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Title: Report regarding consideration of applications for a General Plan Amendment, Downtown Station Area Specific Plan Amendment, Rezoning Map to Create a Planned Development District, Design Review, Transportation Demand Management Plan, and Affordable Housing Agreement proposal to allow a multi-family residential development consisting of 480 units on 124 Airport Boulevard and 100 Produce Avenue, and associated California Environmental Quality Act Analysis. (Christopher Espiritu, Senior Planner and Tony Rozzi, Chief Planner)

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Attachments: 1. Attachment 1_General Plan Preferred Land Use Scenario, 2. Attachment 2_124 Airport-100 Produce Comm Benefit Memo_10.20.21 FINAL, 3. Attachment 2a_Community Benefits Valuation Letter from Applicant, 4. Attachment 3_DRB Comment Letter_09.15.2020, 5. Attachment 4_ALUC Resolution 21-64 - 124 Airport SSF, 6. Attachment 5_2876-2021 PC Reso - 124 Airport 100 Produce, 7. Attachment 6_BMR Unit Income Limits and Rent Summary, 8. Attachment 7_Public Comments Received To Date, 9. Attachment 8_Staff CC Presentation_124 Airport-100 Produce, 10. SB 343 - FW_Letter of support for South San Francisco housing, 11. SB 343 - Hanover Projects, 12. SB 343 - 124 Airport Blvd 100 Produce Ave

Table with 5 columns: Date, Ver., Action By, Action, Result

Report regarding consideration of applications for a General Plan Amendment, Downtown Station Area Specific Plan Amendment, Rezoning Map to Create a Planned Development District, Design Review, Transportation Demand Management Plan, and Affordable Housing Agreement proposal to allow a multi-family residential development consisting of 480 units on 124 Airport Boulevard and 100 Produce Avenue, and associated California Environmental Quality Act Analysis. (Christopher Espiritu, Senior Planner and Tony Rozzi, Chief Planner)

RECOMMENDATION

Staff recommends that City Council conduct a public hearing and request an update from the applicant based on City Council requests provided at the November 23, 2021 hearing.

Depending on the information provided, the City Council may then choose to follow the recommendation of the Planning Commission, and take the following actions:

- 1. Adopt a resolution making findings to adopt the Sustainable Communities Environmental Assessment (EIR18-0005), consistent with the 2040 Plan Bay Area Environmental Impact Report, in accordance with Section 21155.2 of the California Public Resources Code;
2. Waive reading and introduce an Ordinance amending the Zoning Map (RZ18-0003) to rezone two parcels as a Planned Development; and

3. Adopt a resolution making findings to approve a General Plan Amendment (GPA18-0004), Downtown Station Area Specific Plan Amendment (SP21-0003), Transportation Demand Management Plan (TDM21-0008), Design Review (DR18-0038), and Affordable Housing Agreement proposal, subject to the draft Conditions of Approval.

BACKGROUND/DISCUSSION

November 23, 2021 Public Hearing Summary

At the City Council's public hearing on November 23, 2021, the Council requested that 1) the applicant speak to San Mateo County labor trade representatives about potential project participation, and 2) discuss the project with the Peninsula Clean Energy collective to evaluate if an all-electric building would be possible. The project was continued to a date certain on December 8, 2021 for consideration.

Staff will include a short recap presentation and recommends that the applicant present to City Council and provide updates on these items, at which time, the City Council can then consider action on the requested entitlements. For reference, the entire report from November 23, 2021 is included in the following sections.

Additionally, the applicant has submitted a clarifying addendum letter to their original community benefits proposal, included as Attachment 2a. The proposal has not changed but includes associated costs and benefits offered by the project.

Site Overview

The project site is located on two separate parcels bisected by San Mateo Avenue, south of the downtown area of South San Francisco, California. The project site is comprised of two parcels. Site 1, located at 124 Airport Boulevard (APN 015-113-180), approximately 2.56 acres, is currently developed with four commercial buildings, and is located within the boundary of the Downtown Station Area Specific Plan (DSASP). Site 2, located at 100 Produce Avenue (APN 015-113-380), approximately 1.56 acres, is developed with two commercial buildings, and is located adjacent to, but outside of, the boundary for the DSASP.

