



REGULAR MEETING MINUTES

Date: 10/8/2018
Time: 7:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

A. Call To Order

Chair Susan Goodhue called the meeting to order at 7:04 p.m.

B. Roll Call

Present: Andrew Barnes (Vice Chair), Drew Combs, Susan Goodhue (Chair), Camille Kennedy, Katherine Strehl

Absent: John Onken, Henry Riggs

Staff: Fahteen Khan, Contract Assistant Planner; Thomas Rogers, Principal Planner; Corinna Sandmeier, Senior Planner; Tom Smith, Senior Planner

C. Reports and Announcements

Principal Planner Thomas Rogers reported that the City Council at its October 9, 2018 meeting would consider interim city manager selection and the overall city manager hiring process. He said the Council would also consider a proposed scope of work for below market rate housing (BMR) feasibility that would look at the impact of BMR requirements on lower unit sized residential projects. He said on October 10, 2018 the Housing Commission would consider a tenant relocation assistance ordinance as a recommending body to the Council. He said on the same date the Complete Streets Commission would meet and consider a potential change related to the 840 Menlo Avenue project and Draeger's loading zone.

D. Public Comment

There was no public comment.

E. Consent Calendar

- E1. Approval of minutes from the September 17, 2018, Planning Commission meeting. ([Attachment](#))

ACTION: Motion and second (Katherine Strehl/Camille Kennedy) to approve the minutes as submitted; passes 4-0-1-2 with Commissioner Goodhue abstaining and Commissioners John Onken and Henry Riggs absent.

F. Public Hearing

F1. Use Permit/Robert & Michelle Garff/333 Yale Road:

Request for a use permit to demolish an existing single-family residence and construct a new two-story single-family residence with a basement and attached two-car garage on a substandard lot with respect to width in the R-1-U (Single-Family Urban Residential) zoning district. The proposal includes a request to remove three heritage trees (including one street tree), and excavation within the required side setbacks for lightwells. ([Staff Report #18-083-PC](#))

Staff Comment: Contract Assistant Planner Fahteen Khan said the three proposed heritage tree removals had been approved by the City Arborist.

Applicant Presentation: Chris Kummerer, CKA Architects, project architect, said the project genesis was to create a cottage, Craftsman-style home to fit within the Allied Arts neighborhood. He made a visual presentation on the proposed design. He said the heritage street tree to be removed was not thriving due to its proximity to another tree. He said the project bulk would be located more in the center and away from neighbors. He said they would use a variety of materials including brick at the base and two types of shingle siding. He said the property owners met with as many neighbors as available and received favorable support for the proposed project.

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

Commission Comment: Chair Goodhue said she thought the proposed home would fit nicely within the neighborhood.

Commissioner Andrew Barnes said he thought the home would fit well with the neighborhood. He indicated that although the home with the basement was 4900 square feet it did not appear massive.

Commissioner Strehl said she liked the project and moved to approve it. Chair Goodhue seconded the motion but asked the applicant to explain the neighborhood outreach they had done.

Michelle Garff said they went door to door to speak with neighbors at two different times, once in the evening and then on a weekend morning. She said they spoke with eight neighbors including both adjacent neighbors. She said the neighbors liked the design and its low profile.

ACTION: Motion and second (Strehl/Goodhue) to approve the item as recommended in the staff report; passes 5-0-2 with Commissioners Onken and Riggs absent.

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 CKA Architects, consisting of 15 plan sheets, dated received September 19, 2018 and approved by the Planning Commission on October 8, 2018, 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 and street trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the arborist report by Kielty Arborist Services LLC dated June 11, 2018.

- F2. Use Permit Revision/Sam Sinnott/1320-A Willow Road:

Request for a revision to a use permit (originally granted in 2001 and extended in 2003) for the retail sale and on-site consumption of wine in association with the operation of a wine storage and production facility. The proposed revisions would increase the amount of signage and advertising permitted indoors, outdoors, and online; adjust the minimum prices of wines available for sale and consumption on-site to 30 dollars or more per bottle and three dollars or more per tasting; provide daily wine tastings from noon to 8:00 PM seven days a week; and host up to 150 wine tasting events per year between the hours of noon and 10:00 PM. All wine tastings and events will be held indoors and will not exceed 50 persons at any time. The project site is located in the LS-B (Life Sciences, Bonus) zoning district. ([Staff Report #18-084-PC](#))

Staff Comment: Senior Planner Tom Smith said there were no additions to the staff report.

Questions of Staff: Commissioner Barnes asked about the minimum price of wine, what the minimum cost was originally and why a CPI had been applied to that price. Senior Planner Smith said the original condition was set price to be adjusted by CPI. He said the request was to set that cost at a flat \$30 rate as the minimum for a bottle of wine. He said he thought the original cost was \$30 but with the CPI that had been applied the cost was now around \$44.

Commissioner Strehl said she thought the \$30 minimum for a fine wine was set low and not representative of the cost of fine wine. Chair Goodhue suggested, and Senior Planner Smith agreed the applicant might better answer that question.

