



REGULAR MEETING MINUTES

Date: 1/8/2018
Time: 7:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

A. Call To Order

Chair Drew Combs called the meeting to order at 7:02 p.m.

B. Roll Call

Present: Andrew Barnes, Drew Combs (Chair), Susan Goodhue, Larry Kahle (Vice Chair), John Onken, Henry Riggs, Katherine Strehl

Staff: Kaitie Meador, Associate Planner; Michele Morris, Assistant Planner; Ori Paz, Assistant Planner; Kyle Perata, Senior Planner; Thomas Rogers, Principal Planner; Tom Smith, Associate Planner

C. Reports and Announcements

Principal Planner Thomas Rogers said on January 10, 2018 the Housing Commission would meet and consider adjustments to the Below Market Rate Housing (BMR) Ordinance and Guidelines associated with changes in state law. He said one change re-enabled the City to apply BMR requirements to rental housing projects. He said the Planning Commission would see those BMR updates in early February. He said a meeting to discuss the siting and uses for the Main Library Reconstruction Project was tentatively scheduled for January 17, 2018. He said the City Council's annual goal setting exercise was tentatively scheduled for January 29, 2018.

Replying to Commissioner Andrew Barnes, Principal Planner Rogers said he understood that BMR requirements for rental projects were not applicable to projects that had already received their discretionary entitlements from the Planning Commission or City Council.

D. Public Comment

There was none.

E. Consent Calendar

- E1. Architectural Control and Below Market Rate Housing Agreement/Elke MacGregor/
1490 O'Brien Drive:
Request for architectural control to construct a new steel mezzanine and stairs within an existing building located in the LS (Life Sciences) zoning district, and for approval of an associated Below Market Rate Housing Agreement. ([Staff Report #18-001-PC](#))

ACTION: Motion and second (John Onken/Susan Goodhue) to approve the consent calendar as recommended in the staff report; passes 7-0.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Approve the Below Market Rate Housing Agreement.
3. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
 - e. The property is not within any Specific Plan area, and as such no finding regarding consistency is required to be made.
4. Approve the architectural control subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by DES Architects + Engineers consisting of ten plan sheets, dated received October 27, 2017, as well as the Project Description Letter, dated received August 25, 2017, approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.

- e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall provide street improvements on public street edges of the property that comply with adopted City of Menlo Park street construction requirements for the adjacent street type, including curb, gutter, sidewalk, street trees, street lights, and undergrounding of overhead electric distribution and communication lines along the property frontage. The plans shall be submitted for review and approval of the Engineering Division.
- f. Simultaneous with the submittal of a complete building permit application, the applicant shall comply with all applicable requirements of the ConnectMenlo General Plan Update Mitigation Monitoring or Reporting Program (MMRP), subject to review and approval of the Planning Division.

F. Public Hearing

- F1. Use Permit/Gerbrand Brouwer/112 Chester Street:
Request for a use permit to demolish a detached garage and a shed and construct a new detached garage and secondary dwelling unit with aesthetic characteristics different from the main residence. The subject parcel is a substandard through lot with regards to lot width in the R-1-U (Single-Family Urban Residential) zoning district, and the secondary dwelling unit would be located along the Haight Street frontage. ([Staff Report #18-002-PC](#))

Staff Comment: Assistant Planner Ori Paz said there were no additions or changes to the written staff report.

Questions of Staff: Commissioner Larry Kahle confirmed with staff that the property was located in a flood zone.

Applicant Presentation: Ana Williamson, project architect, said the process had been lengthy to bring the project forward and they were appreciative of the Commission's time to review it.

Commissioner Katherine Strehl asked whether the garage was for the secondary dwelling unit (SDU) or for the primary residence. Ms. Williamson said it was for the primary residence. Commissioner Strehl asked where the parking was for the SDU. Joe Gardella, Ana Williamson Architect, said for the main residence one parking space was located inside the garage and one was located outside the garage. He said the SDU space was tandem to the space inside the garage, in back of the garage door as shown on page A1.0. Replying to Commissioner Strehl, Mr. Gardella said the SDU had no laundry facilities and confirmed that access to the SDU was from Haight Street.

Replying to various questions from Commissioner Kahle, Mr. Gardella said the sump pump shown under the SDU was to pump water out if any flooding occurred. He said the owners wanted to make the SDU as energy efficient as possible, the roof was basically solar panels, and the intent was the solar to provide all the energy for the SDU. Commissioner Kahle confirmed with the architect that it was an electric mat system and they had run it through energy calculations.

Commissioner Goodhue asked if the parking pad on Chester Street would be removed as there were parking spaces in the rear. Mr. Gardella said there was no plan to demolish the parking pad. Commissioner Goodhue asked if the SDU was for rental or family. Ms. Williamson said the

property owners' grown child was returning home and might live there. She said both residences would be for family.

Commissioner Barnes said the staff report indicated informal discussions with neighbors and asked if the plans were shared with them. Mr. Gardella said he thought the adjacent neighbors had seen preliminary plans during discussions prior to the building submittal, but did not know if the neighbors had seen the most recent set of plans. Commissioner Barnes asked about the metal material for the garage and its maintenance. Mr. Gardella said he believed it was a Kynar finish, which was a long-lasting, durable paint. Commissioner Barnes asked about the lengthy process mentioned. Ms. Williamson they found it challenging to get specific information about the SDU design and they sometimes got conflicting information. She said flexibility was needed to allow an architect to do a good design not necessarily exactly like the existing home that had no particular architectural interest or heritage. She said she did not think the ordinance was written in such a way to foster good design.

Chair Combs asked if the lot could be subdivided in the future. Assistant Planner Paz said it was prohibited under the subdivision language in the SDU ordinance and also under the zoning ordinance as the lot lacked sufficient square footage.