Both sites are zoned Business Commercial (BC), and the City of South San Francisco General Plan designates both sites as Business Commercial. Site 1 is also designated Business Commercial by the DSASP. Site 2 is not within the boundaries of the DSASP.

The overall project site is bound by Airport Boulevard/Produce Avenue to the east, Colma Creek to the south and west, and Caltrain railroad tracks to the north. San Mateo Avenue bisects the project site. Highway 101 (US -101) is located approximately 450 feet to the east of the project site. Surrounding land uses include commercial and industrial type businesses. The South San Francisco Caltrain station is located a half-mile north of the project site, and the San Bruno BART station is located approximately one mile south of the project site. In addition, a City-owned sewer lift station is located outside the northwest corner of Site 1.

Project Description

The proposed project would include redevelopment of the project site with two seven-story multi-family residential buildings, for a total of 480 units. The first two levels of each building would be used for parking and would provide 560 parking spaces in total. The proposed project would also include construction of new streetscape and landscaping improvements along the Airport Boulevard/Produce Avenue and San Mateo Avenue frontages. In addition, fifteen percent of the units (60 units) would be designated as Low- and Median-Income units.

The first stage of the proposed project would involve demolition of the six existing single-story commercial

buildings on-site. The existing buildings make up a total of approximately 93,775 square feet (sq. ft.).

The proposed Building 1, located at 124 Airport Boulevard, would be a 455,865-sq. ft. building consisting of 294 multi-family residential units throughout five levels, above two levels of parking.

The ground floor would include a lobby and leasing office, bike parking, and a fitness room. The third floor would include resident amenity spaces, including a Club Room, and two courtyards, the larger of which would feature a pool and lounge spaces for residents. The proposed height of Building 1 would be 85 feet.

The proposed Building 2, located at 100 Produce Avenue, would be 287,830 sq. ft., and would consist of 186 apartments throughout five levels, above two levels of parking. A lobby and leasing office, bike parking, and bike lounge will be located on the ground floor. The third-floor podium level would include two courtyards, and the larger of the two courtyards would include a Club Room and lounge spaces for residents. The proposed building height would be 85 feet.

The proposed project sits on 2 lots on either side of San Mateo Ave. south of downtown South San Francisco. Building 1 sits on a 2.56-acre site fronting Airport Blvd. and San Mateo Ave. and consists of 294 rental apartments on 5 levels over 2 levels of parking. The ground floor includes fitness rooms and a leasing office. The third-floor podium level includes two courtyards, the larger of the two includes a pool and adjacent lounge spaces for the residents.

Building 2 sits on a 1.56-acre site fronting Produce Ave. and consists of 186 rental apartments on 5 levels over 2 levels of parking. The Ground Floor includes a lobby and leasing office, bike parking and a bike lounge. The third-floor podium level includes two courtyards, each opening to the west. The larger of the two includes adjacent lounge spaces for the residents.

In-unit appliances, and heating/cooling equipment, would be electric (including stoves) for all 480 units proposed by the project. Water heating and common residential amenities (courtyard fireplaces and grills) would be natural gas.

Building Architecture

The buildings' architectural design treats the proposed pair of buildings as an ensemble, bracketing San Mateo Avenue, and forming a southern anchor to downtown South San Francisco. The building massing is broken into several large forms of complimentary language. The focal point is at the intersection of San Mateo and Airport, where flanking facades of metal panel and cementitious siding over a base of stone and storefront hold the corner. Renderings and elevations are included on Sheets G-2.4 through G-2.10 and A-4.3 through A-4.11 in the project plan set (Associated Entitlements Resolution, Exhibit C).

Landscaping and Open Space

The proposed project would provide landscaping improvements throughout the project site, including new trees and shrubs along the perimeter of the site and within the courtyards (see Figure 6). The project would create an improved streetscape experience along the frontages of the project on Airport Boulevard, San Mateo Avenue, and Produce Avenue. All landscaping improvements would be subject to the Landscape Design Principles set forth in Section C of Chapter 20.300.007 of the City's Municipal Code and would be required to abide by the California Model Water Efficient Landscape Ordinance (MWELo). The landscape plans are included on Sheets L-1 through L-7 in the project plan set (Associated Entitlements Resolution, Exhibit C).

