



County of San Mateo

Inter-Departmental Correspondence

Department: PLANNING AND BUILDING

File #: 19-729

Board Meeting Date: 7/23/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Community Development Director

Subject: Adoption of an ordinance effecting a zoning text and map amendment creating a new CMU-3 (Commercial Mixed Use) Zoning District, substantially amending the existing M-1/NFO and M-1/Edison/NFO Zoning Districts, rezoning various areas of North Fair Oaks to the new and modified zoning districts, and amending the existing Chapter 29, "Design Standards and Site Development Permit," of the Zoning regulations.

County File Number: PLN 2017-00254

RECOMMENDATION:

Adopt an ordinance adding the new CMU-3 Zoning District, amending the M-1/NFO and M-1/Edison/NFO Zoning Districts, and amending Chapter 29 of the Zoning Regulations, and rezoning the described areas in North Fair Oaks to the new and amended zoning designations, previously introduced at the Planning Commission meeting on June 26, 2019, and waive the reading of the ordinance in its entirety.

BACKGROUND:

Report Prepared By: Planning Staff

Appellant: N/A

Applicant: San Mateo County Planning and Building Department

Owner: N/A

Location: The areas of North Fair Oaks currently zoned for commercial and industrial uses areas along Middlefield Road, around Redwood Junction, along Edison Way, and around Spring Street and Bay Road

APN(s): Various

Size: N/A

Existing Zoning: M-1 (Spring Street and Bay Road), M-1/NFO (Redwood Junction), M-1/Edison/NFO (Edison Way), C-2/NFO/S-1/DR (Middlefield Road)

General Plan Designation: Commercial Mixed-Use (Redwood Junction), Industrial Mixed-Use (Bay Road/Spring Street, Edison Way)

Sphere-of-Influence: Redwood City

Existing Land Use: A variety of light industrial uses, with some smaller-scale commercial establishments, some institutional and recreational uses, and a few dispersed nonconforming residential uses.

Environmental Evaluation: The proposed rezoning is within the scope of the program evaluated in the Environmental Impact Report (EIR) for the North Fair Oaks Community Plan (Plan), certified by the Board of Supervisors in 2011. A checklist evaluating the proposed zoning amendments and determining that their potential impact is within the scope of the program evaluated by the Plan EIR, has been completed, and is included as Attachment E. Pursuant to CEQA Guidelines Section 15168, no further environmental review is required.

Setting: The areas proposed for rezoning are entirely urbanized and are characterized by a mix of moderate density commercial, industrial, and institutional uses, interspersed with a few residential uses, and are bordered by both commercial and residential uses of low to moderate densities.

Chronology:

<u>Date</u>	<u>Action</u>
2011	Board of Supervisors adopts North Fair Oaks Community Plan
2015	Board of Supervisors adopts Phase 1, NMU Rezoning (Middlefield Road)
2017	Board of Supervisors adopts Phase 2, CMU-1, CMU-2, and NMU-ECR rezoning
May 23, 2019	North Fair Oaks Community Council recommends approval and adoption of CMU-3 zoning, M-1/NFO and M-1/Edison/NFO amended zoning, and associated proposed rezonings by the Planning Commission and Board of Supervisors
June 26, 2019	Planning Commission conducts first reading of the adopting ordinance, and recommends that Board of Supervisors adopt the ordinance effecting the zoning map and text amendments creating the CMU-3 zoning, amending the M-1/NFO and M-1/Edison/NFO zoning, and rezoning the relevant areas of North Fair Oaks

DISCUSSION:

A. KEY ISSUES

1. Implementation of the North Fair Oaks Community Plan

In 2011, the San Mateo County Board of Supervisors adopted the North Fair Oaks Community Plan. The Plan, a component of the County General Plan, establishes

basic land use designations for various parts of North Fair Oaks, and describes the goals and policies for the development of the community over the next 25 to 30 years.

The land use designations in the Plan establish the basic allowed land use for each area (allowed types of residences, businesses, and other uses), as well as basic standards for those uses, including maximum heights, densities, and other development standards.

In order to fully implement the goals and policies established by the Plan, designations for multiple areas in North Fair Oaks must be changed to match the land use designations incorporated in the Plan, and to provide more refined and comprehensive standards for the development of properties in North Fair Oaks. Adoption of the new zoning regulations also ensures that, as required by state law, the County's zoning designations are consistent with those in the Community Plan.

