



Legislation Text

File #: 22-724, Version: 1

Report regarding consideration of applications for a General Plan Amendment, Zoning Ordinance Amendment, Use Permit, Design Review, Transportation Demand Management Program, Parcel Map and Initial Study/Mitigated Negative Declaration 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 (TO/RD) Zoning District. (*Allison Knapp, Consulting Planner and Billy Gross, Principal Planner*)

RECOMMENDATION

Staff recommends that the City Council conduct a public hearing, follow the recommendation of the Planning Commission and take the following actions:

- 1. Adopt a resolution making findings and 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.; and**
- 2. Waive reading and introduce an Ordinance amending Chapter 20.280 ("Downtown Station Area Specific Plan District") of the South San Francisco Municipal Code; and**
- 3. Adopt a resolution making findings and approving a General Plan Amendment (GPA20-0002), Use Permit (UP20-0008), Design Review (DR20-0027), Transportation Demand Management Program (TDM20-0010) and Tentative Parcel Map (PM22-0003), subject to the attached draft conditions of approval.**

PROJECT OVERVIEW AND BACKGROUND

Site Overview and Location

The site, 121 East Grand, is located in the East of 101 area and is flanked by Poletti Way to the west, East Grand Avenue to the south and southeast, and Grand Avenue to the north. The site has active street frontage on three sides: west, south, and east. A 19.3 ft wide service area runs the length of the northern side of the building, adjacent to the Grand/East Grand Avenue flyover.

Vehicular access to the proposed project site (Project) is from the north by the Oyster Point Boulevard Interchange and flyover, and Airport Boulevard (both from the north and south). Access from the south is provided by East Grand Avenue via the Grand Avenue northbound exit from US 101. All these roadways connect to US 101. Airport Boulevard also connects to Interstate 380. Grand Avenue/East Grand Avenue provides a surface street connection to the areas east and west of US 101. The recently relocated Caltrain station is located approximately 200 feet to the west.

The Project site is 126,847 sq ft in area, i.e., 2.91 acres and is comprised of three parcels. The site is relatively flat ranging from 15 ft to 20 ft above mean sea level and is shaped like a soft-edged triangle. Comfort Inn and

Suites, a three-story wood framed motel with asphalted surface parking, is located on the site. The motel includes 169 rooms housed in three structures. The site also includes a spa and one shed. Two curb cuts provide access to the site: one off Poletti Way and the other along East Grand at Sylvester Road.

Life science uses are located north of the East Grand Avenue overpass. Jack Drago Park is located to the east of the site as is the Pacific Gas and Electric (PG&E) electrification yard serving Caltrain and the East of 101. A mix of life science, light industrial and food manufacturing uses are south of the Project site. A small triangular shaped parcel at the intersection of East Grand Avenue and Poletti Way is owned by the City of South San Francisco and the Gateway Business Association. The Caltrain relocation project recently landscaped this parcel and added directional street signage.

Current New Development Trends in the Project Area

Alexandria Real Estate recently obtained entitlement approval to construct a R&D/Office campus consisting of approximately 554,770 sq ft at 100 East Grand Avenue. South City Ventures IQHQ obtained approvals for a 295,000 sq ft R&D/Office project at 580 Dubuque Avenue, northwest of the Project site. Trammell Crow is undergoing review for a 430,000 sq ft R&D/Office project at 120 East Grand Avenue. The Project proposes approximately 943,965 sq ft of R&D/Office and non-proprietary amenity space.

Project Description

The Project is a transit-oriented commercial project that, if approved, will result in the construction of two 17-story research and development building “wings” connected through a glass atrium atop a two-story podium. The first two floors of the building, Level 1 and Level 2, would provide public amenities and Levels 3 through 17 would include research and development and office uses.

The two-story podium would be designed, landscaped and furnished to provide seating and gathering areas. A 700 ft long lighted and landscaped bicycle and pedestrian trail would traverse the site from the Poletti Way crosswalk along the southern and eastern frontages of the Project site to Grand Avenue. The 30 ft wide Class IV bicycle/pedestrian facility would separate pedestrians from bicyclists and both user groups from vehicles.

Public amenity space programmed in Level 1 and Level 2 would include approximately 107,125 sq ft of services and uses. Level 1 would include a 7,573 sq ft main gathering lobby and a 9,328 sq ft retail space. Retail space considerations include café, restaurant, personal services, and a grab and go convenience store. Level 2 amenities are programmed for a 16,264 sq ft fitness/wellness center; 4,489 sq ft lobby; 5,134 sq ft pre-function space, 13,237 sq ft conference center, 5,546 sq ft restaurant, 2,342 sq ft café, and a 2,551 sq ft kitchen. The pre-function space is placed and designed to spill out onto the outdoor ‘Confluence Plaza’; a 28,000 sq ft landscaped, furnished gathering area also open to the public. The Confluence Plaza includes movable furnishings to accommodate larger events, as suggested by the Design Review Board. The public amenities as well as the private realm would be accessed from Arrival Plaza, Poletti Way Plaza, Confluence Plaza, and East Grand Plaza. These four areas on the site are connected seamlessly around the building and provide different but interconnected purposes. “Wind Canopy”, a structural design element shown at the second level, would wrap around the building from west to east. The second-story placement would define the pedestrian realm and provide some buffer from wind, rain and sun in the plazas.

Site Plan Form and Function

The Applicant approached the City in 2020 with site plan concepts, met with various staff and agencies and requested direction. Through these meetings Samtrans recommended that a study be prepared to address commuting access needs within the surrounding East of 101 Project area. This request resulted in the preparation of the *South San Francisco Caltrain Station Eastern Access Study prepared for South San*

Francisco, Caltrain, Phase 3 Real Estate Partners, by Fehr & Peers and Mark Thomas, 2021 ('Access Study'), with input from City staff, environmental and transportation consultants, Caltrain, Caltrans, and the Applicant.

The *Mobility 2020 East of 101 Transportation Plan, for the City of South San Francisco* also by Fehr & Peers, 2019 ('Mobility 2020') also informed site design. This document identifies impediments to mode shift in the East of 101, most notably lack of connectivity with pedestrian and bicycle facilities, echoed in the City's recently adopted bicycle and pedestrian plan, 'Active South San Francisco', the lack of gathering areas for social interaction, and older development that has a 'ghost town' feel and the lack of active street frontage.

The Downtown Station Area Specific Plan (DSASP) identifies design elements to be implemented into the site plan. Specifically, the 121 East Grand site is critical in linking the East of 101 to the West of 101. DSASP designates this area as a priority pedestrian zone; a zone to connect pedestrians along East Grand Avenue to the Caltrain entrance as well as the West of 101 and Downtown.

Plaza Design Circulation and Landscaping

The site plan is designed as four plazas; Arrival Plaza, Poletti Way Plaza, Confluence Plaza and East Access Plaza. Each plaza performs a specific function and are seamlessly interconnected. Design elements of the building, most notably 'Wind Canopy' constructed between the second and third levels, provides a constant on all elevations of the building save the north where no public activity is permitted. Wind Canopy would vary in its horizontal projection around the building to accommodate different conditions and planned uses of the public realm and landscape elements. Wind Canopy would also provide some wind, sun and rain shelter. Wind Canopy defines the civic interaction space. These four plaza areas would provide approximately 46,663 sq ft (1.07 acre) of urban open space. The site plan elements are described in the following paragraphs.

Arrival Plaza, the southwest entrance to the site (at the intersection of East Grand Avenue and Poletti Way) is located 200 ft east from the stairs to the South San Francisco Caltrain Station and is visible from the Caltrain Station (see Attachment 1 - *View from Caltrain Station*). The Project, a 'transportation hub', is designed to provide multi-modal commute options, services and supporting services. The function of Arrival Plaza is to: (1) get commuters out of the Poletti Way and East Grand Ave crosswalk safely and quickly, (2) provide a landmark entrance/exit from Caltrain to the east/west of 101, and (3) provide easily and quickly identifiable understanding of the site and services.

Arrival Plaza would dedicate a total 5,178 sq ft area for pedestrians and bicyclists to arrive and depart the site, enter the building or continue to other locations in the East of 101 area. Arrival Plaza fans into a 60 ft wide arc at the intersection of the Poletti Way crosswalk thus providing a wide and unobstructed disbursement area for commuters.

