



Resolution No. 2898-2022

File #: 22-682, **Version:** 1

Resolution adopting the Initial Study / Mitigated Negative Declaration (ND21-0001) State Clearinghouse #2022060734, in accordance with Section 21080 of the California Public Resources Code and CEQA Guidelines Section 15070 et seq.

WHEREAS, the applicant has proposed construction of a 17-story office and R&D building consisting of 943,965 sq ft, 255,407 parking spaces, and landscaping and community benefits (“Project”) on the property located at 121 East Grand Avenue (APN:015 024 230 and approximately 2.91 acres) (referred to as “Project Site”) in the City; and

WHEREAS, the applicant seeks adoption of a resolution making findings and recommending that the City Council take the following actions: (1) adopt a resolution approving a General Plan Amendment (GPA20-0002); (2) introduce an ordinance amending the Zoning Code (ZA20-0002); (3) adopt a resolution approving the Use Permit (UP20-0008), Design Review (DR20-0027), Transportation Demand Management Program (TDM20-0010) and Tentative Parcel Map (PM22-0003); and

WHEREAS, approval of the applicant’s proposal is considered a “Project” for purposes of the California Environmental Quality Act, Pub. Resources Code §21000, et seq. (“CEQA”); and

WHEREAS, on behalf of the City, Knapp Consulting prepared an Initial Study/Mitigated Negative Declaration (“IS/MND”) for the Project analyzing the potential environmental effects of the Project, which was submitted to the State Clearinghouse (SCH # 2022060734) and the San Mateo County Clerk and was circulated for a 30-day public review period, beginning on July 1, 2022, and ending on August 1, 2022; and

WHEREAS, the City received four comment letters on the IS/MND during the applicable comment period; and

WHEREAS, as set forth in the accompanying staff report and the record below, the City determined that the comments submitted during the comment period do not result in new significant impacts or mitigation measures, or changed impact conclusions; and

WHEREAS, as set forth in the accompanying staff report and the record below, the City determined that responses to comments and corrections to the IS/MND do not require recirculation of the IS/MND or preparation of an environmental impact report under sections 15073.5 and 15074.1 of the CEQA Guidelines; and

WHEREAS, the City serving as the Lead Agency finds that on the whole of the record before it that there is no substantial evidence the Project will have a significant on the environment; and

WHEREAS the IS/MND reflects the City’s independent judgement and analysis; and

WHEREAS, the IS/MND concluded that, although the Project could have a potentially significant effect on the environment, there will not be a significant effect in this case because the IS/MND identifies measures that will be incorporated into the Project, which will either avoid or mitigate to a level of insignificance all potentially significant or significant effects of the Project; and

WHEREAS, on August 18, 2022, the Planning Commission for the City of South San Francisco held a duly noticed public hearing to solicit public comment and consider the proposed entitlements and environmental effects of the Project and take public testimony and recommended adoption of the IS/MND.

NOW, THEREFORE, BE IT RESOLVED that based on the entirety of the record before it, which includes without limitation, the California Environmental Quality Act, Public Resources Code §21000, et seq. (“CEQA”) and the CEQA Guidelines, 14 California Code of Regulations §15000, et seq.; the 1999 South San Francisco General Plan and General Plan EIR; the Downtown Station Area Specific Plan and EIR; the South San Francisco Municipal Code; the Project applications; the Project Plans, as prepared by Skidmore Owings Merrill Architects, BKF Engineers and Mantle Landscape Architecture dated March 4, 2022; the Initial Study/Mitigated Negative Declaration, as prepared by Knapp Consulting, dated July 1, 2022; all site plans, and all reports, minutes, and public testimony submitted as part of the Planning Commission’s duly noticed August 18, 2022 meeting; and any other evidence (within the meaning of Public Resources Code §21080(e) and §21082.2), based on substantial evidence in the record, the Planning Commission of the City of South San Francisco hereby finds as follows:

SECTION 1 **FINDINGS**

General

1. The foregoing recitals are true and correct and made a part of this Resolution.
2. The exhibits and attachments, including the IS/MND and all appendices prepared by Knapp Consulting, response to comments contained in the Planning Commission Staff Report dated August 18, 2022, and Mitigation Monitoring and Reporting Program (Exhibit B), are incorporated by reference as part of this Resolution, as is set forth fully herein.
3. The documents and other material constituting the record for these proceedings are located at the Planning Division for the City of South San Francisco, 315 Maple Avenue, South San Francisco, CA 94080, and in the custody of the Chief Planner, Tony Rozzi.