The County has proceeded with the necessary rezonings in multiple phases, beginning with Phase 1, along the southern portion of Middlefield Road, in 2015; Phase 2, El Camino Real and 5th Avenue in 2017; and the current and final phases of the rezoning, Phases 2B (Commercial Mixed-Use) and 3 (Industrial Mixed-Use). The rezoning areas and timeline are shown on Attachment B.

As part of the implementation of the Plan, a new set of design standards for development in rezoning Phases 2, 2B, and 3 was also adopted by the Board of Supervisors. The proposed zoning amendments also include amendments to these design standards, in order to simplify and clarify the standards, the procedure for applying the standards and the different standards that apply to different types and locations of development. All of the revisions are consistent with the design standards in the Community Plan, and with those standards already adopted by the Board of Supervisors.

2. Public Process

Throughout 2018 and 2019, the County conducted outreach and gathered input on the proposed new zoning districts. The efforts included:

- a. Multiple stakeholder forums, each with small groups of local residents, property owners, and business owners, to gather focused input in a small group setting.
- b. Input from a technical advisory group made up of experts in architecture, development, real estate, and policy.
- c. Community-wide workshops, including a combined kickoff workshop, and three workshops for the Industrial Mixed-Use rezoning, and three workshops for the Commercial Mixed-Use rezoning.

Meeting Type	Date
Stakeholder Meeting	June 30, 2018
Stakeholder Meeting	July 17, 2018
Joint Phase 2B and 3 Public Meeting	September 18, 2018

Phase 2B Public Meeting	November 13, 2018
Phase 3 Public Meeting	December 11, 2018
Phase 2B Public Meeting	April 9, 2019
Phase 3 Public Meeting	May 9, 2019
Technical Advisory Group Meeting	September 26, 2018
Technical Advisory Group Meeting	January 31, 2019
Technical Advisory Group Meeting	April 4, 2019

The North Fair Oaks Community Council considered the proposed amendments at a Study Session on May 16, 2019, and at a regular hearing on May 23, 2019, and recommended that the Planning Commission approve, and the Board of Supervisors adopt the amendments and rezoning. The Planning Commission considered the proposed amendments on June 26, 2019 and recommended that the Board of Supervisors approve and adopt the amendments.

3. Purpose of the Zoning Regulations

The overarching purpose of the new zoning is to implement the Community Plan and respond to the needs of the North Fair Oaks community. The goals of the Plan include:

- a. More housing of all types, in appropriate areas.
- b. A greater variety of allowed uses, providing a range of businesses and services to meet community needs.
- c. Redevelopment of under-developed, poorly maintained, vacant, or abandoned properties.
- d. A reduction in uses that are unwanted or inappropriate for the community.
- e. Better access for pedestrians and bicycles.

B. PROPOSED ZONING REGULATIONS

Each of the proposed districts, CMU-3, M-1/NFO, and M-1/Edison/NFO, are discussed below. For each, the goals and purpose of the zoning district, the proposed allowed uses, development standards, and design standards are described in brief. The full proposed regulations are presented in Attachment D.

1. Phase 2B: Commercial Mixed-Use 3 (CMU-3) Zoning

The proposed CMU-3 rezoning area is shown on Attachment C.

a. Goals and Purpose

The proposed Commercial Mixed-Use zoning regulations are intended to allow a greater mix of residential and commercial uses, including both local- and regional-serving commercial uses, and a greater density of multi-family housing.

The CMU-3 Zoning District is similar to the recently-adopted CMU-1 and CMU-2 Districts, on El Camino Real and 5th Avenue, but allows somewhat greater heights and densities. This district is intended to achieve the basic goals of the North Fair Oaks Community Plan, as described above, with a particular focus on a greater variety of commercial uses, and a greater range and density of multi-family housing.

b. Allowed Land Uses

The basic uses allowed in the CMU-3 zoning area are:

- Residential, including multi-family ownership and rental housing
- Commercial uses, including restaurants, grocery stores, pharmacies, and others
- Limited office uses
- Various professional services, including medical, financial services, and others
- Indoor recreational uses
- Mixed commercial and residential uses
- Various institutional uses, such as childcare and community facilities

The full list of allowed uses is shown in Attachment D.

