



**Urban Land San Francisco
Institute**

Serving the Greater Bay Area



DOWNTOWN SAN MATEO

Technical Assistance Panel



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**Urban Land
Institute**

San Francisco

Serving the Greater Bay Area

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Founded in 1936, the Urban Land Institute is a 501(c) (3) nonprofit research and education organization dedicated to providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI has over 37,000 members worldwide, representing the entire spectrum of land use and development disciplines. With over 2,400 members across the Bay Area, ULI San Francisco represents one of the Urban Land Institute's largest district councils.

About ULI

The Urban Land Institute's mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. Founded in 1936, the Urban Land Institute is a nonprofit organization of land use professionals with over 37,000 members in 95 countries (www.uli.org), including over 2,400 in the San Francisco district council (www.sf.uli.org). ULI San Francisco (ULIsf) serves the greater Bay Area with pragmatic land use expertise and education.

About ULI TAPs

ULI San Francisco Technical Assistance Panel (TAP) Program is an extension of the national Urban Land Institute Advisory Services program. ULI's Advisory Services panels provide strategic advice to clients (public agency, nonprofit organization, or nonprofit developer) on complex land use and real estate development issues. The program links clients to the knowledge and experience of ULI and its membership.

Since 1947, the Urban Land Institute has harnessed the technical expertise of its members to help communities solve difficult land use, development, and redevelopment challenges. More than 600 panels have been conducted in 18 countries. Since 1982, ULI's Advisory Services panels have assisted 12 Bay Area cities. Since 2006, ULI San Francisco has adapted this model for use at the local level, assisting 33 cities in the Bay Area.

TAPs include extensive preliminary briefings followed by a one-and-a-half-day intensive working session in the client's community. A detailed briefing package and guided discussion is provided by the client to each TAP participant before the TAP working sessions. In the working sessions, ULIsf's expert panelists tour the study area either by bus or on foot, interview stakeholders, and address a set of questions proposed by the client about a specific development issue or policy barrier within a defined geographic area. The product of these sessions is a community presentation and a report. This report presents highlights of the panel's responses to the client's questions and contains a diverse set of ideas and suggestions.

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Downtown San Mateo Technical Assistance Panel

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Julia Klein, Advanced Planning Manager

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Introduction

Context

According to the U.S. Census Bureau, San Mateo is the second-largest city in San Mateo County with a population of approximately 103,000 as of 2014. Geographically, San Mateo's land area comprises 7,763 acres, or 12.13 square miles. San Mateo is bordered by the town of Hillsborough and unincorporated area of Highlands–Baywood Park directly to the west. The eastern border of the city runs along the San Francisco Bay and then veers back toward the land where it neighbors the adjacent city of Foster City. Much of this bayfront exposure has been dedicated to parks and recreational areas. Directly to the north and south of San Mateo, respectively, are the cities of Burlingame and Belmont.

San Mateo is a multimodal transportation city accessible by car, bus, and train. Highway 101 is located on the eastern side of the city, while Highway 92 is an east–west route connecting Highway 101 to Interstate 280. Interstate 280 runs parallel to Highway 101 just outside the city limits of San Mateo. The historic El Camino Real also travels north to south through the entire length of San Mateo and