CEQA / Initial Study - Mitigated Negative Declaration

1. The proposed Project is consistent with the City of South San Francisco General Plan because the land use, development standards, densities and intensities, buildings and structures proposed are compatible with the goals, policies, and land use designations established in the General Plan (see Gov’t Code, § 65860), and none of the land uses, development standards, densities and intensities, buildings and structures will operate to conflict with or impede achievement of the any of the goals, policies, or land use designations established in the General Plan.
2. Based on the whole record before it and on the Planning Commission’s independent judgment and

analysis, the Planning Commission finds that there is no substantial evidence in the record supporting a fair argument that approval of the Project will result in a significant environmental effect. The mitigation measures proposed in the IS/MND and included in the MMRP, will operate to ensure the impacts of the proposed Project will not exceed established CEQA thresholds of significance.

SECTION 2 **RECOMMENDATION**

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Planning Commission of the City of South San Francisco hereby makes the findings contained in this Resolution and recommends the City Council make findings and adopt the Initial Study/Mitigated Negative Declaration (ND21-0001), in accordance with Section 21080 of the California Public Resources Code and CEQA Guidelines 15070 et seq., as the environmental document for the Project and concludes that no further environmental review is required.

BE IT FURTHER RESOLVED that the resolution shall become effective immediately upon its passage and adoption.

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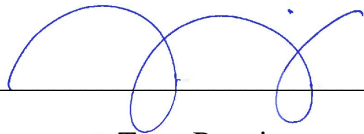
I hereby certify that the foregoing resolution was adopted by the Planning Commission of the City of South San Francisco at a regular meeting held on the 18th day of August, 2022 by the following vote:

AYES: Chair Shihadeh, Vice Chair Tzang, De Paz Fernandez, Faria, Funes, Evans, Murphy

NOES: _____

ABSTENTIONS: _____

ABSENT: _____

Attest: _____

Tony Rozzi
Secretary to the Planning Commission



Resolution No. 2899-2022

File #: 22-683, **Version:** 1

Resolution making findings and recommending that the City Council approve a General Plan Amendment, Zoning Text Amendment, Use Permit, Design Review, Tentative Parcel Map and Transportation Demand Management Plan to construct a seventeen-story office/R&D building with community serving commercial uses, totaling approximately 940,000 square feet, atop a two-story podium parking structure with publicly accessible plazas and landscape areas, and other on- and off-site improvements, on a 3.2-acre site at 121 E Grand Ave in the Transit Office/ Research and Development Core (TO/RD) Zoning District.

WHEREAS, the applicant has proposed to construct one Office/R&D building totaling approximately 943,965 square feet, atop a two-story podium parking structure with publicly accessible plazas and landscape areas, and other on- and off-site improvements on a 3.2 acre site at 121 E Grand Ave (“121 E Grand Ave R&D Project”); and

WHEREAS, the proposed Project is located within the Transit Office/ Research and Development Core (TO/RD) Zoning District; and

WHEREAS, the applicant seeks approval of a General Plan Amendment (GPA20-0002), Zoning Text Amendment (ZA20-0002), Conditional Use Permit (UP20-0008), Design Review (DR20-0027), Transportation Demand Management Plan (TDM20-0010), and Tentative Parcel Map (PM22-0003), for the Project; and

WHEREAS, approval of the applicant’s proposal is considered a “project” for purposes of the California Environmental Quality Act (Public Resources Code §21000, et seq.) (“CEQA”); and

WHEREAS, on behalf of the City, Knapp Consulting prepared an Initial Study/Mitigated Negative Declaration (“IS/MND”) for the Project analyzing the potential environmental effects of the Project, which was submitted to the State Clearinghouse (SCH # 2022060734) and the San Mateo County Clerk and was circulated for a 30-day public review period, beginning on July 1, 2022, and ending on August 1, 2022; and

WHEREAS, the City received four comment letters on the IS/MND during the applicable comment period, and as set forth in the accompanying staff report and the record below, the City determined that the comments submitted do not result in new significant impacts or mitigation measures, or changed impact conclusions; the City determined that responses to comments and corrections to the IS/MND do not require recirculation of the IS/MND or preparation of an environmental impact report under sections 15073.5 and 15074.1 of the CEQA Guidelines; and

