



## CITY COUNCIL STAFF REPORT

**MEETING DATE:** November 13, 2023

**ITEM TITLE:** Receive a Report on the SummerHill Housing Project at 11 El Camino Real, a 242-unit Residential Development in the MU-NB-120 District (APNs: 045-320-170; 045-320-220).

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### RECOMMENDATION:

The following report is being provided to the City Council solely for informational purposes. No further action is necessary. The decision made by the Planning and Transportation Commission during their meeting on September 18, 2023 is final.

### FISCAL IMPLICATIONS:

There are no fiscal implications associated with receiving this report.

### BACKGROUND:

Table 1 provides the project summary. To view project plans, visit: [www.cityofsancarlos.org/11ECR](http://www.cityofsancarlos.org/11ECR)

*Table 1. Project Summary*

DATE PREPARED  November 2, 2023	APPLICATION NUMBER  PLN2023-00004	APPLICANT  Richard Norris representing SummerHill Apartment Communities	PERMIT(S)  Design Review, Below Market Rate Housing Plan, Protected Tree Removal, Dirt Haul and Grading, Transportation Demand Management Plan and Vesting Tentative Map
PREPARED BY Rucha Dande, Senior Planner, 650-802-4231, <a href="mailto:rdande@cityofsancarlos.org">rdande@cityofsancarlos.org</a>			
ADDRESS  11 El Camino Real	APN  045-320-170; 045- 320-220	LOT DESCRIPTION  2.2 acres	GENERAL PLAN  Mixed Use (90-120 DUs/Ac)
LOCATION  El Camino Real adjacent to Belmont City limit.		PREVIOUS USE  CVS Pharmacy Store (Commercial)	ZONING DISTRICT  MU-NB-120: Mixed- Use North Boulevard

<p><b>SURROUNDING LAND USES</b></p> <p>Commercial, Multi-Family Residential, Caltrain Track</p>	<p><b>SURROUNDING ZONING</b></p> <p>MU-NB-120: Mixed-Use North Boulevard, PD-17: Planned Development 14, Ordinance #1289, IL: Light Industrial</p>
<p><b>AERIAL MAP</b></p> 	<p><b>ZONING MAP</b></p> 
<p><b>ENVIRONMENTAL DETERMINATION</b></p> <p>This project has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Section 15332, which exempts infill development meeting applicable General Plan policies and applicable zoning regulations from further environmental review.</p> <p>The applicant has prepared an Initial Study which was peer-reviewed by the City's on-call CEQA consultant and has found the project exempt from further environmental review under CEQA.</p>	

**The Property and Applicant.** The property is located at 11 El Camino Real and is identified as Assessor's Parcel Numbers 045-320-170 and 045-320-220 ("Property"). In January 2023, SummerHill Apartment Communities ("SummerHill") & ("Applicant") submitted a Planning Application for Design Review, Below Market Rate Housing Plan, Transportation Demand Management Plan (TDM), Protected Tree Removal Permit, Grading and Dirt Haul Certificate and Vesting Tentative Map for the construction of a new 242-unit residential development, including 36 below market rate units at 11 El Camino Real.

**Process.** The proposed project falls within the revised zoning and density regulations established to enact the Housing Element 2023-2031, which was adopted by the San Carlos City Council in February 2023. This project represents the most substantial multifamily development approved in the city under the updated zoning code, densities, height regulations and Housing Element.

**Housing Crisis Act of 2019 - SB 330.** The applicant submitted this application under the Housing Crisis Act of 2019 ("SB 330"), which outlines various requirements and regulations that reviewing agencies must adhere to facilitate housing in an efficient manner and within a specified timeline.

This Act is aimed at removing obstacles to the construction of new housing in urban areas. It also prohibits local jurisdictions from implementing new laws that would restrict the legal capacity for new housing or cause delays in housing development. For more information about SB 330, please refer to: [SB 330 Bill Details](#). Table 2 outlines a chronology of the application's progress.