Circulation

Site 1 would include two vehicular access points in the same approximate locations of the existing driveways,

one of which is located at the site's southern boundary along San Mateo Avenue, and the second of which is located at the site's eastern boundary, along Airport Boulevard. These two access points would provide direct vehicle access to the parking garage for Building 1. Two additional smaller driveways would be included for service vehicle use only (e.g., transformer/electrical maintenance). The project would also include construction of a new sidewalk along the Airport Boulevard and San Mateo Avenue frontages, with pedestrian connection points providing access to the building.

Site 2 would also include two vehicular access points in the same approximate locations as the existing driveways, one of which is located at the site's northern boundary along San Mateo Avenue, and the second of which is located at the site's eastern boundary, along Produce Avenue. These two access points would provide direct vehicle access to the parking garage for Building 2. One additional driveway would be included for service vehicle use only. The project would also include construction of a new sidewalk along the Produce Avenue and San Mateo Avenue frontages, pedestrian connection points providing access to the building.

There are no existing bus routes or stops located in the vicinity of the project site. The project site is located within a half-mile of the South San Francisco Caltrain Station and the Downtown area of the city. Pedestrian and bicycle access to and from the site would be facilitated through an existing pedestrian/bicycle tunnel under the Caltrain tracks on Airport Boulevard. While a parallel tunnel is located across the street, it is assumed that the majority of pedestrian and bicycle traffic would utilize the nearest tunnel to the project site.

Entitlements Request

The project is seeking the following entitlements to mirror the Downtown Transit Core (DTC) in order to support a residential project consistent with the General Plan Preferred Land Use Scenario (Attachment 1, as reference):

- General Plan Amendment for revisions to the Land Use Chapter to reflect new housing and increased density at the site;
- Downtown Station Area Specific Plan Amendment to remove Site 1 (124 Airport Boulevard (APN 015-113-180)) from the Downtown Station Area Specific Plan;
- Zoning Map Amendment to rezone two parcels from Business Commercial (BC) to Planned Development (PD) Zoning District;
- Establish a Planned Development (PD) Zoning District (which conforms to the DSASP DTC zoning district, with minor modifications) to:
 - Allow Multi-Unit Residential uses on the two parcels comprising the project site;
 - Increase of maximum lot coverage from 50% to 100% for a residential project;
 - Increase the maximum building heights from 50 feet to 85 feet for a residential project;
 - Establish required setback areas along Airport Avenue, San Mateo Avenue, and Produce Avenue;
 - Increase the maximum floor area ratio to 6.0 and 8.0 with community benefits for a residential project; and
 - Accept the proposed parking as the appropriate parking standard for the proposed residential project.
- Design Review;
- Authorization for an Affordable Housing Agreement that would accept the 15% inclusionary proposal; and
- Approval of a Sustainable Communities Environmental Assessment (SCEA) consistent with the 2040 Plan Bay Area Environmental Impact Report.

GENERAL PLAN AND ZONING CONSISTENCY ANALYSIS

The current General Plan Land Use Designation for the two parcels comprising the project site is Business

Commercial (BC). The BC Zoning Ordinance District does not currently allow for residential uses within its zoning district boundaries. However, given the proximity of the project site to the Downtown Area, the General Plan Preferred Land Use Scenario (PLUS) envisions the project site and the nearby vicinity as an area suitable for High Density Mixed-Use residential, and is described as:

A walkable, mixed-use area, located in Lindenville and along the S El Camino corridor with a focus on mixed-use (residential/commercial) and high-density multifamily development (FAR from 0.5 up to 4.5 with community benefits, of which up to 2.0 FAR can be non-residential if residential is provided onsite; residential densities range from 100 du/ac to 140 du/ac with community benefits)

The project has been currently designed to implement this PLUS vision, while also retaining the existing Business Commercial land uses for future flexibility if the residential project cannot be financed or otherwise built. The project proposes a base density of 100 du/ac per the PLUS and application of the State Density Bonus of 20% for a maximum density of 120 du/ac for the designed project. Providing 10% of 400 allowable units (100 du/ac X approximately 4 acres) yields an additional 80 units under State Density Bonus law.