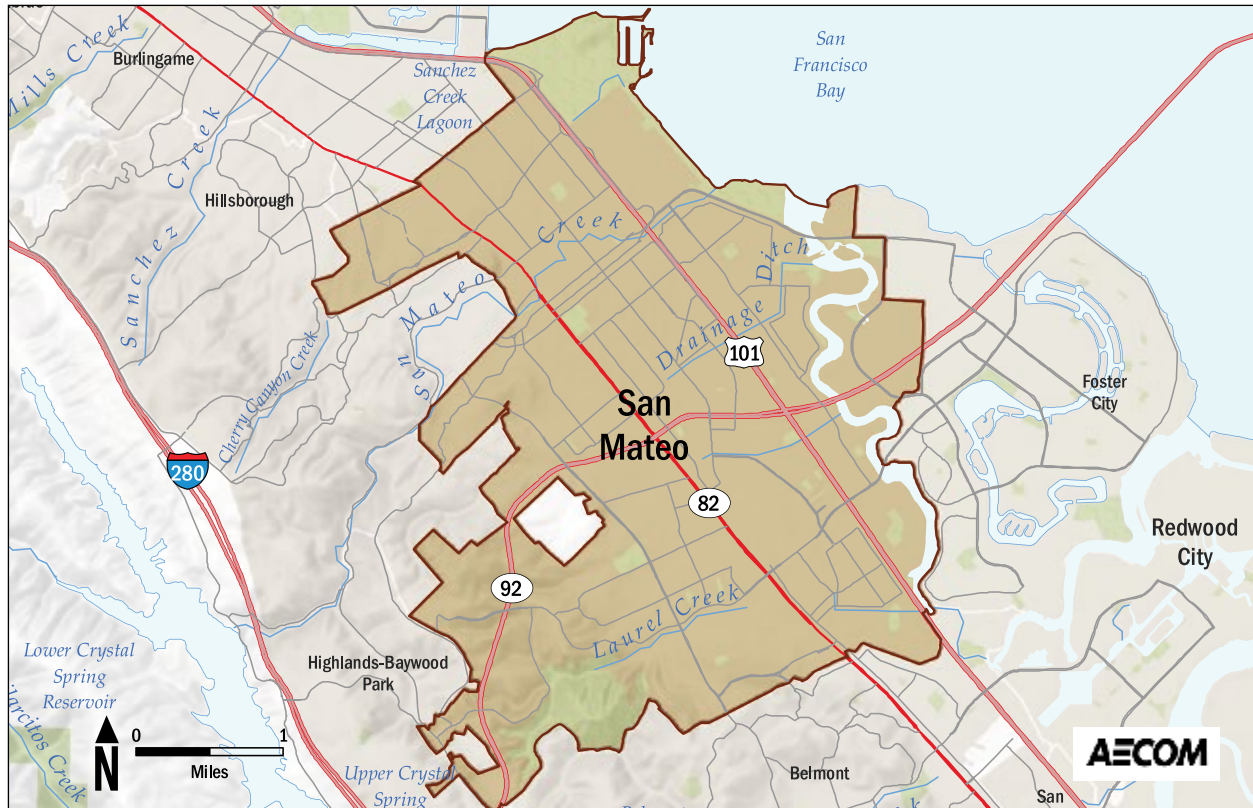
is located adjacent to downtown. San Mateo is served by Caltrain commuter rail, which transports commuters from San Francisco to as far south as Gilroy. San Mateo has three Caltrain stations, the only city on the peninsula to have three stations. The northernmost station is located in downtown. San Mateo County Transit District (SamTrans) operates a network of buses that carries passengers to destinations within San Mateo as well as to surrounding cities.

San Mateo's neighborhoods and districts vary widely in land use and building scale. The downtown area is characterized by mostly one- to four-story buildings, which are primarily occupied by retail and office uses; however, several larger office and multifamily buildings exist in the downtown core and fringe areas. The installation of fiber-optic cable and the launch of Draper University in 2013 have been cited as catalysts for technology firms and business startups locating in downtown San Mateo. The city has also recently seen large corporations such as GoPro, Sony PlayStation, and SolarCity locate their headquarters in San Mateo, and construction activity on large-scale office campuses is currently underway in the city's eastern and southern areas.

