

August 14, 2019

Mayor Diane Papan, City Councilmembers, and members of the General Plan Update Subcommittee City of San Mateo 330 West 20th Avenue San Mateo, California, 94403

c/o Julia Klein, Principal Planner, Community Development Department

Re: From Study Areas to Land Use Alternatives

Dear Members of the City Council, Members of the GPU Subcommittee, and City Staff,

I have been asked by the Bohannon Development Company to review and comment on the proposed San Mateo General Plan 2040 ("GPU") study areas in advance of the upcoming study session on August 19th. By way of background, in over thirty years developing citywide and specific area plans, I have participated in varying degrees in the general plan updates of jurisdictions throughout the Bay Area. As you're aware, a City's general plan sets forth the policies and goals that will inform countless decisions with long-term, far-reaching impacts; therefore, its development should be well-informed and deliberative.

Although the staff report for the upcoming study session has not yet been published, I have several questions and recommendations based on a thorough analysis of the proposed study area map, the July 23 staff report to the Planning Commission and the results of that meeting. In short, I would like to convey four points for your consideration:

- First, because the City has elected to identify study areas before delving into the more complicated work of evaluating the specific targets and goals to be addressed as part of the General Plan, I encourage you to not lose sight of the bigger picture. The proposed study area map should not be adopted without first understanding: (1) why each area was chosen and how each relates to the principles adopted by the General Plan Subcommittee; (2) whether the study areas contain sufficient land for development to meet the City's historic challenges and projected growth; and (3) what topics should be studied Citywide (such as opportunities for housing development).
- Second, if you do proceed to adopt a study area map, I suggest breaking Study Area 3 into smaller sub-areas as suggested in the enclosed map, because Study Area 3 contains several distinct planning districts that require different types of analysis. For example, the Hillsdale Shopping Center and the area around it were previously evaluated as a distinct planning area in the 2011 Hillsdale

Station Area Plan, so precedent exists for treating the southern portion of Study Area 3 differently than, for example, the historic 25th Avenue "main street" corridor.

- Third, in order for the GPU to proceed with a clear sense of direction and purpose, it is critical to establish concrete targets and realistic goals for both residential and commercial growth. Before deciding "where" change can be implemented in the City, it is important to identify "what" change is needed to address realistic, specific goals.
- Fourth, as the analysis of Study Area 3 below demonstrates, *the amount of developable land in proposed study areas may be severely insufficient to accommodate existing housing deficits and projected demand.* As a result, it may be necessary to consider development: (1) within the study areas at heights and densities that exceed Measure P limits (especially in areas near Caltrain stations, consistent with the City's interest in transit oriented development) or (2) throughout the entire City (as recommended by some Planning Commissioners).

As you are aware, the GPU process potentially presents a once-in-a-lifetime opportunity to shape the future of the City and address some of the historic problems that have been decades in the making. My intent in providing these comments is only to add an additional vantage point and hopefully prompt further deliberation.

1. Selection of Study Areas Should Not Preclude Citywide Analysis

A recurring theme in the Planning Commission's deliberations on July 23, 2019, was that no area of the City should be excluded from study for residential development, and that no area of the City should bear an unbalanced burden of development. I agree. Selecting study areas at this early stage in the process should not preclude the analysis of other areas of the City, particularly when the justification for the study areas is less than clear, and should not mean that other areas of the City are immune to growth (including the need for additional housing units) that cannot be accommodated in the proposed study areas.

The staff report points to *five "principles for study areas"* based on General Plan Subcommittee discussion:

- 1. Focus future growth around the Caltrain stations and along El Camino Real;
- 2. Maintain access to commercial, medical, and other public services;
- 3. Consider historic resources when planning for future growth;
- 4. Plan for gradual transitions between varying land use intensities;
- 5. Preserve all City parks and plan for additional parks and open space in new development.

These are sound principles. However, it is unclear how the study area map aligns with them. The study areas are described in the July 23 staff report as either: (1) within a half-mile radius of a Caltrain station or (2) containing non-residential properties that "may

face redevelopment interest in the near future." While transit oriented development is important, it is unclear how the proposed study areas relate to other principles.

Rather than select study areas based only on geography, I recommend selecting study areas based on the policy decisions that must be addressed in the GPU, such park needs; access to Caltrain and El Camino Real; and where ever mid-range residential growth may be appropriate. This best practice would require a concurrent analysis of the "what" (i.e., what are the City's needs and goals), the "where" (i.e., where can the City accommodate solutions to those needs and goals), and the "how" (i.e., what specific policies are necessary to implement the solutions).

Alternatively, the study areas should be presented as a flexible construct and starting point for analysis, but not something that will artificially constrain the process in advance of knowing the answers to these questions.

2. Study Area 3 should be Subdivided Into Four Sub-Areas

Study Area 3 illustrates why the concurrent analysis of the "what," "where" and "how" is so important, and why study areas should be based on a robust analysis of existing conditions and future needs. Study Area 3 is the largest Study Area and its boundaries do not clearly correlate to existing conditions or the unique and separate planning challenges that each sub-area faces. For example, the Hillsdale Shopping Center and the area around it were previously evaluated as a distinct planning area in the 2011 Hillsdale Station Area Plan. However, the July 23 staff report does not explain why the Hillsdale Station Plan Area should now be studied together with other distinct areas, including the Hayward Park Station area and the historic 25th Avenue Corridor.

