



STAFF REPORT

Planning Commission

Meeting Date:

10/19/2016 & 10/24/2016

Staff Report Number:

16-083-PC

Public Hearing:

Consider and Recommend on the Land Use Element, Circulation Element, Zoning Ordinance Amendments, Rezoning, and Environmental Review Associated with the General Plan and M-2 Area Zoning Update

Recommendation

The General Plan and M-2 Area Zoning Update has been a multi-year comprehensive process that represents a vision for a live/work/play environment in the M-2 Area while maintaining the character and values that the City has embraced. The proposed project reflects the input received during the process and a balance of interests, and has been informed by the preparation of an Environmental Impact Report (EIR) and Fiscal Impact Analysis (FIA). Staff recommends that the Planning Commission recommend approval of the following components to the City Council, subject to modifications deemed appropriate by the Commission:

1. **General Plan Amendments:** Incorporate the updated Land Use and Circulation Elements into the General Plan and change the land use designations of properties in the M-2 Area to Light Industrial, Office, Life Sciences, Mixed Use Residential, Baylands, or Public Facilities. No land use designation changes are anticipated outside of the M-2 Area and Baylands Area (Attachment A).
2. **Zoning Ordinance Amendments:** Create three new zoning districts in the M-2 Area for consistency with the proposed General Plan Land Use Element. The proposed zoning districts include Office (O), Life Science (LS) and Residential-Mixed Use (R-MU). The O district includes overlays to allow hotels (O-H) and corporate housing (O-CH). Overlays for bonus level development are also proposed in the three new zoning districts as indicated by the inclusion of “-Bonus” with the title of each district. In addition, changes to the C-2-B (Neighborhood Commercial District, Restrictive) zoning district to allow residential use, changes to streamline the hazardous materials review process as an administrative permit, and other minor modifications are being proposed (Attachments B, C and D).
3. **Rezoning:** Rezone property in the M-2 Area to one of the following zoning designations for consistency with the proposed General Plan land use designation amendments: O (Office); Office - Hotel (O-H); Office - Corporate Housing (O-CH); Office - Bonus (O-B); Life Science (LS); Life Science - Bonus (LS-B); Residential Mixed Use (R-MU); Residential Mixed Use – Bonus (R-MU-B); Public Facilities (P-F), and Flood Plain (FP) (Attachments E and F).
4. **Environmental Review:** Review of the Final Environmental Impact Report (EIR) prepared for the General Plan and M-2 Area Zoning Update, which analyzes the potential environmental impacts of the General Plan and M-2 Area Zoning Update.

The City Council is tentatively scheduled to review the project on November 15, 2016.

Policy Issues

The proposed project requires the Planning Commission and City Council to consider a number of policy issues. The General Plan, itself, is a policy document that will serve as the blueprint for future development in the City. The goals, policies and programs established in the Land Use and Circulation Elements are intended to guide appropriate development and infrastructure in the City, and they should also support the aspirations of the Guiding Principles and reinforce the community's values and vision for what the City can be.

As part of the consideration of the General Plan and M-2 Area Zoning Update, the Planning Commission and Council will need to consider the types of land uses, the number of jobs, the number of housing units, and the number of hotel units that could result from potential changes to the area. With additional development, there could be impacts, but also greater availability to fund other desired improvements in the community. Future goals, policies and programs for the General Plan Land Use and Circulation Elements and the proposed changes to the Zoning Ordinance development regulations and design standards can help ensure that future development in the area is done in a way that creates a sense of place that is desired by the community.

As part of the process, an EIR was prepared. The EIR helps inform the public and decision-makers of the potential impacts as a result of the proposed changes. The Planning Commission and Council will need to consider whether the proposed changes outweigh the environmental impacts or whether a project alternative, which could result in less impacts, but potentially meeting less of the objectives, is preferable.

Background

The General Plan serves as the City's comprehensive and long range guide to land use and infrastructure development in the City. Although required by State law, a General Plan is customized to reflect the values and vision of each jurisdiction. The City Council established early in the process that the General Plan land use update would focus on the M-2 (General Industrial) Area of the City, which includes the business parks generally located between US Highway 101 and the San Francisco Bay. Since the summer of 2014, the City has embarked on the General Plan Update and M-2 Area Zoning Update process branded as ConnectMenlo. The ConnectMenlo logo depicts the major roadway intersections of the M-2 Area, and the name is a reminder about the interconnectedness between land use and mobility and connectivity between people and places. The City Council identified the completion of the General Plan and M-2 Zoning Update as a City Council goal and a top priority in its 2016 Work Plan. The establishment of the General Plan Advisory Committee (GPAC), comprised of Council and Commission Members and representatives from the community, has played an important role in guiding the process.

A critical component of the ConnectMenlo process has been broad community outreach. Over 60 meetings, events and activities related to ConnectMenlo have occurred to help educate and inform, share ideas, and gather input on the potential changes in the current M-2 Area of the City and citywide circulation. A schedule of ConnectMenlo events and activities and information provided at those meetings are posted on the ConnectMenlo webpage at www.menlopark.org/connectmenlo. Members of the community, property owners and other interested parties from varying organizations have been involved, and their input has been a key aspect to shaping the proposed project.

Overview of Key Milestones

The General Plan update process began with the development of the Guiding Principles. The Guiding Principles were established through a collaborative process and describe the kind of place that community members want Menlo Park to be. The Planning Commission and City Council provided key input into the acceptance of the Guiding Principles in December 2014. Additionally, the Commission and Council provided input on the Notice of Preparation (NOP) for the Environmental Impact Report (EIR), which described the maximum potential development that could occur in the M-2 Area, and was released in June 2015. In September 2015, the Planning Commission conducted a study session on the draft Land Use and Circulation Elements and the draft M-2 Area zoning regulations summary, and a scoping session on the EIR. At that meeting, the Commission expressed interest in the community amenities program, a desire to think creatively about issues such as the use of unbundled parking, and supported sustainable requirements for all buildings. Following revisions to the draft Land Use and Circulation Elements, the City Council then conducted a meeting in October 2015 to receive public input and provide feedback on the draft Land Use and Circulation Elements and the draft M-2 Zoning regulations summary.

In early January 2016, the ConnectMenlo team released the draft M-2 Area zoning ordinances, which included three new districts: Office (O); Life Sciences (LS); and Residential Mixed Use (R-MU). Each of the districts includes both development regulations and design standards, and will be further discussed in the Analysis section below. The ConnectMenlo team had hosted a number of meetings to engage with the GPAC and the community to receive feedback on the proposed regulations, and the Planning Commission conducted a study session on the draft zoning on May 23, 2016. The Commission provided guidance on suggested revisions, which are further discussed below in the Analysis section. In June 2016, the Draft EIR was released and the Planning Commission conducted a public hearing to receive comments. In July, the City Council extended the EIR comment review period an extra 15 days for a total of 60 days. In September, the Fiscal Impact Analysis was released and discussed by the Planning Commission. The Fiscal Impact Analysis has been updated per the guidance of the Planning Commission and is further discussed below in the Fiscal Impact Analysis section.

Analysis

General Plan Update

The City is proposing to update the Land Use and Circulation Elements of the General Plan, including revised goals, policies and programs, the establishment of new land use designations, and the creation of a new street classification system. The General Plan Update seeks to create a live/work/play environment that fosters economic growth, increased sustainability, improved transportation options and mobility, while preserving the existing residential neighborhood character and quality of life enjoyed today. The land use changes are generally focused in the M-2 Area and could result in an increase in development potential above what would be allowed under the current General Plan, as follows:

- Up to 2.3 million square feet of non-residential uses;
- Up to 4,500 residential units; and
- Up to 400 hotel rooms.