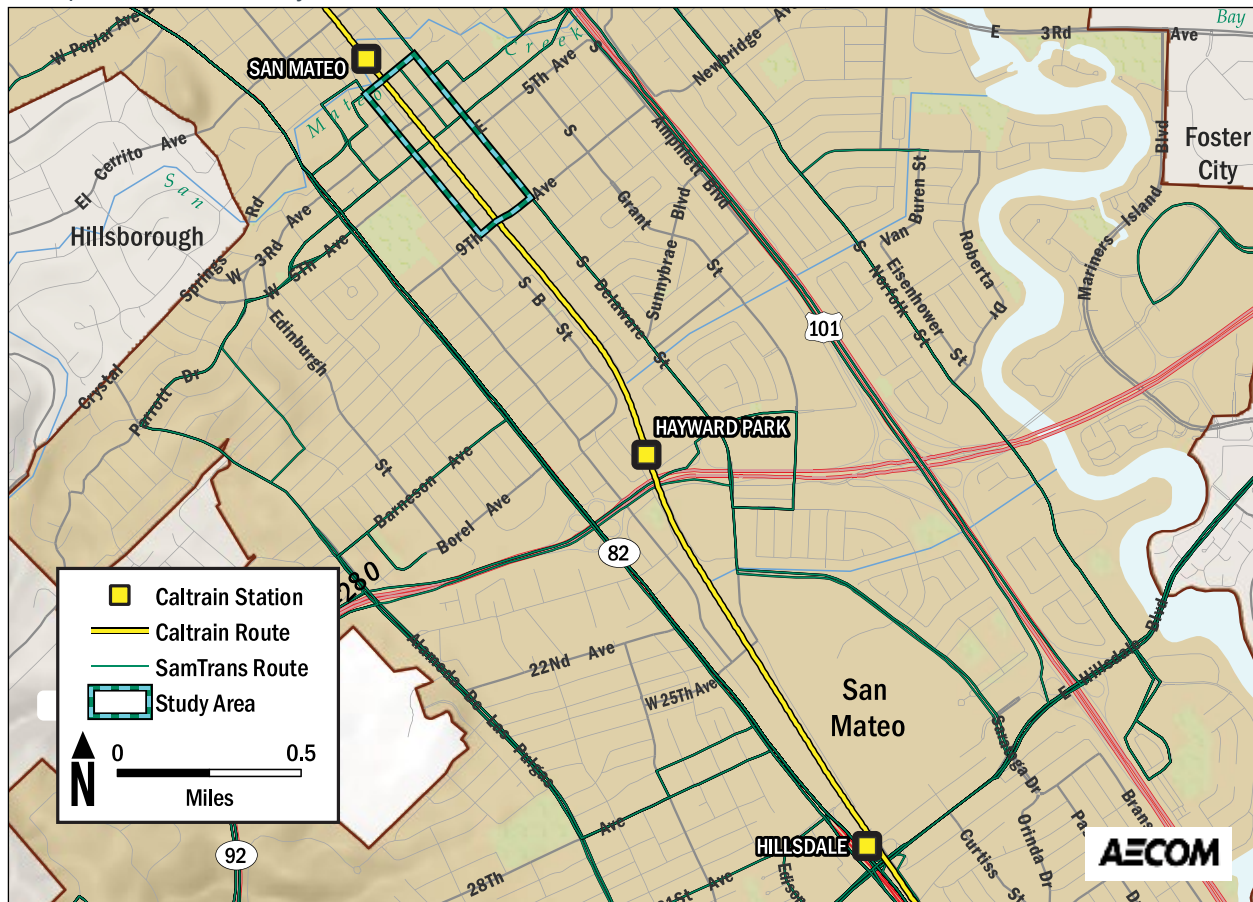
San Mateo Regional Location



City of San Mateo Regional Map



Transportation Accessibility



Team Assignment and Process

The City of San Mateo undertook the TAP process to examine the best use of two underused sites that were transferred to the city from its former Redevelopment Agency (RDA) through a Long-Range Property Management Plan. The study area is a 24-square-block area of downtown San Mateo bounded by First Avenue to the north, Ninth Avenue to the south, South Delaware Street to the east, and South B Street to the west. The Caltrain tracks run north to south through the study area along South Railroad Avenue.

The city asked the panel three questions that helped guide the analysis and final recommendations (see “Responses to the City’s Questions” on page 19):

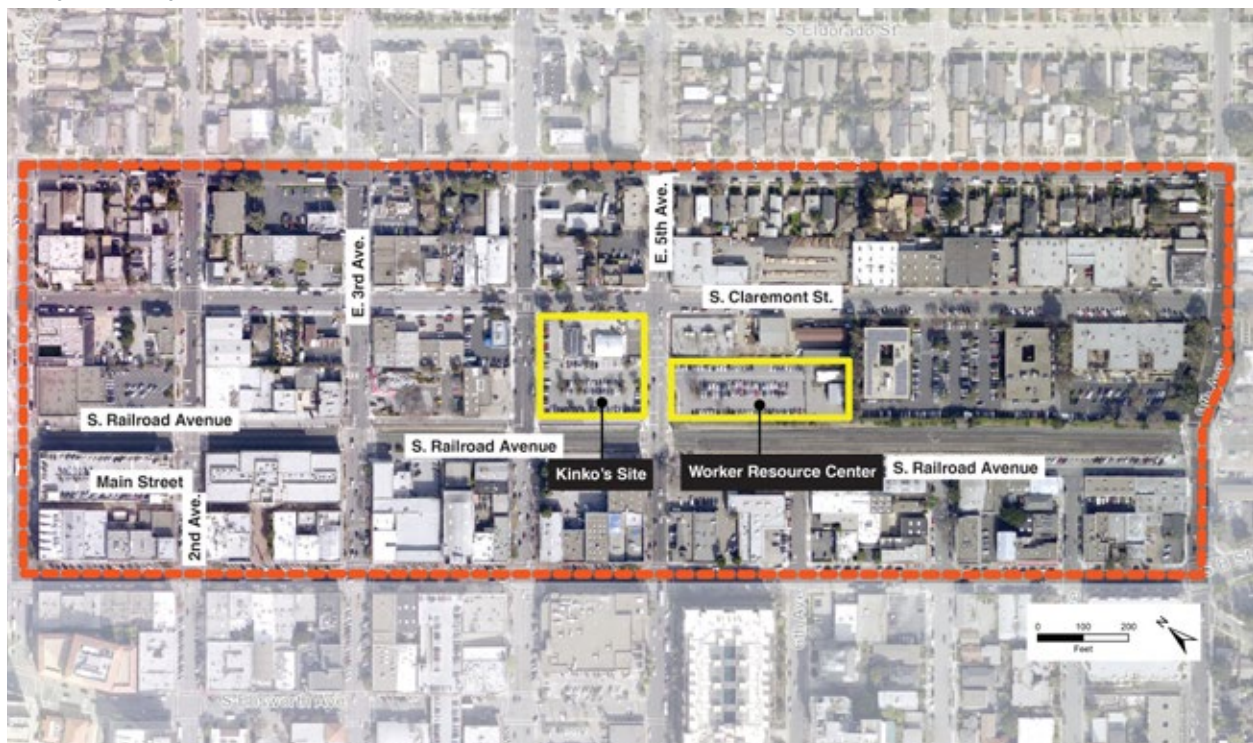
1. What types of development would be most appropriate for the study area?
2. What uses of the two former RDA sites best support this vision?
3. Which development scenarios best integrate or support the financing of the city’s following public needs?
 - a. Parking to support the business district:
 - i. Replacement parking from the existing surface lots; and
 - ii. Additional spaces to meet future demand;