WHEREAS, the IS/MND concluded that, although the Project could have a potentially significant effect on the environment, there will not be a significant effect in this case because the IS/MND identifies measures that will be incorporated into the Project and to which the Project Sponsor has agreed to implement, which will either avoid or mitigate to a level of insignificance all potentially significant or significant effects of the Project; and the City serving as the Lead Agency finds that on the whole of the record before it that there is no substantial evidence the project will have a significant on the environment; and the IS/MND reflects the City’s independent

judgement and analysis; and,

WHEREAS, the San Mateo County Airport Land Use Commission reviewed the proposed legislative enactments associated with the 121 E Grand Ave R&D Project on June 23, 2022 and found them consistent with the Airport Land Use Compatibility Plan; and

WHEREAS, the Planning Commission held a duly noticed public hearing on August 18, 2022 at which time interested parties had the opportunity to be heard, and to review the Project and supporting documents, prior to making its recommendation on the Project; and

WHEREAS, the Planning Commission exercised its independent judgment and analysis, and considered all reports, recommendations and testimony before making a determination on the Project.

NOW, THEREFORE, BE IT RESOLVED that based on the entirety of the record before it, which includes without limitation, the California Environmental Quality Act, Public Resources Code §21000, et seq. (“CEQA”) and the CEQA Guidelines, 14 California Code of Regulations §15000, et seq.; the South San Francisco General Plan, and General Plan Environmental Impact Report; the South San Francisco Municipal Code; 2022 Initial Study/ Mitigated Negative Declaration, and associated Mitigation Monitoring and Reporting Program; the Project applications; the 121 E Grand Ave R&D Project Plans, as prepared by SOM, dated May 2, 2022; all site plans, and all reports, minutes, and public testimony submitted as part of the Planning Commission’s duly noticed August 18, 2022 meeting; and any other evidence (within the meaning of Public Resources Code §21080(e) and §21082.2), the Planning Commission of the City of South San Francisco hereby finds as follows:

SECTION 1 FINDINGS

A. General Findings

1. The foregoing recitals are true and correct and made a part of this Resolution.
2. The Exhibits attached to this Resolution, including the General Plan Amendment (Exhibit A), the Zoning Text Amendment Ordinance (Exhibit B), the Entitlement Plan Set (Exhibit C), the Transportation Demand Management Program (Exhibit D), and the Draft Conditions of Approval (Exhibit E) are each incorporated by reference and made a part of this Resolution, as if set forth fully herein.
3. The documents and other material constituting the record for these proceedings are located at the Planning Division for the City of South San Francisco, 315 Maple Avenue, South San Francisco, CA 94080, and in the custody of Chief Planner.
4. By separate Resolution, the Planning Commission, exercising its independent judgment and analysis,

has found that an Initial Study / Mitigated Negative Declaration was prepared for the 121 E Grand Ave R&D Project in accordance with CEQA and although the Project could have a potentially significant effect on the environment, there will not be a significant effect in this case because the IS/MND identifies measures that will be incorporated into the Project, which will either avoid or mitigate to a level of insignificance and a Mitigation Monitoring and Reporting Program was prepared identifying the mitigations and responsible parties for implementing and overseeing timing and implementation of the mitigation measures. Based on such findings, the Planning Commission by separate resolution has recommended that the City Council adopt the Initial Study / Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Project, in accordance with CEQA.

B. General Plan Amendment Findings

1. The text changes to the General Plan that are set forth in Exhibit A allow an increase in allowable Floor Area Ratio (FAR) in the Transit Office R&D Core land use designation, in keeping with the draft 2040 General Plan Update. The text changes are consistent and compatible with the rest of the General Plan. The text changes will not reduce the correlation between the land use and circulation elements of the General Plan.
2. The proposed amendment is compatible with other provisions of the General Plan and any applicable area plan, as the only change is to allow higher density office or R&D uses in immediate proximity to the Caltrain Station within the TO/RD land use designation and zone district.

C. Zoning Text Amendment Findings

1. The Zoning Text Amendment allows an increase in allowable Floor Area Ratio in the TO/RD Zone District and is consistent with the General Plan, as proposed for amendment.
2. The purpose of the TO/RD Zone District is to provide a location for the highest intensity office or R&D uses in immediate proximity to the Caltrain Station. The Zoning Text Amendment is only increasing the allowable Floor Area Ratio in the TO/RD zone district and is not changing the allowed uses or other development standards. Therefore, the subject property is suitable for the uses permitted in the TO/RD zone in terms of access, size of parcel, relationship to similar uses, or any other relevant considerations.
3. The Zoning Text Amendment will not be detrimental to use of land in any adjacent zone as it does not impact any additional uses or alter additional development standards in the TO/RD zone.
4. Based on the record presented, the Zoning Text Amendment meets the criteria of Municipal Code

section 20.550.008.