*Table 2. Chronology of the 11 El Camino Real Application*

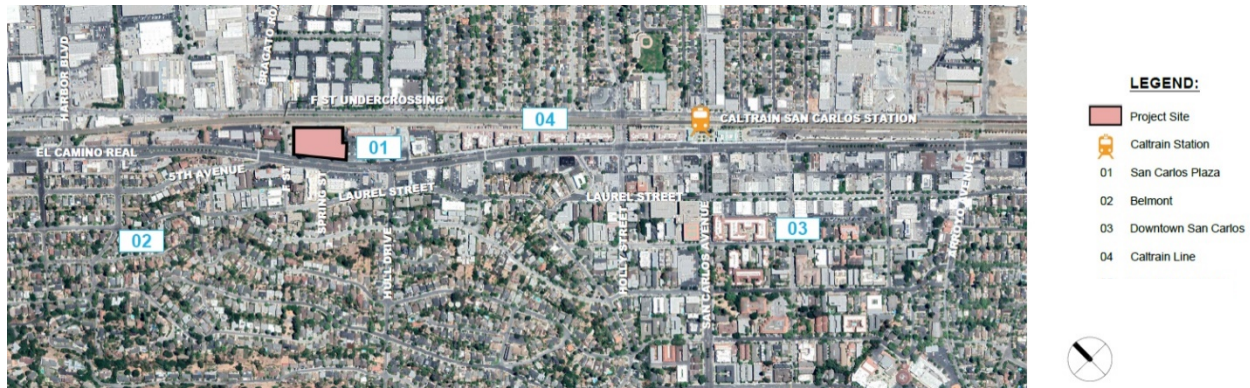
Event	Date
Planning Application Received	January 2023
SB 330 Application Filed	March 16, 2023
Planning Application (SB 330) Filed	March 16, 2023
Community Workshop (led by Applicant)	April 4, 2023
Application Deemed Complete	April 14, 2023
Subsequent Revisions for Code Compliance	May – August 2023
Public Notice - Mailed to all property owners within 300' of the subject properties	September 5, 2023
Public Notice – Published in the newspaper	September 7, 2023
Planning and Transportation Commission Approval	September 18, 2023

**Existing Conditions.** The project site is located at 11 El Camino Real and is approximately 95,832 square feet in area (2.2 acres) (see Figure 1). The project site is located on the northern end of El Camino Real near the Belmont border, within the Mixed-Use North-Boulevard (MU-NB-120) zoning district and the El Camino Real Primary Gateway Overlay District. This zoning designation allows up to 120 dwelling units per net acre and has a corresponding *General Plan* land use designation of Mixed Use (90-120 DUs/Ac). The MU-NB-120 zoning district is intended to facilitate the transformation of the northern portion of El Camino Real into a multimodal, mixed-use corridor. This district allows a mix of residential and retail development, commercial uses, as well as hotels and other commercial uses oriented toward a regional market.

The project site is located within walking distance to both the San Carlos and Belmont Caltrain Stations, and bus stops on SamTrans' El Camino Real, 397, and 398 lines.

Surrounding uses include San Carlos Commercial Plaza to the south, a vacant San Mateo County-owned parcel and County-operated residential development to the north, the Hyatt Place hotel, a residential condominium project to the west, the Woodcraft Supply store across El Camino Real to the west, and elevated Caltrain tracks on a berm to the east. The property is currently occupied by an approximately 28,000 square-foot CVS Pharmacy store and associated at-grade parking.

*Figure 1. Area Map of Proposed Project at 11 El Camino Real*



## PROJECT DESCRIPTION

**Building.** The Applicant proposes to demolish the existing CVS Pharmacy Store at 11 El Camino Real to construct a new six-story residential-only building consisting of two hundred and forty-two (242) housing units including 7 studios, 159 one-bedroom units, 65 two-bedroom units, and 11 three-bedroom units. Fifteen percent (15%) or 36 of the units will be deed-restricted below market rate (BMR) units, including 24 units affordable to Very Low-income households (50% of Area Median Income (AMI)) and 12 units affordable to Low-Income households (60% of AMI). On-site parking is proposed within the basement and level 1. The overall height is proposed to be 81'-7" to the roof parapet wall. The average unit size is approximately 847 square feet.