This additional development potential in the M-2 Area, combined with the remaining development potential under the current General Plan, would result in a total of up to 4.1 million square feet of non-residential development and up to 5,500 residential units in the City.

The Land Use and Circulation Elements are two of the seven mandated elements (or chapters) of a General Plan. In 2013, the City updated its Open Space/Conservation, Noise and Safety Elements. In 2014, the City adopted its most recent Housing Element for the 2015-2023 planning period. Therefore, the focus of ConnectMenlo is to update the Land Use and Circulation Elements, which date from 1994. These two elements are central components of the General Plan because they describe which land uses should be allowed in the City, where those land uses should be located, how those land uses may be accessed and connected, and how development of those uses should be managed to minimize impacts and maximize benefits to the City and its residents. The General Plan must be internally consistent across elements, and within an element, the goals, policies and programs must be consistent with and complement one another.

The Guiding Principles were established through a collaborative process in the Fall of 2014 and describe the kind of place that community members want Menlo Park to be. The Guiding Principles, which are noted in the Draft General Plan Introduction (Attachment A, Exhibit A), are supported by the goals, policies and programs in the Land Use and Circulation Elements. A *goal* is a general, overall desired outcome, a *policy* is a specific statement of commitment that sets a direction for the City to follow, and a *program* is an action carried out pursuant to a policy to achieve a specific goal. The goals, policies and programs will be used to help guide future land use decisions and plan for future capital improvements in the City. For example, each year, the Planning Commission evaluates the Capital Improvement Plan (CIP) for consistency with the General Plan prior to its adoption into the budget.

Along with the General Plan update, a number of programs identified in the Draft Land Use and Circulation Elements are intended to be concurrently implemented. While policies set the overall direction, they often do not define the specific details about how to achieve a goal or measure success. At the programmatic level, performance standards, procedures, and regulations can be established to achieve goals. For example, the programs in the table below, as identified by program number in the Draft Land Use and Circulation Elements, are intended to be implemented simultaneously with the General Plan update and serve as tools to help reinforce goals and policies as development and infrastructure improvements occur in the City.

Implementation Programs	
Land Use Element Programs	Circulation Element Programs
LU-1.A Zoning Ordinance Consistency	CIRC-2.G Zoning Requirements for Bicycle Storage
LU-4.C Community Amenity Requirements	CIRC-2.H Zoning Requirements for Paseos
LU-6.D Design for Birds	CIRC-6.F Trip Reduction Goals
LU-7.H Sea Level Rise	

Throughout the process, the term “Bayfront” has been used interchangeably with “M-2.” M-2 refers to a current zoning designation that will become almost obsolete should changes occur per the proposed General Plan and M-2 Area Zoning Update. Bayfront was identified as a potential name given its geographic reference near the Bay. However, concerns have been raised about the applicability of the name, whether it refers to just the former M-2 Area or the larger area, inclusive of the Belle Haven neighborhood. The intent of the name was not to lose the identity of the Belle Haven neighborhood, but rather make the M-2 name more relevant given the vision for the area and the reduction in M-2 zoned properties as the primary land use category.

Land Use Element

The Draft Land Use Element, incorporated as Exhibit A to Attachment A, includes a regional land use framework for context, discusses the overall City’s land use composition and defines the General Plan land use designations and goals, policies and programs. The goals, policies and programs from the 1994 Land Use Element were used as the basis for the development of the proposed goals, policies and programs and retain the same values of neighborhood preservation, environmentally sound planning, and economic stability, while acknowledging the desirability of live/work/play environments that can be created with increased development in appropriate locations. Although the primary focus of land use changes has been located in the M-2 Area, the goals, policies and programs in the Land Use Element are applicable citywide. The proposed seven Land Use Element goals are the following:

- **Goal LU-1 Orderly Development:** Promote the orderly development of Menlo Park and its surrounding area.
- **Goal LU-2 Neighborhood Preservation:** Maintain and enhance the character, variety and stability of Menlo Park’s residential neighborhoods.
- **Goal LU-3 Neighborhood-Serving Uses:** Retain and enhance existing and encourage new neighborhood-serving commercial uses, particularly retail services, to create vibrant commercial corridors.
- **Goal LU-4 Business Development and Retention:** Promote the development and retention of business uses that provide goods or services needed by the community that generate benefits to the City, and avoid or minimize potential environmental and traffic impacts.
- **Goal LU-5 Downtown/El Camino Real:** Strengthen Downtown and the El Camino Real Corridor as a vital, competitive shopping area and center for community gathering, while encouraging preservation and enhancement of Downtown’s atmosphere and character as well as creativity in development along El Camino Real.
- **Goal LU-6 Open Space:** Preserve open-space lands for recreation; protect natural resources and air and water quality; and protect and enhance scenic qualities.
- **Goal LU-7 Sustainable Services:** Promote the implementation and maintenance of sustainable development, facilities and services to meet the needs of Menlo Park’s residents, businesses, workers, and visitors.

The proposed General Plan land use designations and goals, policies and programs seek to both preserve the qualities of the City and to accommodate change that can benefit the community through increased revenue that supports services and direct provision of amenities that enhance the quality of life in Menlo Park. The General Plan land use designations refer to a category of distinct types of land uses. Each designation establishes the general type of uses and range of development intensities. A land use designation is closely aligned with one or more zoning districts. In general, the General Plan land use designations have remained unchanged, with the exception of the addition of several new categories, including Office, Life Sciences, and Mixed Use Residential, which are all within the M-2 Area. The former Non-Urban land use designation is being renamed to Baylands to align with its current and intended use, and includes the Don Edwards National Wildlife Refuge. No land is being removed from this designation and policies are incorporated into the Land Use Element to help preserve its use and value to the environment and community.

Since the release of the original draft, revisions have been made to the Introduction and Land Use Element, with a focus on making the document more thorough and user-friendly. No changes to the goals, policies or programs were made, with the exception of edits for typographical errors or clarity. The Land Use Element now also includes quotes collected from the process that reflects participants' values and ideas, and past and present photos that reflect Menlo Park's identity, honors the past and sets the stage for future change.

Circulation Element

The Draft Circulation Element, included as Exhibit A in Attachment A, describes distinct issues and opportunities that Menlo Park is likely to face during the next 25 years, as well as strategies for addressing them. Although Menlo Park has a relatively high-quality transportation system, its efficiency is often impacted by regional commute traffic at peak travel times. The topic of traffic and congestion often has been raised as a concern during the ConnectMenlo process. With the proposed Circulation Element, the focus and vision for mobility in Menlo Park increasingly provides transportation options for residents and employees to improve access to a safe and connected network of facilities, encourage physical activity and health, and reduce greenhouse gas emissions.

The proposed seven Circulation Element goals are the following:

- **Goal Circ-1 Safe Transportation System:** Provide and maintain a safe, efficient, attractive, user-friendly circulation system that promotes a healthy, safe and active community and quality of life throughout Menlo Park.
- **Goal Circ-2 Complete Streets:** Increase accessibility for and use of streets by pedestrian, bicyclists, and transit riders.
- **Goal Circ-3 Sustainable Transportation:** Increase mobility options to reduce traffic, congestion, greenhouse gas emissions, and commute travel time.
- **Goal Circ-4 Health and Wellness:** Improve Menlo Park's overall health, wellness and quality of life through transportation enhancements.
- **Goal Circ-5 Transit:** Support local and regional transit that is efficient, frequent, convenient, and safe.