Chair Combs opened and closed the public hearing as there were no speakers.

Commission Comment: Commissioner Onken said the proposal was appropriate for Haight Street and the existing home was perfectly fine in its location. He said the relationship between the existing residence and the SDU was somewhat problematic. He said he could support the proposal.

Commissioner Goodhue said she agreed with Commission Onken's comments and found the SDU well-designed and thought it an improvement over the primary residence. She said it would be an asset to the neighborhood and she had no issue with the SDU not matching the primary residence.

Commissioner Kahle said he used to live very near this parcel and knew it was a unique lot. He said the proposal was a great use of the property. He said he liked the concept that the SDU should be similar in style to the main structure but due to the uniqueness of the lot and the great design, he could support the project. He said he appreciated that they were keeping the redwood trees.

Commissioner Riggs said the SDU was an admirable design. He said after this item finished he would like to request a discussion to provide input to staff and/or City Council related to SDUs matching or being compatible with the main residence.

Chair Combs said the City Council had discussed this ordinance language and had not wanted to change it.

Commissioner Barnes said the project was approvable but he was disappointed in the lack of articulation about neighbor outreach. He said having the SDU design compatible with the primary residence seemed a reasonable approach and he did not see the purpose of duplicating design styles that were obsolete. He moved to approve as recommended in the staff report. Commissioner Strehl seconded the motion.

ACTION: Motion and second (Barnes/Strehl) to approve the use permit as recommended in the staff report; passes 7-0.

1. Make a finding that the project is categorically exempt under Class 3 (Section 15303, "New Construction or Conversion of Small Structures") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Ana Williamson Architect, consisting of 17 plan sheets, dated and received on January 3, 2018, and approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.
 - b. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
 - g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the Arborist Report prepared by Kielty Arborist Services and dated August 23, 2016.

Chair Combs referred Commissioner Riggs' request for discussion on the issue of design requirement for SDUs and primary residences to staff. He asked about moving it past most hearing items on the agenda. Principal Planner Rogers said the agenda did not include an action item for discussion about design language for SDUs. He said the text in the staff report about weighing in on the design requirement was to garner individual commissioner comments as the project was discussed. He suggested that if the Commission wanted to discuss the issue that it should not be a substantive discussion nor should any motions/actions be made. He said feedback of one to two minutes would be helpful.

Commissioner Riggs said the project architect's comments in the package were blunt but well made. He said matching rather ordinary 1940s and 1950s architecture was a poor choice although a conservative position. He said he did not have a problem with compatibility as a guideline. He said if staff felt determining compatibility was not doable that could be circulated as a memo to the Planning Commission. He said a simpler path would seem beneficial to all.

Commissioner Barnes said he recalled in the staff report that staff was inclined to support compatibility more than "similar to" aesthetics. Principal Planner Rogers said staff did not support any changes to the SDU ordinance language at this time due to staff resources and Council already weighing in on the matter in 2013 and not wanting the language changed.

Commissioner Barnes said he did not think the replication of functionally obsolete architecture was purposeful. He said prefab structures seemed to be becoming more mainstream in building projects and those were particularly appropriate cost wise for SDU type applications. He said that would mean a divergence of architectural styles, which made it valuable to reopen the discussion on aesthetic style for SDUs.

Commissioner Kahle said he thought there was importance to having similar design styles for SDUs. He said if someone wanted to propose something different they would have the use permit process to bring forth their project.

Replying to Commissioner Onken, Chair Combs said commissioners were weighing in on the issue raised by the applicant. He noted the matter had already been considered by Council with no direction from them to pursue, and staff had indicated staff resources were not such to tackle the issue. He said however the Commission would be on record to the extent commissioners wanted to express comments on what was a salient issue arising out of the last agenda item.

Commissioner Goodhue said she understood staff's position that the Council had already weighed in and how staff resources were directed, but noted considerable change in the City since 2013 and severely constrained housing stock in the area. She said any blocks put in the way of people trying to add supplemental units for either the housing created or the income provided was a mistake. She said the use permit process cost more money and required more architect time, which she felt was a roadblock to people adding more units.

Commissioner Barnes said he was making a distinction between "similar to" and "compatible with" and asked if that was relevant to this discussion. Principal Planner Rogers said in 2013 Council had been presented with a request to consider changing the language of "similar to" as that was pretty rigid to something like "compatible with," as that would allow for different styles that would be complementary. He said if "compatible with" language had been in the ordinance, staff potentially could have approved the last project with a building permit. Commissioner Barnes said he thought

that was an important distinction.

Commissioner Kahle said he liked “similar to” so there was some architectural character maintenance in housing stock. He said he realized the use permit process was an additional expense but these homes would be here for 100 years. He said he appreciated an opportunity to review such projects to make sure there was good design in Menlo Park.

Commissioner Strehl said she agreed with Commissioner Goodhue noting that the purpose of SDUs was to have family move in or have a caretaker live in for family members. She said the use permit process was costly including architect time and scheduling for the Planning Commission. She said many times an SDU was not visible to anyone but the resident of the property. She asked if there was any review of the SDU ordinance scheduled for the Housing or Planning Commissions before Council’s review. Principal Planner Rogers said not to his knowledge. He said there were a number of other housing element policies that staff had not been able to follow up on that could have more positive impact on units than this. He said focusing staff on processing larger development projects in the queue also had more potential to move things forward with regard to housing. He said for the project tonight the applicants had felt they were hindered by the regulation and a decent amount of time had been spent discussing it. He said he thought there were other ways to make a much more significant effect on housing production unrelated to the SDU aesthetics topic. Commissioner Strehl said she knew a number of residents who had gone through the SDU process and the design language was a big issue and she did not know if it netted anything better except more cost.