Arrival Plaza's design would replace the current five ft wide access to the site that is obstructed by a concrete planter. While this condition is not currently hazardous, due to low Caltrain ridership (approximately 270 per day), increased ridership levels in the near future would result in a 'pinch point' where commuters could bunch up and spill out into Poletti Way and East Grand Avenue. The Caltrain Business Plan (year 2040) indicates an expected 3,000 riders per day. Forecasts derived from the Draft 2040 General Plan indicate a ridership in the East of 101 of 4,500 per day (Table 1, Comparison of Land Use and Ridership Forecasts, Access Study, p 10).

Access Plaza is also where the 15 ft wide multipurpose bicycle/pedestrian trail, along the west side of Poletti Way, would convert to a Class IV 30 ft wide separated bicycle and pedestrian facility traveling on and adjacent to the Project site along East Grand Avenue to Grand Avenue. The pedestrian lane is shown to be located on the Project site and separated from the bicycle lane by landscaping. The bicycle portion of the 30 ft wide facility is

proposed within the East Grand Avenue right-of-way and would be separated from the vehicular lane by a structured concrete berm and landscaping. Both facilities would be lighted.

Wind Canopy would cantilever and form a triangular shape, approximately 2,250 sq ft, over Arrival Plaza providing a sheltered and grand entrance to the building. Task oriented and directional accent lighting would highlight the area. The form and lighting of Arrival Plaza and Wind Canopy would provide a visual landmark inviting the community into the East of 101 area, connecting the east with the west.

Wind Canopy would be characterized by a metal paneled soffit to bring in dappled daylight to the outdoor space's underneath, and a sky oculus. In the evening, the soffit is proposed to be illuminated with up-lighting to activate the public realm and provide an iconic and recognizable destination for commuters traversing in the area.

No seating or landscaping is proposed at Arrival Plaza; these amenities are close-by. The location and size of Arrival Plaza is largely informed by the Access Study. The expansiveness of Arrival Plaza and the lack of landscaping and seating are purposeful: design for the ridership projections in 2040 to get commuters out of the intersection and into the pedestrian realm with no obstructions.

Poletti Way Plaza adjacent to Arrival Plaza, would be the busiest area of the site with respect to motorized commuter travel. The first 150 feet of Poletti Way Plaza would be dedicated to pedestrians, bicyclists, and a rideshare lane. The northern-most portion of the building frontage would be dedicated to ingress/egress to parking underneath the building. One service access to the building is proposed in the northwestern portion of the service alley. The service alley is a 19.3 ft wide paved road running the full length of the northern portion of the site and is restricted to fire access and service vehicles (See Attachment 2 - *Vehicular and Service Access and Fire Safety Access*).

Poletti Way Plaza is designed to: (1) separate pedestrian and vehicular interaction to the maximum extent feasible; (2) separate commercial parking access and use from service access and use; (3) provide mode shift options such as the 150 ft rideshare lane; (4) locate short-term bicycle parking; (5) provide retail options; (6) provide seating areas to enjoy and wait for a transit option, and (7) provide fire and emergency services access to the upper levels of the building by restricting landscaping to species that do not exceed 20 ft in height. These goals of use are largely informed by the Access Study and the Fire Marshal.

Wind Canopy helps define the pedestrian space. Along Poletti Way Plaza, Wind Canopy begins as a minimal projection on the north where vehicular activity is prominent and transitions to provide a 13.5 ft overhang along the western 150 ft long frontage where pedestrian activity is prominent. Poletti Way Plaza would include a 30 ft wide and 165 ft long sidewalk creating a circulation area protected under Wind Canopy, defining the extent of the pedestrian realm. Wind Canopy would protect those using the rideshare lane from the elements. The rideshare lane is proposed here and compliments the commuter bus lane constructed by Caltrain on the western side of Poletti Way. Currently this lane would serve rideshare and other private bus services. Samtrans does not currently serve the East of 101 Area.

Poletti Way Plaza would to be landscaped with raised planters its full length, from south to north. The pedestrian realm would include planter design with seating benches. The planters are sized to contain *Arbutus marina* or *Olea europaea* 'Swan Hill' or 'Wilsonii'; small trees from the olive family. These fruitless trees would provide year-round color, are known for their sculptural branches and grow 12 to 15 ft in height and width. Placed in raised planters below the trees, ornamental grasses are proposed to add texture and diversity to the landscape. Biotreatment gardens are also proposed. Eleven 36"- box trees are proposed in Poletti Way

Plaza. Entrances to the retail along this frontage open between the planters.

Confluence Plaza is located along East Grand Avenue. Starting back at Arrival Plaza Wind Canopy continues along 170 ft of the East Grand Ave frontage and wraps inward and culminates at the main tower lobby on Level 2. The 14 ft canopy projection would line both edges of the 28,000 sq ft landscaped and furnished Confluence Plaza (180 ft length along the west wing, and 201 ft length along the east wing) to provide areas of shelter and support the functions and programs that open onto the plaza. These covered areas would provide shade and protection for cafe seating and outdoor meeting areas flanking the conference center pre-function and fitness amenities (See Attachment 3 Confluence Plaza)

Interior access to the Confluence Plaza would be provided off Level 2. Exterior access to Confluence Plaza is provided by a series of accessible scissor pathways (approximately 300 ft in length) to and from East Grand Avenue, referred to as Confluence Terraces. Confluence Terraces, integral to and a part of Confluence Plaza, is proposed to be flanked with landscaping, lighting and informal seating areas. Glass wind guards and guardrails and moveable and stationary seating and tables are proposed. Moveable furnishings were proposed in response to a Design Review Board suggestion of including some non-stationary furnishing for event planning. Confluence Plaza is designed to allow events to spill both into and out of the 5,025 sq ft pre-function space programmed on Level 2.

Outdoor areas are designed to accommodate both reflective and interactive gathering spaces, accommodating one or a group of individuals. The transparent glazing on Levels 1 and 2 of Confluence Plaza would provide an interaction between interior and exterior areas.

There are four entry points to the building within Confluence Plaza. Public art would be included inside Level 2, visible from Confluence Plaza and further on to East Grand Avenue. A sculpture is programmed and is proposed outside in Confluence Plaza. Task and ambient lighting and textured surface and paving treatments are also proposed. The bicycle and pedestrian trail traverses along this frontage to the Grand and East Grand Avenue intersection. An art mural is proposed inside Level 2 which would be visible outside as well.

Confluence Plaza and Terraces is intended as a public garden. Raised planters in Confluence Plaza would be planted with drought tolerant ornamental grasses such as *Bouteloua gracilis* 'Blonde Ambition,' an ornamental flowering (chartreuse) grass; *Lomandra longifolia* 'Arctic Frost,' an evergreen ornamental grass and *Muhlenbergia capillaris* 'White Cloud' an ornamental grass that seasonally has a moon white color. These grasses range in size up to three ft by three ft, and they cascade well along pathways and pattern well in the wind.

Shrub, perennial, and succulent species would provide flowers and seasonal interest, and include flowering plants that would provide color, texture and shape to the landscape. Proposed plantings include *Anigazanthos* sp., commonly known as 'Kangaroo Paws', which grow up to ten ft in height and would add a splash of vibrant green and red to the landscape. *Hesperaloe parviflora*, 'red yucca', grows three to five feet and adds a shade of red and green to the palette. *Agastache barberi* 'Kudo's Gold', Hummingbird mint, grows five to ten ft tall and adds gold and a different shade of green to the landscape. *Euphorbia characias*, 'Tasmanian Tiger', is a succulent with a sage colored leaf with white edging and grows up to four ft in height. The proposed landscaping would result in a variety of shapes, heights, widths, and range of colors. The density and ephemeral nature of the leaf patterns create a patchwork of shapes and whimsy in static and windy conditions. Substitutions are noted in the landscape palette to accommodate for availability.

Ginkgo biloba 'Autumn Gold,' a columnar tree species or similar such as *Nyssa sylvatica*, is proposed to edge

the terraces and plaza. This planting selection would provide shade in the summer, vibrant yellow fall foliage and habitat for aerial species. The design includes fourteen 36-inch box Gingko trees, which reach a height of 35-40 ft and a width of 15-20 ft at maturity.