**Site Plan.** The first floor will consist of the entrance lobby, leasing office, garage entrance and parking, bicycle storage room, trash room, mechanical and electrical storage, and parking. The basement and ground-level parking spaces will be accessed from El Camino Real. To support micro mobility, the project proposes a long-term bicycle and e-scooter storage room with space for 60 bicycles. The trash room will be accessed from the south driveway shared with the San Carlos Plaza.

The first through sixth floors contain rental residential units with amenities on most floors. The residential units will be accessed from internal corridors while the four units facing El Camino Real on level 1 will also have access from El Camino Real. Most residential units include individual balconies or outdoor space. Roof decks are proposed on levels 5 and 6, and larger private decks are proposed for a few of the sixth-floor units.

The project proposes installing solar panels on the roof. Consistent with the City's newly adopted Reach Code, the building will be all electric (no gas appliances). This includes all electric appliances, heating, cooling, and water heating.

**Parking, Loading, and Circulation.** The project includes a total of 297 parking spaces, with most parking spaces located in a secure garage area for residents and 14 spaces located in the unsecured area of the parking garage for visitors and future residents. The basement includes 17 tandem stalls (34 spaces total). The tandem parking spaces would be assigned to individual units. Each residential unit will be assigned one parking stall, and the remaining stalls will be available for rent, except for the tandem stalls which would include two spaces assigned to an individual unit. Access to the garage is provided through a driveway from El Camino Real. The project includes 145 Level 1 EV "ready" parking stalls and 97 Level 2 installed EV parking stalls. There are four designated loading stalls proposed on-site. In addition to the two spaces provided at the



move-in/loading area and one stall in the unsecured portion of the garage, a third exterior loading space is available adjacent to the leasing office.

A secured bike room will offer 60 long-term bicycle parking spaces, along with a bike repair station. An additional 24 short-term bicycle spaces will be conveniently situated along the building's El Camino Real frontage and near its main entrances for visitors.

Modifications to the existing median and left turn lane on El Camino Real will be made to align with Spring Street and the project's entrance.

Resident moving vehicles and garbage/recycling trucks will access the site's loading zones via the San Carlos Plaza parking lot. The San Carlos Plaza (21 and 81 El Camino Real) and the site's current occupant, CVS (11 El Camino Real), entered into an agreement to allow the patrons to use each other's parking lots and cross access. This agreement is memorialized in the recorded Covenant's Conditions & Restrictions (CC&Rs) established in 1979 when the buildings were developed. Upon purchasing the property, SummerHill and the owners of San Carlos Plaza have entered into an agreement to terminate the previous CC&Rs subject to the 11 El Camino Real project's approval and provide for project fire, trash, and resident move-in access through the San Carlos Plaza parking lot. On August 14, 2023, the San Carlos City Council adopted a Resolution conditionally approving the Termination Covenant for 11 El Camino Real (APNs 045-320-170 and 045-320-220), 21 El Camino Real (APN 045-320-230) and 81 El Camino Real (APN 045-320-200); and conditionally approving the new covenant for 81 and 21 El Camino Real for maintaining the landscaping on their respective properties.

**Architectural Design and Landscaping.** The design of the building is influenced by contemporary architecture which features simple, clean lines with articulated facades (see Figure 2). The building exterior is in three different finishes - stucco finish with a gradient of colors that include 'Alabaster' (a cream shade), 'Amazing Gray' (a mid-toned gray), 'Smokehouse' (a dark brown shade), and 'Vandyke Brown' (a darker brown shade); horizontal lap siding in 'Smokehouse' and Brick Veneers in beige and light brown color. The project proposes painting the ground floor walls 'Amazing Gray.' The ground floor is wrapped with transparent glass along the frontage of El Camino Real for most of the part and stucco wainscoting painted 'Amazing Gray.' For the second through fifth floors, the primary color will be 'Alabaster,' in brick veneer finish while some of articulated and recessed walls will be painted 'Smokehouse', 'Amazing Gray' and 'Vandyke'. The sixth story will be in horizontal lap siding finish in 'Smokehouse' color. The window trims will be painted black. The metal panel railing on the decks will be in 'Umber Rust' (an orangish brown color) and the vertical metal railings will be painted 'Iron Ore' (a dark gray color). Glass railing is also proposed on the fourth story around the south courtyard and for some balconies.