- **Goal Circ-6 Transportation Demand Management:** Provide a range of transportation choices for the Menlo Park community.
- **Goal Circ-7 Parking:** Utilize innovative strategies to provide efficient and adequate vehicle parking.

Providing transportation options is essential for moving people around and maintaining a high quality of life. In 2013, the City Council adopted a “Complete Streets” policy that expresses the City’s desire and commitment to maintain streets that are routinely planned, designed, operated and maintained with consideration of the needs and safety of all travelers. Complete streets establish comprehensive, integrated transportation networks and allow for users to move easily around the City using multiple modes of transportation. A key component of providing complete streets is establishing and promoting the suitability of streets for various travel modes and adjacent land uses. New to the Draft Circulation Element is a revamped street classification system, which would be used in addition to the Federal Highway Administration categories such as arterial, collector and local streets with Menlo Park-specific classifications such as Boulevard, Avenue, Connector, and Bicycle Boulevard. The street classification map (Circulation System Map) (Figure 2) and table (Table 1) in the document depict and explain how the classifications would be applied to the roadway network and define objectives to be met when the City resurfaces or redesigns a specific street.

Transportation demand management (TDM) strategies will also play an important role in improving mobility throughout the City by reducing vehicle trips and parking demand by shifting travel mode and travel time during the day to take advantage of road capacity and reduced congestion. The proposed zoning regulations include TDM standards for all new development in the M-2 Area. Trip reduction goals are further supported by Program Circ-6.F, which was added since the original draft of the Circulation Element.. The program establishes an adopted vehicle trip reduction goal in the Zoning Ordinance to encourage TDM programs and reduce vehicle traffic, and to update the goal with major changes in transit service, every five years, or as needed.

In addition to traffic, the metric (Vehicle Miles Traveled - VMT) for which transportation impacts would be measured has raised some interest during the ConnectMenlo process. Historically, the City, based on the California Environmental Quality Act (CEQA), has used automobile level of service (LOS), a measurement of time delay at signalized intersections and volume on roadway segments. The state is anticipated to adopt revised CEQA guidelines that replace VMT with LOS within the next few years. In prior drafts of the Circulation Element, the City's LOS standards were removed in anticipation of this change. However, at the request of the GPAC on August 24, 2015 the draft Circulation Element includes a policy to supplement, not replace, LOS with VMT analysis. Therefore, an updated policy (Circ-3.A) was added to re-establish the City's LOS standards. In the future, prior to or following the state's adoption of revised CEQA guidelines, the City Council can choose to redefine or update the City's impact assessment guidelines to incorporate such new standards.

As part of the Circulation Element Update, a more systematic approach to planning for transportation and street infrastructure needs has been identified. The Circulation Element uses safety (i.e., collision history) indicators and operational analysis to identify needs through a Transportation Master Plan for the City (TMP). The TMP would review multi-modal transportation needs and prioritize projects to be constructed across the City. This TMP would be initially prepared, and then would be reviewed at least every five years and updated as needed. Additionally, a proactive bi-annual review process to evaluate the state of the

transportation networks is also proposed. These processes would identify infrastructure needs, identify and prioritize potential modifications, build consensus around potential projects, and be used to inform the City's annual Capital Improvement Program process for design and construction. The TMP would also be used to develop a nexus between the system-wide improvement projects and future potential development to update the City's Transportation Impact Fee Program.

Zoning Ordinance Amendments

The M-2 Area Zoning Update consists of four main components: 1) The addition of the Office (O), Life Sciences (LS), and Residential Mixed Use (R-MU) zoning districts for consistency with the proposed General Plan land use changes in the M-2 Area; 2) Modifications to the C-2-B (Neighborhood Mixed Use, Restrictive) district to permit residential uses and mixed use developments; 3) Establishment of an administrative permit process for hazardous materials review when certain conditions are met; and 4) Other minor modifications to the Zoning Ordinance for consistency and implementation. Each of these topics is further discussed below.

Proposed Office (O), Life Science (LS) and Residential Mixed Use (R-MU) Zoning Districts

As part of the ConnectMenlo process, the team was charged with updating the M-2 Area zoning to develop zoning that is consistent with the proposed new General Plan land use designations. The proposed O, LS, and R-MU zoning ordinances would implement Program LU1.A (Bayfront Area Zoning Ordinance Consistency) of the proposed Land Use Element and set the framework for creating the live/work/play environment concept that is desired for the area. All of the proposed zoning changes would be incorporated into Title 16 (Zoning Ordinance) of the Municipal Code, but would only impact properties in the M-2 Area. Attachments B, C and D include the draft ordinances for the O, LS, and R-MU zoning districts. Most of the existing M-2 zoned land would be replaced by one of the three new zoning districts, as shown in Exhibits B, C, D of Attachment G. A small portion of the existing M-2 zoning would be retained on Haven Avenue and a sliver on Willow Road, which is currently operating as a storage center.

The proposed name of each district represents the predominant use category for the district. Like other zoning districts in the Zoning Ordinance, the proposed language specifies the types of uses that are allowed in each district, as well as uses that require administrative review by the Community Development Director or a use permit, subject to the review and approval of the Planning Commission. In addition, each district outlines detailed development standards such as setbacks, floor area ratio, and height requirements. In response to the Guiding Principle and Land Use Element goal and policy that call for corporate contribution and community amenities, each of the zoning districts establishes standards for base level development as well as bonus level development, the latter of which would be required to contribute community amenities in exchange for increased development potential. Furthermore, the proposed zoning ordinances establish design standards and green and sustainable building regulations for each zoning district. These standards are consistent with the proposed General Plan Land Use Policies LU-2.1 (Neighborhood Compatibility), LU-2.3 (Mixed Use Design), LU-2.9 (Compatible Uses), and LU-7.A (Green Building Operation and Maintenance), which seek high quality and sustainable development. The proposed ordinances attempt to reflect values from community input and guidance from the Council, Planning Commission and GPAC on how to balance growth and potential impacts.

One of the key changes to the area is the introduction of residential uses, up to 4,500 new units. Residential uses zoned R-MU would be concentrated in either stand-alone or mixed-use developments in two primary locations, including an area bounded by Menlo Gateway, Jefferson Drive and Constitution

Drive, and an area along the eastern side of Willow Road on a portion of the Menlo Park Science and Technology campus. Of the 4,500 units, approximately 1,500 units have been identified as corporate housing units, which are denoted as O-CH (Office-Corporate Housing) on the proposed zoning map. The O-CH designation is further described below in its respective section. Most of the other M-2 zoned properties would be rezoned to Office or Life Science, with the latter zoning to occur on properties that already predominantly engage in research and development type uses along O’Brien Drive and Adams Drive. The use of “B” following “O”, “LS” or “R-MU” indicates that the property is eligible for bonus level development. In a few locations on the zoning map, the term “O-H (Office-Hotel)” is proposed. This designation allows hotels as a permitted use. In all other O-zoned properties, hotels would be conditionally permitted. As part of the ConnectMenlo process, up to 400 hotel rooms were analyzed for the M-2 Area.