Along East Grand Avenue *Quercus franietto*, ‘Hungarian oak’, is proposed to line the street and shade the pedestrian walkway and raised bicycle path. Hungarian oak is deciduous and can reach over 100 ft in height. An alternative species considered is *Nyssa sylvatica*, ‘Black Tupulo’ which can also reach over 100 ft in height and has red leaves.

The L-shaped building design provides the Confluence Plaza as a landscaped outdoor gathering and seating area that is wind protected. A wind study was conducted to identify and address site conditions. Most open street level locations are rated between “Pedestrian Standing” (13 miles per hour (mph) and “Business Walking” (18 mph) with sheltered locations between buildings rated mainly “Pedestrian Sitting Only” (nine mph). Small areas would be well sheltered in the apex of the buildings and be rated “Outdoor Dining” (five mph).

The purpose of Confluence Plaza is to provide street vitality close to Caltrain in an urban landscaped setting for all to enjoy.

East Access Plaza is at the intersection of Grand and East Grand Avenue. From Confluence Plaza, Wind Canopy continues around the east side of the building to provide a modest five ft projection along East Access Plaza. Infrastructure for the traffic signal at Grand and East Grand Avenue is located in this area. A rolled curb is proposed here to provide emergency access to the site. East Access Plaza provides entry to and exiting from the southern portion of the East of 101. East Access Plaza brings the bicycle and pedestrian facility to Grand Avenue, designed to provide largely unobstructed area for bicyclists and pedestrians entering and exiting the area during peak times.

East Access Plaza is directly across from Jack Drago Park. Landscaping proposed further from the building would be larger specimen street trees as it is outside the area programmed for emergency access. The larger trees would also serve to visually connect with Jack Drago Park, providing a green belt on both sides of East Grand Avenue as one enters and exits this area. Approximately one-third of the building façade adjacent to the East Access Plaza would be glazing, and the remaining two-thirds of the ground floor building façade would be reserved for outdoor art.

Street trees adjacent to the East Access Plaza are proposed to be larger specimen as heights would not be restricted here. *Cedrus deodara*, ‘Deodar Cedar’, are proposed to mark the East Access Plaza at Grand Avenue and would reach a height of 40 ft in windy urban conditions. A biotreatment planting area would be located on the western façade of the building. The biotreatment garden would include flood tolerant species that would grow three ft tall, such as *Chondopetalum tectorum* and *Cornus serecia*. A seating wall is proposed in the northeastern portion of this plaza. The proposed placement of the art element would provide a splash of color and interest to the pedestrian.

East Access Plaza was designed to provide additional area for bicyclists exiting and entering the site in part informed by the Access Study. The proposed size of the landscaping provides a green landscaped area and paired with Jack Drago Park would provide an enhanced entrance flanking both sides of East Grand Avenue.

Additional planting from the intersection of East Grand and Grand Avenue along the northern Project property line, continuing 250 ft westward for approximately 250 ft to terminate at the overpass fencing shall be

landscaped per Planning COA No 11. The median shall also be landscaped echoing the same distance and location from east to west. The addition of this landscaping would enhance the greenspace into the south area of the East of 101.

Table 1
Summary of Tree Planting

Species	Quantity/Size at Planting	Size at Maturity Tall/Wide	Site Location
Arbutus marina (MS) Olea Europaea 'Swan Hill' or 'Wilsonii' (MS)	11 / 36" box	10-15 ft t/w	Poletti Way Plaza
Ginkgo biloba 'Autumn Gold' Nyssa sylvatica	10 / 36" box	35-40 ft t / 15-20 ft w	Confluence Terraces
Ginkgo biloba 'Autumn Gold' Nyssa sylvatica	4 / 36" box	35-40 ft t / 15-20 ft w	Confluence Plaza
Quercus franietto Nyssa sylvatica Lophostemon confertus Koelreuteria paniculata	13 / 36" box	30-50 ft t / 20-25 ft w	East Grand Ave Streetscape from Confluence to East Access Plaza
Quercus franietto Nyssa sylvatica Lophostemon confertus Koelreuteria paniculata (S) Cedrus deodara Olea Europaea 'Swan Hill' or 'Wilsonii' (S)	3 / 36" box	30-50 ft t / 20-25 ft w	East Access Plaza

Building Design

The design of the 121 East Grand building addresses the significance of its location at the heart of South San Francisco at various scales; a memorable pedestrian realm for commuters at human-scale, and an iconic skyline expression at a region-wide scale. The architecture is inspired by rapid DNA sequencing; the building shifts as it moves up each floor creating intrinsically unique elevations depending on point of view. The podium levels anchor into the urban context and provide a landmark destination that brings together the community and encourages innovation and growth. The shifting and stacked layered floorplates of the tower reaches out in various directions-strengthening the building's commitment to connection with the city beyond.

The Tower's design is inspired by the base building blocks that form a DNA double-helix, pairing four different floorplate configurations that shift as it moves up the building. The oscillating geometry creates a dynamic facade expression that acknowledges both the R&D program within the building and the confluence of various transit modes converging at the SSF Downtown Station Area. The tower is characterized by horizontal bands of alternating light-colored metal panels, clear glass, and shadowbox, with the opaque East and West facades of the R&D program transitioning to a more transparent south facade that houses the office functions within the building.

The shifting slab expression of the Confluence Plaza-facing facade not only creates various balcony overlooks, with landscaping, that encourage tenants to engage with nature, but also provides protection from both the western prevailing winds and the afternoon sun. The building's horizontal composition of metal and glass continues at the rooftop mechanical screen, creating a cohesive language that unifies the two wings of the L-shaped tower. In the evening, the tower's articulation is accentuated through linear LED fixtures that correspond with each of the shifted floorplates, ensuring that the purity of the architectural form remains iconic

at all times of the day.

Rood-top mechanical shielding is proposed to be a perforated metal screening with an expressed detailed coping. This proposed material is the same as the perforated screening implemented on the Genesis Towers parking structure. The screening at the edge of the rooftop would 20 ft in height and would then step up to 32 ft in height in the center area. The additional height is necessary to screen the infrastructure supporting an all-electric building. Building materials would be steel, shaded and clear glass and aluminum.

Table 2
Project Summary

Condition/Project Feature/Element	Metric
Site Characteristics	
Size	126,849 sq ft (2.9 acre)
Elevation	15 to 20 ft above mean sea level
FEMA Flood Zone	X (outside the 100- and 500-year flood zone)
Depth to Groundwater (below existing grade)	4.5 to 8.0 ft rainy year/8.5 to 16 ft dry year
Proposed Project	
Building Size/FAR	943,965 sq ft/ 7.44 FAR
Height	294 ft top of two-tier screening/262 ft to top of roof
R&D/Office	836,865 sq ft
Community Amenities	107,100 sq ft (interior Levels 1 and 2)
Public Plazas	46,663 sq ft
Landscaped Public Plazas	41,485 sq ft 33% area
Total Public Amenities on Site	153,763 sq ft
Bicycle Parking Short Term Long Term	250 spaces 140 spaces (49 more that code requires) 108 spaces located in a locked bicycle facility accessed off of Arrival Plaza
Vehicle Parking sf/spaces	255,407 sq ft /1.5 spaces per 1,000 sq ft in mechanical and self-park configurations
TDM Program Reduction	47.5%
Building Transparency Front East Grand Ave West Side Poletti Way East Jack Drago Park	100% 50% 30%
Loading/Storage & Support	4,600 sq ft/30,649 sq ft located below the building
Site Coverage	69.3%/87,849 sq ft
Setbacks Front East Grand Ave West Side Poletti Way East Side Jack Drago Park Rear	19 ft 20 ft 10 ft 19.3 ft
Cut/Depth/Fill	175,000 cubic feet/41 ft/0

The Project proposes design measures requisite to achieve a LEED Gold Certification level. The Applicant is

not committed to receiving the certification but is committed to building to that level. The Project would include 24-hr security as with all life science developments.

View of Towers

The architecture and treatment thereto frame views from the West of 101 and other areas of the City, such as Sign Hill Park, as discussed below. The Project team will provide illustrations of the following analysis at the City Council meeting.