- b. Providing existing social services (i.e., maintaining the existing Worker Resource Center (WRC) service, possibly aggregating other social services);
- c. Relocating City Hall; and
- d. Providing affordable housing.

The two subject sites are both located within the study area. Traveling from north to south, the first site is a square-shaped site of 50,600 square feet, formerly the location of a Kinko’s store. The building that Kinko’s occupied has been demolished. This site is bounded by East Fourth Avenue to the north, East Fifth Avenue to the south, South Claremont Street to the east, and the Caltrain tracks to the west. The site is currently used for surface public parking spaces.

Across East Fifth Avenue from the Kinko’s site is the second site, the WRC site. The WRC site faces East Fifth Avenue to the north, a cluster of office buildings to the south, a utility infrastructure yard and lumberyard to the east, and the Caltrain tracks to the west. The majority of the site is used as a surface public parking lot, while the southernmost portion of the site is occupied by several small temporary buildings and operated by a local nonprofit agency as a worker resource center.

Study Area, City of San Mateo, March 2015



Created by DOLT/GIS, City of San Mateo

The panelists hail from a wide variety of disciplines, bringing a range of perspectives to the assignment, including market potential, land use and design, finance and development strategies, governance and policy, and implementation.

The panel reinterpreted the questions asked by the city and chose to consider the two sites in the broader geographic context of downtown, rather than as two development sites

removed from the context of their surroundings. The panel looked at these sites as the potential catalyst to a new era for downtown San Mateo. Instead of constraining its imagination to what could be built on two blocks, the panel determined that a focus on the overall urban landscape would have far more impact, which will eventually give rise to development on these sites. The panel's big-picture approach led to additional inquiries: What is the vision for downtown San Mateo, and how can these two sites help achieve that vision?

Map of Two Project Sites, City of San Mateo, March 2015



Created by DoIT/GIS, City of San Mateo

Kinko's Project Site, May 2015





Stakeholders

City Council

Maureen Freschet, Mayor
Jack Matthews, Deputy Mayor
Joe Goethals, Council Member
Rick Bonilla, Council Member

Market Rate Development

Dennis Thomas, Borel Real Estate
Ellis Berns, Windy City
John Eudy, Essex
Kevin Cullinane, SC Properties

Affordable Housing Development

Barbara Christensen, San Mateo County
College District
Kate Comfort-Harr, HIP Housing
Keri Leung, Mid-Peninsula Housing
Kevin Griffith, BRIDGE Housing
Laura Bent, Samaritan House

Downtown Businesses and Residents

Alicia Petrakis, Three Restaurant and Economic
Development Growth Enterprise representative
Ann Fienman, Downtown San Mateo Association
Ben Toy, San Mateo United Homeowners Association
Gaye Quinn, Westlake Development
Richard Draeger, Draeger's Market

Stakeholder Input

What We Heard

Before the panel's internal discussions, panel members had an opportunity to hear feedback and ideas for the two subject sites and downtown San Mateo from an enthusiastic group of community stakeholders.

Community members represented public, private, and nonprofit interests, including affordable housing developers, social service providers, downtown business owners, San Mateo residents, City of San Mateo council and staff members, and market-rate commercial and residential developers. Each stakeholder group shared its specific concerns framed by professional backgrounds and industry experience.

Several common themes emerged among the stakeholders, with all groups agreeing that the two sites in question could assist in addressing some of the current challenges of downtown San Mateo.