On Middlefield Road, the principal allowed use is mixed commercial and residential, typically with commercial on the ground floor, and residential uses above. All other uses require a use permit. In areas off of Middlefield Road, both commercial mixed-use and entirely residential uses are allowed without a use permit, while other uses require a use permit.

c. Development Standards

- (1) Building Setbacks and Stepbacks. Required building setbacks (the distance a building must be from the property line at the ground floor) and stepbacks (the amount a building must step back further above the ground floor) in the new zoning district vary by location. The full required setbacks are presented in Attachment D.

Rear Setbacks and Stepbacks. In general, projects facing Middlefield Road with residential zoning to the rear must have a combination of rear setbacks and stepbacks totaling 10 feet. For projects on Middlefield Road not adjacent to residential districts, and for projects not on Middlefield Road, the following requirements apply: projects which do not have a rear street frontage (i.e., do not go all the way through a block) must have

the same combined 10 feet of setback and stepback, while projects that go entirely through to another street frontage must have a rear setback sufficient to create an 8-foot sidewalk.

Front Stepbacks. Projects on Douglas Avenue between Middlefield Road and San Mateo Avenue; First Avenue between Middlefield Road and Edison Way; and Edison Way between 1st Avenue and 5th Avenue must have either 1) a 10-foot stepback immediately above the first building floor, or 2) a minimum 8-foot setback from the front property line, and minimum 5-foot stepback either above the first floor, or for buildings greater than 60 feet in height, above the first floor or at 60 feet building height.

- (2) Building Height. The maximum building height for projects located within a quarter mile of the crossing of Middlefield Road and the Dumbarton rail tracks is 70 feet; for projects along Edison Way between 2nd Avenue and 5th Avenue, 50 feet; and for projects on the south side of Middlefield Road, adjacent to residentially-zoned parcels, 60 feet.
- (3) Floor Area Ratio. Floor area ratio (FAR) is an additional limit on the amount of development allowed on any parcel. FAR is the maximum ratio of total floor area of a building, in square feet, to the total square footage of the parcel on which the building is constructed. For example, a floor area ratio of 1.0 means that, on a 5,000 sq. ft. lot, only 5,000 sq. ft. of total floor area may be built (including all stories of the building). A FAR of 2.0 means that a 5,000 sq. ft. parcel may have 10,000 sq. ft. of construction on it.

Use	Maximum FAR
Residential	n/a
Commercial (Retail/Office)	1.5
Institutional	1.0
Industrial	0.75
Mixed-Use	2.0

The primary difference in development standards between the current and proposed zoning regulations is that the current maximum height in the rezoning area is 37 feet, compared to the proposed 50 - 70 feet, and the current maximum floor area ratio is 1.5 for all uses, compared to the proposed 0.75 - 2.0.

d. Parking Requirements

Parking standards describe the amount and type of parking that must be provided by new development. The proposed parking standards are intended to ensure that each new building “parks itself,” providing sufficient parking to meet the parking needs of new residents, new employees, and new customers generated by each business or residence.

- (1) For residential buildings, the proposed standards establish required

parking by type of unit. The basic standards are: 1 space for 0-2-bedroom units; 2 spaces for 3-bedroom units; 1 visitor space for each 10 units. The standards also require 1 bike parking space for each 4 units, and sufficient Electric Vehicle charging spaces or stations to charge at least 5% of vehicles.

- (2) For non-residential buildings, parking is required based on building square footage. Basic standards include: Office and professional services, 1 space per 500 sq. ft.; Neighborhood Trades and Services, Retail Sales, Rental or Repair, 1 space per 300 sq. ft.; Indoor Recreation, 1 space per 400 sq. ft.; Food Services, 1 space per 250 sq. ft.; Bicycle parking and Electric Vehicle parking are also required for non-residential uses.

e. Design Standards

Design standards regulate the physical appearance of individual buildings and other physical elements, and the aesthetic standards and relationship between various physical elements in the community. These include standards for public realm improvements that new projects may be required to provide (such as street trees, bicycle parking, sidewalks, benches, plazas, and/or trash containers), as well as standards for design of the private realm, which address the design of buildings and private properties.