D. Conditional Use Permit

1. The proposed Project is consistent with the standards and requirements of the City's Zoning Ordinance and with the provisions of the TO/RD Zoning District, as proposed to be amended. The Project meets or exceeds all the general development standards of the TO/RD Zone District.
2. The proposed Project is consistent with the General Plan and East of 101 Subarea by creating a high-intensity office/R&D project that includes commercial and employment uses and emphasizes ground-floor activation, pedestrian and bicycle improvements, connections to transit, that implements the goals of the General Plan, provides a well-articulated and visually engaging development that implements the goals of the Downtown Station Area Specific Plan, and is consistent with the City's Design Guidelines as they relate to building design, form and articulation.
3. The proposed Project will not be adverse to the public health, safety, or general welfare of the community, nor detrimental to surrounding properties or improvements, because the proposed use is consistent with the approved uses in the General Plan and Zoning Ordinance. The Project proposes high-density office/R&D use located in the City's TO/RD Zone District, which is intended for this type of use, and would be redeveloping underutilized parcels that are proximate to transit, retail, and service uses. The General Plan has analyzed this type of use and concluded that such mixed uses are not adverse to the public health, safety, or welfare. As the proposed Project is consistent with other high-intensity office/R&D uses in the TO/RD District and surrounding area, approval of the Project will not be detrimental to nearby properties. Further, the proposed use is well-suited to the site, and would improve the property for surrounding users and the City. In addition, the 2022 IS/MND prepared for the Project concludes that as a result of the Project no new significant or substantially more severe impacts would result from the Project.
4. The proposed Project complies with applicable standards and requirements of the City's Zoning Ordinance, with the exception of the parking requirements. The stated exceptions are permissible and warranted pursuant to the City's Zoning Ordinance and circumstances of the Project. The proposed Project is located in the TO/RD Zone District and, subject to the proposed amendment, meets the minimum standards and requirements for that district.

The exception for the number of parking spaces is allowable under the City's Municipal Code Section 20.330.006(D), and warranted based on the following findings:

- a. Special conditions exist because the site is adjacent to the South San Francisco Caltrain station and to several Commute.org shuttle lines, and is located proximate to residential neighborhoods and commercial services in the Downtown.

- b. The proposed parking standard will be adequate for the proposed use because of the offered alternative solutions for providing and managing parking. The Project is required to implement a TDM Program on an on-going basis over the life of the Project with a required alternative mode shift of 47.5%. The TDM requirements applicable to the Project, the fact that similar reduced standards have been accepted and/or successfully applied within several large developments in the City, including both commercial and biotech campuses, and the studies from the Institute of Transportation Engineers (ITE), all support a reduced parking standard. The project will be providing parking in keeping with the proposed parking requirements in the pending General Plan Update and associated Zoning Code, which is establishing parking standards that serve to support and promote the TDM program.
 - c. The reduced parking rate reinforces the overall efforts of the City's General Plan and the TDM Ordinance, which encourage reduced parking standards as an effective tool in encouraging use of alternative modes of transportation other than single occupancy vehicles.
 - d. The parking demand generated by the project will not exceed the capacity of or have a detrimental impact on the supply of on-street parking in the surrounding area as no on-street parking is permitted on any of the immediately adjacent streets, including East Grand Ave and Poletti Way. As described above, there is ample evidence to support the proposed parking reduction, and there is added concern that an overabundance of parking could have a deleterious effect on the goals and objectives of the City's TDM efforts since such would serve as a disincentive to use of alternative modes of transportation.
5. The design, location, size, and operating characteristics of the proposed Project are compatible with the existing and reasonably foreseeable future land uses in the vicinity because the Project proposes high-intensity office/R&D use in the TO/RD District, which is specifically intended for such uses.
6. The proposed Project complies with any design or development standards applicable to the zoning district and the use in question and has been vetted and recommended for approval by the City's Design Review Board at its meetings of February 15, 2022 and April 19, 2022.
7. The site is physically suitable for the type of development and density proposed, as the commercial and employments uses will all benefit from being located in close proximity to the South San Francisco Caltrain station, Commute.org shuttle routes, surrounding residential, retail and services uses in the Downtown area to the west of the site, and pedestrian and bicycle amenities. The size and development is appropriate for the location and meets the City's land use and zoning standards, as proposed to be amended. Access to the site via existing roadways is sufficient as the project is within a built-out urban environment, utilities are provided on-site or proposed for minor upgrades, and no physical constraints such as topography or lack of

facilities exists that would prevent suitable development.