Common themes the panel heard included the following:

- Openness to building to greater heights and densities than what downtown is currently zoned for, particularly around sites close to transit;
- Lack of convenient parking options for patrons visiting downtown;
- Need for additional housing in downtown at all levels of affordability;
- Interest in creating housing opportunities specifically for moderate-income earners and public service employees, because those opportunities will achieve the following positive benefits:
 - Building a strong sense of community;
 - Easing the regional traffic and transportation burden; and
 - Helping San Mateo retain teachers, police officers, firefighters, and so on, in the long term;

- Desire to reduce the reliance on automobiles and to encourage walking and other forms of transportation to get to and from downtown;
- Need to accommodate the changing demographics of downtown San Mateo (i.e., building smaller units to fill the demand from one- and two- person households);
- Need for additional office space to accommodate the growing tech sector—in particular, providing larger floor plates for companies in growth stages, allowing the city of San Mateo to retain startups rather than watching them move to other cities with capacity to accommodate them;
- Concern that moving social services, located on the WRC site, out of the downtown area and into areas underserved by transit may cause access problems to the users of those services;
- An expression of interest in creating a more inclusive community for workers and earners at all income levels; and
- Interest in bolstering the successes of downtown as a restaurant destination with a diversity of other uses.

Crossing the Tracks in Downtown San Mateo, May 2015



Walkable Downtown San Mateo, May 2015



Strengths, Challenges, and Community Perceptions

Through the site visit, stakeholder interviews, and discussions, the panelists identified a number of strengths, challenges, and perceptions about downtown San Mateo.

Strengths

Following is a summary of major strengths that the panel identified:

- **Walkable Environment:** Downtown San Mateo has all the pieces in place to be a great walkable urban environment. The components of a grid street pattern, matched with short blocks, tree-lined streets, many small storefronts, and a mix of old and new architecture create an enjoyable walking experience for patrons visiting the downtown core.
- **Exciting and Active Downtown:** Downtown San Mateo is a vibrant place brimming with activity, thriving businesses, and a diverse restaurant scene. The implementation of high-speed fiber-optic telecommunications has also brought new energy into the area. Since its implementation, a number of innovative and entrepreneurial ventures have sprung to life in downtown.
- **Entertainment and Dining District:** Downtown San Mateo is an active entertainment district. The relatively recent transition of the area can be partially credited to the development of the Century 12 movie theater complex. The cinema has done an excellent job of attracting complementary uses such as an eclectic mix of restaurants and bars. Central Park is another major draw, bringing in families, children, and people to downtown.
- **City-Owned Sites:** Ownership of the WRC and former Kinko's sites gives the city the flexibility to create something unique. It is seen as a significant opportunity because the sites have the potential to be transformative to the eastern side of downtown and to set the tone for future development in the area.
- **Positive Community Cheerleaders:** San Mateo residents care deeply about their downtown, and their passion for carefully planned development was evident during stakeholder interviews. All of the community groups are vocal with their ideas for how to positively reposition downtown San Mateo. The participation of positive community cheerleaders will be paramount in creating a downtown that is interesting, with offerings that represent the diverse San Mateo community.
- **Proximity to Caltrain:** Downtown San Mateo's proximity to Caltrain makes it an ideal location for new development

and redevelopment. Current trends indicate that people have a strong desire to live in an urban setting near mass transit. The two sites in question offer both of those highly desirable amenities, which make them valuable. Furthermore, sites that are located near transit tend to hold their value and appreciate in value faster than sites located farther from transit.

- **Strong Market Demand:** San Mateo has an opportunity to take advantage of booming demand from residents and employees to locate near transit. The two sites are ideally located to capture growing demand from workers and residents who prefer to be in districts that offer transit, nearby restaurants, and a walkable lifestyle.

Challenges

Following is a summary of major challenges that the panel identified:

- **Unmet Need for All Types of Housing:** Downtown San Mateo is a desirable place to live, and like many other cities on the Peninsula, the demand for housing is outstripping supply. Higher-density housing that serves low- and moderate-income households is in particularly short supply. More diverse housing types at all levels of affordability are urgently needed.
- **Parking Demand:** Certain areas of downtown experience surges of parking demand at varying times of the week. Parking on the streets of downtown is often difficult during peak times, whereas parking resources around the perimeter of downtown are underused.
- **Inconsistent Pedestrian Realm:** Although many downtown elements support a walkable environment, some elements of the downtown streetscape lead to an inconsistent pedestrian realm. These include streets on the edges of downtown that are oriented toward the prioritization of motorists over pedestrians with streets designed for vehicle throughput. Within the downtown core itself, short pedestrian crossing times, wide streets with fast traffic, and high volumes of curb cuts can detract from an enjoyable walking environment.
- **Varying Viewpoints and Goals:** The various community stakeholders that make up San Mateo all seem to have differing ideas about what type of development is best for the area and the two development sites in question. Creating something that all interested parties will see as beneficial will be a challenge.
- **Concern about Train Noise:** The proximity of the development sites to the train tracks raises concern about certain uses being incompatible.