From Grand Avenue at City Hall

Existing views from the west to the East Grand Avenue corridor are largely eclipsed by transportation infrastructure, most notably the elevated portion of US 101. The multifamily residential buildings, approximately 85 ft in height, along the southeastern side of Airport Boulevard do and will help screen the underbelly of US 101 and Caltrans support infrastructure from view. The 100 East Grand Avenue project, 580 Dubuque Avenue project and the Project would provide visual interest and draw one's attention from US 101 to the East of 101 Area. The Project alone and in combination with the aforementioned projects, would improve views to the East of 101 area and facilitate a connection of the East and West areas of the City.

The Project would identify the location of the east side of the Caltrain Station from all directions and draw one's attention from the roadways. As the City implements the policies in the Draft 2040 General Plan, the East of 101 Area will become a vibrant, well designed 'complete neighborhood' with an active pedestrian street presence, goods and services, and a sense of place. The Project and other planned development would visually identify the East of 101 area as a "place to go".

Closer views of the Project would reveal architectural and site details. The proposed landscaping, public art and lighting would provide an easily negotiable and "useable" experience for all user groups. The Project would provide a variety of goods and services including public plazas, linkages to multi-modal transportation options, bicycle and pedestrian paths, retail services and seating, eating, gathering and meeting areas. Plaza areas are identified by use and accented with lighting, art and landscaping. The site entryways are well lit and marked with defining architecture.

From Sign Hill Park

Sign Hill Park includes approximately 66 acres of public open space, hiking trails and habitat preservation areas. The view corridor from Sign Hill Park and Sign Hill Trail would largely be one looking down onto the East of 101 area given the differences in elevation and the proposed 295 ft building height. Views from this vantage point are and would continue to be panoramic.

Three buildings, the Project being one, penetrate the horizon where the Bay meets land and sky, but do not eclipse the view. The staggered heights and various building setbacks articulate the view from Sign Hill Park trail.

The band of transportation infrastructure on the eastern side of the Project assures an open view corridor for the reasonably foreseeable future. Views of San Francisco Bay, sky and the East Bay would not be obstructed and would remain for the reasonably foreseeable future.

Entitlements Request

The Project is seeking the following entitlements:

- General Plan Amendment for revisions to the Land Use Chapter to allow for a maximum floor area ratio

(FAR) of 8.0 in the Transit Office Research and Development Core (TO/RD) land use designation, in keeping with the draft 2040 General Plan Update. (See Attachment 4 - *Draft 2040 General Plan Land Use Map, as reference*)

- Zoning Ordinance Amendment to amend the TO/RD zoning district to allow a maximum FAR of 8.0, consistent with the proposed General Plan Amendment.
- Conditional Use Permit for parking reduction.
- Transportation Demand Management (TDM) Program
- Design Review
- Tentative Parcel Map
- Adoption of an Initial Study / Mitigated Negative Declaration

GENERAL PLAN CONFORMITY AND ZONING CONSISTENCY ANALYSIS

General Plan Amendments

The 1999 General Plan designation and zoning district for the site is Transit Office/Research & Development Core (TO/RD). The site is within the boundaries of the Downtown Station Area Specific Plan (DSASP), adopted in 2014. The 1999 General Plan and DSASP envision the Transit TO/RD as follows:

Transit Office / R&D Core (TO/RD). The Transit Office/R&D Core sub-district is located just east of the Caltrain tracks in an area bounded by East Grand Avenue on the north, Gateway Boulevard on the east, Poletti Way and US 101 on the west, and S. Airport Boulevard on the south. This sub-district is intended to provide a location for the highest intensity office or R&D uses. Suited to headquarters or other office type uses that do not include significant manufacturing, the sub-district offers the opportunity for locating high intensity uses in immediate proximity to the Caltrain Station. In addition, with the relocation of the Caltrain Station and construction of a pedestrian and bicycle rail undercrossing, this subdistrict will provide convenient access to Grand Avenue and the surrounding areas and will support commercial revitalization. (SSF General Plan, and DSASP, 2015).

The 1999 General Plan, DSASP and zoning classification permit up to a 2.5 FAR by right and a 3.5 FAR conditionally provided a variety of community benefits are included as part of the project (SSFMC Section 20.280.005(A)).

The Applicant requests an amendment to the 1999 General Plan and implementing Zoning to comport with the Draft 2040 General Plan proposed FAR for the East of 101 Transit Core land use designation in order to conditionally permit a 7.44 FAR. In the following sections excerpted from the existing zoning code, all text changes are highlighted using underscore [proposed text] format to illustrate the proposed changes.

Table 2.2-1: Standards for Density and Development Intensity

Land Use Desig	Min Req'd FAR	Residential Density (u/ac)	Max Permitted FAR	Max Permitted w/ Incent Bonuses	
				Units / Net Acre	FAR (See T 2)
Transit Office / R&D Core	1.5		1.5-2.5	-	3.5 <u>8.0</u>

Table 2.2-2: Standards for Density and Development Intensity

Land Use Desig	Min FAR	Base FAR	Incentive Based FAR Bc		Total Max FAR
Transit Office / R&D Core	1.5	1.5-2.5			<u>3.58.0</u>

Proposed Draft 2040 General Plan Update and Associated Zoning Ordinance

The Draft 2040 General Plan and associated Zoning Ordinance would create an East of 101 Transit Core (ETC) designation that would carry over the above-stated land use vision with an allowance for an increased density and intensity. The East of 101 Transit Core is envisioned as:

Transit-oriented community with a walkable street pattern and a vibrant mix of high-density multifamily and employment uses with supportive retail, services, and amenities (minimum FAR from 2.0 up to 8.0 with community benefits; residential densities range from 120 du/ac to 200 du/ac with community benefits).

The Project has been designed to implement this vision, proposing an employment use development with a maximum FAR of 7.44 in concert with a robust community benefit proposal.

Draft 2040 General Plan, 1999 General Plan and DSASP Consistency Analysis

The Draft 2040 General Plan policies informed the site plan design in addition to the Access Study, Mobility 2020 Study and the DSASP. The Project would implement the following draft policies.

- GOAL ES-1: The City supports nature in South San Francisco to encourage healthy ecosystems, improve air and water quality, improve public health, and adapt to a changing climate. INTENT: To foster urban ecology in South San Francisco including open space and connectivity, habitat diversity, urban forestry, planting and vegetation, and land and vegetation management.
- GOAL ES-4: An abundant, robust urban forest that contributes to South San Francisco's quality of life as it combats the effects of climate change. INTENT: To enhance South San Francisco's environmental quality and the mental and physical health of its residents, while bringing significant economic benefits through increased property values. To make the city more resilient to the impacts of climate change and provide habitat for wildlife.
- Policy ES-4.2: Avoid tree removal. Avoid removing trees whenever possible. When removals are warranted, replace each removed tree with three new trees.
- East of 101 GOAL SA-16: A new transit-oriented community in East of 101 with a diverse mix of uses, places, and programming to inspire creativity and social interaction that welcome all South San Francisco residents and visitors. INTENT: To create an inclusive neighborhood where people of all incomes can live, access transit, and services and amenities.
- Policy SA-16.1: Require high-density development near the Caltrain station. Promote density and a mix of transit-oriented uses adjacent to the Caltrain Station and along South Airport Boulevard, including

residential, offices, personal services, retail, recreation, and healthcare.

- Policy SA-16.2: Implement public realm improvements near the Caltrain station. Implement public realm improvements to improve accessibility to the Caltrain Station, including signage, street trees, landscaping, street furniture, and lighting.
- East of 101 GOAL SA-16: A new transit-oriented community in East of 101 with a diverse mix of uses, places, and programming to inspire creativity and social interaction that welcome all South San Francisco residents and visitors.
- Policy SA-19.4: Implement mobility hubs. Evaluate implementation of “mobility hubs,” which are places where different travel networks (including walking, biking, transit, and shared mobility) meet and provide convenient connections to destinations at the Caltrain Station, South San Francisco BART Station, and the South San Francisco Ferry Terminal.”

In addition to the above, the Project implements a strong and safe pedestrian connection between the East and West of 101 Area. This connection is a goal of the 1999 General Plan and the DSASP. In summary, the Project conforms to the existing and proposed general plans and the DSASP. The 7.44 FAR requires the amendment to the 1999 General Plan and DSASP in order to meet the goals of the Draft 2040 General Plan, improve mode shift options and services and reduce the carbon footprint.