At this point in the ShapeSSF General Plan Update process, no further zoning standards or details are available, so the project is largely being designed in the mold of the Downtown Station Area Specific Plan that has proven successful for high density residential development with form based zoning. Specifically, to ensure land use compatibility, the proposed project would conform closely to Downtown Transit Core (DTC) development standards as described in Section 20.080.003 of the South San Francisco Municipal Code.

Planned Development

South San Francisco Municipal Code (SSFMC) Chapter 20.140 “Planned Development District” allows the City Council to establish a Planned Development District; the purpose of such a district is to provide for one or more properties to be developed under a plan that provides for better coordinated development and incorporates crafted development standards. One of the key aspects of a Planned Development District is the ability to have more flexible regulations, including setbacks, height limitations, lot sizes, types of structures, parking and the amount and location of open space. The Planned Development District must also show substantial compliance with the PLUS and will conform with standards and density policies of the DTC Zoning District, as explained previously.

As indicated in the associated Ordinance, Exhibit A, “Zoning Map Amendments”, the parcels comprising the project site would be rezoned to a PD Zoning District. The applicant is requesting a Planned Development which includes land use regulations and development standards that conform to the Downtown Transit Core sub-district of the DSASP, while retaining the underlying BC uses. Based on this, the PD Zoning District would include the following:

PD Zoning Summary

Permitted Uses

- Allow Multiple-Unit Residential as a permitted use (it is not listed as an allowed use in the existing BC zoning district) and retain existing Business Commercial (BC) zoning uses.

Lot Development Standards for residential uses (non-residential BC uses would retain all existing standards as shown in the table)

- Allow a Minimum Lot Size of 5,000 sq. ft. for residential uses
- Allow a Minimum Usable Open Space of 100 sq. ft. per residential unit
- Establish Minimum Yard standards:
 - Pedestrian Priority Zone Street Frontage - greater distance of the property line or 10’ from curb

- Interior Side Yards of zero feet; 10 feet when abutting a residential district
- Rear Yards of zero feet; 10 feet when abutting a residential district
- Allow a Maximum Lot Coverage of 100%
- Allow a Floor Area Ratio with the following requirements:
 - Minimum Floor Area Ratio of 2.0;
 - Maximum Floor Area Ratio 6.0;
 - Maximum Floor Area Ratio of 8.0 with Incentive Program

Height Allowance

- Allow a Maximum Building Height of 85 feet, which is allowed in DTC Subdistrict of the DSASP and consistent with the General Plan PLUS

Parking Requirements

According to South San Francisco Municipal Code Table 20.330.007 “Required On-Site Parking Spaces”, Multi-unit Residential uses in the Downtown are subject to the following parking requirements:

- Studio and less than 500 sq. ft. - 1 space per unit maximum
- One-bedroom (up to 1,100 sq. ft.) - 1 space minimum, 1.5 spaces per unit maximum
- Two-bedroom (up to 1,100 sq. ft.) - 1.5 spaces minimum, 1.8 spaces per unit maximum
- Three or more bedrooms and 1,101 sq. ft. or larger - 1.5 spaces minimum, 2 spaces maximum per unit

The project is proposing to provide 341 parking spaces (1.16 spaces per unit) in Building 1 and 219 parking spaces (1.18 spaces per unit) in Building 2 for a total of 560 spaces. The general requirements for all Multi-Unit Residential Parking include: one covered space shall be designated for each unit; one additional guest parking space must be provided for every 4 units for projects greater than 10 units and is therefore consistent with accepted parking standard and recent project approvals.

The proposed project will have a unit mix of studios, one-, two-, and three-bedroom units. The applicant is proposing that all of the units within the Planned Development be required to provide a parking ratio of 1.16 spaces per unit in Building 1, and 1.18 spaces per unit in Building 2. This ensures one space for each unit and additional parking for other purposes such as visitors and building support for each building on the project site. Staff is supportive of the proposed parking ratio given the proximity to transit options such as Caltrain and high-quality bus SamTrans service Route 130 in the vicinity and the project’s proposed TDM draft plan.