Applicant Presentation: Don Fox, Managing Partner of Wine Bank, said their original thought was to sell their customers' excess wine on consignment. He said that could be at any price. He said they had not done retail wine sales, which was what they were now looking at now, noting that Beltramo's was out of business. He said also they were seeing a dramatic change to the character of the neighborhood including Facebook residential units almost next door. He said buying wines meant the whole line had to be bought. He said if they wanted the \$1,000 per bottle wines they also had to buy the \$30 per bottle wines of a line. Replying to Commissioner Strehl, Mr. Fox said they, not the clients, would buy the wines and be a wine retailer in the more classic sense like what Beltramo's did in creating relationships with chateaus in France and wineries in California and other places. Replying to Commissioner Strehl, Mr. Fox said that they would probably not do 150 events a year but somewhat less than 100 events.

Chair Goodhue opened the public hearing.

Public Comment:

- Pamela Jones, Menlo Park, said she lived about four blocks from Willow Road. She said the applicants wanted to be open from noon to 8 p.m. seven days a week with the expected number of cars parked at 50 with a capacity of 78 spaces. She said The Eternal Life Church letter dated October 1, 2018 indicated the project operators were wonderful neighbors and referred to one upcoming event. She said the Mid-Peninsula High School letter dated October 3, 2018 referred to the project's proposed more wine tastings. She asked what was in the letter that the applicants sent to those neighbors and whether all the neighbors realized the retail operations noon to 8 p.m. seven days a week. She said traffic impacts had to be considered and what was the actual neighbor outreach. She said she was opposed to a retail wine store in her neighborhood regardless of how the demographics were changing.

Chair Goodhue closed the public hearing.

Commission Comment: Chair Goodhue asked the applicant to address the speaker's questions.

Mr. Fox said they were currently open from 11 a.m. to 7 p.m., seven days a week for the sale of wine. He said they primarily were an internet business selling approximately 95% of their wines online and did not have a traditional show room for wine. He said tastings were modeled on what Beltramo's had done and what Vin Vino Wine in Palo Alto does. He said generally there were never more than 10 people on the site and usually only several people. He said that no increase to

traffic was anticipated by the proposed changes to the use permit. He said their parking lot had about 18 spots and had never been filled.

Commissioner Barnes asked about staff onsite and number of parking spaces used by staff. Mr. Fox said they had one staff person onsite at any given time but tried to have two people for Saturday hours. Replying to Commissioner Barnes, he said on Sunday they allowed the neighbor church to use their lot for overflow parking. He said they have two sides to the parking lot and they allowed the school staff to use the far or west side for parking, which had about 10 spaces and about twice the spaces of the east side of the parking. He said they seldom filled up the east side parking during business hours. Commissioner Barnes asked what remedy there was if tastings during the week created the need for the spaces used by the school. Mr. Fox said most tastings were on the weekend. He said if a tasting were to be held during the week he would notify and work with the school if those parking spaces were anticipated to be needed. He said right before the meeting he received a text from an employee who was looking at a tasting on Sunday. He said he had replied that he would need to speak with the church first. Commissioner Barnes asked whether they had informed the church and school of the request to allow up to 150 number of tastings annually under the use permit revision. Mr. Fox said absolutely and noted he met with the church pastor and school head administrator, delivered the letter contained in the staff report that outlined the requests for the use permit revision, and communicated again with them about that. He said he arrived at the 150 number annually by using one tasting per week and two on the weekend, but he did not see them doing that number of tastings per week regularly. Further replying to Commissioner Barnes, Mr. Fox said there were formal, sit down tastings, with a set number of bottles and sometimes 20 people. He said these were solemn rather boring affairs. He said that would not be the most frequent type of tasting. He said another type was where there were pours of a given amount, usually an ounce or ounce and quarter, and people came in and bought either the whole flight or individual wines. He said usually only one bottle of a given type was opened and for tastings over four hours, there might be 16 or 17 people.

Commissioner Barnes asked what they would do should the site become a corporate event space with a demand greater than the envisioned 150 tastings, and attendance maxing at 50 people. Mr. Fox said he thought that would mean a return to the Planning Commission to open a storefront on Santa Cruz Avenue as that was beyond the capacity of the Willow Road site. He noted he needed space as well to package and ship wine. Commissioner Barnes asked about methodology to ensure people were not drinking too much and potential vehicular traffic hazards. Mr. Fox said the ABC licensing process had rules regarding those types of concerns and applicants were required to take a video course on spotting fake ids, underage drinking, and inebriation signs as well as taking a pledge to get an identified inebriated person home by some other driver including taxi or Uber.

Commissioner Drew Combs asked staff if reciprocal parking was part of the use permits for the neighboring school and church, and if not, was it a concern that those uses had to make use of this site for parking regularly. Senior Planner Smith said they were not aware of formal parking agreements, but research would be needed to answer conclusively.

Recognized by the Chair, Mr. Fox said they had no formal parking agreements with the neighbors. He said they have shared parking with those neighbors to the extent possible, which had been without conflict.

Commissioner Combs asked if a check-in about this expanded use could be built into the approval. Senior Planner Smith asked if a use permit expiration date for check-in was desired or to grant the use permit and have a set check-in for the applicant to come to Planning Commission hearing for an update. Commissioner Combs indicated the latter.

Commissioners Strehl and Barnes agreed having a check-in was desirable.

Principal Planner Rogers noted other approved use permits allowing for an annual check-in before the Planning Commission so if needed neighbors/residents might voice concerns and direction provided to remedy those without impacting the approved expiration of the use permit. He said if concerns or issues were so severe and not readily remedied that could result another meeting leading to revocation of the use permit.

Commissioner Barnes moved to approve the use permit revision with a modification for a five-year term limit and six-month check-in. Commissioner Combs seconded the motion.

