENDATION:

Adopt an ordinance amending the zoning regulations to add the Commercial Mixed Use-1 (CMU-1) (Chapter 29.1), Commercial Mixed Use-2 (CMU-2) (Chapter 29.2), and Neighborhood Mixed Use-El Camino Real (NMU-ECR) (Chapter 29.3) zones; apply the new zones to parcels along the portions of El Camino Real and 5th Avenue in unincorporated North Fair Oaks, San Mateo County, located between the City of Redwood City border and Town of Atherton border along El Camino Real and between El Camino Real and the Caltrain Rail corridor along 5th Avenue, including related zoning map amendments, and add a new Design Review and Site Development Permit chapter (Chapter 29) to implement the new zoning, and waive the reading of the ordinance in its entirety.

BACKGROUND:

The proposed zoning will facilitate redevelopment of the El Camino Real and 5th Avenue with projects that harmonize with the neighborhood and provide much needed housing. The zoning is designed to incentivize affordable housing and mixed use development allowing a medium to high density of land uses, including a mix of multi-family residential and local- and regionally-oriented commercial and institutional uses. The development and design standards ensure that new development will complement existing residential uses and provide public amenities that facilitate non-motorized trips, all of which could not be achieved under the current zoning.

The proposed CMU-1, CMU-2, and NMU-ECR zoning implements the land uses adopted in the North Fair Oaks Community Plan (Community Plan). The Design Review and Site Development Permit chapter (Chapter 29) establishes design standards consistent with the design standards included in Chapter 7 of the Community Plan, and creates a streamlined permit process for projects that comply

with all relevant standards. Projects that include conditionally permitted uses, or that require exceptions from applicable standards, will require a conditional use permit.

Planning Commission Action: The Planning Commission held a public hearing to consider the proposed ordinances on October 25, 2017. After taking testimony, the Planning Commission recommended that the Board of Supervisors adopt the proposed ordinances.

Report Prepared By: Joseph LaClair, Planning Manager

Location: Commercially- and Parking-zoned properties along the El Camino Real and 5th Avenue in unincorporated North Fair Oaks, San Mateo County, located between the City of Redwood City border and Town of Atherton border along El Camino Real and between El Camino Real and the Caltrain Rail corridor along 5th Avenue.

Existing Zoning: General Commercial/S-1 Overlay (C 2/S-1), Neighborhood Business District/S-1 Overlay (C-1/S-1), and Parking (P)

General Plan Designation: Commercial Mixed Use

Sphere-of-Influence: Redwood City

Existing Land Use: Mixed commercial uses, parking, and limited residential

Water Supply: California Water Service

Sewage Disposal: Fair Oaks Sewer District

Flood Zone: N/A

Environmental Evaluation: Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15168(c), staff has concluded that the rezoning project is within the scope of the project covered by the Program Environmental Impact Report (Program EIR) certified for the North Fair Oaks Community Plan Update in 2011, and that the rezoning project would have no new effects and would require no new mitigation measures. Staff has documented this conclusion and the supporting analysis in a checklist. Further, all applicable mitigation measures from the Program EIR will be imposed on future projects developed pursuant to the proposed zoning.

Setting: The area of the proposed rezoning (between the City of Redwood City border and Town of Atherton border along El Camino Real and between El Camino Real and the Caltrain Rail corridor along 5th Avenue) is largely built-out with a mix of commercial and limited residential uses occupying one- and two-story buildings (some include second floor apartments), and parking lots, in unincorporated North Fair Oaks.