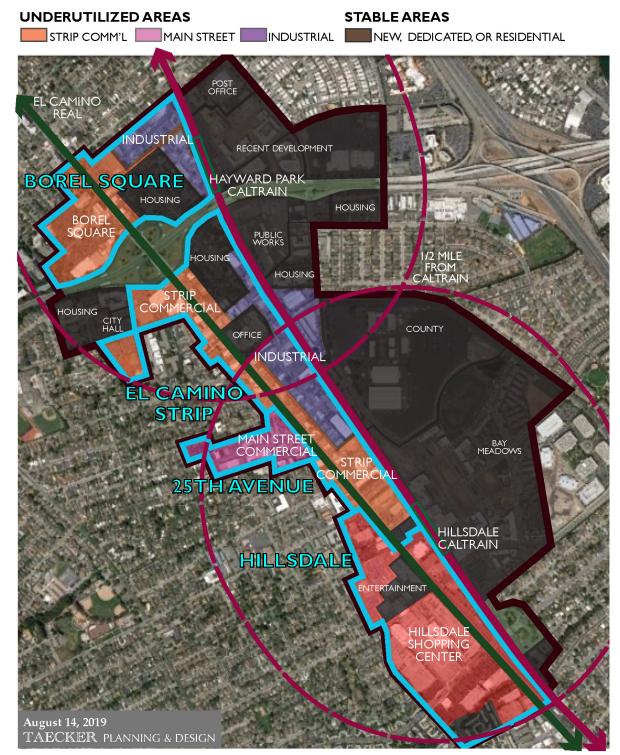
I respectfully suggest that within Study Area 3, west of Caltrain, there are four planning subareas that should be analyzed separately, because each sub-area presents different development opportunities and challenges, and distinctly different policy responses.

- <u>25th Avenue</u>. 25th Avenue has small parcels and historic fabric that suggests careful intensification informed by a cultural resources survey and characterspecific architectural guidelines.
- <u>El Camino Strip.</u> Strip commercial and industrial parcels north and south of 25th Avenue are not encumbered in the same way, but are characterized by smaller parcels with no single property owner.
- <u>Hillsdale</u>. Further south of 25th Avenue, redevelopment of the 50-acre Hillsdale Shopping Center site and parcels immediately north, south and east, should be encouraged to help the City meet growth targets.
- <u>Borel Square.</u> North of 25th Avenue, SR 92 provides a real barrier to pedestrian connectivity and a reason to plan areas north and south of SR 92 separately.

East of Caltrain, nearly all of Area 3 is comprised of "stable uses" with little new development expected, including: recent and pipeline development projects, the City's public works yard, and the County Event Center (where uses are limited to community

event and visitor-oriented commercial). Our team has looked carefully at the Hillsdale subarea, because it contains Hillsdale Shopping Center. Analysis of other study areas may suggest refinements, such as to include a large parking areas just north of Borel Square not yet designated as study area. *The map below, "Study Area 3 – Planning Subareas," recommends boundaries for each of the four subareas described above.*

STUDY AREA 3 - PLANNING SUBAREAS



3. Realistic, Specific Goals Should Inform Selection of Study Areas

On July 23, the Planning Commission was advised that 8,000 to 12,000 housing units are needed, based on ABAG growth projections (which only consider "formal employment" sector jobs). After careful deliberation, several Commissioners endorsed the highest recommendation of 12,000 units, but wondered if a higher target was appropriate. Additional data, such as informal job sector growth (including "gig economy" jobs, such as freelance contractors and at-home businesses (tracked by Woods & Poole and cited in the GPU Existing Conditions report) – and historic housing shortfalls – suggests that real demand is higher. Defining employment growth to include the formal and informal sectors results in a more realistic growth target, which necessitates increased production of housing. Additionally, it is highly unlikely that the 12,000 units are sufficient to overcome existing housing deficits and accommodate future expected growth.

A more diverse set of planning challenges and alternatives can be addressed if higher residential and employment growth targets are used. Higher growth targets will flag a larger number of environmental impacts and test the limits of land and urban systems. Lower growth targets will not reveal as many infrastructure capacity issues (e.g., sewer, stormwater, traffic, etc.). For the GPU to proceed with clear direction and purpose – before and while the alternatives analysis begins – it is important to establish concrete targets and realistic goals.

4. Only a Fraction of Study Areas Identified may Yield Development Opportunities

Based on my extensive analysis, the study areas suggest that significantly more land is available or likely to be redeveloped in the near future than actually exists. Before considering site-specific land use alternatives (and, according to best practices, before deciding which areas of the City are appropriate for in-depth study), a survey should first be conducted to identify sites that are available for development and those that are not. Existing conditions dictate whether a parcel is a candidate for development. Development "opportunity sites" can be identified using: (1) City data for vacant sites and low commercial floor area ratios; (2) County Assessor data for sites with low "improved" to "land" value ratios; and (3) site surveys.