Each of the three zoning districts is intended to be compatible with each other in both uses and physical form. Each of the proposed chapters for the O, LM and R-MU districts includes the same sections, but may have varying standards depending on the district. Table 1 identifies the sections and includes a brief description of the section.

Table 1: Overview of Proposed O, LS and R-MU Zoning Districts

Section	Description
Purpose	Provides the purpose and intent of the zoning district.
Permitted Uses	Identifies the uses that are allowed by-right.
Administratively Permitted Uses	Identifies the uses that are permitted, subject to an administrative permit review and approval by the Community Development Director.
Conditional Uses	Identifies the uses that are permitted, subject to a use permit review and approval by the Planning Commission.
Development Regulations	Identifies various regulations such as minimum and maximum setbacks, FAR, height, and minimum open space requirements. Requirements are included for both base level development and bonus level development. The intent is to generally maintain the existing development regulations under the current M-2 zoning as the base level standards while providing flexibility to increase the FAR and/or density and heights under bonus level development requirements.
Additional Bonus Development Regulations	A development may seek a bonus in density, floor area ratio and/or height in areas denoted with a “B” for bonus level development.
Community Amenities Required for Bonus Development	To be eligible for bonus density, FAR and/or height, a project shall provide one or more community amenities. The section describes how to calculate the value of the community amenities to be provided and the mechanisms in which community amenities may be provided.

Table 1: Overview of Proposed O, LS and R-MU Zoning Districts

Parking Standards	Minimum and maximum parking ratios are established based on a land use. In addition, minimum bicycle parking ratios for both short and long term parking are included. Shared parking facilities may be considered at the discretion of the Transportation Manager.
Transportation Demand Management	New construction, additions and changes of uses affecting 10,000 or more square feet of floor area would be required to develop a Transportation Demand Management (TDM) plan to reduce the associated vehicle trips to at least 20 percent below the standard generation rates for the uses on the project site.
New Connections	The zoning map identifies future connections in the form of either a public street or paseo. New development will be required to provide new pedestrian, bicycle and/or vehicle connections to support connectivity and circulation.
Required Street Improvements	New construction, building additions, and interior alterations of an existing building, or a combination thereof, affecting 10,000 or more square feet of gross floor area will be required to provide street frontage improvements.
Design Standards	Identifies various design standards that must be met for all new construction and additions involving 10,000 or more square feet of gross floor area. The standards address the following: 1) relationship to the street, 2) building mass and scale, 3) ground floor exterior, 4) open space, 5) paseos, 6) building design, and 7) access and parking. Compliance with the design standards will be reviewed through architectural control. One or more of the design standards may be modified through approval of a use permit.
Green and Sustainable Building	Identifies standards related to the following categories: 1) green building, 2) energy, 3) water use and recycled water, 4) hazard mitigation and sea level rise resiliency, 5) waste management, and 6) bird-friendly design.

Changes Since the Planning Commission Study Session

Since the Planning Commission study session on May 23, 2016, the team has revised the language in the draft ordinances to reflect guidance from the Planning Commission and refine the language for clarity in meaning and applicability, as well as overall consistency, within each of the chapters and between each of the three new zoning districts. In a few instances, staff has revisited the applicability requirements, with greater consideration for differentiating the requirements for the intended uses and facilitating future implementation. The following modifications are now included, individually or in its entirety, in the draft O, LS and R-MU zoning ordinances:

- **Height** – The draft documents include two changes related to height: 1) An increase in the maximum building height to 85 feet for R-MU properties located in the Jefferson Drive/Constitution

Area; and 2) An allowance for up to 10 feet of additional building height and base height for all properties subject to flooding and/or sea level rise in the M-2 Area to account for regulations that may require buildings to be elevated.

- **Floor Area Ratio (FAR) Calculation** – Language has been included to allow FAR calculations across contiguous properties of the same zoning district designation and owned by the same entity or wholly owned affiliated entities. This concept allows for greater site planning and design flexibility.
- **FAR** – Consistent with the sliding scale for residential densities at the base level in the R-MU zoning district, a sliding scale FAR was incorporated for the bonus level development, similar to the base level FAR. For bonus level development, an FAR of more than 90% would be permitted for a density of more than 30 dwelling units/acre up to 200% for a 100 dwelling units/acre project. The sliding scale creates a mix of appropriately sized units and precludes a development that maximizes the FAR without the benefit of an appropriate number of dwelling units.
- **Applicability of Design Standards** –The design standards are proposed to be applicable to all new construction, regardless of size, and building additions of greater than 10,000 square feet. Applicability to exterior modifications was removed to not dissuade minor improvements to existing buildings, in particular to small buildings where full redevelopment is impractical or infeasible.
- **Maximum Building Setback** – In an effort to create an attractive and active street frontage, minimum and maximum building setbacks are proposed. The current M-2 regulations do not require a maximum setback. To allow flexibility in placement of small additions to existing buildings in the O and R-MU districts, the proposed ordinances now allow an exemption to the maximum setback for additions of less than 10,000 square feet. In the LS district, the maximum building setback has been removed, recognizing that the intended uses in this district and the existing street pattern of O'Brien Drive and Adams Drive are different and can be different in character, look and feel. With that said, properties in the LS district would still be required to meet design standard requirements for open space, paseos, placement of parking, building entrances and ground floor transparency, among others, to create an attractive and inviting streetscape.
- **Corner Build-to-Requirement** – The design standard has been removed for corner lots for simplicity and flexibility in design. However, the general Build-to Area Requirement remains in place for the O and R-MU districts to help ensure that a minimum percentage of the building is situated between the minimum and maximum setbacks.
- **Rooflines** – Vertical modulation is required in addition to horizontal building modulation. The requirement for varied rooflines has been clarified to require the vertical modulation to align with the building modulation requirements to create a cohesive design.
- **Definitions** – Several definitions such as 'eating establishment', 'drinking establishment', and 'banks and financial institutions' have been added in the land uses category and definitions, such as 'minimum open space requirement' and 'base height' have been clarified in the design standards. The definitions, as stated in the chapters, only affect the chapters and do not apply to the entire Zoning Ordinance.

Corporate Housing (O-CH)

A big part of the ConnectMenlo discussion has been around the topic of housing; the need for more housing and specifically the need for affordable housing to retain existing residents in place and to accommodate service workers such as teachers, retail associates, and emergency service personnel, all who will play a role in the success of the future vision.

A strong housing component was important to the live/work/play environment that was desired for the area. One idea that emerged from the ConnectMenlo process was the concept of corporate housing to address the need of housing for local employers. Through the land use exercise early in the process, the Facebook East Campus (former Sun Microsystems site) at the intersection of Bayfront Expressway and Willow Road was identified as a potential location for up to 1,500 corporate housing units. Previously, the zoning map identified this site as a potential R-MU property. However, that zoning designation would not accurately reflect the intended use and goal for the site. The intent was to create housing options for those who were also employed nearby, thereby having the added benefit of reducing vehicle trips in the area, reducing associated greenhouse gas emissions, and improving the air quality. Such housing could also have the effect of reducing the demand for housing elsewhere in the City or in nearby jurisdictions.