Zoning Text Amendment (Chapter 20.280)

The TO/RD zone district currently allows a maximum FAR of 3.5 subject to an incentives program. To allow a FAR in keeping with the proposed General Plan Amendment, the following amendment is proposed to Zoning Ordinance Table 20.280.004-1 “Lot, Density, and FAR Standards - Downtown Station Area Specific Plan Sub-Districts”:

Standard	DTC	GAC	DRC	TO/RD	LCC	LNC	Additional Standards
Floor Area Ratio (FAR)							
<i>Min. FAR</i>	2.0	1.5	n/a	1.5	n/a	2.0	
<i>Max. FAR</i>	6.0	3.0	3.0	2.5	n/a	3.0	Exclusive of structured parking
<i>Max. FAR with Incentive Program</i>	8.0	4.0	3.25 (1)	3.5 <u>8.0</u>	n/a	n/a	Exclusive of structured parking

The proposed amendment would be consistent with the General Plan amendments proposed for the project, and in concert with the goals of the Draft 2040 General Plan Update and associated Zoning.

Downtown Station Area Specific Plan - Supplemental Development Standards

The TO/RD zoning district also includes a variety of general development standards and supplemental regulations that apply to the proposed project. The Project complies with the development standards, as proposed for amendment, and seeks only one exception from the supplemental regulations, as discussed below.

Building Transparency and Required Openings

SSFMC Section 20.280.007.C (Supplemental Regulations - Eastern Neighborhood, Building Transparency and Required Openings) requires that exterior walls along Grand Avenue in the Eastern Neighborhood shall include windows, doors, or other openings for at least 60 percent of the building wall area located between two and one-half and seven feet above the level of the sidewalk. No wall may run in a continuous plane for more than 20 feet without an opening. Openings fulfilling this requirement shall have transparent glazing and provide views into work areas, sales areas, lobbies, or similar active spaces, or into window displays that are at least 18 inches deep. They shall not provide views into parking or vehicle circulation. Exceptions may be granted by the Chief Planner to address operational characteristics where providing the required windows and openings is incompatible. Walls of street-facing buildings will exhibit architectural relief and detail, and/or will be screened with attractive landscaping, in such a way as to create visual interest at the pedestrian level.

The Project site is in a unique location and is unique in shape. The site is roughly triangular in shape. Three of the four sides are active and available to the public. The rear elevation is exclusive to emergency and service access. All service and parking areas are underneath the building.

The Project site is surrounded by roadways, freeways, and Caltrain. Beginning on the west side of the site and moving westward, in succession, is located Poletti Way; followed by the Caltrain Station; the Grand Avenue/US 101 overpass; and Airport Boulevard resulting in a contiguous 780 ft wide band of roadways. The 50 ft wide band of East Grand Avenue wraps the site on the south and southeast connecting with Grand Avenue to the north. The northern Project property line is contiguous with the 110 ft wide Grand Avenue overpass. Additionally, the building is setback from Poletti Way in the event the City decides to raise the East Grand Avenue Offramp and connect it to the Dubuque Avenue Offramp. The Mobility 2020 report identifies this as a potential future circulation measure. In consideration of all of this, the Project proposes 33% of the site to be landscaped and furnished; 17% more than required by code.

As shown in the Project Summary table, above, the Project proposes 100% transparency along the East Grand Avenue frontage (front setback area). This area is solely designed to be a gathering, pedestrian/bicyclist and retail service area. Events spaces are designed to spill into and out of the building into Confluence Plaza and from Confluence Plaza into the building.

Along the west frontage, Poletti Way Plaza is specifically designed to separate pedestrian uses from vehicular. Moreover, Level 1 in this area contains many back-of-house functions. Garage access, refuse and recycling, accessible parking, and building support such as generators and electrical tie-ins. While landscape is proposed entirely along this frontage the pedestrian activity zone is limited to the first 50% of the frontage. As a result, no glazing or seating opportunities are proposed in this area along Poletti Way. However, glazing is proposed within the pedestrian realm, providing 50% transparency and access to retail.

Along the east frontage, East Access Plaza proposes 30% of the building frontage as glazing, which would allow transparency to the proposed fitness center, and the remaining frontage would include an art mural and landscaping, to screen the electrical and storage areas of the building at Level 1. Staff has reviewed the proposed transparency and has determined that given the numerous street frontages and the proposed architectural design features, this is an appropriate exception to the required building transparency and required openings.

Parking Requirements

Vehicle Parking

The Project is seeking a parking reduction as part of the Conditional Use Permit. Given the proximity of the development to the Caltrain station, the Project is designed as a transit hub. In keeping with the parking ratio contemplated for the 2040 General Plan, the Project is proposing a parking ratio of 1.5 spaces per 1,000 sq ft, which results in a total of 1,394 parking spaces for the Project site.

The Project is accompanied by a Transportation Demand Management Program, designed at a 47.5% mode shift. Reduction of parking is a significant part of the mode shift as are the goods and services proposed on the Project site.

The proposed parking ratio helps to ensure that the Project avoids constructing excessive parking that may undermine achievement of TDM and the transit hub goals. Staff is supportive of the proposed parking ratio given the proximity to Caltrain, private shuttle services in the area, walkability to Downtown, future Samtrans bus route expansion and the mode-shift options facilitated on the Project site.

Bicycle Parking

Bicycle parking would include 140 short-term spaces along the Poletti Way sidewalk, and 108 long-term spaces within an enclosed storage area accessed from both the Arrival Plaza lobby and East Grand Avenue, totaling approximately 1,593 sq ft. The Project proposes 49 more short term spaces than required by the Municipal Code to assist the East of 101 area in meeting bicycle parking needs.

TENTATIVE PARCEL MAP

Currently there are three parcels that make up the entire Project site. The Applicant is requesting a Tentative Parcel Map to merge the three parcels into one (see Entitlements Reso Exhibit D - *Tentative Parcel Map*). This action requires a parcel map approval process. Easements will be noted on the parcel map which are required to construct Project and area wide improvements and provide access to the City and the Applicant for mutual benefit.

- **Retaining Wall for Grand Avenue Overpass:** An easement would be required to allow the Applicant to improve the Grand Avenue Overpass by partially removing the earthen berm supporting the facility and replacing it with a concrete reinforced retaining wall with tie backs. Tiebacks would be approximately 50 ft deep and on the property under the overpass and not on the Project site. The required depth of the tiebacks roughly correlates with the height of the wall and would be finalized following a detailed structural and geotechnical assessment
- **Construction, Use and Maintenance of the Bicycle/Pedestrian Facility:** An easement is required to allow public access on private property to use the facility.
- **Maintenance Access for Traffic Light:** The City would require access to existing traffic infrastructure supporting traffic signals at two locations on the Project site. Access would be required at the northeast corner of the Grand and East Grand Avenue Intersection and the other would be at the southwest corner of Poletti Way and East Grand Avenue.
- **Utility Relocation:** The existing 60-inch storm drain and 14-inch domestic water line would be relocated from the Project site to the street. The relocation would be approximately parallel to and 45 ft south from the existing location. Domestic water and irrigation water connections are shown to be

relocated to the street approximately 100 ft from the corner of Grand and East Grand Avenues. The existing easement for these utilities within the Project site would be quitclaimed through the required mapping process.

- **Shipping and Receiving Truck Turnaround Area:** Currently a parking area exists adjacent to the northwestern property line of the Project, underneath the Grand Avenue Overpass. The Applicant has a recorded easement for use of the area. The area would provide maneuvering area for large delivery trucks. The site plan, as noted above, purposely separated commercial parking (smaller vehicles) from shipping and receiving, utility maintenance, refuse and recycling pick-up, etc.

The request for a parcel map to merge three parcels and create mutually beneficial and agreed upon easements between the Applicant and the City would not deviate from planned use and operating conditions at 121 East Grand Avenue.

1. The parcel map would not result in a change of use that is planned for the site and analyzed in the Draft IS/MND for the 121 East Grand project, discussed further on in the report.
2. The parcel map would not affect the planned type of use for the site envisioned in the existing 1999 General Plan, DSASP, Draft 2040 General, nor affect the existing and proposed zoning for the site.
3. The parcel map would not result in health, safety or welfare impacts to the community or the Project site.