Chronology:

<u>Date</u>	<u>Action</u>
June 22, 2017	- North Fair Oaks Community Council Approval
October 25, 2017	- Planning Commission Recommended Board Adoption

DISCUSSION:

A. KEY ISSUES

1. Proposed Commercial Mixed Use-1 (CMU-1), Commercial Mixed Use-2 (CMU-2), and Neighborhood Mixed Use-El Camino Real (NMU-ECR) Zoning

The area proposed for rezoning is shown on the map included as Attachment C, and extends between the City of Redwood City border and Town of Atherton border along the north side of El Camino Real and between El Camino Real and the Caltrain Rail corridor along both sides of 5th Avenue. The properties in the area are currently zoned General Commercial/S-1 Overlay (C-2/S-1), Neighborhood Business District/S-1 Overlay (C-1/S-1), and Parking (P). These existing zoning districts allow a moderate-intensity mix of commercial and residential uses, with some industrial and institutional uses also allowed as conditional uses, with development standards established by the S-1 zoning overlay. The proposed rezoning area adjoins properties zoned for residential use.

The proposed CMU-1, CMU-2, and NMU-ECR Zoning, included as Attachment B, will replace the base General Commercial/S-1 Overlay (C-2/S-1), Neighborhood Business District/S-1 Overlay (C-1/S-1), and Parking (P), and will implement the Commercial Mixed Use land use designation in the North Fair Oaks Community Plan (Community Plan) for these areas. The proposed Design Review and Site Development Permit chapter (Chapter 29) would implement the proposed zoning by establishing design standards that all projects must meet, and by creating a streamlined permit track for those projects that comply with all development, design, parking, and performance standards, and propose uses that do not require a conditional use permit or other discretionary permits.

The Board of Supervisors adopted the Community Plan in 2011, the culmination of a multi-year process involving extensive community input, including multiple public workshops, stakeholder interviews, community forums, and hearings at the Planning Commission and the Board of Supervisors. A Steering Committee made up of local residents and stakeholders guided the creation and adoption of the Community Plan, and the Plan was reviewed and approved by the North Fair Oaks Council.

The Community Plan established goals and objectives for future development in the community, and specific recommendations for the adoption of zoning, development, and design standards to implement the land use changes formally incorporated in the Community Plan. The Community Plan's land use changes include both an overall vision for El Camino Real and the southern segment of 5th Avenue in North Fair Oaks, and a set of land use and development standards that must be included in any zoning regulations that implement the Community Plan. These land uses and development standards are included in Chapter 2 of the Community Plan. The standards relevant to the proposed CMU-1, CMU-2, and NMU-ECR Zoning Regulations are in Table 2.2 Commercial Mixed Use in Chapter 2 of the Community Plan (see Attachment D). The currently proposed rezoning is the second phase of multiple phases of rezoning planned for North Fair Oaks; each phase is intended to implement the land use changes included in the Community Plan. The anticipated schedule and location of the various phases of rezoning are provided in Attachment E.

The Community Plan land use designations for the area along El Camino Real and

the southern segment of 5th Avenue in North Fair Oaks allow medium to high density land uses, including a mix of multi-family residential, local- and regionally-oriented commercial, and institutional uses supported by community facilities. This Commercial Mixed Use land use designation also potentially allows light industrial uses with the approval of a conditional use permit. The proposed zoning, however, would not allow light industrial uses, because this use does not currently occur in the area, and would not be compatible with existing adjacent residential uses. However, the administrative office use definition includes research and development as an allowed activity.

To increase housing opportunities in the community, the Community Plan also aims to facilitate the development of additional residential uses as part of mixed use developments. The standards included in the new CMU-1, CMU 2, and NMU-ECR Zoning are consistent with the standards in the Plan, are generally consistent with the community's expressed preferences for this area, and are intended to harmonize redevelopment with existing residential uses.

Following Community Plan adoption, a number of community and stakeholder workgroups were established to advise and assist with implementation of various aspects of the Community Plan. The Zoning Workgroup, made up of residents and stakeholders, was formed to provide input to Planning staff in the drafting of the Neighborhood Mixed Use Zoning Regulations for the Middlefield Road corridor, adopted by the Board of Supervisors in 2015. The Zoning Workgroup also assisted staff in formulating the CMU-1, CMU-2, and NMU-ECR Zoning Regulations, and its meetings provided a forum for community input in the development of the regulations, and ensured that the drafted zoning regulations remain generally consistent with the community's expressed preferences, as described in the adopted Community Plan. The workgroup was involved in every stage of drafting the CMU-1, CMU-2, and NMU-ECR Zoning Regulations.