*Figure 2. Rendering of the Project (view from El Camino Real)*



A glass door entrance and ceiling-high windows are proposed at the primary entrance to El Camino Real. The main entrance is accentuated with an entrance lobby and leasing office. Landscaped planters, street trees, and outdoor seating areas are proposed to activate the ground floor. The window trims are proposed to be vinyl material in black color. Along the east elevation (rear) a decorative metal sheet will be used to screen the parking levels, which will be accessed from El Camino Real. Along the east and north elevation, a few units are provided with metal awnings to help break up the overall massing.

*Landscaping:* Along the frontage on El Camino Real, the Applicant is proposing twelve new street trees of crepe Myrtle species, per the City's approved tree list, with City-standard tree guards; the trees are proposed to be 24-inch box in size. Street trees will be planted in precast pots due to the proximity to existing underground water main and gas lines, within a five-foot wide planter strip. Raised planters are proposed for first floor unit entries.

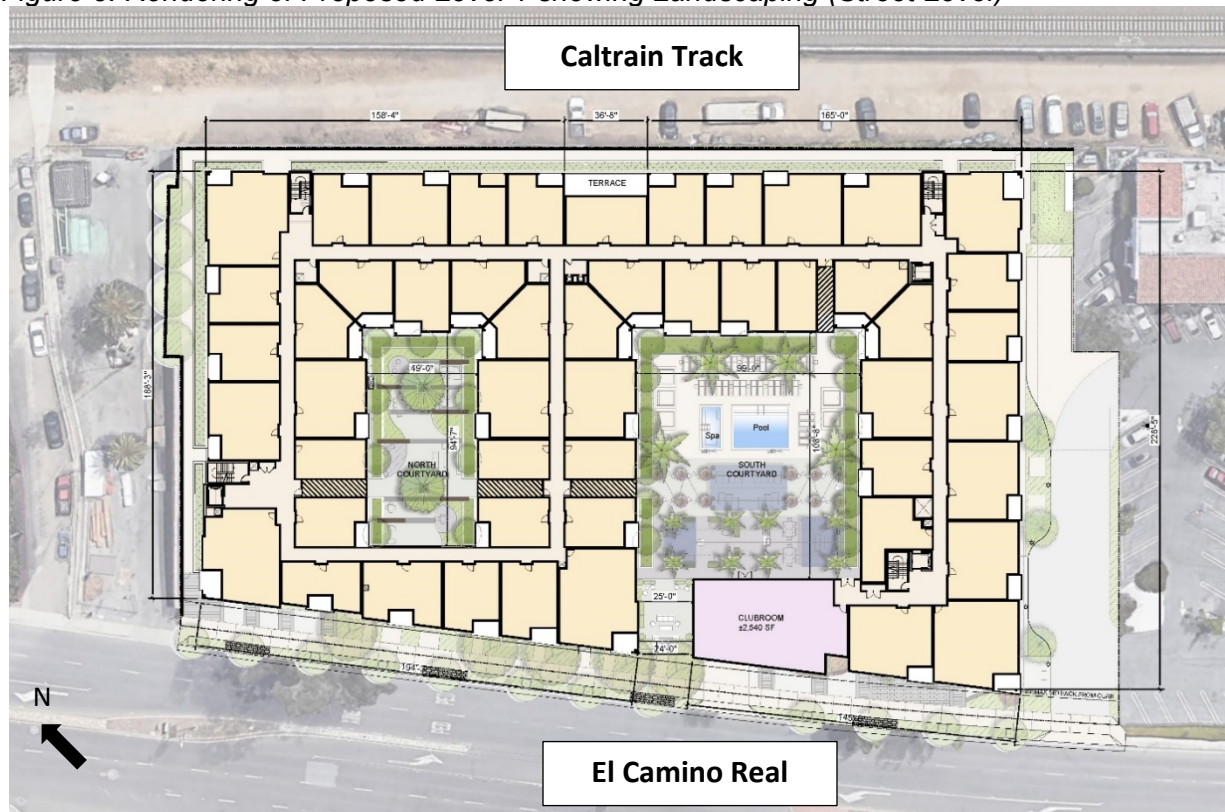
Six protected trees are proposed for removal for development reasons pursuant to SCMC 18.18.54. Replacement trees that meet the requirements of the Municipal Code are proposed to be planted onsite. The project proposes to retain the existing trees along the northern property line.