Commissioner Riggs said the concept of compatibility was typically what was used for use permits from project house to neighbor. He said that was a reasonable relationship. He said when talking about demanding a higher relationship within the lot that would make sense in a neighborhood that was all Eichler or Victorian but those were uncommon in Menlo Park.

Commissioner Onken asked if the City had similar guidelines for residential code that demanded the same thing of houses and extensions. Principal Planner Rogers said if something came before the Planning Commission for a use permit there was usually an implicit need to have an addition look like the building it was being added to, and similarly if there was a neighborhood with consistent architecture it was implicit with the use permit to match that. He said numerous building permits in the City were done for which no aesthetic criteria was applied for staff to follow. Commissioner Onken said there seemed to be an imbalance between the way larger projects and SDU projects were treated and that the strict aesthetic requirement for a SDU was necessary. He said conversely despite hours discussing residential design guidelines those had never been enabled for other projects.

- F2. Use Permit and Variances/Christina and James Courtney/904 Harmon Drive: Request for use permit to add a second floor, and conduct interior modifications, to a single-family residence that would exceed 100 percent of the replacement value of the existing nonconforming structure in a 12-month period. The proposal also includes variance requests to allow the second floor stairwell to encroach into the required rear setback and to legalize the existing first floor rear setback of 16.5 feet for the purpose of rebuilding eaves up to three feet from the building wall. The subject parcel is located on a lot in the R-1-U (LM) (Single-Family Urban Residential, Lorelei Manor) zoning district. ([Staff Report #18-003-PC](#))

Commissioner Riggs confirmed with staff that his residence was located with the 500-foot radius

requiring his recusal for the project at 904 Harmon Drive. Commissioner Riggs was recused.

Staff Comment: Associate Planner Kaitie Meador said there were no additions to the staff report.

Questions of Staff: Commissioner Kahle said that a variance was not required to extend the walls from eight feet to 10 feet, and some cities would view that as an additional encroachment. Associate Planner Meador said Menlo Park did not as the nonconformity was not being increased as the setback remained the same. She said plate heights could be extended as long as it met daylight plane requirements without a variance.

Applicant Presentation: Alpheus Jessup said he was the project architect, and introduced the property owners Jamie and Christina Courtney.

James Courtney introduced his wife Christina. He said they wanted to increase their habitable space to accommodate their growing family. He said they loved the neighborhood. He said renovating their existing home was the best solution for their needs.

Commissioner Kahle said it looked like they were keeping an eight-foot wall height on the left side and raising the wall height on the right, and asked why not both sides. Mr. Jessup said there was no real need to raise the wall height on the left side and his clients liked the sense of a vaulted or elevated ceiling in the public spaces. He said the existing house with a low-sloped roof had a vaulted ceiling and was a feature they wanted to retain, noting the property owner was tall.

Commissioner Strehl asked why the fence did not meet City requirements. Mr. Jessup said the fences were existing and their intention was not to change them. He said if the City required the fence heights be reduced that they would comply. Commissioner Strehl asked if the fences had to be replaced at some point if they would be replaced consistent with the City's fence requirements. Mr. Jessup responded affirmatively.

Chair Combs opened the public hearing.

Public Comment:

- Michael McKay, Lorelei Manor, said he was on the board when Lorelei Manor put their overlay in place. He said he was very much in support of the project proposal as it would be a great improvement and fit very nicely within the neighborhood. He said the overlay rules were intended to help property owners in Lorelei Manor make building changes without so many of those projects having to come before the Planning Commission due to lot size. He said this corner lot was not helped by the overlay.

Chair Combs closed the public hearing.

Commission Comment: Commissioner Kahle said he appreciated the difficulty of the lot noting the house was oriented toward adjacent houses. He said he could support the variance for the eaves in the rear but was having a harder time for the variance for the second floor. He said their packet contained options provided by the architect toward this issue and he thought some of those might work eliminating the need for a variance. He said variances should be given as a last resort not for expediency. He said keeping the left side wall at eight feet was problematic. He said comparing the west front elevation to the north left elevation windows would be at different heights, and there was

both a flat roof and a sloped roof. He said they should either raise everything up to 10 feet or not. He said the project was basically stucco with fiberglass windows and an accent material was needed. He said the control joints were very prominent in the drawing but he did not think they would read like that when constructed.

Commissioner Onken said he was fine with the proposed house and its idiosyncrasies. He said he appreciated the very low slope roof. He said the project proposal was consistent and in keeping with the aesthetic. He said he had concerns with the back stair options for the variance. He asked if the applicant or architect could explain the decision for a rear stair variance.

Mr. Jessup said there were several nonconformities to work with, a fairly constrained layout of the house, and accommodating the homeowners' program and what they were contending with in terms of their household and growing family. He said clearly they needed a second story. He said their objective was to limit the amount of impact from the stairway on the living space. He said with the other options explored for the stairway that either the powder room would be dropped, some or all of the master bedroom walk in closet lost, or the mudroom / laundry room would be particularly encumbered.

Commissioner Strehl said the project was supportable and moved to approve.

Commissioner Barnes said he was fine with the project architecturally but was having trouble with the variance requests. He said the idea that the variance for the stairwell was needed to expand a walk-in closet was not supportable for him. Chair Combs said he noted that the only neighbor to the rear was a parking lot for a church which helped him with his concerns with the stairway variance. Commissioner Barnes said he questioned whether granting this variance would be equitable to neighbors as not everyone had a church parking lot behind their property.

Commissioner Onken said the stairwell was within the existing setback of the house, which although nonconforming was still within the footprint of what was there before. He said in terms of additional planning harm he did not see that the stairwell variance would cause any. He said qualitatively he did not see the second story bedrooms were excessive in size or that the project would take advantage in any way. He said this lot and project were a unique situation and he was happy to support the variance requests.