In response to extensive public input during the Workgroup and community meetings process, staff developed the three proposed zoning districts (CMU-1, CMU-2, and NMU-ECR) to provide for a mix of building heights and building setbacks, varying in part based on adjacent uses. The CMU-2 and NMU-ECR Zoning Districts limit maximum building heights for portions of the rezoning area at lower heights than were envisioned in the Community Plan while the maximum height in the CMU-1 zone is consistent with the Community Plan. The maximum allowed building height in the NMU-ECR zone is 40 feet or approximately three stories, which is fairly close to the currently maximum allowed height of 36 feet, and well below the 60 feet in building height allowed in the Community Plan. The CMU-2 Zoning District allows for a maximum allowed building height of 50 feet or approximately four stories. The resulting mix of heights will create visual interest, and harmonize redevelopment with existing residential uses and context.

Although building setbacks and building height vary between the CMU-1, CMU-2, and NMU-ECR Zoning Regulations, all other provisions of these three zoning district regulations are identical. The proposed CMU-1, CMU-2, and NMU-ECR Zoning Regulations are each divided into the following components:

- a. Purposes - This section states that the primary purposes of the zoning regulations, which are to provide an area for the location of neighborhood- and regional-serving commercial uses, provide higher-density residential options, restrict incompatible land uses, ensure that new development meets design

standards, and implement the Community Plan.

b. Definitions and Permitted/Conditional Land Uses - These sections provide definitions for the land uses allowed in the district and a list of which land uses are permitted “by right” with no planning permit required, and which land uses are “conditionally permitted” with a Use Permit. Conditionally permitted uses are those uses that require a higher level of review and more specific regulations or operating conditions to ensure that they are compatible with other uses in the district and adjacent residential districts. Any uses not listed in this section are prohibited.

c. Development and Performance Standards - These sections provide development standards governing the location and size of future buildings including maximum height, setbacks, and maximum floor area. Standards are also included for signs and screening of mechanical equipment and refuse areas. In addition to the development standards, performance standards regulate how all future land uses must be conducted, including limitations on noise, lighting, and hazardous materials.

d. Farmers Markets Standards - This section provides specific performance standards for authorized farmers markets.

e. Parking - This section provides the minimum number of parking spaces required for future development according to the type of land use proposed.

f. Alternative Parking Approaches - This section establishes criteria procedures for shared parking and off-site parking.

The proposed Design Review and Site Development Permit chapter includes the design review standards that all development must comply with, except for minor tenant improvement projects involving reuse of existing structures. The design review standards were derived from the design standards and guidelines in Chapter 7 of the Community Plan, input from the working group and community, and a review of standards successfully used by other communities. Chapter 29 also includes permit application requirements, and noticing, review, approval, and appeal procedures for site development permits (SDP). Each project must undergo a staff-level discretionary design review, in addition to review by County departments and outside agencies, and, if found compliant with all development and design standards, can obtain an SDP without a public hearing. All SDPs will be publicly noticed using current practices, and all can be appealed to the Planning Commission. Any projects seeking exceptions to zoning or design standards must obtain a use permit.

Key Changes from Existing Zoning

Key changes in the new CMU-1, CMU-2, and NMU-ECR Zoning Regulations include:

1. Mixed Use Development. Residential mixed-use development, currently allowed only with a use permit, will be allowed without any special permit.
2. Height. The maximum allowed building height varies, from 40 to 60 feet (NMU-ECR: 40 feet, CMU-2: 50 feet, and CMU-1: 60 feet).