Along the rear and side property line (eastern and northern side of the building), the project proposes a perimeter pathway with low landscaping.

Among other landscaping features on level 1, the project proposes a fenced dog park with synthetic turf along the western edge of the project site, decorative paving along the north plaza, bike racks, perimeter pathways, pole lights, and streetlights.

There will be two courtyards on level 2 – a north courtyard and a south courtyard. The south courtyard will include a stormwater planter, pool, fire pit, shade structures, lounge area and low planting. The north courtyard will also include a stormwater planter, lounge area, and fire pit. Level 5 and level 6 also include common roof decks and private roof terraces. The roof decks incorporate vertical accent planting in pots, and seating areas. All planting and irrigation will

*Figure 3. Rendering of Proposed Level 1 showing Landscaping (Street Level)*



**Other Reviewing Agencies.** The C/CAG Airport Land Use Committee reviewed the project at its May 25, 2023, meeting and determined that the project is conditionally consistent with the Comprehensive Airport Land Use Compatibility Plan (ALUCP) for the environs of San Carlos Airport. The Applicant is required to file Form 7460-1 with the FAA and provide to the City of San Carlos an FAA “Determination of No Hazard” prior to the issuance of a building permit. Additional conditions of approval required by C/CAG are included in the final conditions of approval.

## Planning and Transportation Commission

At their September 18, 2023, meeting, the Planning and Transportation Commission granted approval to the following entitlements:

1. Design Review
2. Below Market Rate Housing Plan
3. Transportation Demand Management Plan (required 20% trip reduction measures).
4. Protected Tree Removal Permit
5. Grading and Dirt haul Permit
6. Vesting Tentative Map

**Development Standard Compliance.** The project is required to comply with the development standards and supplemental regulations for the underlying zoning districts. The following table indicates the project's compliance with the San Carlos Municipal Code Chapters 18.04

(Residential Districts); 18.05 (Mixed-Use Districts); 18.20 (Parking) and other applicable code sections. As discussed further below, the Applicant is entitled to unlimited waivers from development standards to meet the density and two concessions. Specifically, the project meets the requirements as follows:

*Table 3. Project's Consistency with MU-NB-120 Standards*

<b>Applicable Standards</b>	<b>Code Requirement/Allowance</b>	<b>Proposed</b>	<b>Notes</b>
Maximum Density (120 units/ acre)	264 units	242 units	Complies
Minimum Density (90 units/ acre)	198 units	242 units	Complies
Maximum Height (ft)	79'-0 (75'+4') parapet A parapet wall, cornice or sloping roof may project up to four (4) feet above the height limit or development along ECR.	81'-7" to top of parapet	Waiver* Requested (Exceeds Standard)
Maximum Stories	6	6	Complies
Minimum Front Setback (El Camino Real)	Property line or 20'-0 from the curb (the greater applies)	20'-0 from the curb.	Complies
Minimum Interior Side Setbacks	0' minimum	South side – 26'-1" to the nearest point. North side – 11'-4" to the nearest point.	Complies
Minimum Rear Setback	0' minimum	11'-6"	Complies
Parking, distance from street facing property line	40'	Approximately 35'-0 to the nearest point.	Meets required findings for partially submerged and at-grade parking.
Maximum Floor Area Ratio (FAR)	3.0	3.27	Waiver* Requested (Exceeds Standard)
Minimum Private Open Space (% of site)	10%	40%	Complies