The Draft EIR prepared for the project assumed that there would be no net new trips associated with the proposed housing. To reinforce that traffic assumption, the property is proposed to be rezoned O-CH (Office – Corporate Housing) instead of R-MU. The O-CH designation is a subsection of the O designation, but includes specific development standards, including limits on the occupants of the units to individuals who work on the project site and the prohibition of additional parking spaces for the housing units. Additional specific O-CH regulations include an allowance for an additional 60% FAR for the housing component on a site, a 40-foot height limit, and specific setbacks to account for its location near the Bay. The property at 1 Hacker Way is the only site proposed to be rezoned O-CH at this time, as shown in Exhibit B of Attachment G.

Recycled Water Requirements

Each of the three proposed zoning districts include a section on green and sustainable building regulations, which support the Guiding Principle and goals, policies and programs to be a leader in addressing climate change and to promote sustainable environmental planning. Water use efficiency and recycled water is a component of the proposed green and sustainable building regulations. One of the regulations requires all new buildings 250,000 square feet or more in gross floor area to use an alternate water source for all City approved non-potable applications. While some property owners have expressed concern regarding the requirement, staff believes that it is an opportunity to establish the regulation and effectively manage our water resources. Staff would encourage that the regulation not only apply to buildings of 250,000 square feet or larger, but also to developments of multiple buildings (being proposed at one time) totaling 250,000 square feet or more. The Planning Commission may wish to consider whether such modifications to the proposed regulations are appropriate.

Community Amenities

Since the crafting of the Guiding Principles, the desire for future development to contribute towards community amenities has been a consistent theme. The Corporate Contribution Guiding Principle is stated below:

Corporate Contribution. In exchange for added development potential, construction projects provide physical benefits in the adjacent neighborhood (such as Belle Haven for growth north of US 101), including jobs, housing, schools, libraries, neighborhood retail, childcare, public open space, high speed internet access, and transportation choices.

The concept of the corporate contribution was further established in the proposed Land Use Element as a policy and program, as stated below:

Policy LU-4.4 Community Amenities. Require mixed-use and nonresidential development of a certain minimum scale to support and contribute to programs that benefit the community and the City, including education, transit, transportation infrastructure, sustainability, neighborhood-serving amenities, child care, housing, job training, and meaningful employment for Menlo Park youth and adults.

Program LU-4.C Community Amenity Requirements. Establish Zoning Ordinance requirements for new mixed-use, commercial, and industrial development to support and contribute to programs that benefit the community and City, including public or private education, transit, transportation infrastructure, public safety facilities, sustainability, neighborhood-serving amenities, child care, housing for all income levels, job training, parks and meaningful employment for Menlo Park youth and adults (e.g. first source hiring). The list of specific benefits may be modified over time to reflect changes in community priorities and desired amenities.

Implementation of Program LU-4.C was a key aspect of the M-2 Area Zoning Update and includes three primary components: 1) identification and prioritization of the community amenities through public outreach and input; 2) crafting the development regulations for bonus level development (increased FAR, density and/or height) in exchange for the provisions of community amenities in the area between Highway 101 and the Bay; and 3) creating the process for how community amenities would be implemented. The establishment of a uniform process for consistency and predictability was identified as a preferred approach. The community amenities list is included as Attachment H. and would be adopted by resolution. As noted in the community amenities section of the ordinance, the community amenities list may be updated from time to time by Council resolution in order to reflect community needs and priorities.

Community Amenities Specific to the R-MU District

The R-MU community amenities requirement was structured in two parts: 1) provide a contribution towards affordable housing through the development of 15% of the project's total units for low, very low and extremely low income households; and 2) provide community amenities equal to 50% of the fair market value of additional gross floor area of the bonus level development. During the process, concerns were raised about the feasibility of providing community amenities on top of the 15% affordable housing requirement. At the Planning Commission study session on May 23, the Planning Commission generally supported the idea of the affordable housing being the sole community amenity for bonus level development in the R-MU-B areas, and needed additional information and discussion on whether 15% was the appropriate requirement.

Throughout the ConnectMenlo process, affordable housing and housing for all income levels has been a common theme. However, the desire for other community amenities such as a grocery store, bank, and other services, enhanced landscaping, and education and job training have also been expressed as important community priorities. In an effort to balance interests, staff encourages that the Planning

Commission recommend approval of the modified community amenities approach included in Sections 16.XX.060 and .070 of the proposed R-MU district (Attachment D). The revised approach maintains both the 15% affordable housing requirement and the calculation for 50% of the value of the additional gross floor area of the bonus level development. However, the value of the housing would be deducted from the 50% share and only the remaining funds after the value of affordable housing has been accounted would be used to contribute towards community amenities from the established list. Using a prototypical three-acre mixed use project, a 15% affordable housing requirement with a mix of affordable units at low, very low and moderate income levels in proportion to the City's Regional Housing Needs Allocation (RHNA), would net additional funds for community amenities. The current language in the proposed ordinance does not establish a minimum percentage of affordable units in any individual income category, but requires low, very low, and extremely low income housing units. The Planning Commission should discuss a few topics related to this requirement: 1) Is the new hybrid approach for community amenities in the R-MU district, as summarized above, appropriate; 2) Should a minimum amount of housing units be provided at the various affordability levels; and 3) Should affordability for moderate income households be included?

Modifications to C-2-B (Neighborhood Mixed Use, Restrictive)

To further enhance the live/work/play concept, the idea of permitting residential uses on existing commercial properties currently zoned C-2-B (Neighborhood Commercial, Restrictive) was discussed as part of the creation of the M-2 Area potential maximum development map. The proposed changes to the C-2-B zoning district are included in Attachment E. The proposed Zoning Ordinance amendment would support General Plan Goal 3, which seeks to retain and enhance new neighborhood serving commercial to create a vibrant commercial corridor, and be consistent with Land Use Policies LU-3.1 (Underutilized Properties) and LU3.3 (Neighborhood Retail), which encourage underutilized properties to redevelop with attractively designed commercial, residential or mixed use development and promote the preservation of neighborhood-serving retail, especially small business, while enhancing and preserving the character of the neighborhood, respectively. Staff proposes to change the name of the C-2-B district from Neighborhood Commercial, Restrictive to Neighborhood Mixed Use, Restrictive to better align the types of uses encouraged in the district.

As part of the proposed zoning ordinance update, the revised C-2-B zoning district allows residential uses with a density of up to 30 dwelling units/acre as a conditionally permitted use. The proposed maximum FAR would increase, up to 100 percent, for mixed use developments, and the parking standards would be reduced to align with the provisions proposed in the O, LS and R-MU districts. The land uses previously identified in the C-2-B zoning district remain in the proposed draft ordinance, although several of the uses such as mortuaries and mini warehousing would typically be inappropriate for a neighborhood-serving retail center. The Planning Commission may wish to consider whether any of the conditionally permitted uses or regulations in the zoning district should be modified to better support a live/work/play environment. There are several C-2-B zoned parcels along the Willow Road Corridor, located along the western side of Willow Road at the corners of Newbridge Street and Ivy Drive, and near Bay Road on the south side of Highway 101. The addition of residential uses would increase housing, allow mixed use developments to foster the live/work/play environment, and provide opportunities for growth on key locations in the area.