Under SSFMC Section 19.48, based on the City Engineer's review and recommendation, the City Council is required to make a determination as to whether the Tentative Parcel Map is in conformity with the Subdivision Map Act and the SSFMC. The Engineering Division has identified conditions of approval for the tentative parcel map. Staff recommends approving the Tentative Parcel Map with the draft conditions identified in Exhibits to Associated Entitlements Resolution E.

COMMUNITY BENEFITS PROPOSAL

As provided under SSFMC Section 20.280.005(A), developers may request additional FAR in exchange for providing a variety of community benefits (see Attachment 5 - *121 E Grand Community Benefits Proposal*). The applicant has submitted a comprehensive Community Benefits Proposal that outlines benefits for seeking a 7.44 FAR. The Applicant proposes the following:

- **Direct Funding Contribution.** The Applicant will provide a direct contribution to the City in the amount of \$10,000,000. The Applicant would intend that these funds be utilized at the City's discretion to complete capital improvement projects within the City of South San Francisco. The Applicant will deposit \$6,000,000 prior to the issuance of building permits. The remaining \$4,000,000 will be deposited prior to the issuance of a Certificate of Occupancy. It is anticipated that a significant portion of this contribution (estimated at \$6.6 million) would be utilized for plaza and corridor improvements surrounding the new Caltrain station.
- **LEED Gold and Building Electrification.** The Applicant is committed to meeting significant sustainability measures beyond base code requirements with an estimated value of \$7,250,000. The Project will meet the requirements of LEED Gold Certification and is committed to 100% electrification of the building consistent with the City's Climate Action Plan. The costs of meeting LEED Gold requirements for the initial development are approximated as a 1% premium of building costs, or

\$5,000,000. The cost of 100% electrification is estimated to be approximately \$4,500,000; the Applicant understands the City will consider half of this cost - \$2,250,00 - as a community benefit.

- Community Facilities District. The Applicant will support the formation of a Community Facilities District (CFD) serving the East of 101 district and prepay the value of its obligations under the CFD, estimated to be \$12,900,000. The calculation of this amount was prepared by Economic & Planning Systems and relies on the assumption that the CFD Assessment Rate will be one dollar (\$1.00) per square foot of assessable real property and administered equivalently to other office/R&D properties in the East of 101 area. This contribution would meet the Applicant's financial obligations under the CFD. The Applicant will still participate in public hearings and negotiations regarding the CFD and proposed services/facilities to be funded by the CFD proceeds. The Applicant would pay the estimated CFD in two equal payments: the first \$6,450,000 will be paid prior to issuance of the building permit and the remaining \$6,450,000 once the CFD is adopted.

In summary, total contributions are: Direct Funding \$10,000,000; LEED Gold and Building Electrification \$7,250,000 and Community Facilities District \$12,900,000 for a total of \$30,150,000.

The benefit package includes local hire provisions, public art, funding or construction of local streetscape improvements as identified in the DSASP, funding for enhanced public spaces, funding for enhanced public spaces, for public safety facilities, community meeting rooms, childcare and similar uses. The benefit package also includes tenant space for local businesses or existing businesses in need of relocation, provision of green building measures over and above the applicable green building compliance threshold required pursuant to Title 15, and transit subsidy or other incentives for residents and/or employees.

ACCESS STUDY FUNDING

The Project Sponsor funded the Access Study totaling \$130,000. This study, mentioned above, was a joint effort between Caltrain, Samtrans, the City and Consultants, and Project Sponsor. The City supervised the preparation of the Access Study. The Access Study identifies traffic calming, diversion and circulation measures benefitting the surrounding properties. City staff are currently working with developers in the area to implement the study.

SUSTAINABILITY / CLIMATE ACTION PLAN

The 121 East Grand Project proposes to integrate sustainable design throughout the building to the extent that measures are technically and economically feasible. The approach is proposed to support the City's 2022 Climate Action Plan and the specific goals set forth in the plan. The general design approaches and strategies are proposed to include a wide variety of energy reduction, water conservation and renewable energy solutions.

The Project has committed to an All-Electric Design for long term reduction of greenhouse gas emissions and the future ability to operate on 100% renewable energy provided by energy company partnerships. In response to State Senate Bill 100 and the mandated decarbonization of the California electrical grid by 2045, the development will prioritize use of all-electric sources of energy. Common areas where natural gas have been traditionally used include HVAC, domestic hot water, cooking, and process uses (e.g., laboratory, R&D). In most, if not all, of these examples, cost effective and practical all-electric alternatives exist and will be prioritized for the Project. Where there are technical impediments for all-electric design approaches or they are substantially more costly, life cycle cost analyses will be performed alongside assessment of relative energy / carbon performance to inform design decisions. This design decision is in alignment with SSF 2022 Climate Action Plan Goals CP-1 and CP-2.

The following items will also be considered to improve resiliency and reduce reliance on fossil fuels in accordance with the SSF Climate Action Plan Goals - CP-2:

- Review opportunities for installation of on-site renewable energy (e.g., PV, solar thermal).
- Plan locations for future energy storage batteries to reduce peak loads and support grid harmonization.
- Prioritization of all-electric energy sources.
- Installation of electric vehicle charging stations.
- Reduce heat island effect of developments through use of high-albedo surfaces and / or similar technologies.
- Evaluation the purchase of off-site renewable energy to offset at least 50% of building energy use as calculated by building's Title 24 modeled energy consumption.
- Building will be wired to be solar-ready.

The following items will be considered to reduce the overall building energy use in accordance with the 2022 SSF Climate Action Plan Goals - CP-3-1:

- Optimization of building envelopes to balance building energy uses (e.g., artificial lighting, heating, cooling, fans) while also providing healthy, productive spaces for building occupants (e.g. daylight, views, thermal comfort). This reduces the building's energy use in alignment with CP-3-1 as well as creating better working environments and improving the well-being and overall productivity of the businesses.
- Use of passive design strategies to minimize reliance on active heating and cooling systems.
- Selection of energy efficient HVAC system approaches and equipment.
- Balance of ventilation and indoor air quality outcomes alongside energy efficiency considerations.

The following items will be considered to reduce the overall building water use in accordance with the SSF 2022 Climate Action Plan Goals - CP-8:

- Use of efficient water consuming devices (e.g. plumbing fixtures, appliances, cooling equipment) to minimize demand for water and manage energy consumption of domestic hot water systems.
- Prioritize water efficient landscaping practices.
- Review opportunities to reuse water on-site (e.g. stormwater or greywater reuse) to minimize water consumption and manage site outflows.
- Undertake the following water efficiency measures as outlined by the CAP:
 - 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.
 - Reducing impervious surfaces.

The 121 East Grand Project proposes to integrate sustainable design throughout the design of the building. The Applicant's goal is to reach a LEED Gold level of classification. General design approaches and strategies or a reasonable facsimile thereto include:

- Optimization of building envelopes to balance building energy uses (e.g. artificial lighting, heating, cooling, fans) while also providing healthy, productive spaces for building occupants (e.g. daylight, views, thermal comfort).
- Use of passive design strategies to minimize reliance on active heating and cooling systems.
- Selection of energy efficient HVAC system approaches and equipment.
- Balance of ventilation and indoor air quality outcomes alongside energy efficiency considerations.
- Use of efficient water consuming devices (e.g. plumbing fixtures, appliances, cooling equipment) to minimize demand for water and manage energy consumption of domestic hot water systems.
- Prioritize the use of water efficient landscaping practices.
- Review opportunities to reuse water on-site (e.g. stormwater or greywater reuse) to minimize water consumption and manage site outflows.
- Review opportunities for installation of on-site renewable energy (e.g. PV, solar thermal)
- Prioritization of all-electric energy sources (see further discussion below).

The Applicant is knowledgeable of and will comply with the City of South San Francisco's Climate Action Plan

(CAP). A summary of the design responses mostly likely to comply with the CAP for the Project is listed below:

- Install conduit to enable installation of electric vehicle charging stations
- Reduce heat island effect of developments through use of high-albedo surfaces and / or similar technologies
- Purchase off-site renewable energy to offset at least 50% of building energy use as calculated by building's Title 24 modeled energy consumption
- Building will be wired to be solar-ready
- Undertake the following water efficiency measures as outlined by the CAP:
 - i. Establishing a variable-speed pump exchange for water features.
 - ii. Restricting hours of irrigation to occur between 3:00 a.m. and two hours after sunrise.
 - iii. Installing irrigation controllers with rain sensors.
 - iv. Landscaping with native, water-efficient plants.
 - v. Installing drip irrigation systems.
 - vi. Reducing impervious surfaces.