Principal Planner Rogers asked whether the entire use permit would expire in five years or whether just the changed aspects would expire in five years. He said the applicants currently had a use permit with no expiration.

Commissioner Barnes said the intent was not to nullify the current use permit but to have a mechanism in five years to revert to the originally approved use permit. He said alternatively if after the six-month check-in without any issues or those that were remediable that the applicants would have a five-year use permit with the ability to request an extension.

Commissioner Strehl said she was having trouble with the motion as the applicants have an existing use permit without an expiration date. She said she would rather have the use permit without an expiration date and have more periodic reviews.

Commissioner Barnes said he would withdraw his motion. He asked if there was some means to have more periodic check-ins but through staff review. Commissioner Strehl said that was amenable to her.

Chair Goodhue said given the history of the use and that the revised use did not seem much different than existing use, she did not see the need for multiple check-ins. She said with the community concern expressed, she could support a check-in. She said she thought they had to give the applicant credit for what they were doing. She said she did not think the proposed change was so great as to require more than a check-in to address initial community concern about it.

Commissioner Combs moved to approve as recommended with a requirement of a six-month check-in. Commissioner Barnes said he would second the motion if the check-in was one-year as he thought there was the possibility that the revised use might lead to more corporate event use. He said it might take longer than six months for such a possibility to emerge. He suggested having a check-in at one year. Commissioner Combs, the maker of the motion, agreed with the modification.

ACTION: Motion and second (Combs/Barnes) to approve the item with the following modification; passes 5-0-2 with Commissioners Onken and Riggs absent.

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 revision subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Samuel Sinnott, consisting of four plan sheets, dated received September 24, 2018, and the project description letter, dated received July 17, 2018, approved by the Planning Commission on October 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.
4. Approve the use permit subject to the subject to the following **ongoing, project-specific** conditions:
 - a. The applicant shall comply with all regulations and guidelines set forth by the California Department of Alcoholic Beverage Control (ABC) for the sale, on-site consumption, storage, and production of alcoholic beverages.
 - b. The applicant may post signage or advertising inside and outside of the facility, including in areas visible to the public, indicating the retail sale of alcoholic beverages and wine tastings on the site. Retail wine sales advertising and solicitation may be made via print media, mail, email, text messaging, and/or the Internet. All exterior signage shall comply with the City's Design Guidelines for Signs and Chapter 16.92 of the Municipal Code, "Signs – Outdoor Advertising." The applicant shall obtain the necessary sign permits prior to installation of any exterior signage, temporary or permanent.
 - c. Exterior signage for the site may, in conjunction with the name of the business, denote that the facility is for fine wine storage, retail wine sales, and wine tastings.
 - d. The applicant may display a list of wines being offered on the site at the counter or on the wall of the lobby and tasting room, on the Internet, and/or at the request of a customer. Any wines for sale may be displayed inside the facility in public view.
 - e. The applicant may sell wines by case, bottle, glass, or tasting (a one-and-a-half to two ounce serving). The applicant shall sell wines for a minimum price of 30 dollars per bottle.
 - f. The maximum number of wine tasting events shall not exceed 150 per year.

- g. Wine tastings may be conducted seven days a week from 12:00 p.m. to 8:00 p.m. Wine tasting events may be conducted seven days a week from 12:00 p.m. to 10:00 p.m. All wine tastings and wine tasting events shall be conducted indoors.
- h. Wine tastings and wine tasting events shall be limited to the lobby and tasting room areas of the facility. The number of people seated during a wine tasting or wine tasting event shall not exceed 25. The maximum number of seated and standing individuals at any one time shall not exceed 50 persons.
- i. The applicant shall maintain the premises in good condition, free of littering, debris, and graffiti, and shall keep the premises well-lit during the hours that it is open to the public.
- j. The hours of operation for the on-site sale and consumption of wine shall be restricted to the regulations contained in Chapter 8.12 Business Operations After Midnight, of the City of Menlo Park Municipal Code. Specifically, this section of the Municipal Code restricts business operations between the hours of 12:00 a.m. and 6:00 a.m.
- k. The use permit is subject to a one-year review by the Planning Commission to evaluate compliance with the project findings and approved conditions. The review shall be scheduled as a regular business item during a regular Planning Commission meeting, and a notice shall be published in the newspaper and mailed to property owners within 500 feet of the subject site prior to the meeting. The one-year review shall take place no later than October 8, 2019.**

G. Study Session

- G1. Study Session/Sagar Patel/1704 El Camino Real:
Request for a study session to review a revised architectural control and variance request to construct a new 68-room hotel consisting of lobby area and parking on the first story and hotel rooms on the second and third stories in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district. The proposed development would be at the Public Benefit Bonus level, which would exceed the Base level floor area ratio (FAR) on the subject site. The public benefit bonus proposal includes the contribution of Transient Occupancy Tax (TOT) revenues to the City on an on-going basis. No actions will take place at this meeting, but the study session will provide an opportunity for the Planning Commission and the public to become more familiar with the revised proposal and to provide feedback. ([Staff Report #18-085-PC](#))

Staff Comment: Senior Planner Corinna Sandmeier said additional correspondence included a change.org petition against the proposal with 115 signatures. She said copies were distributed to the Commissioners and copies for the public were located on the table in the rear of the chamber. She said emails were received from two neighbors, one on Buckthorn Way and one on Stone Pine Lane, and both were opposed to the proposal. She said they also received additional sheets from the architect that were based on the alternative design shown on the last set of the published plan sheets. She said these sheets provided more information about setbacks and section-type streetscapes that showed the proposal as it related to neighboring residential properties. She said a few copies of these were available on the table in the rear of the chambers.