Streamlining Hazardous Materials Review Process

Throughout the process, a number of comments have been included about the desire for more predictability and streamlining of processes. Because the use and storage of hazardous materials is often a key component of uses located in the M-2 Area, staff has explored modifications to the hazardous materials process, which currently triggers a use permit in the M-2 Area. As part of the current review

process, the Menlo Park Fire Protection District, San Mateo County Health, West Bay Sanitary District (and other applicable sanitary districts), and the City's Building Division all review and provide input on the proposed hazardous materials use prior to Planning Commission review. Given the interagency coordination and expertise by the respective agencies to ensure safeguards are in place and proper handling and storage occur, staff believes it is appropriate to support zoning changes that would allow for the administrative review of hazardous materials by the Community Development Director instead of a use permit. The proposed administrative review process would be added to Chapter 16.80 (Permits) of the Zoning Ordinance, similar to other administrative reviews of different uses. The proposed language is incorporated in the draft ordinance, which is included as Attachment F.

As part of the review process, the Community Development Director would consider the input from the outside reviewing agencies, comments from the public, the compatibility of the proposed use and storage of hazardous materials with the neighboring land uses, and the quantities and types of materials to ensure that they are permissible by the California Fire Code and that the building is designed appropriately, as determined by the Fire Marshall and Community Development Director or his/her designee. As part of the review process, staff would notice the administrative permit request to property owners and occupants within a one-quarter mile of a site. The Community Development Director's decision can be appealed to the Planning Commission.

Other Modifications

Staff is proposing several other modifications to the Zoning Ordinance for consistency and to assist with implementation of future projects. The changes are shown in underline and strikeout format in the proposed adopting ordinance, included as Attachment F. The proposed modifications are as follows:

- Amend Chapter 16.68 (Buildings) to allow administrative architectural control review by the Community Development Director in the O and LS districts, similar to the current process for the M-2 zoned properties. The administrative review limits approvals to minor modifications to buildings, which means there would be no increase in gross floor area.
- Amend Chapter 16.80 (Nonconforming Uses and Buildings) to exempt existing buildings in the O, LS and R-MU districts from the development standards in the zoning district for the purposes of determining if the building is nonconforming, to exempt buildings from amortization, to define a process for restoration if a building is destroyed, and to allow approved use permits and conditional development permits to regulate properties until such a time when comprehensive redevelopment occurs and a property elects to cancel or modify the permit.
- Amend Chapter 16.02 to require that all future development projects comply with the mitigation measures established in the mitigation and monitoring reporting program (MMRP) per the General Plan and M-2 Area Zoning Update Environmental Impact Report.

A provision that has been included in the proposed adopting ordinances clarifies that the proposed ordinance amendments would be applicable to all discretionary projects that have not yet received project approvals. This includes projects that have been filed, but not yet acted upon. All building permit applications on file at the time the ordinances become effective would be exempt from the proposed regulations.

Rezoning

The proposed changes to the General Plan land use and circulation diagrams support the vision for a live/work/play environment with improved connectivity in the M-2 Area. The proposed rezonings to the O, LS and R-MU districts, and the proposed new paseos and street connections, as identified on the attached Zoning Map (Exhibit G of Attachment G), would be consistent with the proposed General Plan land use amendments and circulation diagram noted above and the vision for the M-2 Area.

In addition, staff is proposing several “clean up” rezonings to reflect current uses and/or ownership of a site. Three properties are proposed to be rezoned PF (Public Facilities) from M-2, two of which are facilities operated by the City and West Bay Sanitary District. The third rezoning to PF is at the request of the Sequoia Union High School District for property they own at 150 Jefferson Drive, which is a potential site for a future high school. Several parcels near Willow Road and Bayfront Expressway are proposed to be rezoned F-P (Flood Plain) for consistency with the undevelopable nature of the site. The designation is consistent with the broader adjacent area of the Don Edwards National Wildlife Refuge and potential habitat area. The proposed rezonings require adoption of an Ordinance, which is included as Attachment G.

Correspondence

Since the Planning Commission May 23, 2016 study session, staff has received correspondence on the proposed project. The correspondence is included as Attachment I. Comments related to the Draft EIR were responded to in the FEIR, if received during the comment review period, or in a supplemental memorandum if received after the deadline. The attached comments range from support of the General Plan update and additional housing to questions about how the proposed changes would impact existing business to feedback and suggested edits to the proposed regulations.

Impact on City Resources

The General Plan Update scope of services and budget (\$1.5 million) was approved by the City Council on June 17, 2014, and amended in April 2015 to use contingency funds (\$150,000) to accommodate additional outreach. On October 11, 2016, the Council approved a scope of work and budget augmentation of \$87,000, which was appropriated from the General Capital Improvement Fund for additional public outreach and to address comment letters received on the Draft EIR. The total budget approved to date for the project is \$1,737,000.

Fiscal Impact Analysis

The potential fiscal impacts of the proposed General Plan and M-2 Area Zoning Update have been evaluated in a Fiscal Impact Analysis (FIA) prepared by BAE Urban Economics. The FIA projects potential changes in revenue and expenditures, and net fiscal impacts to the City and other special districts as a result of potential development that could occur from the implementation of the proposed project.

The FIA examines the net fiscal impact of the project on:

- Menlo Park General Fund;
- Menlo Park Fire Protection District;

- School Districts Serving the Project;
- Water and Sanitary Districts;
- San Mateo County Community College District;
- San Mateo County Office of Education;
- Midpeninsula Regional Open Space District; and
- Sequoia Healthcare District

The FIA evaluates the potential net fiscal impact of the proposed project (proposed changes to the M-2 Area plus the remaining development potential under the existing General Plan) and two alternatives (Reduced Non-Residential Intensity and Reduced Intensity) that were evaluated in the Draft EIR.

On September 12, 2016, the Planning Commission discussed and provided comments on the FIA. Several Commissioners highlighted the potential negative fiscal impact on the Menlo Park City School District, Las Lomas School District and Sequoia Union High School District, but noted that the proposed net new changes in the M-2 Area would not result in increased enrollment in the two elementary school districts. The Planning Commission requested additional information that would clarify what impacts were created as a result of the existing remaining development potential versus the proposed changes in the M-2 Area.

Following the Planning Commission's meeting on the FIA, staff refined the corporate housing regulations that are proposed for the Facebook East Campus to align with the approach studied in the EIR and as discussed in the Corporate Housing (O-CH) section above. Because occupants of the corporate housing would be limited to employees only, no students would be generated from the additional 1,500 housing units that were previously analyzed for the site. While this change would not impact the Menlo Park City or Las Lomas School Districts, the potential reduction in students generated from the site would benefit the Sequoia Union High School District. The fiscal model has been adjusted to address the Commission's direction to clarify the impacts from the existing remaining development potential versus the proposed changes in the M-2 Area, to reflect the change in corporate housing regulations, and to account for the change in use from a multi-family apartment development to corporate housing. Although BAE has prepared the updated FIA, BAE has not been able to finalize the report due to an illness. The revised FIA will be incorporated as Attachment J and will be released before the Planning Commission meeting, but separately from the staff report. The newly revised information will be presented at the October 19 meeting.

Environmental Review

Pursuant to CEQA, the City determined that the proposed project could result in potentially significant environmental impacts and that an EIR would be required. As stated in the State CEQA Guidelines, an EIR is an "informational document" that is intended to inform public agency decision-makers and the public of the potentially significant environmental effects of a project, identify possible ways to avoid or substantially lessen the significant effects, and describe reasonable alternatives to the project.

On June 18, 2015, the City circulated a Notice of Preparation (NOP) of an EIR for a 30-day review period. In addition, on September 21, 2015, a public scoping meeting was held on the EIR. The NOP and scoping process solicited comments from responsible and trustee agencies, as well as interested parties regarding the scope of the EIR. On June 1, 2016, the City released the Draft EIR for the General Plan and M-2 Area Zoning Update. The Draft EIR was scheduled for a 45-day review period, ending on Friday, July 15, 2016,

but was extended by the City Council for an additional 15 days, ending on August 1, 2016. During the review period, the public was invited to provide written comments via email or mail on the Draft EIR.