Community Benefits Proposal

As provided under SSFMC Section 20.280.005(A), developers may request additional housing density in exchange for providing a variety of community benefits. The applicant has submitted a Community Benefits Proposal that outlines benefits for seeking the maximum allowable density under the Municipal Code (Attachment 2). The proposal includes:

- Forty (40) housing units affordable to “Low” income households (80% AMI);
- Twenty (20) housing units affordable to “Median” income households (100% AMI);
- Pedestrian safety improvements at the northwest and southwest corners of Airport Boulevard/San Mateo Avenue/Produce Avenue intersection including:
 - Removal of the “pork chop” islands and slip lanes
 - Installation of a new high-visibility crosswalks, directional curb ramps, and sidewalks;
- Design, install, and maintain pedestrian safety enhancements to the existing pedestrian tunnels both sides of Airport Boulevard between the project site and Downtown South San Francisco;

- Green Building Methods including sustainable building practices and achieve LEED Silver Certification, solar panel systems, and all unit appliances would be electric consistent with the City's reach code vision;
- Implementation of a robust Transportation Demand Management Program including measures such as: Unbundled parking, On-site transportation coordinator, Electric Vehicle charging, Transit passes, and 240 long term bicycle parking spaces (including 24 short term bicycle parking spaces);
- Participation in the future South San Francisco Industrial Area Community Facilities District;
- Family-friendly unit mix with 32% of the units including 2-3 bedrooms; and
- Local-hire considerations during project bid process and construction.

Affordable Housing Agreement

The planning application for the proposed development was submitted and "deemed complete" by the City prior to the City's adoption of the requirement for residential projects to provide fifteen percent (15%) of the proposed dwellings as affordable to low- and very low-income households (SSFMC 20.380 "Inclusionary Housing Regulations"). The applicant, however, is proposing to construct a base density of 400 units and provide 40 units (10% of base density) at the low-income (80% AMI) level and an additional 20 units (5% of base density) at the median income (100% AMI) level for a total of 60 affordable units. With the addition of state density bonus law's 20% density bonus, a total of 480 dwelling units are proposed (80 units as a 20% density bonus based on the base density of 400 units). The entitlements resolution seeks authority from the City Council to permit the City Attorney to prepare an Affordable Housing Agreement consistent with the terms of the applicant's affordable housing proposal. Execution of the Affordable Housing Agreement is a condition of approval for the Project.

SUSTAINABILITY / CLIMATE ACTION PLAN

The City adopted a Climate Action Plan ("CAP") in February 2014; the CAP serves as South San Francisco's greenhouse gas reduction strategy. The CAP includes requirements applicable to new development projects; the following are the specific requirements applicable to the proposed project.

- Require all new development to install conduit to accommodate wiring for solar.
- Encourage the use of high-albedo surfaces and technologies as appropriate, as identified in the voluntary CALGreen standards.
- Revitalize implementation and enforcement of the Water Efficient Landscape Ordinance by undertaking the following:
 - Establishing a variable-speed pump exchange for water features;
 - Restricting hours of irrigation to occur between 3:00 a.m. and two hours after sunrise;
 - Installing irrigation controllers with rain sensors;
 - Landscaping with native, water-efficient plants;
 - Installing drip irrigation systems; and
 - Reducing impervious surfaces.

In addition to the requirements listed above, the CAP includes additional measures that are encouraged in order to help with the City's greenhouse gas reduction efforts:

- Integrate higher-density development and mixed-use development near transit facilities and community facilities and reduce dependence on autos through smart parking practices.
- Work with developers of multi-family properties and nonprofit groups to maximize energy efficiency in new construction.

- Encourage the use of CALGreen energy efficiency measures as a preferred mitigation for CAP streamlining.
- Promote on-site renewable energy or distributed generation energy systems in new and existing residential and nonresidential projects. Encourage developers of multi-family and mixed-use projects to provide options for on-site renewable electricity or install distributed generation energy systems, like the statewide Homebuyer Solar program.

As currently designed, the proposed project would comply with many of the standards above, and staff will continue to work with the applicant to incorporate as many sustainable features beyond those required by the CAP as possible into the project. Staff has included Conditions of Approval specific to the Climate Action Plan which requires the applicant to revise the project drawings to include the CAP requirements stated above subject to Chief Planner review and approval prior to the issuance of any building or construction permits. Subject to the conditions of approval, the project is consistent with the City's Climate Action Plan.