8. An environmental determination has been prepared in accordance with CEQA, per Finding A.4 above.

E. Design Review Findings

1. The 121 E Grand Ave R&D Project, including Design Review, is consistent with Title 20 of the South San Francisco Municipal Code because the Project has been designed as an office and R&D building, in keeping with the surrounding area, and which will provide a pedestrian-friendly, transit-oriented environment that helps to connect the broader area with the Caltrain Station directly to the west of the project site.
2. The 121 E Grand Ave R&D Project, including Design Review, is consistent with the General Plan and the draft 2040 General Plan Update because the proposed office/R&D development is consistent with the policies and design direction provided in the TO/RD zone of the Downtown Station Area Specific Plan land use designation and the proposed East of 101 Transit Core land use designation of the draft 2040 General Plan Update by constructing the highest intensity office or R&D uses in immediate proximity to the Caltrain Station.
3. The 121 E Grand Ave R&D Project, including Design Review, is consistent with the applicable design guidelines adopted by the City Council in that the proposed Project is consistent with the Design Guidelines for the Downtown Station Area Specific Plan.
4. The Project is consistent with the Use Permit for the reasons stated in Section D above.
5. The 121 E Grand Ave R&D Project is consistent with the applicable design review criteria in Section 20.480.006 (“Design Review Criteria”) because the project was evaluated by the Design Review Board on February 15, 2022 and April 19, 2022, and found to be consistent with, each of the eight design review criteria included in the “Design Review Criteria” section of the Ordinance.

F. Transportation Demand Management Plan

1. The project’s proposed trip reduction measures are feasible and appropriate for the project, considering the proposed use or mix of uses and the project’s location proximate to the South San Francisco Caltrain station and multiple Commute.org shuttle routes, and adjacency to residential and retail/service uses that will encourage alternative transportation modes and reduce single occupant vehicle use.
2. The proposed performance guarantees will ensure that the target 47.5% alternative mode use established

for the project will be achieved and maintained. Conditions of approval have been included to require that the Final TDM Plan, which must be submitted for review and approval prior to issuance of a building permit, shall outline the required process for on-going monitoring including annual surveys.

G. Tentative Parcel Map

1. The proposed vesting tentative parcel map, prepared by BKF Engineers and dated June 2022, including the proposed designs and improvements, is consistent with the City's General Plan and Downtown Station Area Specific Plan area because the tentative map would facilitate the development of a transit-oriented high-intensity office/R&D project which would implement the goals of the area.
2. The proposed vesting tentative parcel map is consistent with the standards and requirements of the City's Zoning Ordinance.
3. The vesting tentative parcel map complies and meets all the requirements of Title 19 of the South San Francisco Municipal Code ("Subdivisions") and with the requirements of the State Subdivision Map Act.
4. The Project site is physically suitable for the type of development and density proposed, as the mixed-use project will be located on underutilized parcels on E Grand Ave which calls for high intensity office/R&D uses in immediate proximity to the Caltrain Station.
5. The vesting tentative parcel map is consistent with the analysis included in the 2022 IS/MND, and the approval of this vesting tentative map would not result in any new significant environmental effects or a substantial increase in the severity of any previously identified effects, nor does the vesting tentative parcel map constitute a change in the Project or change in circumstances that would require additional environmental review.
6. The design and improvements of the vesting tentative parcel map are not in conflict with any existing public easements.
7. The property is located in a developed, urban setting, and is not subject to a Williamson Act contract, on open space easement, a conservation easement, or an agricultural conservation easement. The surrounding land uses and resulting parcels would not support agricultural uses; the resulting parcels would result in commercial development not incidental to commercial agricultural use of the land.

SECTION 2 RECOMMENDATION

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Planning Commission of the City of South San Francisco hereby makes the findings contained in this Resolution, and recommends that the South San

Francisco City Council approve the entitlements request for the 121 E Grand Ave R&D Project (P20-0064; GPA 20-0002, ZA20-0002, UP20-0008, DR20-0027, TDM20-0010 and PM22-0003).

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its passage and adoption.

* * * * *

I hereby certify that the foregoing resolution was adopted by the Planning Commission of the City of South San Francisco at a regular meeting held on the 18th day of August, 2022 by the following vote:

AYES: Chair Shihadeh, Vice Chair Tzang, De Paz Fernandez, Faria, Funes, Evans, Murphy

NOES: _____

ABSTENTIONS: _____

ABSENT: _____

Attest: _____
Tony Rozzi
Secretary to the Planning Commission