Community Perceptions

After the panel spent several hours speaking with community stakeholders, the following perceptions surfaced:

- Parking capacity in downtown is in short supply.
- Housing is needed at all levels of affordability.
- Technology companies incubated in San Mateo are leaving because of lack of available spaces that fit their current and future needs.
- Restaurants suffer from oversaturation whereas general retail is undersupplied.
- Demographics have changed, lowering of the average age of residents.
- Community members oppose zoning changes required for building taller and denser structures.
- Development in downtown will supplant social services.
- Current infrastructure may not be able to handle significant new development.

Regional Market Context

The Bay Area is currently experiencing dramatic change; towns and cities need to be able to adapt to changes in the regional economy.

Millennial Lifestyle Preferences: Millennials currently account for over 20 percent of the country's population, but they have a massive influence on the way we design and build communities and are largely seen as the drivers of lifestyle change. It is evident that millennials' preferences are different from those of the baby boomers. Millennials tend to blend work and social experiences into one seamless lifestyle, work tends to start later and end later in the day, they place a high value on an urban lifestyle with walkable and amenity-rich neighborhoods, and they are more likely to rent than own a home. Millennials also use transportation differently. Many prefer not to drive or own a car, choosing car-sharing or mass-transit systems instead.

Housing Stock and Changing Demographics: The majority of San Mateo County's existing housing stock is single-family residential dwellings that were designed to accommodate three to five occupants. However, more than half the county's households are one- or two-occupant

Biking in Downtown in San Francisco, Flickr CC: © Richard Masoner



households. Demographics of the area are changing and will continue to change as San Mateo moves from a “bedroom community” to an area where jobs are created and retained. Many of these jobs will employ the people who want to live in smaller and more efficient dwelling units. Clearly, additional housing designed for smaller households is needed. The current shift in demographics is a great opportunity for downtown San Mateo to capture a larger share of the surging market for efficient living spaces in amenity- and transit-rich locations.

Changes in Building Use: The way that individuals and organizations occupy buildings and space has evolved rapidly over the past 20 years. Current trends show that space is being used more efficiently in both work and home environments. At work, spaces have become increasingly collaborative, and private offices are no longer the norm. Square footage used per employee has trended downward from around 250 square feet per employee to 175 square feet or less, as open floor plan offices have become increasingly common. The private space that employees give up at work is often replaced by increased common areas. Residential communities are mirroring the trends occurring in the office market, combining smaller living units with larger and more amenity-rich social-gathering areas within projects.

Long-Lasting Value: Any development of the two sites must align with the long-term goals for the city’s downtown. These sites are catalysts, and what is built upon them will set the tone for the types of development attracted to San Mateo’s downtown core. Any project erected on the sites should be built to withstand the ups and downs of an economic cycle. Development in the study area may happen slowly; therefore, the projects considered must be able to stand on their own should the real estate market go through an extended down cycle causing further development of the area to be temporarily halted. Transit-oriented residential development typically holds up better in value compared with similar projects that are not transit oriented. These sites are strong candidates for a residential transit-oriented development project when considering the long-term value of the sites and the status of the current economic cycle.

Themes on the Future of San Mateo

After the panel spent several hours speaking with the community stakeholders, the following themes emerged on the future of San Mateo and downtown San Mateo in particular:

Creating an Updated Identity for Downtown: Downtown San Mateo is experiencing unprecedented growth and change. Now is the time to take a look at the state of downtown and evaluate its current and future look and feel. The demand for housing and commercial space as well as changing demographics, combined with the commuter rail, makes downtown ideal for higher height limits and greater densities.

Managing Parking Now and in the Future: A significant opportunity exists in the management of downtown San Mateo’s parking, now and in the future. The community would like to improve parking conditions within downtown to support the business district—while creating a downtown that is increasingly oriented around walking, bicycling, and transit. This goal includes improved management of the existing downtown parking supply with better information and technology to meet the demand during peak periods. Right-sizing the amount of parking provided in new developments to match the needs of the targeted residents and employees will reduce burdens on the existing downtown parking supply and development costs. New residents and employees can be expected to own fewer vehicles and generate fewer vehicle trips than in a typical suburban location because of the high-quality transit access, mix of surrounding land uses, pedestrian- and bicycle-oriented streets, and provision of amenities such as bicycle and car sharing.