Applicant Presentation: Sagar Patel, applicant, said they began the project in 2015 exploring several different designs, styles and hotel types from full service, boutique to extended stay with underground or aboveground parking. He said based on budget and proposed revenues they identified a semi-unit hotel with underground parking. He said over the next three years they worked with City staff and neighbors on a design that worked for the neighbors, the Specific Plan, Hilton and their budget, which design they presented to the Planning Commission in April 2018. He said they then began incorporating the Commission's design comments and received an updated bid from their contractor, Butler Construction. He said they were somewhat over their budget with the April study session. He said they received their six-month update and at that time were 35% over budget. He said that related to the costs to haul dirt onto El Camino Real and needed dust control measures. He said after that steel and cement costs went up and construction demand increased. He said that earlier proposal was no longer feasible. He said they would like to build that project as the neighbors were okay with it, the owners liked it and it met all Hilton's design specs. He said unfortunately it could not be built. He said they redesigned and the only thing that would work was a project with no parking garage. He said he gave neighbors the new plan and they hated the 70 rooms and the setbacks. He said that they have tried to meet the neighbors halfway and were at a loss as to what direction they should take. He said they have removed some rooms and tried to increase setbacks from 21 feet to 24 feet. He said since the proposal before the Commission, they had developed an alternate plan to increase setbacks more and remove rooms from the third floor. He said they were trying hard to design something that worked best for all.

Jim Rato, RYS Architects, made a visual presentation to demonstrate changes they had made. He said it focused on the current design proposal that was the first 40 plan sheets and then the alternate design proposal which was the last seven sheets plus four sheets appended this evening. He said the current plan showed 24-foot plus or minus eight inches setback at the second floor on the east side. He said the second floor was what was above the fence surrounding the building. He said with the latest plan the ground floor wall had no windows and would remain where proposed. He said in conversations with neighbors there was a desire to push the building to the west and increase the distance from the east property line. He said when they had an underground garage proposed that neighbors were happy with the 39-foot setback. He said they explained why the underground garage was no longer feasible. He said they moved the second and third floors away eight feet to the west. He said they found if moving the westerly wall on the ground floor closer to the west property line that the space was no longer a generous amenity for guests. He said they needed space to the north for egress by the stair as well as landscape space and room for chairs and tables. He said now they had room only for six tables with two seats.

Mr. Rato showed surrounding buildings of height comparable to the proposed hotel. He then showed townhome buildings north of the site having two-stories with a very tall roof structure that was almost the level of the roof for the proposed hotel. He said they were now proposing a courtyard with a spa, rather than a full-size pool, that was located on the second level. He said that actually blocked the courtyard down from the second floor from all the neighbors and particularly from the north as they put up an at least eight-foot wall covered with trellis and plants. He said as the wall was solid it would also be acoustical. He said the tallest part of the hotel would be in the northeast corner where there was a stair tower.

Mr. Rato said for the east side slide he was showing the current design, the alternate design and the design proposed in January. He said they had been working closely with Forest Lane neighbors. He said the January design showed the underground garage and the second level at

about 39 feet from the property line and a portion of the building that went back. He said the neighbors' perspective was if someone in the facing residence could look through the firewall that their sight line would be the guardrail at the third-floor deck. He said this deck was purposely set back to minimize the bulk of the building. He said they were using the same concept in the current design. He said the building was now closer to the east side and neighbors would see the second-floor wall located at a 24-foot setback. He said the third deck receded and was about 51 feet away. He said they were moving the second and third stories eight feet towards the west. He said the second story terraced back eight feet with a deck on the third floor. He said the wall nearest to residences would be stair stepped so as it got to the northeast it went toward the 32-foot setback and going southeast it terraced back at approximately 50 feet. He said they were seeing if they could keep moving the edge seen from the street back.

Mr. Rato said neighbors requested a scaled drawing. He said a scaled drawing needed a view or reference plane. He said he took his assistant and had him stand at a point with a survey pole, which had tick lines for one foot, two foot, etc. He said the photo simulation shown based on the view plane was a projection of the building behind it and where the "alternate" design building would be relative to the view plane. He said the street trees were existing and had been recently trimmed. He showed where the trees to be planted would be and their expected five-year growth. He said with that if a person was standing right on the sidewalk, the building would never be visible due to existing street trees and the two rows of trees they would plant. He said for a person residing in the townhome next to the property line closest to the building that if they could see through the fire wall it would be blocked by the trees proposed for planting there.

Mr. Rato said moving some rooms to the southeast to compensate for loss of rooms elsewhere was disliked by the neighbors. He said an alternate scheme would take the two rooms closest to the southeast and turn them south and push them back to the west. He said they were no longer visible from the closest townhome at the southeast corner. He said there was much less fenestration on the southeast even from the design with the garage and the current proposal.