The Final EIR, included as a hyperlink to the document in Attachment M) includes the Response to Comments to all the written comments received prior to the deadline and verbal testimony provided at the Planning Commission public hearing on the EIR, and changes to the document to reflect any needed modifications. The comments on the Draft EIR did not result in any impacts not previously identified. Therefore any changes to the text of the Final EIR were limited to corrections and clarifications that do not alter the environmental analysis. The FEIR is available on the project page at www.menlopark.org/connectmenlo as well as City Hall, the Main Library, the Belle Haven Branch Library and the Onetta Harris Community Center.

One issue that was raised by several commenters was the concept of phasing development, to ensure that units from the residential component of the proposed project were built prior to non-residential development. Project phasing was not evaluated as part of the project and is not a CEQA issue, but a policy topic that the Planning Commission may wish to consider.

The General Plan and M-2 Area Zoning Update Draft EIR analyzes the potential impacts of the proposed project across a wide range of impact areas, including:

Topic Areas	
▪ Aesthetics	▪ Air Quality
▪ Biological Resources	▪ Cultural Resources
▪ Geology, Soils and Seismicity	▪ Greenhouse Gas Emissions
▪ Hazards and Hazardous Materials	▪ Hydrology and Water Quality
▪ Land Use and Planning	▪ Noise
▪ Population and Housing	▪ Public Services and Recreation
▪ Transportation and Circulation	▪ Utilities and Service Systems

Other environmental impact areas of Agricultural and Forestry Resources and Mineral Resources were determined to have no impact from the project and are discussed in Chapter 6, CEQA-Mandated Assessment, of the Draft EIR, rather than in its own chapter.

The Draft EIR is a *program* level EIR that analyzes the adoption and implementation of the proposed project. A program level EIR is different from the most common type of EIR, which is the *project* EIR, which examines the environmental impacts of a specific development project. A program level EIR is appropriate when a project consists of a series of actions related to the issuance of rules, regulations, and other planning criteria. In this case, the proposed General Plan and M-2 Area Zoning Update are long term plans to be implemented over a 24-year buildout horizon. No specific development is proposed as part of the project. Future projects that qualify as a project under CEQA would be subject to compliance with CEQA, which may require additional project-specific environmental review.

Impact Analysis

The following table identifies which topic areas in the Draft EIR were determined to be less-than-significant (LTS), less-than-significant with mitigation (LTS/M) or significant and unavoidable (SU):

Topic Areas	
▪ Aesthetics (LTS)	▪ Air Quality (SU)
▪ Biological Resources (LTS/M)	▪ Cultural Resources (LTS/M)
▪ Geology, Soils and Seismicity (LTS)	▪ Greenhouse Gas Emissions (SU)
▪ Hazards and Hazardous Materials (LTS/M)	▪ Hydrology and Water Quality (LTS)
▪ Land Use and Planning (LTS/M)	▪ Noise (LTS/M)
▪ Population and Housing (SU)	▪ Public Services and Recreation (LTS)
▪ Transportation and Circulation (SU)	▪ Utilities and Service Systems (LTS/M)
LTS = less-than-significant, LTS/M = less-than-significant with mitigation, SU = significant and unavoidable	

Potentially Significant and Unavoidable Impacts

Air Quality

The EIR determined that the cumulative development within Menlo Park could exceed the regional significance thresholds, and therefore the project could contribute to an increase in adverse health effects in the San Francisco Bay Area Air Basin until the attainments are met. However, it should be noted that the program level impact does not preclude the finding of less-than-significant impacts for subsequent projects that comply with the Bay Area Air Quality Management District’s screening criteria or meet applicable thresholds of significance. Additional measures could be considered during project-level review based on site-specific and project-specific characteristics to reduce impacts. Because those projects and measures are not known at this time, the impact is considered potentially significant and unavoidable. The same conclusion is also true for construction emission impacts since specific project level mitigation is not known at this time.

Greenhouse Gas Emissions (GHG)

The proposed project would result in a substantial increase in GHG emissions from existing conditions by the horizon year 2040, although per capita emissions under the proposed project would decline. In addition to local measures included in the proposed project, additional state and federal measures are

needed to achieve the more aggressive targets established for 2050 in Executive Order S-03-05. The order established the GHG emissions reduction target of 80 percent below 1990 levels by 2050. While the proposed project supports the progress towards these long term goals, it cannot yet be demonstrated that Menlo Park will achieve such reduction goals. Achieving the reductions will require a substantial commitment to technology development and innovation. Since there are no post 2020 federal and state measures that would assist the City in achieving the efficiency target for the year 2040, the impact would be considered potentially significant and unavoidable.

Population and Housing

The proposed ConnectMenlo land use changes would add residential land uses and allow greater intensity in commercial development, which could result in an increase in population and employees above what ABAG has projected. Because ABAG's planning documents for regional growth do not include the new development potential under the proposed ConnectMenlo project, implementation of the project would introduce growth where adequate planning in the region has not yet occurred. Therefore, the impact is considered potentially significant and unavoidable. ABAG prepares forecasts of the region's population and employment every two to four years. When ABAG does its future forecasting, it will take into consideration the General Plan update, which will bring the two planning documents into alignment.

Transportation and Circulation

The Transportation and Circulation chapter of the Draft EIR includes analysis for three scenarios: 2014 Existing Conditions, 2040 No Project Conditions, and 2040 Plus Project Conditions. The impacts of the land use and circulation modifications proposed as part of project were evaluated on vehicular traffic conditions during the peak hours and daily, regional routes of significance, pedestrian and bicycle facilities, transit service and delay to transit vehicles, and vehicle miles traveled (VMT). This is the second environmental review document prepared by the City incorporating VMT analysis and thresholds of significance (the Facebook Campus Expansion Project EIR was the first). VMT is simply the miles traveled by vehicles in a specified area in a specified time period. It is a key factor in determining greenhouse gas (GHG) emissions from transportation sources, and is also used as an input to the GHG and air quality analyses for environmental review purposes. Thresholds were developed following draft guidelines issued in January 2016 from the California Governor's Office of Planning and Research (OPR).

A citywide travel demand model was developed to forecast traffic volumes in the study area with potential land use changes identified in ConnectMenlo. The city model refines the regional travel model maintained by the Valley Transportation Authority (VTA) and San Mateo City/County Association of Governments (C/CAG) to add detail to the land use and circulation networks within the model. The new model has the appropriate level of detail to provide refined transportation forecasts within Menlo Park, and is responsive to congestion on corridors to provide a more realistic picture of traffic patterns during commute hours.