Commissioner Goodhue said the project was a significant improvement over the existing situation and the pop out for the stairwell was within the setback. She said she thought it was important they bring the fence heights into compliance through their construction project than the stairwell variance.

Commissioner Kahle said the eave variance was easy to support as those were already there and being rebuilt. He said raising the wall height should be a variance too as it increased the nonconformity. He said he thought a better design would not require the stairwell variance.

Commissioner Goodhue seconded Commissioner Strehl's motion. Commissioner Strehl asked if Commissioner Goodhue would like the fence addressed. Associate Planner Meador said there was already a condition stating that the fences would have to be updated to be in compliance. Commissioner Strehl confirmed with staff that the fences would be updated as part of the construction.

Chair Combs recognized Mr. Courtney, who said that they spent considerable time with the architect on the stair layout. He said it was not as simple as discretion or vanity for a few feet of closet space as the alternatives they looked at really negatively impacted usable space in the common room upstairs for the children or hindered maintenance of the central hallway configuration.

ACTION: Motion and second (Strehl/Goodhue) to approve the use permit as recommended in the staff report; passes 5-1-1 with Commissioner Kahle voting in opposition and Commissioner Riggs recused.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Make the following findings as per Section 16.82.340 of the Zoning Ordinance pertaining to the granting of a variance to allow the second floor stairwell to encroach into the required rear setback and to legalize the existing first floor rear setback of 16.5 feet for the purpose of rebuilding eaves up to three feet from the building wall:
 - a. A hardship is presented given the unique orientation of the existing residence on the lot and the non-typical trapezoid-shaped parcel. This hardship is peculiar to the property and was not created by any act of the owner.
 - b. The requested variance for the building encroachments into the required rear yard setback are necessary to allow the property owners to conduct typical modifications that other conforming properties would be able to more easily achieve on a typical rectangular-shaped lot in the R-1-U (LM) zoning district. The requested variance is necessary for the preservation and enjoyment of substantial property rights possessed by other conforming properties in the vicinity, and does not grant the property a special privilege.
 - c. Although the proposed second floor stairwell and eave encroachments would affect the required rear yard setback, the encroachments would not be detrimental to the public health, safety, and welfare, or impair an adequate supply of light and air to the adjacent properties. The adjacent buildings are located approximately 14.5 feet and 65.5 feet from the proposed project, the encroachments are modest in size, and the remodeled and expanded residence would comply with all other development regulations prescribed by the Zoning Ordinance, such as side floor area limits, building coverage, and building height.
 - d. Because the variance would be based on the unique conditions of a trapezoid-shaped parcel and the placement of the existing residence, the conditions would not be applicable, generally, to other properties within the same zoning classification.
 - e. The property is not within any Specific Plan area. Hence, a finding regarding an unusual factor does not apply.
3. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.

4. Approve the use permit and variances subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by M Designs Architects, consisting of 22 plan sheets, dated received December 14, 2017, and approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance; the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
 - g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the arborist report prepared by Henry Ardan and dated March 25, 2017.
5. Approve the use permit and variances subject to the following **project-specific** condition:
 - a. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the fencing on the property will be revised to comply with the current fence height regulations. The plans shall be submitted for review and approval of the Planning Division.

- F3. Use Permit Revision/Keda Wang/1045 Trinity Drive:
Request for a use permit revision to partially remodel the first floor and reallocate floor area to allow for the expansion of the ground floor at the rear of a new two-story, single-family residence on a substandard lot with regard to lot width in the R-E-S (Residential Estate Suburban) zoning district. The project received a use permit on Nov. 7, 2016 to demolish the existing residence and

construct a new two-story, single-family residence. The residence is currently under construction. (Staff Report #18-004-PC)

Commissioner Riggs returned to the dais.

Staff Comment: Assistant Planner Michele Morris said an email received this afternoon from a neighbor at 1055 Trinity Drive expressed privacy concerns with the project, had been distributed to the Commission and was available to the public at the table in the rear of the room.

Applicant Presentation: Clara Ting, project engineer, said during the site visit May 2017 the contractor informed her that the original geotechnical report incorrectly stated that the existing pile was 20-foot deep and was only seven feet deep. She said they had to stop the job so they could strengthen the entire basement by providing 36-feet by 56-feet, 14-inch slab thickness with 26 piles.

Commissioner Kahle asked if there was a soils report. Ms. Ting said the geotechnical report was submitted to the City in 2014. She said the report stated 60 existing 12-inch diameter piles and that each of them was 20-feet deep. She said it turned out that they were only seven-feet deep in some of the locations. Commissioner Kahle confirmed there were roof trusses in the design. He said in the previous design that some of the attic space was counted toward square footage. Ms. Ting said previously the attic space was more than five feet in height and they had to count it. She said they were lowering the floor height to nine feet and instead of stopping at the roof overhang it now stopped at the wall which gave them an additional 10-inches in ceiling height.

Replying to Commissioner Kahle, Assistant Planner Morris said the attic space had been more than five feet tall making it added floor area. She said the applicant was using that floor area to expand the lower portion of the building. She said the roof pitches were being lowered with the same ceiling heights. She said the overall height of the building was being lowered as well, which was why the applicant was able to stay just under the floor area count.

Chair Combs opened the public hearing.

Public Comment:

- Tim Richardson, 1055 Trinity Drive, said his home was next door to the subject property. He read the email he had sent to staff: *My wife and I are concerned with the height of the rebuilt house on the side close to 1055 Trinity Drive and the numerous windows in those rooms. There were no windows in the previous building, which looked out onto us. The framing does not yet have any roof on top of it except the windows in the new room and the rebuilt drawing room, as he called it, look directly down onto their house, and we don't like it because we will lose privacy. I don't know if this was something that could reasonably be raised at this stage. It certainly was not apparent to us that there was going to be something which is significantly taller than what was there before.*

Chair Combs closed the public hearing.