Design standards include:

- Buildings must be oriented toward primary streets
- Building facades, roof heights, step-backs, and architectural elements must be varied
- Buildings must use high-quality, durable materials
- Continuous blank walls are prohibited
- Ground-floor parking, garage entries, parking vents, garbage facilities, and mechanical equipment must be screened or placed out of sight
- Projects must provide trees and landscaping, and treat all stormwater using best management practices
- Signage must be limited in size
- Any required utilities (including power lines) must be installed underground

Design standards for the new zoning districts are shown in Attachment D.

2. Phase 3: Industrial Mixed-Use Rezonings (M-1/NFO, M-1/Edison/NFO)

a. Goals and Purpose

The goals and purpose of the proposed industrial mixed-use zoning districts are to provide industrial areas intended primarily for the location of manufacturing land uses that do not create a significant impact on the surrounding area, and are appropriately scaled and set back from adjacent residential land uses; to accommodate a compatible mix of trades and services, transportation, commercial, public, residential, communication, and institutional land uses; to allow a greater range of mixed-use development that will create a vibrant livable environment for area residents; and to allow residential uses in some specifically designated areas.

The development standards, design standards, and parking requirements for the proposed M-1/NFO and M-1/Edison/NFO Zoning Districts are the same. The only difference between the proposed districts is the range of land uses allowed, as described below.

b. Allowed Land Uses

The primary allowed use in both the M-1/NFO and M-1/Edison/NFO districts remains industrial uses, but with greater limitations on the intensity and impact of such uses, limiting them to lighter industrial uses that do not have significant negative impacts on other surrounding uses. Commercial uses will also be allowed in mixed-use projects, with a use permit, office uses will be allowed only to a limited degree in mixed-use projects, and residential uses will be allowed only in specifically designated areas adjacent to existing residentially-zoned areas. Live-work units will continue to be allowed, as in the current industrial zoning. The full list of uses are presented in Attachment D.

c. Development Standards

(1) Building Setbacks. Required setbacks are determined by land use, as shown below:

Required Setbacks

Use	Front	Side	Rear
Residential	5 feet minimum 15 feet maximum	0	0
Commercial (Retail)	0 feet minimum 10 feet maximum	0	0
Institutional	0 feet minimum 10 feet maximum	0	0
Industrial	10 feet minimum 20 feet maximum	0	0
Mixed-Use	- ¹	0	0

¹ Based on ground floor use.

As in the current zoning, when the rear portion of an M-1/NFO or M-1/Edison/NFO zoned parcel abuts a residentially zoned parcel, a 6-foot rear setback will be required regardless of proposed use.

- (2) Maximum Building Coverage. Maximum building coverage, the amount of a parcel which can be covered by development, will be 80%, the same as the current standard.
- (3) Floor Area Ratio. The maximum floor area ratio varies by land use, as follows:

Floor Area Ratio	
Use	Maximum FAR
Residential	n/a
Commercial (Retail/Office)	0.75
Institutional	1.25
Industrial	1.25
Mixed-Use	1.0

- (4) Maximum Height. The maximum building height of all allowed uses will be 40 feet.

The full development standards are presented in Attachment D.

d. Parking Requirements

As in the case of the CMU-3 district, the parking standards proposed for the revised M-1/NFO and M-1/NFO/Edison districts are intended to ensure that sufficient parking is created to accommodate new parking needs generated by all new businesses and residences. The full list of parking standards is presented in Attachment D. The standards include the following:

- (1) For residential uses in those limited areas where residential is allowed, the parking standards will be the same as those required for the CMU-3 district.
- (2) For non-residential buildings, the standards for those uses also described in the CMU-3 district are essentially the same. Standards for uses that are unique to the industrial districts include: 1 space per 1,500 sq. ft. for light manufacturing; 1 space for the first 1,500 sq. ft., and 1 per each 200 sq. ft. thereafter for wine-making, spirit distillation, and brewing; 1 space per 750 sq. ft. for R&D; 1 space per 750 sq. ft. for indoor wholesale; 1 space per 1,500 sq. ft. for construction trades; 1 space per 400 sq. ft. for Gas Stations (without service station); 1 space per 250 sq. ft. for Service Stations; and 1 space per 500 sq. ft. for Auto Shops (without gas station) and related uses.

e. Design Standards

The design standards for the M-1/NFO and M-1/NFO/Edison districts will be the same as those required for the CMU-3 district, as well as the existing CMU-1, CMU-2, and NMU-ECR districts.