Mr. Rato said they were either at or below the building envelope as it was written by the Specific Plan. He said they had requested a variance to take the ground floor from 15 to 13 feet. He said they reduced the second-floor ceiling to eight feet rather than the nine-foot ceiling hotel standard. He said the upper floor would have nine-foot ceilings. He said the building had generally reduced in height. He said rooflines were generally the same or lower so that mansards only covered the rooftop equipment with no added height. He said the two highest points of the roof were to accommodate the design direction suggested by the City, which they agreed with as it looked nicer, but it had an effect of a slightly higher roofline. He said the neighbors from the north side would see a gable end instead of a top ridge line of the entire roof. He said they accommodated the neighbors on the east side by pushing it back as far as it could be, and the ridge line was over 50 feet away from that property line. He said they accommodated reasonable neighbor requests for design changes. he said they lowered the building height, turned all the guest rooms they could toward the courtyard and toward the south, tried to push the setbacks as far from the north by having the rooms more toward the courtyard and recessing the upper stories, and were generous in putting landscape screening with heritage tree replacement and doubling the number of the trees on the east side from what had been proposed in January. He said they believed the project beautified and improved the existing property, it continued a quiet existence, provided TOT to the City, and direct and indirect tax to businesses the hotel worked with, and provided extra bedrooms to the surrounding residences for their guests. He said continuation of a business in the City

signified stability. He said it was predictable for the neighbors because it was a quiet business with the same traffic patterns. He said the existing wood frame building was very old with high maintenance needs and was not sustainable.

Chair Goodhue said in opening the public comment period that speakers would be limited to three minutes.

Public Comment:

- Susan Neville, Forest Lane, said that a group of residents had worked since the fall of 2016 with the City and developer to arrive at plans allowing for the desired improvements while addressing neighbors' concerns. She said she might go over three minutes. (Chair Goodhue noted Carol Broadbent had donated her time to Ms. Neville.) She said neighbors had moved from supporting the project to opposing it because of concerns about both the process and the proposed building. She said regarding process they had worked for 16 months with Mr. Patel to arrive at a plan that satisfied him and most of the neighbors. She said that was abandoned by Mr. Patel in late May and he later submitted a new plan that expanded the building footprint. She said the City scheduled the final hearing for the project and they challenged that as it was a new set of plans that had been submitted. She said since Thursday there had been two new sets of plans. She said it was unreasonable to expect them to review and comment on last minute submissions. She said their quick review of the summer plans and the most recent alternate plans found that neither addressed the concerns that were addressed in the earlier plans. She said they had pressed for two conditions for the project in their discussions with the applicant and City. She said the first was for privacy and had agreed on a 38-foot setback from the east property line. She said the other condition was to break up the mass of the building and provide the recessed third story terrace to make the view acceptable. She said those two conditions were outlined in a petition to the City, which was now signed by 115 residents. She said what was being proposed was not good design and that good design enhanced a neighborhood, kept cars hidden, allowed for open space, and had attractive architectural features. She said in trying to save costs by moving the parking aboveground the project architecture was compromised and negatively impacted the neighborhood. She said the accommodations requested had an upside that resulted in long-term value for the developer and the neighborhood. She said the cars should be put underground, the above-ground bulk minimized, and the surrounding area landscaped more. She said regarding bonus development and public benefit that the proposed hotel would not enhance downtown vibrancy. She said the fiscal analysis seemed flawed that used unsupportable figures and did not take into consideration the cost to the neighborhood.
- Scott Barnum, 137 Stone Pine Lane, said Stone Pine Lane was the most southern of the Park Forest neighborhood and his home had a direct view across the park and into the Red Cottage Inn. He said the development challenge they were facing was the scale of this commercial property would encroach too much into an historically relatively low-density residential neighborhood. He asked the Planning Commission to give extra consideration of the project beyond the basic zoning regulations and codes. He said although the subject property had an El Camino Real address it was 200 feet back from El Camino Real. He said the Red Cottage Inn was currently 28 rooms and one-story but was proposed for 70 rooms and three stories. He said he thought the applicant had done a great job in trying to collaborate up until the recent plans. He said the applicant, City and neighbors had to collaborate to find a way forward. He

requested the Commissioners visit the residential properties and get a sense of sight lines and potential impacts of the development. He said the goal was a project in the public interest for all constituents.

- Eric Easom, 171 Forest Lane, said his home was on the cul de sac facing the subject property. He noted there were about 100 families in this neighborhood. He said that a lot of young families were starting to move into his neighborhood. He said children walked to nearby Encinal School. He said the neighborhood was a very quiet, park-like play setting. He said the greatest concern was for the project to reduce its mass, so neighbors would not see a big hotel right out their home windows. He shared a photo of what the view was today from his home's window and noted the Red Cottage Inn being one-story and setback was hardly visible. He shared a second photo of the view from his kitchen noting that area was the most lived in space in the residential homes as the kitchen and family room were on the second story. He said currently they saw an oak tree but with the development proposed they would see the hotel's second and third stories and a massive building. He said that although the aboveground parking did not count toward floor area it was a bigger building to accommodate it. He said they were willing to work with the applicants to reduce the scale and massiveness of the project.
- Deborah Melmon, 148 Buckthorn Way, said her home was on the northeast corner of the proposed project. She said the highest point of the proposed hotel would face her master bedroom windows and her living room. She said it would completely block light. She said the building would be 10 feet from her fence and 10 feet from the Buckthorn Park HOA, so the project's second-story spa area would look directly over her property. She said their main concern was the setback and that the hotel was just too big now. She said they were okay with the March plan. She said she hoped the applicant would go back to the plan with underground parking. She said with the new plan the parking lot bordered her fence with cars parked five feet from her fence causing noise and exhaust. She noted valet parking would occur. She said the view from her windows would be a three-story blank wall. She said her home was the most impacted by the hotel. She said she did not think Buckthorn residents were given much consideration in the development of these plans. She said consideration had been made for residents on the east side but there was a huge impact to neighbors on the north side. She said the original plan had a nearly 40-foot setback on the north side and had been a pool with landscaping which was much more pleasing to look at than a blank wall.
- Glenna Patton, (time donated by Carol Diamond) said her home was immediately behind the east side of the proposed Hampton Inn development. She said several of the Park Forest neighbors had spoken about the impact of a huge high-rise hotel embedded in the residential neighborhood. She said her kitchen and dining room were on the second floor, which was about nine feet above the ground. She said she would challenge the sight lines showed by architect this evening as those were taken from the ground floor. She said the kitchen had a balcony and the 36-foot high proposed mass was only about eight yards from the balcony. She said hotel guests on the second and third floors would be able to peer into her kitchen and likewise she could peer into what was happening in the hotel. She said her bedroom on the third floor overlooked the massive hotel. She said going forward to have privacy in her bedroom she would need to keep her blinds shut. She said 90% of her life in her house was in the two areas described and for her the proposed project was an unacceptable invasion of her privacy. She said the idea that trees would mask that impact was inaccurate. She questioned any tree growing to 38 feet any time soon. She said the neighbors' homes peaked at 26 feet and the