Commission Comment: Commissioner Onken said he appreciated that the applicant catalogued what the Commission had approved before and what was new so it was easy to compare them. He said there was some confusion on the drawings as to what the east or west side was. He

suggested correcting those as the north arrow was pointing toward what was being referred to as the east elevation where the garage was. He said the ridge of the façade facing 1055 Trinity Drive was slightly higher and at a greater slope than what was approved before. He said he thought the overall mass of this side of the house was going to be less of an effect than what was there previously. He said he understood the concern with the additional glazing noting the fenestration had been rearranged and windows added. He said for the neighbor's privacy he would ideally like to see the new fixed window at the end of the façade W-11 removed or a different consideration made. He said he was not overly concerned with the windows at the lower grade line in the basement. He moved to approve with the added condition that the kitchen window, W11, at the end of the west facing elevation be removed.

Replying to Commissioner Riggs' concern regarding natural light for the area, Commissioner Onken said there were two large skylights above the area. He said as a side wall facing another's property the proposal was overly fenestrated. Commissioner Riggs seconded the motion.

Recognized by the Chair, Ms. Ting asked if they could keep the window and plant screening trees. Commissioner Onken said that trees were a temporary solution and windows were permanent. Ms. Ting noted the property owner was in China, and that her client insisted on that window for the view of the other side of the golf course.

Commissioner Onken said he did not want to change his motion unless the applicant wanted to return with a revised window plan. Ms. Ting declined noting the project needed to move forward.

ACTION: Motion and second (Onken/Riggs) to approve the use permit with the following modification; passes 7-0.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Aclara Engineering Consulting consisting of 18 plan sheets, dated received January 2, 2018, 2017, and approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.

- c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
- d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
- e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
- f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
- g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the arborist report prepared by Arbor Gus Professional Treecare and dated February 2, 2017.

4. **Approve the use permit subject to the following project-specific condition:**

- a. ***Simultaneous with the submittal of a complete building permit application, the applicant shall submit revised plans which omit the proposed kitchen window on the right side elevation of the upper floor, subject to the review and approval of the Planning Division.***

F4. Use Permit Revision/Ohashi Design Studio/1220 Bay Laurel Drive:
Request for a use permit revision to make exterior changes to a new two-story, single-family residence with basement on a substandard lot with regard to lot width in the R-1-S (Single-Family Suburban Residential) zoning district. The project received a use permit on May 9, 2016 to demolish the existing residence, remove a heritage Canary Island palm tree, and construct a new two-story, single-family residence. The residence is currently under construction. ([Staff Report #18-005-PC](#))

Staff Comment: Senior Planner Kyle Perata said there were no changes to the staff report.

Applicant Presentation: Philip Liang, ODS Architecture, said they had been working on the house for about two years and were nearing completion. He said they wanted to make modifications in terms of the materials as the client became concerned there was too much wood. He said they wanted to keep the aesthetic the same and reduce maintenance needs on the south side of the home.

Commissioner Kahle referred to perspectives A9.3, drawing 1A, and said it showed a wall to the

left of the garage that looked different from drawing 1B and asked about the change in material. Philip said the left rendering was done early on in the design and was a texture representation. He said the one on the right was the more correct representation of the tile layout, and that there was no change in what it was. Commissioner Kahle said on page A9.2 on the top that drawing 2A had a dark gray box that he thought was the master bathroom and in another drawing was a white box. Philip said the change was the color. Commissioner Kahle confirmed with Philip that the changes were the use of stucco instead of wood in certain areas, the color of the master bathroom, and that there were no other changes.

Chair Combs opened and closed the public hearing as there were no speakers.

Commission Comment: Commissioner Barnes said he was sad to see the wood siding go but he thought it was an acceptable modification. He said he supported the project.

Commissioner Onken said the changes were de minimus, that any planning concerns were still mitigated with the project, and that it retained its integrity. He said he could approve.

Commissioner Kahle said he disagreed. He said the project had looked really great with the siding. He said he could support if they wanted to remove the wood siding from the rear where it was not visible from the street. He said keeping the cedar in the other two locations would not incur great cost to maintain.

Commissioner Riggs said he was personally disappointed with the change in materials but it remained a perfectly approval project.

Chair Combs said he thought similarly with Commissioner Kahle that this was a different project, and he had preferred the project they had originally approved. He said if this had been the original project proposal however it would have been approvable.

Commissioner Goodhue moved to approve as recommended in the staff report. Commissioner Strehl seconded the motion.

ACTION: Motion and second (Goodhue/Strehl) to approve the use permit as recommended in the staff report' passes 6-1 with Commissioner Kahle voting in opposition.

1. Make a finding that the project is categorically exempt under Class 3 (Section 15303, "New Construction or Conversion of Small Structures") of the current CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Ohashi Design Studio, consisting of 27 plan sheets, dated and received on January 2,

2018, and approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.

- b. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
- c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
- d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
- e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
- f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
- g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the Arborist Report prepared by Kielty Arborist Services and dated December 4, 2016.

F5. Use Permit and Architectural Control/City of Menlo Park/1221 Chrysler Drive:
Request for architectural control to construct a new stormwater pump station to replace an existing pump station, and a request for a use permit for hazardous materials to install a new diesel emergency generator associated with the stormwater pump station, in the P-F (Public Facilities) zoning district. ([Staff Report #18-006-PC](#))

Staff Comment: Associate Planner Tom Smith said there were no modifications to the staff report, and there was an applicant presentation.