3. New Uses/Permit Requirements. The new zoning adds exercise facilities as a permitted use and better regulates new uses with the potential to adversely affect adjacent development by requiring use permits for a variety of uses, including bars and liquor stores, as shown in Attachment F. The new permit process establishes detailed design controls to ensure that projects are compatible with adjoining development, and a streamlined review process for projects that fully comply with all zoning and design standards.
4. Parking. The new zoning modifies parking requirements for some uses, and adds provisions for shared and off-site parking.
5. Uses No Longer Permitted. A number of uses currently allowed by zoning will no longer be allowed, including industrial cleaning establishments and motor vehicle fueling and service stations, as shown in Attachment F.

Non-Conforming Uses

The existing C-1/S-1, C-2/S-1, and P Zoning Districts are long-standing commercial and parking land use designations not well tailored to the vision in the Community Plan. The existing commercial use categories allow a much broader range of uses, some of which are incompatible with the desired mixed use, commercial, and residential uses envisioned in the Community Plan. There are a number of land uses currently allowed by the C-1/S-1, C-2/S-1, and P Zoning regulations that, based on community input, were determined to be incompatible with a pedestrian-oriented neighborhood / commercial / residential area, particularly one comprised of relatively small parcels that abut residentially zoned properties.

The land uses currently permitted under the C-1/S-1, C-2/S-1, and P Zoning Regulations that will no longer be permitted under the proposed CMU-1, CMU-2, and NMU-ECR Zoning Regulations are shown in Attachment F; the most significant of these uses are industrial cleaning establishments, such as chemical dry cleaning facilities, and motor vehicle service, washing, and repair facilities. These disallowed land uses, if they currently exist as legally permitted uses in these sections of El Camino Real or 5th Avenue, will become legal non-conforming uses, and will be allowed to continue operating. However, their status as legal non-conforming uses means that, consistent with Chapter 4 of the County Zoning Regulations, they may not be expanded, and if they are voluntarily abandoned for at least 18 months, they may not reopen unless converted to a permitted use.

2. Design Review and Permitting

The proposed Chapter 29 Design Review and Site Development Permit (Attachment B establishes detailed design standards derived mostly from the design guidelines in Chapter 7 of the Community Plan, supplemented by other sources. The standards include public realm improvements that must be provided by all projects, such as street trees, bicycle parking, and wider sidewalks for pedestrian safety and comfort. The private realm standards address building design, layout, and orientation; massing and scale; building character, façade articulation, and fenestration; building materials; parking; alleys and service access; stormwater management and landscaping; utilities; and ecology and health.

The new design standards are intended to encourage redevelopment of private

property in harmony with the desired character of the North Fair Oaks neighborhood, in conformance with the design standards in the North Fair Oaks Community Plan. The new standards are also intended to ensure that new development encourages the preservation and enhancement of property values, and the visual character of the community, while maximizing the preservation of natural resources.

3. Zoning Workgroup

During the Zoning Workgroup process, substantive questions were raised by community members about the appropriateness of height and density policies in the Community Plan for the area along the El Camino Real and 5th Avenue. In response, staff recruited new membership to the Zoning Workgroup to broaden the range of perspectives represented to ensure that the resulting regulations were responsive to concerns of the community, while hewing to the community vision in the adopted Community Plan. The Peninsula Conflict Resolution Center assisted staff with meeting design and facilitation to better integrate community concerns and input.

4. Public Outreach and Input

The CMU-1, CMU-2, and NMU-ECR Zoning Regulations were presented to the public for comment and input at a number of community forums, including briefings before the North Fair Oaks Council, various community meetings on North Fair Oaks issues, and multiple public workshops specifically addressing the Phase 2A Rezoning. Comments received at these forums have been considered and integrated into the zoning regulations.