The Project would comply, to the maximum extent feasible, with 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.

DESIGN REVIEW BOARD

The Project underwent review with the Design Review Board (DRB) on February 15 and April 19, 2022. DRB indicated general support of the Project design at the February 15 meeting, but requested the following refinements to be addressed at a subsequent meeting (see Attachment 6 - *Design Review Board Comments*).

- Study and potentially expand the proposed accessible ramping on the east to make it easier for people coming from Jack Drago Park.
- Investigate and identify ways the Access Plaza could be transformed or adjusted to accommodate event space.
- Add seating elements for Poletti Way drop-off waiting area.
- Tower Architecture needs to be complex, but not complicated. Consider detail refinements to the North and West facades.
- Review articulation of rooftop mechanical screens.
- Provide additional information on the proposed landscape palette, including the survivability, location and size of tree species.
- Provide more information on the bioswale design.
- Recommend using “Satin Aluminum: as opposed to “Silver Painted Aluminum” for durability.
- Describe the mechanics of the parking and location of recycling and garbage areas.
- Overall, do not make wholesale changes to the design.

The applicant team made revisions to the project based on these comments, and the DRB reviewed the revisions to the Project on April 19, 2022. At that meeting, the DRB noted:

- Accepted and applauded the design changes including the Wind Canopy oculus.
- Preference for Scheme 1 for the facade modification and Single Ramp Option 2 site mid-point for accessibility.
- Recommended approval with conditions and to proceed to the Planning Commission.

The DRB noted that the comments related to the landscape species be addressed in the entitlement plans. They also commended the minor changes to Confluence Plaza for group seating capacity.

The DRB plant selection comments were to provide additional information on the proposed landscape palette, including the survivability, location and size of tree species. The landscape architect responded to these comments and are shown in the **Table 1 Summary of Tree Planting**, above. Also, Scheme 1 design and Single Ramp Option 2 are included in the design of the Project, as directed by DRB. All back of house operations are located on Level 1 of the parking structure. Seating was added to Poletti Way Plaza. Access Plaza furnishings are moveable to provide for event space. Rooftop mechanical screens are two-tier. Bioswale design is incorporated on all the landscape areas and described in the landscape plan.

AIRPORT LAND USE COMMISSION

The Project site is within the San Mateo County Airport Land Use Commission (ALUC) jurisdiction, and approximately 1.8 mi north of San Francisco International Airport. The proposed height of the Project, 295 ft above grade, required Federal Aviation Administration (FAA) review.

FAA reviewed the Project and issued a Determination of No Hazard to Air Navigation For the permanent structure on September 9, 2021 (Aeronautical Study Numbers (ASNs) 2021-AWP-7644-OE through -7655-OE). FAA requires the following conditions of approval (see Attachment 7 - *FAA Determination of No Hazard*).

1. The structure is to be marked/lighted in accordance with FAA Advisory circular 70/7460-1 M, Obstruction Marking and Lighting, red lights-Chapters 4, 5 (Red) and 15.
2. Any failure or malfunction that lasts more than thirty (30) minutes and affects a top light or flashing obstruction light, regardless of its position, should be reported immediately to (877) 487-6867 so a Notice to Airmen (NOTAM) can be issued. As soon as the normal operation is restored, notify the same number.
3. An FAA Form 7460-2, Notice of Actual Construction or Alteration is required to be e-filed within five days after the construction reaches its greatest height (7460-2, Part 2).

On June 23, 2022, the Project was reviewed by the Airport Land Use Committee (ALUC) in a duly noticed public meeting (see Attachment 8 - *ALUC Resolution 22-61*). During that meeting, the ALUC conditionally recommended the Project for approval and found that the Project was consistent with the SFO Airport Land Use Compatibility Plan (ALUCP). The condition is:

The City of South San Francisco shall require that the project sponsor comply with the real estate disclosure requirements outlined in Policy IP-1 of the SFO ALUCP.

On July 14, 2022, the Project was approved with conditions by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG) by Resolution 22-61. The resolution conditionally approving the Project is documented in Attachment 9 and the related conditions of approval are included in the proposed Conditions of Approval (Associated Entitlements Resolution Exhibit E).

ENVIRONMENTAL REVIEW

Initial Study/Mitigated Negative Declaration (IS/MND) State Clearinghouse #2022060734

An IS/MND (Associated CEQA Resolution, Exhibit A) was prepared by Knapp Consulting in consultation with RCH Group, Inc.

The IS/MND was circulated in accordance with the California Environmental Quality Act (CEQA) for 30 days to state and other reviewing agencies/jurisdictions, and interested parties, from July 1, through August 1, 2022.

The IS/MND finds that the following resources could potentially result in impacts due to the proposed Project:

- **Biological Resources:** Mitigations are identified to protect nesting birds if discovered during nesting season or outside nesting season.
- **Cultural Resources:** Based upon an archaeological resource study and search of Archaeological and Tribal websites it was determined that there is a remote possibility culturally significant soils, those containing artifacts or remains, could be located in subsurface areas of the site. Mitigation measures are identified.
- **Geology and Soils:** The geotechnical report needs to be updated to address the height and depth of the Project (i.e., project loading and design measures) and to more fully vet soil characteristics.
- **Noise:** The mitigations from the DSASP EIR are restated and carried over to require the following: (1) Mitigation Measure 4.6-1: HVAC Mechanical Equipment Shielding; (2) 4.6-2: Site-Specific Acoustic Analysis - Nonresidential Development; (3) DSASP Mitigation Measure 4.6-4: (4) Construction Vibration and (5) 4.6-5: Rail Line Groundborne Vibration.
- **Utilities and Service Systems:** To assure adequate water supplies the Applicant shall implement Cal Water's Net Neutral Policy by either (1) paying to the SSF District the required offset amount calculated according to the offset costs included in the Policy, and/or (2) conducting other activities as defined in the Policy.

Implementation of these mitigation measures would ensure the potential impacts would be less than significant.

These required mitigations will be incorporated into the Project through a Condition of Approval requiring compliance with the IS/MND mitigation measures as well as being required through the Public Resources Code et seq. as identified in the Mitigation Monitoring and Reporting Program located in Exhibits to Associated CEQA Resolution.

Comments on the IS/MND

The comment period on the IS/MND closed on August 1, 2022. Four comment letters were received during the comment period, as listed below.

1. California Geological Survey: Erik Frost, Senior Engineering Geologist, Seismic Hazards Program, e-mail dated July 28, 2022

Comment: Dr. Frost notes that since the Geocon report was prepared (April 2021) that California Geological Society released a revised Official Seismic Hazard Zone Report and Earthquake Zone Required Investigation Map. Dr. Frost notes the IS/MND did analyze liquefaction. Dr. Frost notes the maps and figures in the IS/MND should be revised to reflect this information.

Response: The Initial Study notes on pp. 3-59 and 3-60:

The site is not located within a State of California Seismic Hazard Zone related to liquefaction as CGS has not published liquefaction mapping for the Project area. According to Geocon (March 2022) web-based mapping by United States Geological Society (USGS) and CGS indicates portions of the site possess a “very high” susceptibility to liquefaction. Due to the increasing overburden pressure with depth, liquefaction of granular soils is generally limited to the upper 50 feet of a soil profile. Geocon assessed the potential for liquefaction using the computer software program CLiq (Version 2.0, Geologismiki) and the in-situ soil parameters measured in the CPT soundings.

An updated geotechnical report required as a mitigation measure and condition of approval shall include the updated maps by the California Geological Survey. The comment is informational and not substantive given that liquefaction is addressed and the Geocon report notes liquifiable soils are present on the site. Design specifications are included in the Geocon report and will be updated to reflect the larger project.