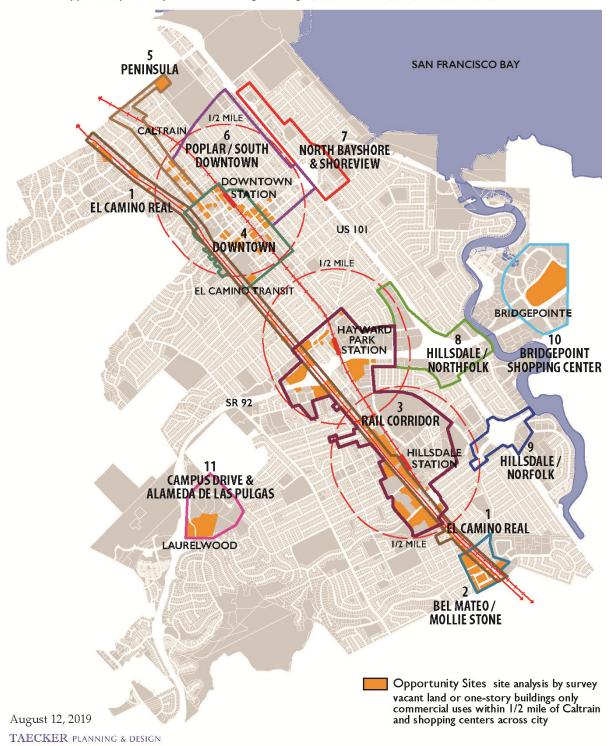
Taecker Planning and Design walked San Mateo's transit-oriented areas in March 2019,¹ and mapped parcels that we identified as opportunity sites based on the following criteria (see next page for "Study Areas with Development Opportunity Sites"):

- parcels are vacant or have relatively low land intensity;
- low-intensity shopping centers outside of transit-oriented areas; and
- parcels are not in a historic district or contain existing residences

¹ If you have not yet had the opportunity to walk the study areas, I recommend doing so, as it will provide a more realistic sense of where redevelopment might actually occur. Walking tours are a form of information gathering that can provide decision makers and community members with a more meaningful way to shape and consider land use alternatives.

STUDY AREAS with DEVELOPMENT OPPORTUNITY SITES

Sources: Study Areas by Placeworks (July 23, 2019)
Opportunity Sites by Taecker Planning & Design (March 2019, analysis by direct site survey)



In the above map, areas in orange show sites that meet the above-referenced criteria, and the results are interesting. According to this analysis, the land that is actually available for development is strikingly less than suggested by the large proposed study areas. The

study areas include a significant amount of land that is not available for development, suggesting that it will be very challenging to fit expected growth within available land, unless high density development is considered, particularly near Caltrain stations.

Sites within the study areas may not qualify as opportunity sites for a wide variety of reasons:

- site-specific constraints like flood prone hazards, steep slopes, riparian habitat, site contamination, etc.;
- parcels too small for economies of scale;
- challenges associated with assembling small parcels;
- multiple owners of a single site making decisions difficult, such as family trusts;
- diminished financial feasibility and other risks associated with development;
- recent residential development, such as Bay Meadows II (Study Area 3);
- downtown historic district (Study Area 4);
- Sutter medical center (Study Area 4);
- Central Parking Garage (Study Area 4);
- Shoreview NOA residential area (Study Area 7);
- Kaiser Permanente (Study Area 9);
- new Bridgepoint Apartments (Study Area 10); and
- unbuildable slopes and creeks (Study Area 11).

In addition to considering the extent to which the proposed study areas actually yield development opportunities, we considered whether opportunity sites may exist outside of the proposed study areas. Based on our initial review, which again was limited to Study Area 3, we identified large underutilized parking lots between Bovet Road and Borel Road, which can be added to Study Area 3 if the northern border is extended.

As the above discussion shows, a thorough survey of opportunity sites, based on clear criteria, will give a more realistic picture of land available to meet the City's goals. After conducting a robust analysis of opportunity sites, the land use alternatives analysis can consider different density scenarios among the opportunity sites to determine the feasibility of specific, realistic growth targets. If, as we suspect, insufficient land is available to meet the City's goals with development of a certain height and density, creative solutions may need to be considered.

5. Conclusion

Several questions are appropriate at this stage in the process, and should be discussed in depth before staff and consultants initiate the next phase, which will build upon the work performed so far. Because the alternatives analysis and additional studies may reveal additional opportunity sites outside of the proposed study areas and significant

constraints on development within the proposed study areas, it is important not to view the study area map as set in stone. Instead, the GPU should be an iterative process with several touchpoints that allow you to receive updates from the team and the community, and provide additional input along the way.

The GPU presents an opportunity to develop creative solutions to San Mateo's existing and projected needs. I very much appreciate the opportunity to weigh in on this important process, and I hope that you take sufficient time to evaluate all of the available information, including the July 23 Planning Commission video and plans previously adopted by the City, to make informed decisions based on data, best practices, and clearly defined goals and targets.

Thank you for considering the comments contained in this letter.

Sincerely yours,

Matthew Taecker AIA AICP

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