proposed hotel would be 38 feet high and only eight yards away. She said the project was equally jarring to the residents on the north side with a parking lot five feet away and a building 10 feet away. She said the project was an unwelcome invasion of privacy for all the neighbors. She reiterated another speaker's invitation to the Commission to visit the residential properties and see what the impact of the proposed hotel would be. She said she could not see how the project could be viewed as public benefit when it was so detrimental to residents' quality of life. She said she saw no benefit and just loss of privacy, serenity, seclusion from the noise and traffic of El Camino Real, natural sounds, sunlight, and the qualities that made the Park Forest community so unique and important to preserve in Menlo Park. She said residents had reasonable concerns and asked the Commission and applicant to not only hear those concerns but to act upon them. She said residents started working with the applicant on this project in October 2016 and engaged in a two-year good faith process that resulted in an agreement everyone was satisfied with prior to the last study session in March. She said the abrupt changes in May nullified every point of that agreement. She said the applicant indicated he tried to meet the residents halfway with this new plan. She said there was no meeting halfway in the new plan as the project moved closer to residents and was bigger with exterior parking, so the entire totality of the mass was bigger than ever. She said last week they submitted a letter to the Commission on behalf of the neighborhood that outlined the 11 key changes they were requesting, all of which aligned with the original agreement between the applicant and neighbors. She said the two core requirements was to increase the setback on the east side to at least 38 feet. She said the critical issues on the north side also needed to be addressed. She said the second was to eliminate third-story rooms on the east side so that they were not peering in on residents. She noted previously there was a trellis with greens to mask that side. She said the plan changed because of the cost of underground parking but that did not seem a fair trade off for residents. She said also there was no alternative bid on the pricing for the underground garage. She questioned if there had been enough effort by the applicant to keep the plan that neighbors had agreed on. She said the current plans proposed would cause irreparable damage to their neighborhood and urged the Commission to preserve their quality of life. She urged the Commission to tell the applicant to honor the agreements previously made with the residents.

(Anne Gregor and Linda Golub submitted speaker slips but did not speak.)

Chair Goodhue closed the public comment period.

Commission Comment: Commissioner Kennedy noted the pressures on the applicant and the residents. She said she could completely relate to how unique and lovely the Park Forest community was. She said the Commission was there to help a project work for everybody as much as possible within the City's standards. She asked if the applicant had considered undergrounding a portion of the parking.

Mr. Patel said they looked at it that preliminarily. He said when all the turn radii were added it became very complicated and did not make sense financially as it was just too small of a parking garage. He said he did not have enough density to support a parking garage generally. He said they had proposed a 58-space garage previously. He said the smaller the garage the greater the cost. He said for that small garage the cost was \$80,000 per parking space. He said they looked at all the options for the garage including car stackers, but nothing made sense. He said it was a

difficult lot and he understood neighbors' concerns. He said they needed to figure out what they could accomplish on the parcel.

Commissioner Barnes asked about the second story setbacks for the projects. Mr. Rato said in the January 2018 design, the second story setback was 39 feet. He said the current design showed the setback for the second story at 24-feet five-inches. He said the alternate design moved the upper stories (mainly the second floor eight feet to the west) creating a 32-foot six-inch setback. Commissioner Barnes said the difference in the second-floor setback between the January design and alternate design was about six feet. Mr. Rato said it was just under seven feet. Commissioner Barnes said to clarify for the east neighbors that the difference in the second story setback between the original and alternate design was about seven feet. Mr. Rato confirmed. Commissioner Barnes asked about the third-floor setback to the east and difference between January design and alternate design. Mr. Rato said for the January design the farthest point was 67 feet and with the alternate it was 50 feet. Commissioner Barnes asked about setbacks for properties north of the subject property. Mr. Rato said on the January 2018 design the northeast corner was approximately 41 feet to the actual townhouse in that corner and not to the property line and if measured to the property line was about 34 feet. He said for the alternate and current designs that corner was 10 feet from the property line or the minimum required by the zoning. Commissioner Barnes said the difference between the January 2018 and alternate design was 24 feet.