Applicant Presentation: Eric Hinkley, Assistant Engineer, City of Menlo Park, said also present were Azalea Mitch, City Engineer, and Steve Buchholz with Heller Manus Architects, the architects for the pump station and the adjacent Menlo Gateway development.

Mr. Hinkley said the pump station at 1221 Chrysler Drive was built in 1958 and was the City's only city-owned stormwater pump station. He said the station equipment was 60 years old and typically became worn out anywhere from 25 to 50 years. He said the pump station provided for flood protection for an area including a significant portion of properties in the M2 zoning district, a portion

of the Suburban Park residential neighborhood, and a portion of Highway 101. He said in 2016 the City independently began to design a new pump station on the existing parcel. He said as part of the Menlo Gateway Constitution Plan Development, Bohannon Development Group expressed interest in collaborating with the City to relocate the pump station and improve the aesthetics of the pump station. He said the City subsequently agreed to an exchange of properties with Bohannon Development Company. He said this moved the pump station back from Chrysler Drive allowing for more landscaping along the street frontage and improving the overall aesthetics of the area. He said Heller Manus developed the design for the exterior of the pump station. He said the cost for the design and construction of the exterior walls would be paid for by Bohannon Development Company through a funding agreement executed with the City. He said the City Council in May 2017 approved a \$6.2 million budget and appropriated funding for construction. He said the pump station was being designed to handle a potential storm event of a 100 year capacity and would be elevated to accommodate the potential two feet of sea level rise. He said the current pump station had the capacity to pump a 10 year storm event.

Steve Buchholz, Heller Manus, said there were four buildings on the Menlo Gateway project. He said they looked at the pump station as an opportunity with Bohannon Development and the City to improve the front door to their project, noting Chrysler Drive and Bayfront. He said the pump station would have the same metal material as their office buildings and parking structures. He presented slides of what the pump station would look like.

Commissioner Riggs asked about up lighting noting it could be a problem. Mr. Buchholz said they were trying to not have any light passing by the building into the night sky, and would continue to study it.

Commissioner Barnes asked about the funding agreement. Mr. Hinkley said when Bohannon Development approached the City with its proposal to collaborate on the relocation and design of the pump station the City executed a funding agreement that stipulated the basic requirements of the process to do a land exchange including obtaining necessary easements for all the underground utilities and drainage and what Bohannon Development's financial obligation would be for the design and construction of the pump station building. Commissioner Barnes clarified that the \$6.2 million authorized by the City Council and the increments from Bohannon Development would be used for the project. Replying further to Commissioner Barnes, Mr. Hinkley said he thought the project cost was estimated at \$7.1 million.

Commissioner Kahle said the design looked very expensive and asked if Bohannon Development Group was covering the costs. Azalea Mitch, City Engineer, said when they began discussions with Bohannon Group about the enhanced design the agreement was that Bohannon would be responsible for the delta or anything that would be more than the cost of a basic City design. She said Bohannon was currently funding the architectural design and would pay for the construction of the exterior shell of the pump station.

Commissioner Kahle asked if the storm easement shown was related to the pump station itself. Mr. Hinkley said all the easements were related to the pump station itself. Mr. Buchholz said initially the pump station was sited under the PG&E high voltage easement so it had to be shifted closer to the parking structure. He said it was pulled back from the street and would allow for an additional lane on Chrysler Drive in the future. Replying to Commissioner Kahle, Mr. Buchholz said the project would not be fenced and the landscaping from Menlo Gateway project would continue past the pump station. He said the pump station would be seen when driving on Bayfront Expressway.

Chair Combs asked if the City had allocated \$6 million for the working parts of the pump station with the idea that the exterior design would cost about \$1 million. Ms. Mitch said the City has \$6.2 million for the pump station project. She said she believed Bohannon's estimate for the building when it was a concrete façade would be about \$250,000. She said with the metal finish it would cost about \$350,000.

Commissioner Riggs said the landscaping was shown on renderings but there were no landscape plans, and if that was what the landscaping would look like. Mr. Buchholz answered affirmatively and said they were about to submit for a building permit for the landscaping of the entire Phase 2 project and the pump station would be included in that plan. He said the planting had to be low to the ground due to the underground easements and pipes.

Chair Combs opened the public hearing and closed it as there were no speakers.

Commission Comment: Commissioner Onken said it was important for the quality of the small details such as light fixtures to match the quality of the overall design and materials. He said the project was supportable.

Commissioner Barnes said he liked the project and partnership, and moved to approve the item as recommended in the staff report. Commissioner Kahle seconded the motion noting that such a nice design would not have been possible just using public funding.

ACTION: Motion and second (Barnes/Kahle) to approve the use permit and architectural control as recommended in the staff report; passes 7-0.

1. Make a finding that the project is categorically exempt under Class 2 (Section 15302, "Replacement or Reconstruction") of the current California Environmental Quality Act (CEQA) Guidelines.
2. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
 - e. The property is not within any Specific Plan area, and as such no finding regarding consistency is required to be made.
3. Approve the use permit and architectural control subject to the following **standard** conditions:

- a. Development of the project shall be substantially in conformance with the plans prepared by Schaaf & Wheeler Consulting Civil Engineers consisting of 20 plan sheets, dated received November 29, 2017, as well as the Project Description Letter, dated received June 22, 2017, approved by the Planning Commission on January 8, 2018, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
- b. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
- c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
- d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
- e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
- f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
- g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the Project Arborist's recommendations.
- h. Simultaneous with the submittal of a complete building permit application, the applicant shall comply with all applicable requirements of the ConnectMenlo General Plan Update Mitigation Monitoring or Reporting Program (MMRP), subject to review and approval of the Planning Division.
- i. If there is an increase in the quantity of hazardous materials on the project site, a change in the location of the storage of the hazardous materials, or the use of additional hazardous materials after this use permit is granted, the applicant shall apply for a revision to the use permit.
- j. Any citation or notification of violation by the Menlo Park Fire Protection District, San Mateo County Environmental Health Department, West Bay Sanitary District, Menlo Park Building Division or other agency having responsibility to assure public health and safety for the use of hazardous materials will be grounds for considering revocation of the use permit.