Applicable Standards	Code Requirement/Allowance	Proposed	Notes
Minimum Amount of Landscaping (% of site)	10%	12%	Complies
Parking	225 spaces with TDM measures	297 spaces	Complies
Required Bike Parking	Short-term - 23 Long-term - 49	Short-term - 24 Long-term - 60	Complies
Tree Requirements SCMC 18.18	Requirement:  Required trees on-site: 35, including protected tree replacement. 1 tree/2,000 sf lot coverage and 1:1 for protected tree removal replacement. Protected trees proposed for removal: 6 Protected trees within construction area: 6  Proposal: Trees Proposed: 54, including 19 street-oriented trees (Complies)		

\*Pursuant to Gov. Code §65915(d)(1) and §65915(k) – Concessions/incentives and waivers, as defined under state law, allows a developer to deviate from those design standards and/ or development regulations when such regulations potentially make the project economically infeasible for the developer to build. Incentives/concessions include “[a] reduction in site development standards or a modification of zoning code requirements or architectural design requirements ... that result in identifiable and actual cost reductions, to provide for affordable housing costs.”

### State Density Bonus and Incentives/Concessions and Waivers

The California State Density Bonus Law (SDBL), Government Code sections 65915-65918, provides developers with tools to encourage the development of affordable housing, including increases in project densities, waivers and incentives, and concessions. The density bonus is a state mandate, meaning a developer who meets the requirements of the state law is entitled to receive the density bonus and other benefits as a matter of right. The amount of the density bonus is set on a sliding scale, based upon the percentage of affordable units at each income level. The bonus units are in addition to the base density for the development. The law also requires the City to grant waivers, incentives, or concessions to accommodate the development. The City is not permitted to apply a development standard which physically precludes the construction of the project at its permitted density.

As the project includes 15% affordable housing, it is entitled to receive density bonus, two concessions/incentives and unlimited waivers as a matter of right. The project is not required to develop the additional bonus units. Waivers are development regulations that would limit the

ability to construct the units and incentives or concessions related to cost savings to achieve the density.

**Waivers.** This Project takes advantage of six waivers which include:

1. Relief from Maximum Floor Area Ratio (FAR) – Applicant is granted 3.27 FAR (3.0 FAR is the development standard).
2. Relief from maximum height limit – Applicant is granted 81'-7" maximum height (79'-0 is the development standard).
3. Applicant is granted relief from break in building length requirement (SCMC Section 18.04.060 B.1).
4. Applicant is granted relief from roof line requirement (SCMC Section 18.04.060 B.2).
5. Applicant is granted relief from window trim requirement (SCMC Section 18.04.060 B.3).
6. Applicant is granted relief from façade articulation requirement (SCMC Section 18.04.060 B.5).

**Incentives/Concessions.** This Project takes advantage of two incentives/concessions which include the following.

1. **Relief from General Plan Policy NOI-1.5(d)** - Applicant is granted relief from General Plan Policy NOI-1.5(d), which imposes dBA interior noise limits for residential development. At this site, intermittent noise is generated during train operations. The project as proposed will not comply with the General Plan policy, however, does comply with the Building Code, Title 24 requirements.

It is expected that the electrification of Caltrain in the near future will substantially reduce noise levels from commuter trains, which will bring the project into compliance with the *General Plan* standards.

2. **Construction Start Time** - Applicant requested a modification to the construction hours regulated by Municipal Code section 9.30.070.B, which limits weekday construction activities to the hours of 8:00 a.m. to 5:00 p.m. Applicant's incentive request is to allow construction activities to end at 6:00 p.m., Monday through Friday.