Workgroup and Community Outreach Meetings Calendar	
Meeting Type	Date
Workgroup Kickoff Meeting	August 2015
Workgroup Meeting	November 2015
Workgroup Meeting	January 12, 2016
North Fair Oaks Council	January 28, 2016
Workgroup Meeting	March 1, 2016
Workgroup Meeting	May 11, 2016
Community Meeting	July 6, 2016
Workgroup Meeting	August 18, 2016
Workgroup Organizational Meeting	October 6, 2016
Workgroup Organizational Meeting	November 1, 2016
Workgroup Meeting	November 29, 2016
Workgroup Meeting	December 13, 2016
Workgroup Meeting	February 15, 2017
Workgroup Meeting	March 22, 2017
Community Meeting	May 31, 2017
North Fair Oaks Council Study Session	June 15, 2017
North Fair Oaks Council	July 31, 2017

5. Review by North Fair Oaks Council

The North Fair Oaks Council, the designated body representing the North Fair Oaks Community, was briefed on the rezoning effort at its January 28, 2016 meeting. The North Fair Oaks Council (Council) reviewed the proposed zoning amendment at a study session on June 15, 2017 and again on July 31, 2017. The Council unanimously recommended that the Planning Commission recommend that the Board of Supervisors adopt the Commercial Mixed Use-1, Commercial Mixed Use-2, and Neighborhood Mixed Use-El Camino Real Zoning Regulations and map changes, and the accompanying design standards on July 31, 2017.

6. Summary

The Commercial Mixed Use-1, Commercial Mixed Use-2, and Neighborhood Mixed Use-El Camino Real Zoning Regulations, covering the area between the City of Redwood City border and Town of Atherton border along the north side of El Camino Real and between El Camino Real and the Caltrain Rail corridor along both sides of 5th Avenue, have been drafted through a multi-year process following the adoption of the Community Plan, guided by a work-group made up of residents and other stakeholders as well as input at several public meetings. The zoning and design standards are consistent with the formal land use regulations adopted as part of the Community Plan and, as such, are consistent with the preferences of the community expressed through the creation of the Community Plan, and subsequently through the guidance of the Zoning Workgroup. While the new zoning does not represent dramatic changes to the existing allowed land uses on this stretch of El Camino Real and 5th Avenue, it is an important component in the overall implementation of the Community Plan and the goals and vision for future development in North Fair Oaks.

B. ALTERNATIVES

The alternatives to adoption of CMU-1, CMU-2, and NMU-ECR Zoning Regulations are: (1) maintaining the current zoning regulations, or (2) directing staff to draft an alternative set of amended zoning regulations.

C. ENVIRONMENTAL REVIEW

The proposed rezoning is a project contemplated by the adopted North Fair Oaks Community Plan. The environmental impacts of the Community Plan were evaluated in a Program Environmental Impact Report (Program EIR) in 2011. Pursuant to CEQA Guidelines Section 15168, "subsequent activities in the program must be examined in the light of the Program EIR to determine whether an additional environmental document must be prepared. If the agency finds that pursuant to Section 15162, no new effects could occur or no new mitigation measures would be required, the agency can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document would be required."

Staff analyzed the proposed rezoning in the context of the impacts and mitigation measures discussed in the North Fair Oaks Community Plan Program EIR, and concluded that no new effects could occur and no new mitigation measures would be required. Therefore, no

additional environmental review is required for the proposed rezoning, as the Program EIR for the North Fair Oaks Community Plan Update adequately describes the potential impacts and includes sufficient mitigation measure to address foreseeable environmental impacts.

D. REVIEWING AGENCIES

County Counsel

County Counsel has reviewed the proposed ordinances and resolution as to form.

Approval of this project contributes to the Shared Vision 2025 of a Livable Community by focusing growth near transit, promoting affordable livable connected community in this portion of unincorporated North Fair Oaks, consistent with the 2011 North Fair Oaks Community Plan.

FISCAL IMPACT

None.

ATTACHMENTS

- A. Findings and Actions
- B. Zoning Map Amendments
- C. North Fair Oaks Community Plan Table 2.2
- D. Zoning Phase Schedule
- E. Allowed Uses and Permit Requirements
- F. October 25, 2017 Planning Commission Correspondence