DESIGN REVIEW BOARD

The South San Francisco Design Review Board (DRB) reviewed the proposed project on two occasions. First was during the June 16, 2020, meeting and the DRB provided substantial comments and requested a comprehensive suite of revisions to address building massing, roofline organization, active space at the ground floor, circulation planning, potential wind impacts of the project, as well as changes to the bicycle and pedestrian infrastructure and landscape palette.

On September 15, 2020, the DRB reviewed a subsequent revision to plans and was uniformly impressed with the design edits and presentation to address concerns. During this meeting, the DRB was generally supportive of the proposed project, deemed that the revised design addressed the previous comments, and recommended approval with the following comments and conditions (also documented in Attachment 3):

1. The Board liked the revised architectural updates, articulation is much more interesting concept.
2. The architectural corner treatments are particularly a nice element.
3. The at grade pedestrian engagement updates are much appreciated.
4. Adding the dog park to the development is a nice added feature.
5. The Hanover team listened to the prior comments and addressed the DRB concerns.
6. The new design incorporated the existing and proposed changes, and it was a beneficial feature to see the before and after appearance.
7. There are six (6) night photos of the tunnel lighting. The upper right photo and the lower left & lower middle photos do not do as good job creating visibility for persons in the tunnel so focus on a well-lit tunnel.
8. In selecting the final design, consider the ultimate visibility for safety and to ease the decision for anyone walking into and through the tunnel.
9. Change the London Plane Tree from the parent *Platanus x acerifolia* to the variety *Platanus acerifolia* 'Columbia' which is more mildew resistant in SSF.
10. Applicant to return with a Master Sign Program for the campus.

Following the September 15, 2020, DRB meeting, the applicant submitted revised plans (Associated Entitlements Resolution Exhibit C) that are included as part of the Planning Commission's packet, which address the final comments from the DRB. In addition, Planning Condition # 16 as listed in the Draft Conditions of Approval (Associated Entitlements Resolution Exhibit E), requires that the applicant incorporate

the DRB's recommendations prior to the issuance of building permits.

HOUSING STANDING COMMITTEE (HSC)

The Housing Standing Committee, comprised of two Planning Commissioners and two City Council members, reviewed the project's design and proposed community benefits package in a duly noticed public meeting on December 21, 2020. No members of the public provided comments. The HSC reviewed the project and was generally supportive of the project's architectural design and amenities for the housing units proposed. The HSC also reviewed the community benefits package proposed by the applicants and noted that while a new housing project on the project site is a positive direction for the City, the project should review its affordable housing proposal further. The HSC did not provide further direction and recommended that the Planning Commission consider the project and that ultimately, the City Council would determine if the project satisfied the community benefit expectations. The revised community benefits proposal dated October 20, 2021 (Attachment 2) documents the applicant's response to the comments made during the HSC meeting, including an increase in the number of affordable housing units.

BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE

On August 5, 2020, and September 1, 2021, the project was reviewed in a duly noticed public meeting of the City's Bicycle and Pedestrian Advisory Committee (BPAC). The applicant presented the proposed traffic-related improvements of the project, including the rehabilitation and installation of pedestrian lighting upgrades on the adjacent pedestrian/bicycle tunnel on Airport Boulevard, pedestrian safety improvements through the removal of the existing slip lanes on San Mateo Avenue, and provisions for bicycle access and storage on site. During both meetings, BPAC expressed support for the proposed traffic safety improvements, especially the proposed lighting upgrades to the pedestrian/bicycle tunnel. BPAC noted that expanded bicycle facilities through the project vicinity should be considered as a future improvement that aligns with the City's Active South City Bicycle and Pedestrian Plan Update. The project's site plan and civil engineering plans (Associated Entitlements Resolution Exhibit C) provides the proposed transportation improvements, and the revised community benefits proposal (Attachment 2) documents the proposed pedestrian/bicycle tunnel lighting upgrades.

AIRPORT LAND USE COMMISSION

On August 26, 2020, the project was reviewed by the Airport Land Use Committee (ALUC) in a duly noticed public meeting. During that meeting, the ALUC recommended the project for approval and found that the project was consistent with the SFO Airport Land Use Compatibility Plan (ALUCP). On September 9, 2021, the project was approved with conditions by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG). The resolutions conditionally approving the project are documented in Attachment 4 and the related conditions of approval are included in the project's Conditions of Approval (Associated Entitlements Resolution Exhibit E).