Transit-Oriented Development: To accommodate the growth of San Mateo and the overall region, the city must build more densely, increase height limits, and take advantage of its downtown’s proximity to mass transit. Stakeholders felt that current height limits are a barrier to smart development. The rail corridor was identified as a key area ripe for development. Transit-oriented development in this area should act to ease pressure on housing affordability and the demand for additional office and commercial space. Developing sites in the rail corridor would displace current service and industrial businesses, and a plan to mitigate the effects of displacement would need to be established in conjunction with any changes in building controls or zoning.

A Community for All: Creating a community that includes all members of the socioeconomic spectrum is a high priority for the city of San Mateo. Public service employees, such as teachers, firefighters, and police, are moderate-income earners often not making enough to afford housing in San Mateo. Consequently, many of them are relocating to cheaper housing markets and enduring grueling commutes to continue serving San Mateo. It is vitally important that the city prioritizes keeping these community groups within the locality they are serving.

Keeping Social Services Accessible: Downtown San Mateo is currently home to several social service organizations that are at risk of being displaced. The downtown location of these services makes them accessible to those who rely

on them. If these services get pushed farther from transit, they will become less accessible to those who vitally need the services. A desire also exists to find a balance between those social services that should stay in downtown and those that may be acceptably relocated within the city.

Capturing Economic Opportunities: The region has experienced tremendous economic growth in recent years. However, new commercial development downtown has not grown significantly to accommodate new and growing businesses. As real estate prices continue to increase, ensuring that local San Mateo businesses can stay in the community, rather than being forced to relocate to neighboring communities, will be important.

TAP Panelists Tour Downtown San Mateo, May 2015



Panel Findings and Responses to the City's Questions

The two subject sites exist in the context of the greater downtown; therefore, the panel recognizes the potential to positively influence the development success of the two sites by first enacting a couple of strategic changes to the downtown. For the two RDA sites to flourish, the city must first understand the interplay between the two subject sites and the greater downtown area.

The panel identified two key issues challenging downtown and investigated them further to determine the proper tools and techniques for managing each limitation. Recommendations to be considered for incorporation into the Downtown Specific Plan update are presented in the following.

Panel Findings

Challenge, Analysis, and Solution #1: Public Realm and Patronization of Downtown

Challenge: When patrons are visiting downtown San Mateo, they appear to come and go quickly. Most visits do not include strolling the streets, meeting in groups, or spending time just taking in the sights and sounds. *How does the city create an exciting and lively downtown that will be full of public life?*

Analysis: Downtown San Mateo has become a de facto dining district thanks to its large selection and variety of popular restaurants. This positive draw is a strong foundation that should be built upon. However, people are not spending extended time in downtown beyond visiting for a meal or to watch a movie. The high volume of restaurants excludes to some extent a more varied selection of niche

Street View From East Third Avenue and South Claremont Street, May 2015



retailers. This causes visitors to eat, then promptly depart because few other attractions exist to captivate their interest.

Adding to the problem, most patrons drive right up to the front of their intended restaurant or park very short distances away, which causes them to be unaware of the other types of retail they might otherwise encounter if they parked a few blocks from their intended destination and walked the remaining distance. The lack of diversity in uses and shopping, in conjunction with the predominant use of personal automobiles, leaves the streets devoid of shoppers, walkers, and general patronage of the downtown area. Consequently, non-meal-time hours see lulls of activity and minimal public life.

Solution: Create a comfortable and vibrant public realm that will provide people with a positive and enriching downtown walking experience.

The identity of downtown could be greatly enhanced if it were reimagined as a gathering spot for the community: a place to hang out with neighbors, take a walk, sit outside and people watch, have coffee with a friend, and more. The following measures are seen as key opportunities to create a comfortable and vibrant public realm:

- **A Feeling of Comfort and Safety:** To encourage visitors to actively use the streets, a streetscape improvement plan should consider implementing the following strategies: install parklets and sidewalk furniture, create outdoor dining opportunities, increase landscaping, limit curb cuts, and add pedestrian-scale lighting, particularly from the peripheral garages to the downtown core.
- **Creating Excitement:** Identify street use patterns to create a greater mix of active ground-floor uses that will increase the desire of patrons to linger, explore, and navigate around the downtown area.
- **Easy to Access:** Make downtown easier to navigate. Install wayfinding tools to and from transportation infrastructure, such as parking structures and Caltrain.
- **A Multimodal Transportation Framework:** Design a city center around walking, bicycling, and transit services. Use technology to communicate to drivers locations of available parking within the downtown core and encourage a “park once” mentality for those driving to downtown. Direct transportation funding for downtown San Mateo toward pedestrian and bicycle improvements, enhanced transit services, and technology to improve the use of existing parking resources.