2. Department of Toxic Substances Control: Isabel Roman, Environmental Scientist, email dated August 1, 2022

Comment: The IS/MND discuss past land uses but does not discuss the potential impacts from those activities. Past land uses, particularly the rail spur that was formerly onsite could have resulted in hazardous materials releases within the project area that should be investigated.

Response: The Phase I Environmental Site Assessment (ESA) (Geosyntec Consultants, April 2022) prepared for the proposed Project identifies the past presence of the rail spur that was removed between 1980 and 1982. The Phase I ESA classifies this past presence as a de minimis condition. No recognized environmental conditions or controlled recognized environmental conditions were revealed by the Phase I ESA. Furthermore, the project site is not listed on the State Water Resources Control Board GeoTracker or the Department of Toxic Substances Control EnviroStor databases.

Per ASTM E1527 Standard for Phase I ESA reports, a de minimis condition generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be de minimis conditions are not recognized environmental conditions or controlled recognized environmental conditions.

The Project site was graded and developed with the existing motel onsite after the removal of the rail spur, which likely resulted in the excavation and export of onsite soils. Furthermore, the proposed Project includes subterranean parking and soil excavation (up to 175,000 cubic yards of cut to be exported from the Project site). If present, contaminated soils from past land uses onsite would be expected to be removed given the significant excavation and soil removal requirements for the subterranean parking associated with the proposed project.

The IS/MND and accompanying appendices need not be revised as the site history is included in the Phase I report.

3. San Francisco International Airport: Nupur Sinha, Director of Planning and Environmental Affairs, email dated July 29, 2022

The letter is informational and (1) Restated the conditions of approval identified in the IS/MND (2) A separate notice to the FAA, described in 14 Code of Federal Regulations Part 77) will be required if construction equipment exceeds the 295 ft. (3) The appropriate title of the FAA determination is noted as “Determination of No Hazard to Air Navigation” and applies to ASNs 2021-AWP-7644-OE.

4. County of San Mateo Department of Public Works, Utilities- Flood Control-Watershed Protection: Mark Chow, Principal Civil Engineer, email dated August 1, 2022.

Comment: The letter notes that the Project is within the Colma Creek ‘Zone’. The District requires the Applicant to: Demonstrate that post development discharge rate from the site does not exceed the existing rate prior to development. Drainage analysis and calculations showing existing and future discharge rates must be submitted for review. If it is determined that the future discharge rate exceeds the existing rate, an on-site storm water detention system which would release surface runoff at a rate comparable to the existing flow rate of the site must be designed and incorporated into the project.

The District advocates trash management measures be incorporated into the Project’s design elements of the storm drain system and appurtenances to keep trash out of the creek. The property owner shall maintain collecting devices and storm drain inlets.

The District anticipates the City will be reviewing bioretention facilities for compliance with Provision C.3.d of the NPDES Municipal Regional Stormwater Permit (Order No. R2-2015-0049) from the San Francisco Bay Regional Water Quality Control District.

Response: The first two comments shall be conditions of Project approval. The response to the third comment is yes.

Staff Initiated Text Change

A minor revision, strengthening and clarifying the biologist’s role in determining protection areas should nesting birds be found on the Project site is proposed and shown below. Additionally, the ‘up to or exceeding’ clause was inadvertently omitted and is inserted as shown below. These clarifications strengthen the mitigation measure.

The Applicant, or designated representative shall retain a licensed biologist to conduct a preconstruction survey for protected birds on the site and in the immediate vicinity if any Project construction activities occur during nesting season. The survey shall be done no more than 15 days prior to the initiation of tree removal and grading and other construction activities. In the event that nesting birds are found on the Project site or in the immediate vicinity, Applicant, Biologist or designated representative shall notify the City, locate and map the nest site(s) within three (3) days, submit a report to the City and the California Department of Fish and Wildlife ("CDFW"), establish a no-disturbance buffer of up to or exceeding 250-ft, and conduct on-going weekly surveys to ensure the no-disturbance buffer is maintained. In the event of destruction of a nest with eggs, or if a juvenile or adult raptor should become stranded from the nest, injured or killed, the qualified biologist shall immediately notify the CDFW. The licensed biologist shall coordinate with the CDFW to have the injured bird either transferred to a raptor recovery center or, in the case of mortality, transfer it to the CDFW within 48 hours of notification.

In summary, the comments received by staff have not raised any issues that would require recirculation of the IS/MND or preparation of an environmental impact report under sections 15073.5 and 15074.1 of the CEQA Guidelines. No new significant effects were identified, no new mitigation measures were added and proposed revisions to the mitigation measures would result in measures that are equivalent or more effective, the significance of identified impacts remains unchanged, and all impacts are either below significance levels or reduced to that level through application of identified mitigation. The Final IS/MND includes the comments received, response to the comments received, as well as revisions to address the comments.

The Mitigation Monitoring and Reporting Program is attached to the Associated CEQA Resolution (Exhibit B). The MMRP shall be published on the drawings upon which the building permits will be issued as a condition of Project approval. Staff recommends adoption of the Initial Study/Mitigated Negative Declaration (IS/MND) in accordance with Section 21080 of the California Public Resources Code.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission considered the 121 E Grand Ave R&D Project at its August 18, 2022 meeting. Planning Commissioners asked questions about construction timing and impacts, traffic congestion, if the project is in keeping with the proposed General Plan Update, how to connect public art to the South San Francisco community, and communicating that the open space areas are open to the public. Based on the presentation, the Commissioners all expressed support for the building design and the overall project and voted 7-0 to recommend approval of this project to the City Council. The Planning Commission meeting minutes and recommending resolutions are attached to this staff report (Attachments 9 and 10).

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 the revised office/R&D building. The project would pay the costs of meeting City requirements for off-site improvements to the public right-of-way, so the City does not expect to incur project-specific costs.

In addition, the project would be subject to development impact fees (approximately \$50M) which would be paid by the applicant prior to the issuance of building permits or prior to the final inspection for the development.

RELATIONSHIP TO STRATEGIC PLAN

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

- Priority #5 Economic Vitality - Full range of employment options and a continued focus on biotechnology retention, recruitment, and industry support.

CONCLUSION

The proposed Office/R&D development is consistent with both the applicable Draft 2040 General Plan goals and the Zoning Ordinance requirements with the amendments required to permit a FAR of 7.44 prior to City action on the Draft 2040 General Plan and Zoning Ordinance.

The Project proposes a transit hub development that is a state-of-the-art Office/R&D project with a robust community benefits package.

The Project would result in high-quality architectural design and significant public realm improvements to reimagine the Project site and the surrounding area as a destination accessible by foot, bicycle, rideshare and public transit. Given the Project's high visibility along the Highway 101 corridor and proximity to public transportation, the Project would create a landmark in the East of 101 signifying the strength of biotechnology development. The architecture, art program and public plazas are world class.

For these reasons, staff recommends that the City Council take the following actions:

- 1. Adopt a resolution making findings and 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.; and**
- 2. Waive reading and introduce an Ordinance amending Chapter 20.280 (“Downtown Station Area Specific Plan District”) of the South San Francisco Municipal Code; and**
- 3. Adopt a resolution making findings and approving a General Plan Amendment, (GPA20-0002), Use Permit (UP20-0008), Design Review (DR20-0027), Transportation Demand Management Program (TDM20-0010) and Tentative Parcel Map (PM22-0003), subject to the attached draft conditions of approval.**

Attachments

1. View from Caltrain Station
2. Vehicular and Service Access and Fire Access
3. Confluence Plaza
4. Draft 2040 General Plan Update Land Use Map
5. 121 E Grand Community Benefits Proposal
6. Design Review Board (DRB) Minutes February 15 and April 19, 2022
7. FAA “Determination of No Hazard to Air Navigation”
8. San Mateo County Airport Land Use Commission Resolution 22-61
9. Planning Commission Meeting Minutes
10. Planning Commission Resolutions
11. Staff Presentation

Associated Files and Exhibits

1. CEQA Resolution (22-725)
 - A. Initial Study/Mitigated Negative Declaration
 - B. Mitigation Monitoring and Reporting Program
2. Zoning Text Amendment Ordinance (22-727)
3. Entitlements Resolution (22-728)
 - A. General Plan Amendments
 - B. Entitlement Plan Set
 - C. Transportation Demand Management Program
 - D. Tentative Parcel Map
 - E. Draft Conditions of Approval