Commissioner Barnes referred to page 7 of the staff report under *Correspondence* where staff summarized *Since the applicant has further revised the design to remove the underground parking, staff has received additional correspondence from neighboring property owners. The majority of the correspondence is from neighbors who no longer support the proposal, mainly due to concerns about the height, proximity to residential properties, and the third-floor guest rooms facing residences.* He asked where the design was in relation to concerns about the third-floor guest rooms. Mr. Patel referred to Alt 2, 3rd Floor Plans and said they tried to remove as many rooms from the southeast portion of the building and terrace it as much as they could. He said that left three rooms facing Park Forest, room numbers 16, 15, and 14. He said those rooms would view a windowless wall on the adjacent townhome. He said that they had a very tight setback on the north end, which they did not know what to do with. Replying to Commissioner Barnes, Mr. Patel said with the January 2018 design those third floor rooms were in the southern portion of the building. Commissioner Barnes asked if along the southern, western and northern sides whether the third-floor rooms were not necessarily an issue with neighbors. Mr. Patel said the rooms were issues with all the neighbors, who expressed privacy concerns. He said he did not know whether the third-floor plan exclusive of the rooms was an issue with neighbors. Commissioner Barnes noted the height of 38-feet and confirmed with Mr. Patel that the height had not changed. He asked about the north elevation and the change from a pool to a wall. Mr. Patel said the wall was eight feet so that if guests were standing there they could not look over into neighbors' properties. He said they added an arbor above it to soften it. He said the January 2018 design had 26 windows looking northwards into the Buckthorn Way condo association. He said in removing first floor rooms and adding the arbor on the deck there were now 13 windows rather than 26 windows in that direction. He said the setback was closer to the north residents than before, but they also tried to address privacy issues. Commissioner Barnes asked about any feedback they received on how to soften that wall. Mr. Patel said he met with a couple of the neighbors, who expressed their concern with the scale from the north and they talked about ways to soften the edge such as a taller fence/wall, a green wall. Commissioner Barnes asked if it was possible to green it across. Mr. Patel said it was. He said they

added trees and would not want the ivy on the wall to climb the trees. He said they added some variability.

Commissioner Strehl asked if the pool and garden area from the January design were kept. Mr. Patel said they removed the pool and raised the deck to the second floor and added a spa. He said it was an elevated courtyard. He said there was an eight-foot fence along the right side. Commissioner Strehl confirmed the pool and garden area were removed for parking.

Commissioner Combs said he met with Mr. Patel at his request and was open to meeting with residents if requested. He said that discussions had been held regarding the amount of office allowed under the Specific Plan and asked if there was a similar cap for hotel space. Senior Planner Sandmeier said office and hotel uses were all part of the commercial cap and noted there was remaining square footage. She said all the submitted projects fell below the cap and as far as she knew potential unsubmitted projects also fell below that cap.

Commissioner Combs said the applicant had received only one bid for the underground parking garage and asked if there was a possibility of getting multiple bids. Mr. Patel said he could get three bids if desired, but he suspected they would be even higher than the bid received two months ago.

Chair Goodhue said the City did not seem to use story poles. She said they helped to give people better representation of height and distances. Principal Planner Rogers said in previous discussions the consensus was story poles were so unflattering that they did not provide a more accurate view whereas computer renderings had advanced to the level where they really could provide an accurate sense of a project. He said sometimes an animated view helped by providing specific views.

Chair Goodhue noted the plans with the overlay and asked if more could be done to show the neighbors what the project would look like. Mr. Patel said that the trees were scaled to 13-feet in the overlay, which was their height the day they were planted, but they would grow to 20 feet. He said they were open to planting different species and taller trees noting cost difference for size. He said he was open to planting a row of 48-inch box trees with a row of 36-inch box trees behind those. He said they chose fir pine as it was a tree that grew very quickly. He said not having an underground garage they could have trees with deeper roots and more trees.

Chair Goodhue said neighbors spoke about light impacts and asked if shade studies could be done. Principal Planner Rogers said when the El Camino Real and Downtown Specific Plan was adopted, a conceptual shade study was done for certain opportunity sites. He said it was not done for every site maxed out to building potential. He said it was intended to cover that in most instances the shadow impact was minimal. He said the Commission could require a project-specific shadow study to factor into its decision.

Commissioner Strehl referred to the large oak on the site that was to be preserved previously and asked whether the City Arborist found it should be removed now. Mr. Patel said that it would need to be removed. He noted it had been impacted by the asphalt and had some oak root fungus that they had treated in the past. He said with the newly proposed configuration the tree would impede emergency vehicle access particularly a fire truck. He said they also proposed removing the tree in

the previous version to help push the building forward. He said they would replace all trees two to one with trees specified by the City Arborist.

Commissioner Combs said neighbors had commented that the property nominally had an El Camino Real address, but the project was pushed back toward their neighborhood. He said the Specific Plan was very much about frontages on El Camino Real and asked about consideration of this lot in that regard during development of the Specific Plan. Principal Planner Rogers said that while this individual parcel was not reviewed in detail at that phase, generally that the interface between El Camino Real parcels and residential properties to the rear of those was considered. He said that applied to the boundary that joined Forest Lane with the subject property requiring a 20-foot setback rather than the 10-foot setbacks that would apply to the other sides. He said that requirement also came with a building profile requirement that limited was similar to the daylight plane in other districts, equivalent here to 30 feet at that setback line and that clipped in at a 45-degree angle.