PLANNING COMMISSION

On November 4, 2021, the proposed project was reviewed by the Planning Commission and was recommended for approval to the City Council by a vote of 7-0-0. As shown below, the Planning Commission included an amendment to Condition of Approval #30 to specify that parking specifically provided for the proposed affordable units would be included:

Per SSFMC 20.280.006.G (Unbundling Parking from Residential Uses), parking in excess of one space per unit may be sold or rented separately from the residential unit. For apartment developments, 50 percent of the required parking may be unbundled. All spaces shall be reserved for residential tenants and authorized guests within the development. Parking for the proposed affordable housing units shall be provided at no additional cost. This condition shall be incorporated into the Affordable Housing

Agreement.

Further, the Planning Commission expressed general support for the project, but expressed concerns regarding construction impacts, namely, the length of construction anticipated by the project team, need to manage construction traffic, and minimize construction-related lane closures. The applicant team acknowledged the Commission's concerns and staff indicated that they would continue to work with the applicants on reviewing construction management plans. Also, the Planning Commission expressed the need to clarify the review and approval process for projects without zoning but consistent with the General Plan Preferred Land Use Scenario (PLUS). Staff acknowledged the Commission's concerns and clarified that the project moves forward at its own risk, albeit under guidance that the City Council would consider projects consistent with the PLUS. This project, under that lens, is consistent with the PLUS and would not result in a development that is larger, or more impactful, than what has been envisioned through the General Plan Update process.

The Planning Commission Resolution is included as an attachment (Attachment 5).

ENVIRONMENTAL REVIEW

Sustainable Communities Environmental Assessment - Initial Study (SCEA-IS)

A SCEA-IS (Associated CEQA Resolution, Exhibit A) was prepared by Raney Planning & Management, Inc., pursuant to Section 21155.2 of the Public Resources Code. The SCEA-IS was submitted to the State Clearinghouse (SCH No. 2021070044) and the San Mateo County Clerk and was circulated for a 30-day public review period, beginning on July 1, 2021, and ending on August 2, 2021.

A SCEA-IS was prepared pursuant to Section 21155.2 of the Public Resources Code given that the proposed project meets the criteria for eligible transit priority projects, pursuant to Public Resources Code Section 21155 (b). The SCEA-IS analyzes the potential environmental effects associated with the proposed project in accordance with the requirements of the California Environmental Quality Act (CEQA).

The SCEA-IS finds that the following resources could be potentially impacted by this proposed project: Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Noise, Public Services, and Transportation. However, mitigation measures that are to be implemented, or have already been implemented, would ensure that any potential impacts would be reduced to ***less than significant with mitigation***.

The proposed mitigation measures detailed within the SCEA-IS are typical for a modern construction project in South San Francisco. A brief summary of mitigation measures for specific resource areas are also included below:

1. Air Quality - Implementation of Bay Area Air Quality Management District (BAAQMD) construction best management practices to reduce air quality impacts associated with exhaust, dust, grading, and new construction, as well as installation of appropriate HVAC systems;
2. Biological Resources - Mitigation measures designed to protect any nesting birds that may be on site;
3. Cultural Resources - Mitigation measures to retain a qualified archaeologist prior to construction to conduct pre-historic or historic-era resource surveys and implement an appropriate construction monitoring program;
4. Geology and Soils - Mitigation measures to retain a qualified geologist to prepare a site-specific design-level geotechnical exploration as part of the design process;
5. Noise - Mitigation measure to reduce construction noise and vibration effects on nearby sensitive receptors;
6. Transportation - Implementation of best practice strategies regarding construction activities on the transportation system; Removal of the existing slip lanes on San Mateo Avenue and Airport Boulevard/Produce Avenue;

7. Utilities and Service Systems - Mitigation measures to ensure sufficient stormwater drainage, water supply, and wastewater treatment facilities exist to serve the proposed project.