The City has exempted the project's construction activities from the Noise Control Ordinance's limitations between the hours of 8:00 a.m. and 6:00 p.m. on weekdays, providing the Applicant with an equivalent amount of time to perform construction work as they originally requested (7:00 a.m. to 5:00 p.m.) while mitigating the health and safety impact caused by disruptive noise levels early in the morning. The following condition of approval is applicable to this project:

*"Pursuant to an incentive granted via the Density Bonus Law, the project's hours of general construction activity shall be from 8am to 6pm on weekdays. In addition, interior construction activity shall be permitted from 7am to 8am in the portions of the building where windows have been framed and installed and said windows shall remain closed during this 7am to 8am period."*

**Below Market Rate Housing Plan.** Pursuant to SCMC Section 18.16.060, the Planning and Transportation Commission approved the BMR Housing Plan.

**Transportation Demand Management (TDM) Plan.** SCMC Chapter 18.25 provides that Transportation Demand Management (TDM) Plan be required for new multi-unit developments of

ten units or more to reduce the vehicle trip generation rate by 20% of the standard rates. Pursuant to SCMC 18.25.060, the Planning and Transportation Commission made two findings to approve a TDM plan.

The applicant also submitted a TDM Checklist as required by C/CAG, demonstrating compliance with C/CAG's 25% trip reduction goal. C/CAG will work with the applicant to monitor compliance with the trip reduction goals.

The estimated reduction in trips is based on the measures listed below:

- Secure Bicycle Storage
- Online Transportation Kiosk
- Ongoing Monitoring Program
- New Resident Electronic Information Brochure
- Bicycle Repair Station
- E-Scooters on-site
- On-Site Ride Matching Assistance
- Pedestrian Oriented Uses & Amenities on Ground Floor

**Protected Tree Removal Permit.** Pursuant to SCMC section 18.29.040., when a development project requires a use permit or any other discretionary approval, the tree removal application shall be reviewed as a part of the application for the underlying discretionary approval. The proposed project involves the removal of six protected trees. Therefore, the removal of protected trees was considered by the Planning and Transportation Commission. The City Arborist supported removal of the protected trees for "development" reasons to accommodate the proposed residential project as there is no feasible alternative to preserve the trees. All protected trees proposed for removal are located within the footprint of development which covers the entire project site.

The applicant proposes to provide replacement trees as required pursuant to SCMC Section 18.18.070 and tree species per the City's Preferred Tree List.

**Dirt Haul and Grading Permit.** Planning and Transportation Commission approval is required under San Carlos Municipal Code Chapter 12.08 when grading exceeds 1,000 cubic yards. The project includes one level of below grade parking. The result is cut and fill of 20,450 cubic yards of soil from the site. The applicant estimates a total of 1,017 truckloads to off-haul the soil.

The proposed dirt haul route for northbound trips would be US Highway 101 to Holly Street exit to Industrial Road to Brittan Avenue to El Camino Real. The proposed dirt haul route for southbound trips would be US Highway 101 to Brittan Avenue exit to El Camino Real. Trucks would depart in the reverse. All truckloads are required to be covered.

The Planning and Transportation Commission granted the request for a Grading and Dirt Haul Certificate as the proposed grading will not adversely affect the drainage or lateral support of other properties, is consistent with San Carlos Municipal Code and General Plan, and will not be detrimental to the public health, safety, or general welfare.

**Public Comments.** The Applicant conducted an in-person community meeting on Wednesday, April 4, 2023, as part of their public outreach effort. The meeting was attended by one individual

who expressed concern regarding preserving the view from her unit, removal of trees, and her desire for a traffic signal at Spring Street.

Three public comments have been received; two expressing their support for the project and one from an adjacent business owner expressing concerns. While the commenter expressed support for the project, he expressed concerns regarding the workers taking up all parking surrounding stores, trash, constant dirt trucks, El Camino Street lane closures and other related concerns. The Applicant has met with the commentor to discuss these concerns.

The Applicant will be required to submit a construction operation and staging plan prior to Building Permit issuance. Worker parking as well as equipment and material storage is required to be designated on the plan.

**Further Action.** The Planning and Transportation Commission's action is final.

Respectfully submitted by:

Al Savay, Community Development Director

Approved for submission by:

A handwritten signature in black ink, appearing to read 'J. Maltbie', is written above a horizontal line.

Jeff Maltbie, City Manager