Commissioner Combs said for projects under the Specific Plan that the Planning Commission's role was architectural control review, which was to give developers some certainty. He said this project took the Commission out of that somewhat as it was bonus level and there was the element of public benefit to consider. He asked if it was understood that the TOT was the public benefit whether the Commission's review reverted to architectural control. Principal Planner Rogers said the public benefit bonus element to the project did not kick in any different findings that had to be made, but it did make the overall project somewhat more subjective. He said that the Commission needed to look at the architecture with cognizance of how the architecture related to its surroundings and how it potentially impacted the surroundings.

Commissioner Barnes said he loved the neighborhood where the project was located. He said the question was how this project could co-exist with that neighborhood. He thanked neighbors for their efforts and noted that they had been heard. He said that as this was a study session the Commission would not act. He said staff were gathering feedback from the public and the Commission. He referred to the questions that staff posed to the Commission for its consideration on page 7 of the staff report. Responding to the question *Which of the two current proposals is preferred?*, he said he did not think the current design was plausible and further iteration should start with the alternate design. Referring to *Are there aspects of the architectural design that would benefit from further revision?*, he said from January to now the applicant had worked to try to comply with direction from staff and the Commission to make certain architectural elements more compatible with the proposed style. Referring to *For the purpose of calculating sign area should only the frontage along Buckthorn Way be used or should the western property line facing El Camino Real also be considered?*, he said it was an El Camino Real oriented property so it should be included in the calculation for signage.

Commissioner Barnes said that the view from the east was problematic was less persuasive to him. He said what would be seen from that cul de sac did not concern him as much as what the neighbors to the north would see, and that the monolithic wall along there needed attention. He said he would like to revisit the neighborhood and look from that perspective as he wanted to understand how many units were there and what neighbors would be seeing.

Commissioner Barnes noted Commissioner Combs' idea for additional bids for undergrounding a garage and asked the applicant how amenable he was to that for transparency. Mr. Patel said he

could obtain bids and share them with the Commission and neighbors. Commissioner Barnes said he thought contextualizing that was important and not just that the cost went from x to y but to also include project costs and how the fundamental economics of the project changed due to what was happening externally and what that drove internally. He said to the extent the applicant was comfortable with that it would help the community get more comfortable with the rationale for the change in design. Mr. Patel said that was fine. He said regarding the density of the third-floor rooms that they might be able to push some of that down towards Park Forest but noted the balcony facing Park Forest. Commissioner Barnes said the design went from an inset pool articulation along the northeastern side to having a monolithic wall with green wall to screen mechanical equipment. Mr. Patel said they could push that further back, but he would have to reallocate those rooms and the only place was the balcony facing Park Forest. He said he did not want to pit two different communities against each other. Commissioner Barnes said he did not know the solution, but it was on the north side that something needed to change.

Chair Goodhue said she had listened to the neighbors and did not doubt their concerns. She said she had to wonder what would happen if the applicant could not develop the property. She said the setbacks did change dramatically and that would have given her pause as a property owner. She said she hoped that the goodwill the property owner had established over the years working with the neighbors would count for something. She said like Commissioner Barnes she thought the applicant would be able to get to a design that would work for him and the neighbors. He said in these situations people could not expect to get everything desired and that there had to be compromises on both sides. She said the project had to be fiscally feasible for it to happen. She suggested the applicant could address the light concern with a shade study and could provide renderings for different elevations if requested by neighbors.

Commissioner Strehl asked if the project would come back again for study after the applicant worked with neighbors and staff to refine the proposal. Commissioner Combs said compromises might appease some neighbors but not all perhaps. He said he thought when the project came back there would still be some contention. Commissioner Strehl said everyone would need to make compromises and it was not an easy fix.

Commissioner Combs said he supported the direction that Commissioner Barnes had provided. He said neighbors could contact commissioners directly and that their contact information was on the City's Planning Commission webpage.

The Commission's key direction included:

- Commissioners indicated the alternate plan, shown on the last seven sheets of the submitted plan set, should be the starting point for the applicant to work with the neighbors.
- The applicant agreed to make multiple bids for the construction of an underground garage available to the Planning Commission and interested neighbors.
- Commissioners indicated the applicant had made several compromises and the neighboring property owners should also make compromises, so an agreement could be reached.
- Commissioners commented that the residences on Buckthorn Way appeared to be most impacted by the current and alternate designs.
- Commissioners indicated most of the design comments from the March study session have been incorporated, improving the overall design.

- Commissioners also indicated the western property line facing El Camino Real should be considered for the purpose of calculating sign area.

H. Informational Items

H1. Future Planning Commission Meeting Schedule

Principal Planner Rogers said this meeting was the end of his brief return as staff liaison. He said Kyle Perata would return for the next meeting as the liaison. He said for that meeting the agenda was a varied lineup of potentially a Stone Pine Lane architectural control item on consent, a sidewalk and frontage refresh at 1000 El Camino Real (the Cornerstone building), the 341 Terminal Avenue residential project that had been continued previously for redesign, a small downtown minor expansion and refresh at 725 Oak Grove Avenue, and a proposed conditional development permit and a use permit request for 80 to 82 Jefferson Drive that was a Facebook project.

- Regular Meeting: October 22, 2018
- Regular Meeting: November 5, 2018
- Regular Meeting: December 3, 2018

I. Adjournment

Chair Goodhue adjourned the meeting at 9:57 p.m.

Staff Liaison: Thomas Rogers, Principal Planner

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on October 22, 2018