- k. If operations discontinue at the premises, the use permit for hazardous materials shall expire unless a new user submits a new hazardous materials information form to the Planning Division for review by the applicable agencies to determine whether the new hazardous materials business plan is in substantial compliance with the use permit.

Chair Combs said Commissioner Goodhue and he would need to recuse themselves from item F6, and Vice Chair Kahle would chair the remainder of the meetings.

- F6. Development Agreement Annual Review/Facebook/1 Hacker Way and 1 Facebook Way: Annual review of the property owner's good faith compliance with the terms of the Development Agreements for their East Campus, West Campus, and Facebook Campus Expansion projects. ([Staff Report #18-007-PC](#))

Staff Comment: Senior Planner Perata said there was one more completed item for the Facebook Campus Project Development Agreement that was not identified in the staff report. He said there were four, not three, completed items and nine conditional or no action required at this time items. He said the fourth item was the payment of the Transportation Management Association (TMA) Feasibility and Implementation Strategy Fees. He said Facebook had paid \$100,000 in December 2017.

Applicant Presentation: Fergus O'Shea, Facebook, said it was their seventh year in Menlo Park, and they were pleased to provide updates on all of their development agreements. He said for the latest development agreement for the Buildings 21 and 22 project that they were able to provide 22 residential units of affordable housing for local teachers. He said the program was put into place at the beginning of this fiscal year.

Commissioner Strehl asked about the hours applicable to trip caps. Senior Planner Perata said the trip cap had three components with an a.m. period and a p.m. period. He said two hours applied to the a.m. period: 7 to 8 a.m. and 8 to 9 a.m. He said two hours applied to the p.m. period: 4 to 5 p.m. and 5 to 6 p.m. with 50% of the maximum applied to each period so there was basically a one hour window for the trips. He said also there was a total for the overall daily trips for both campuses. He said the west campus was essentially two projects at this point but the trip cap applied to the entire campus of Buildings 20 through 23, and the hotel once it was implemented.

Commissioner Strehl asked when the Regional Transportation Forum would be held. Mr. O'Shea said when this was included in the development agreement they first wanted to see the outcome of the Dumbarton Corridor Study. He said the goal was to finish the Study, determine next steps, and then move into the Regional Transportation Forum. He said no date was scheduled yet. Commissioner Strehl asked whether it was likely to occur in 2018. Mr. O'Shea said he would find out that information and get back to them.

Commissioner Strehl asked if the Housing Innovation Fund and the housing inventory were in progress. Senior Planner Perata said Facebook had started the process for that study with data gathering. Mr. O'Shea said they were working with UC Berkeley and had met with the City on a scope for the initial study. He said they would work with staff over the next year to do the study.

Vice Chair Kahle opened the public hearing and closed it as there were no speakers.

Commission Comment: Commissioner Barnes said item 9.1 had in the notes that it was housing

relating to investments and noted a shift to direct investment via the Catalyst Housing Fund. He said that was on page B3 for the East Campus development agreement.

Mr. O'Shea said his understanding was they had set up and announced the Housing Catalyst Fund last year. He said he believed they were working to get additional sources of funding toward that fund and had hired a fund foundation late last year to run the program, which they would set up. He said he would need to get back to them with any more specifics. Commissioner Barnes asked about the size of the fund. Mr. O'Shea said he thought it was in the tens of millions. Commissioner Barnes asked if its intent was to channel direct investment into low income housing developments. Mr. O'Shea said that was correct and also to look at preservation policy and other things besides building projects. He said he would talk to their Housing Program Manager, get the latest status, and provide that information in a report to staff and the Commission.

Commissioner Barnes asked about the process of the Dumbarton Transportation Corridor Study and when they would expect to see results from SamTrans. Mr. O'Shea said the SamTrans board adopted the study as a multi-modal corridor and Facebook was in direct discussions with SamTrans as to what the next steps would be. Commissioner Barnes said there were a number of iterations to the study, and asked if Facebook funded with a hands-off approach or whether Facebook was one of the voices that helped to shape what the SamTrans board eventually approved. Mr. O'Shea said SamTrans ran and led the study. Commissioner Barnes asked about this study and the Dumbarton Rail Trail Study. Mr. O'Shea said when Facebook originally started looking at the Dumbarton Corridor during the Building 20 project, they started working on their own design for a rail trail working directly with CalTrans. He said at the same time SamTrans came to Facebook and asked beyond just rail trail if they were interested in making further investments to see what could be completed along the entire corridor. He said they had finished some initial design concepts and then the rail trail was studied as part of the overall corridor study.

Replying to Commissioner Barnes, Senior Planner Perata said the City's Transportation Division was ready to move forward doing background work on best practices for a TMA, and begin development of a proposal for one. He said the City would be using the \$100,000 paid by Facebook for those actions.

Commissioner Barnes referred to Attachment C, page C6, and item 19 in the East Campus development agreement. He said the item showed completed and asked whether there was a tangible benefit to being either a provider or net receiver of TDM information. Mr. O'Shea said they received requests from all different types of agencies, public and private, about their TDM program noting their TDM program participation was at 50%. He said even going from a smaller to a large company they had been able to increase participation in their TDM program. He said other companies in developing their TDM programs asked Facebook about their TDM programs. He said there were best practices that were shared among different companies, both private and public. He said he did not know if there was an absolute tangible from doing that but Facebook tried to partner as much as possible to share what they do for TDM.