The Draft EIR determined that impacts to pedestrian conditions, bicycle facilities, transit service, and vehicle miles traveled would be less than significant, or less than significant with mitigation. However, the transportation impacts on intersections, roadway segments, and routes of regional significance have been determined to be potentially significant. The list below summarizes the intersections that were identified to have significant impacts:

- #1. Sand Hill Road/I-280 Northbound Off-Ramp
- #2. Sand Hill Road/I-280 Northbound On-Ramp
- #28. El Camino Real/Ravenswood-Menlo Avenues
- #33. Willow Road/Newbridge Street
- #36. Willow Road/Hamilton Avenue
- #37. Willow Road/Bayfront Expressway
- #38. University Avenue/Bayfront Expressway
- #45. Chilco Street/Constitution Drive
- #46. Chrysler Drive/Constitution Drive
- #47. University Avenue/Adams Drive
- #51. University Avenue/Bay Road
- #54. University Avenue/Donohoe Street
- #56. University Avenue/US 101 Southbound Ramp
- #60. Chilco Street/Hamilton Avenue

The following list identifies the roadway and routes of regional significance segments that were identified to have significant impacts:

- Adams Drive
- Alameda de las Pulgas
- Alma Street
- Alpine Road
- Bay Road
- Chilco Street
- Constitution Drive
- Encinal Avenue
- Hamilton Avenue
- Haven Avenue
- Ivy Drive
- Junipero Serra Boulevard
- Laurel Street
- Linfield Drive
- Marsh Road
- Middlefield Road
- Newbridge Street
- Oak Grove Avenue
- O'Brien Drive
- Olive Street
- Ravenswood Avenue
- Ringwood Avenue
- Sand Hill Road
- Santa Cruz Avenue
- Sharon Park Drive
- Waverley Street
- Willow Road
- Bayfront Expressway (SR 84)
- US 101
- University Avenue (SR 109)

Strategies to reduce or eliminate impacts have been specified for most intersections/segments routes, including both physical infrastructure modifications and vehicle trip reduction requirements (the proposed Zoning Code includes a requirement that all projects reduce vehicle trips by 20 percent over standard rates). Additionally, the proposed Circulation Element contains goals, policies, and programs serving to minimize potential adverse impacts. These proposed policies would adopt a new street classification system; develop a citywide Transportation Master Plan and updated Transportation Impact Fee Program; encourage multi-modal transportation options through infrastructure, education, and safety programs; and participate in the formation of a Transportation Management Association to assist employers and community members to take advantage of travel options.

While mitigation measures are proposed to help reduce the impact, the impacts on intersections, roadway segments, and routes of regional significance would remain significant and unavoidable due to factors such as the need to acquire right-of-way to widen impacted roadway segments, the City cannot guarantee identified improvements would occur, or the need for approvals from other agencies. With these impacts, it should be noted that the identification of program-level impacts do not preclude the finding of less-than-significant impacts for subsequent projects that comply with the applicable thresholds of significance.

Alternatives

The Draft EIR includes a review of three different project alternatives. The discussion of the alternatives is intended to inform the public and decision makers of feasible alternatives to the proposed project that would avoid or substantially lessen any significant effects of the proposed project, even if the alternatives would impede to some degree the attainment of the project objectives, or would be more costly.

- **No Project Alternative:** Pursuant to CEQA, this alternative is required as part of the “reasonable range of alternatives” to allow decision makers to compare the impacts of approving the proposed project with the impacts of taking no action or not approving the project. Future development permitted under this scenario would not increase development potential in Menlo Park beyond what would be currently allowed today under the existing General Plan.
- **Reduced Non-Residential Intensity Alternative:** Under this alternative, all non-residential development under the proposed project would be reduced by 50 percent, but the proposed residential development would remain the same. Development potential under the existing General Plan would also remain.
- **Reduced Intensity Alternative:** Under this alternative, the net new development potential in the M-2 Area would be reduced by 25 percent. Potential development under the existing General Plan would remain unchanged.

In addition to the discussion and comparison of impacts of the proposed project and the alternatives, CEQA Guidelines require that an “environmentally superior” alternative be identified, but it cannot be the “No Project” alternative. The Draft EIR identifies the Reduced Non-Residential Intensity Alternative as the environmentally superior alternative because it would result in fewer significant impacts than the Reduced Intensity Alternative. This is in part because the equal reduction of jobs and housing in the Reduced Intensity Alternative would maintain the current imbalance, which could result in higher vehicles miles traveled than both the proposed project and the Reduced Non-Residential Intensity Alternative.

Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program

As part of its consideration of the merits of the project, the Planning Commission and City Council will need to review and consider the Statement of Overriding Considerations (SOC) along with the Mitigation Monitoring and Reporting Program (MMRP). The draft resolution for the SOC and the MMRP are included in Attachment K. The Planning Commission is a recommending body on the certification of the EIR, the SOC, and the MMRP. The draft SOC outlines the economic, environmental and social public benefits of

the project. The MMRP includes the feasible mitigation measures identified in the EIR. The MMRP is designed to aid the City of Menlo Park in its implementation and monitoring of measures adopted from the certified EIR. Compliance with the MMRP is proposed to be incorporated into Title 16, the Zoning Ordinance, and any future project in the City would need to comply with the applicable measures.

Correspondence

After the close of the Draft EIR comment period, the City received two additional items of correspondence on the Draft EIR. Although not part of the Final EIR, the comments have been provided responses, and a memo is included as Attachment L. The comments do not trigger a need for recirculation as they do not contain “significant new information,” as defined in the CEQA Guideline Section 15088.5, which includes new or substantially more severe environmental impacts, new mitigation measures or alternatives, or information on indicating that the Draft EIR is fundamentally or basically inadequate. No revisions need to be made to the Draft EIR based upon these late comment letters.

Public Notice

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper, notification by mail of owners and occupants within a 1,250-foot radius of the M-2 Area boundary, and notification by mail or email to interested agencies, jurisdictions and individuals who provided comments on the Draft EIR. In addition, the ConnectMenlo project page is available at www.menlopark.org/connectmenlo. This page provides up-to-date information about the project page, allowing interested parties to stay informed of its progress.

Attachments

- A. [Draft Resolution Approving the General Plan Land Use and Circulation Elements](#)
- B. [Draft Ordinance Adding the Office \(O\) Zoning District to Title 16 of the Municipal Code](#)
- C. [Draft Ordinance Adding the Life Sciences \(LS\) District to Title 16 of the Municipal Code](#)
- D. [Draft Ordinance Adding the Residential Mixed Use \(R-MU\) District to Title 16 of the Municipal Code](#)
- E. [Draft Ordinance Amending Chapter 16.40, C-2-B \(Neighborhood Commercial District, Restrictive\) and Chapter 16.72 \(Off Street Parking\) of Title 16 of the Municipal Code](#)
- F. [Draft Ordinance of the City Council Amending Chapter 16.02 \(General Provisions\), Chapter 16.68 \(Buildings\), Chapter 16.80 \(Nonconforming Uses and Buildings\), and Chapter 16.82 \(Permits\) of Title 16 of the Municipal Code](#)
- G. [Draft Ordinance Rezoning Certain Properties within the M-2 Area](#)
- H. [Draft Resolution Approving the Community Amenities List](#)
- I. [Correspondence Received After May 23, 2016](#)
- J. [General Plan and M-2 Area Zoning Update Fiscal Impact Analysis](#)
- K. [Draft Resolution Adopting the CEQA Findings, Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program, and Certifying the Final EIR for the General Plan and M-2 Area Zoning Update](#)
- L. [Memorandum Responding to Correspondence on the Draft EIR Received After the End of the Comment Review Period](#)
- M. [Final Environmental Impact Report for the General Plan and M-2 Area Zoning Update](#) (<http://www.menlopark.org/1013/Environmental-Impact-Report>)

Report prepared by:
Deanna Chow, Principal Planner

Report reviewed by:
Arlinda Heineck, Community Development Director