During the 30-day public comment period for the SCEA-IS, no official comment letters were received by the City from regulatory agencies, property owners, or residents. Notice of Intent to Adopt a SCEA was submitted to the County Clerk and a copy of the SCEA-IS was available for public review online and at the SSF Planning Division office. As no comment letters were received, no substantive changes were required, nor was additional analysis warranted.

The Mitigation Monitoring and Reporting Program is attached to the Associated CEQA Resolution (Exhibit B); staff will work with the applicant during project construction to ensure that all required mitigation measures are incorporated.

FISCAL IMPACT

The developer of the project has funded the preparation of all applicable studies for the proposed project and paid entitlement fees to process the application through the review process. Direct revenue associated with this project would include property tax revenue increase from the improvements and construction of 480 dwelling units. The project would pay the costs of meeting City requirements for off-site improvements to public right-of-way, as well as maintenance, so the City does not expect to incur project specific costs.

In addition, the project would be subject to development impact fees (approximately \$11,735,000) which would be paid by the applicant prior to the issuance of building permits, or prior to final inspection for the development. Impact fees applicable to the project include the following:

- Childcare Impact Fee: (approximately \$930,240)
- Park Fees: (approximately \$7,517,538)
- Bicycle and Pedestrian Fee: (approximately \$81,600)
- Public Safety Impact Fee: (approximately \$282,941)
- School District Fee: (approximately \$1,542,109)
- Sewer Capacity Fee: (approximately \$1,380,352)

RELATIONSHIP TO STRATEGIC PLAN

The proposed project helps achieve the following goal/objective of the City's Strategic Plan:

- Initiative 2.3 - Promote a balanced mix of housing options.
The project includes the construction of 480 new dwelling units, of which 60 will be affordable, located on two developed sites near the Downtown area. These 480 units will add to the City's diverse housing stock, which will achieve this goal contained in the Strategic Plan.

CONCLUSION

The proposed multi-family development is consistent with both General Plan goals and the Zoning Ordinance requirements. The project would develop 480 residential units, with 60 affordable units (15% of the base density of 400 units), and would include substantial streetscape and pedestrian safety improvements on Airport Boulevard, Produce Avenue, and San Mateo Avenue.

Further, the proposed project will provide a high-density residential development that fulfills the guiding principles of the DSASP and the preferred land use scenario for the ShapeSSF General Plan update. The project

will revitalize underutilized properties, add a robust population of new downtown residents; offer housing near employment uses, focus investment in the Downtown area, and centralize new transit-oriented development close to the relocated and enhanced Caltrain station.

For these reasons, and depending on the information provided, the City Council may choose to follow the recommendation of the Planning Commission, and take the following actions:

1. Adopt a resolution making findings to adopt the Sustainable Communities Environmental Assessment (EIR18-0005), consistent with the 2040 Plan Bay Area Environmental Impact Report, in accordance with Section 21155.2 of the California Public Resources Code;
2. Waive reading and introduce an Ordinance amending the Zoning Map (RZ18-0003) to rezone two parcels as a Planned Development; and,
3. Adopt a resolution making findings to approve a General Plan Amendment (GPA18-0004), Downtown Station Area Specific Plan Amendment (SP21-0003), Transportation Demand Management Plan (TDM21-0008), Design Review (DR18-0038), and Affordable Housing Agreement proposal, subject to the draft Conditions of Approval.

Attachments

1. General Plan Preferred Land Use Scenario Map
2. 124 Airport Boulevard/100 Produce Avenue Community Benefits Proposal
 - a. Updated Addendum Letter
3. Design Review Board (DRB) Comment Letter dated September 23, 2020
4. Airport Land Use Commission Resolution 21-64
5. Planning Commission Resolution of November 4, 2021
6. Below Market Rate Unit Income Limits and Rent Summary
7. Public Comments received to date
8. Staff Presentation

Exhibits to Associated Ordinance

- A. Rezone Map

Exhibits to Associated CEQA Resolution

- A. 2021 Sustainable Communities Environmental Assessment - Initial Study
- B. Mitigation Monitoring and Reporting Program

Exhibits to Associated Entitlements Resolution

- A. General Plan Amendment
- B. DSASP Amendment
- C. Project Plans
- D. Transportation Demand Management Plan
- E. Draft Conditions of Approval