3. Chapter 29: Design Standards and Site Development Permit

Chapter 29 of the County Zoning Regulations, Design Standards and Site Development Permit, was adopted in November 2017 by the Board of Supervisors, with the adoption of the CMU-1, CMU-2, and NMU-ECR Zoning Districts. The Chapter is intended to specify a set of design regulations that apply to various projects in those zoning districts, and in the subsequent CMU-3, M-1/NFO, and M-1/NFO/ECR Zoning Districts, as well as procedures for reviewing project submittals and granting project approvals for projects in those districts.

The proposed amendments to Chapter 29 do not substantively change the nature of the standards applied to projects in these zoning districts. Rather, they clarify and simplify the language of the standards; clarify the locations and project types to which specific sets of standards apply; and clarify the procedures for levels of application review and approval that apply to various types and locations of projects.

The Site Development Permit requirements in Chapter 29 establish the required materials for project applications in the various new zoning districts in NFO, the standards for review of those materials, and the approvals required. The only change to these procedures in the proposed amendments is the clarification that projects requiring a Use Permit, which are already, by County regulations, subjected to a greater level of scrutiny than that provided by the Site Development Permit, will not be required to also obtain a Site Development Permit, as that permit would be redundant.

The proposed changes to the Design Regulations divide the two existing sections, Public Realm Improvements and Private Realm Improvements, into two sections each: Base Standards, and Additional Standards. The base standards are those that apply to every project; the additional standards apply to projects of specific types, or in specific higher visibility locations for which additional design considerations are appropriate. The standards themselves have been rewritten for clarity but are largely similar in substance to those already in Chapter 29.

There are no proposed changes to the types or location of projects subject to the various design standards for the CMU-1, CMU-2, or NMU-ECR Zoning Districts. All projects in these areas remains subject to both Base and Additional Standards.

The full Design Standards are attached as Attachment D.

C. OTHER ISSUES

1. Nonconforming Uses

Some uses that are currently allowed under existing zoning will, under the proposed zoning, no longer be allowed. This does not mean that existing businesses of these types may no longer operate. Rather, any existing use that is not allowed under the new zoning will be considered “legal nonconforming,” and can continue to operate at its current size and scale. However, new uses of that type may not be created, and expansions may be limited.

2. Affordable Housing

Significant amounts of residential development will be allowed in the CMU-3 zoning area, and limited amounts of residential development will be allowed in some portions of the M-1/NFO and M-1/Edison/NFO areas. Pursuant to the County's Inclusionary Housing Ordinance, 20% of every new development greater than five (5) units must be dedicated as long-term, restricted affordable housing, at income levels affordable to low - or moderate-income buyers or tenants. This requirement applies to both rental and ownership housing. There are no exceptions to the inclusionary housing requirement. While the pace of new development cannot be predicted, by law, every project will have a significant affordable component, helping meet both the need for market rate housing, and the need for lower-income housing.

D. ALTERNATIVES

The alternatives to Board of Supervisors adopting the proposed amendments include disapproving the proposed amendments, or approving the proposed amendments in modified form.

E. ENVIRONMENTAL REVIEW

The proposed rezoning is within the scope of the program evaluated in the Environmental Impact Report (EIR) for the North Fair Oaks Community Plan (Plan), certified by the Board of Supervisors in 2011. A checklist evaluating the proposed zoning amendments and determining that their potential impact is within the scope of the program evaluated by the Plan EIR, is included as Attachment E. Pursuant to CEQA Guidelines Section 15168, no further environmental review is required.

F. REVIEWING AGENCIES

County Counsel

FISCAL IMPACT:

There is no fiscal impact to the County from adoption of the proposed zoning map and text amendments.

ATTACHMENTS:

- A. Recommended Findings and Conditions of Approval
- B. Rezoning Phases and Timeline
- C. Maps of CMU-3, M-1/NFO and M-1/NFO/Edison rezoning areas
- D. Adopting ordinance with new CMU-3 and revised M-1/NFO, M-1/Edison/NFO, and Design Standards and Site Development Permit chapters
- E. Environmental Checklist