Replying to Commissioner Barnes, Senior Planner Perata said trip cap data was not currently published on the City's website or otherwise, but was a City record within the Transportation Division so it was a publicly accessible data set if requested.

Commissioner Onken said he was satisfied with the progress made to fulfill the development agreements and called out his particular appreciation for the funding mechanism Facebook created

to fund low income housing development noting changes in tax law and what had previously been federal tax credits or shelters.

Commissioner Riggs said item 18.1 on page B4 regarding local purchasing was shown as complete. He asked about a program to incentivize employees to frequent local businesses and how well that worked. Lauren Swezey, Sustainability and Outreach with Facebook, said they did three different programs over a period of several years. She said it was somewhat difficult as it was hard to get employees who did not have transportation to downtown Menlo Park. She said over 50% of Facebook employees get to campus some other way than by personal vehicle. She said people who lived in the area loved the program.

Commissioner Riggs said on page C1 that he understood the Local Community Fund was administered by Facebook, and that item 10 was one of three items he thought related to the Local Community Fund. He said the requirement was to provide support for local community needs, and asked what was done noting similar requirements on D1 and G3 for subsequent phases. Ms. Swezey said under the East Campus development agreement they established the Local Community Fund and chose Philanthropic Ventures Foundation to run the fund for them. She said their board members included externally one Menlo Park City Council member and one East Palo Alto City Council member, and internally three members, noting she was one of the three. She said Philanthropic Ventures Foundation organized and collected grant requests submitted for funding consideration. She said they just completed their sixth year of the program and that they distributed funds to a wide variety of small organizations. Commissioner Riggs said there were an original \$500,000 and then a follow up amount of \$100,000. Ms. Swezey said in 2017 they grant funded \$120,000 and in 2016 they granted \$200,000 in response to the volume of requests made.

Commissioner Riggs said on page G.4, item 9.1.6 was a requirement to support City services. He asked if this was a single payment of \$11,250,000 as the timeline indicated payment was required on July 1 of each fiscal year beginning in 2018. Senior Planner Perata said it would be five equal payments of the total made July 1 of each fiscal year or \$2.25 million yearly. Commissioner Riggs said the funds were for services that benefited the community and asked if that was for adjacent communities like Belle Haven, Suburban Park, and Lorelei Manor or did it mean citywide. Senior Planner Perata said it was money for City services that the City had sole discretion to determine how to spend with the understanding that it would be used to create a fourth police beat in the Bayfront area and fund personnel for that presumably up to five years.

Vice Chair Kahle asked how many more years of annual reviews there were for the development agreements. Senior Planner Perata said with the most recent development agreement there would be annual review for another 20 years. Vice Chair Kahle asked if there was a percentage of completed items under the development agreements. Senior Planner Perata said he did not have a percentage immediately but they could generally calculate looking at the individual tables for the first two development agreements noting most of the one-time items had been completed with ongoing items to be considered through annual reviews.

Commissioner Barnes moved as recommended in the staff report under Attachment A to make a determination that Facebook has made good faith efforts to implement the provisions of the three development agreements during the 2016-2017 Development Agreement Review Year. Commissioner Strehl seconded the motion.

ACTION: Motion and second (Barnes/Strehl) to approve the item as recommended in the staff

report; passes 5-0 with Commissioners Combs and Goodhue recused.

1. Make a finding that the Annual Review of the Development Agreements has no potential to result in an impact to the environment and does not meet the definition of a Project under the California Environmental Quality Act (CEQA).
2. Make a finding that Facebook has implemented the provisions of its three Development Agreements and associated amendments during the 2016 – 2017 Development Agreement Review Year.

G. Informational Items

G1. Future Planning Commission Meeting Schedule

- Regular Meeting: January 22, 2018

Principal Planner Rogers said that Deanna Chow would be staff liaison for the meeting. He said items for the meeting included use permit revisions, annual review for the Menlo Gateway development agreement, and some proposed ordinance changes including citywide EV charging station requirements. He said a project of interest would be the 840 Menlo Avenue Project, which was for a former loading dock that had been vacant for a number of years. He said the proposal was to construct office space with three residential units.

Commissioner Barnes asked about a project in front of the train station, noting he had been contacted by project principals to meet on that but that he had not met with any of them. He asked if there would be a study session or if there was some update on that project. Principal Planner Rogers said due to its location centrally to the City, its height within the allowed zoning for the area and definitely unique, and in response to some of the Commission's comments on the 706 Santa Cruz Avenue project that it potentially would have benefited with a study session, staff had recommended that the applicant for the Santa Cruz Avenue and Merrill Street project have a study session with the Planning Commission at the beginning of February.

Commissioner Barnes asked about the project at 40 Middlefield Road, the lot next to Willow Market. Principal Planner Rogers said the application was not complete and would not come before the Commission anytime soon. He said comments received on the proposal regarding parking reduction, vehicle safety, and traffic congestion would be closely reviewed.

Commissioner Strehl said the project on Santa Cruz Avenue and Merrill Street had been in planning for 16 months. She said if the Commission was to do study sessions on projects she thought it was fairer for the applicants to do them much sooner than 16 months. She said with a study session on it in early February she hoped the project would be able to come back to the Commission for approval in a very short amount of time. Principal Planner Rogers said he understood but he advised looking at applicants' description of their project time with some scrutiny as they might be counting how long they have been working on it and not how long the project has been a full, complete application. Commissioner Strehl confirmed with staff that an item for a study session needed to have the development program set.

- Regular Meeting: February 5, 2018

- Regular Meeting: February 26, 2018
- Regular Meeting: March 12, 2018

H. Adjournment

Vice Chair Kahle adjourned the meeting at 9:52 p.m.

Staff Liaison: Thomas Rogers, Principal Planner

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on January 22, 2018