Downtown San Mateo Caltrain Station, May 2015



Challenge, Analysis, and Solution #2: Existing Parking Conditions

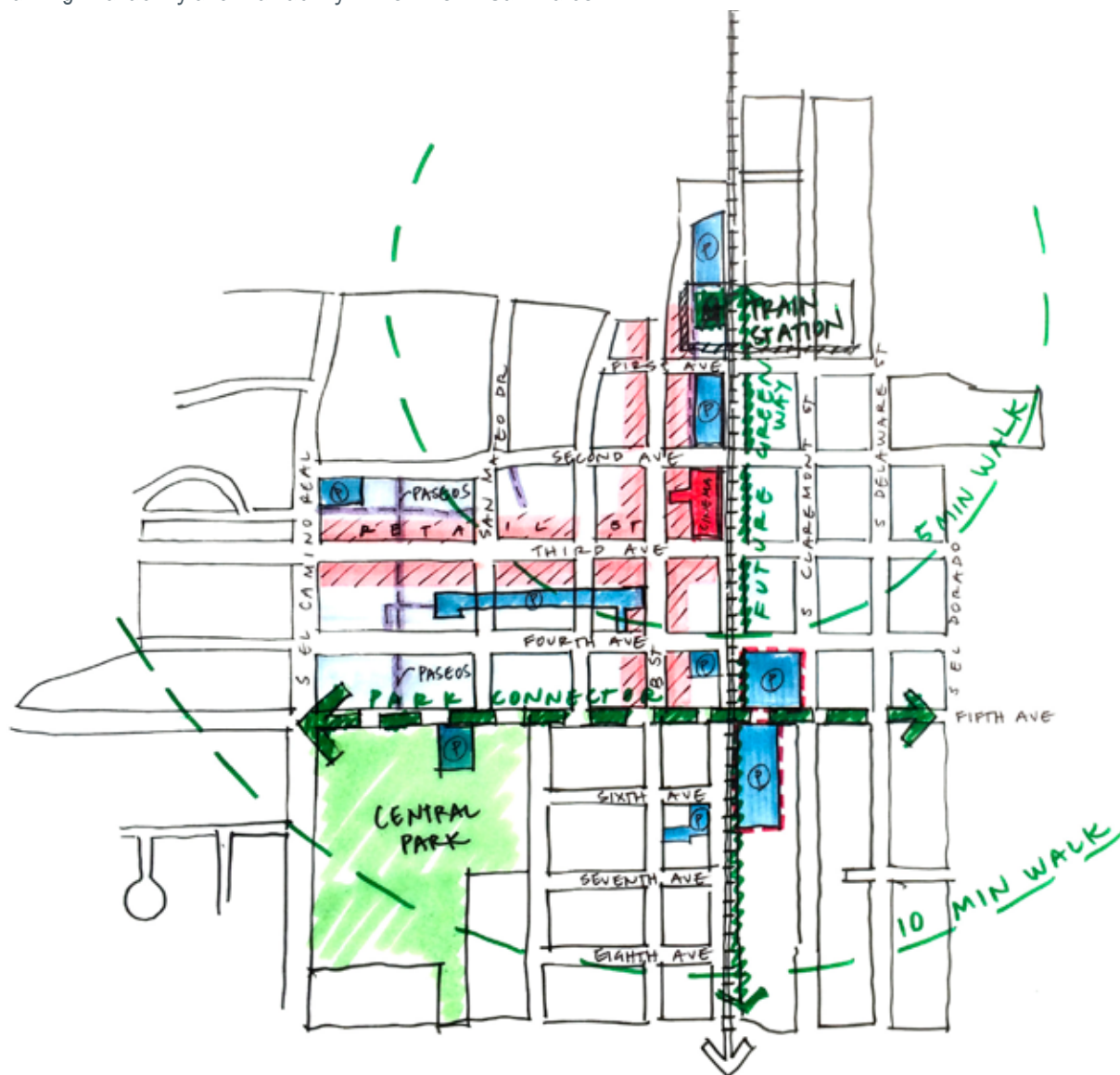
Challenge: Stakeholders and community members perceive a lack of parking availability in downtown. *How does the city increase parking capacity to the current demand levels while balancing the city's other needs?*

Analysis: According to the *Downtown San Mateo Parking Management Plan*, adopted by the City Council in 2014, the weekday midday is when the parking assets of downtown are most heavily used. At their peak, parking assets achieve an 82 percent total occupancy rate throughout the downtown area. During those peak parking hours, most of the parking garages and lots that accommodate long-term

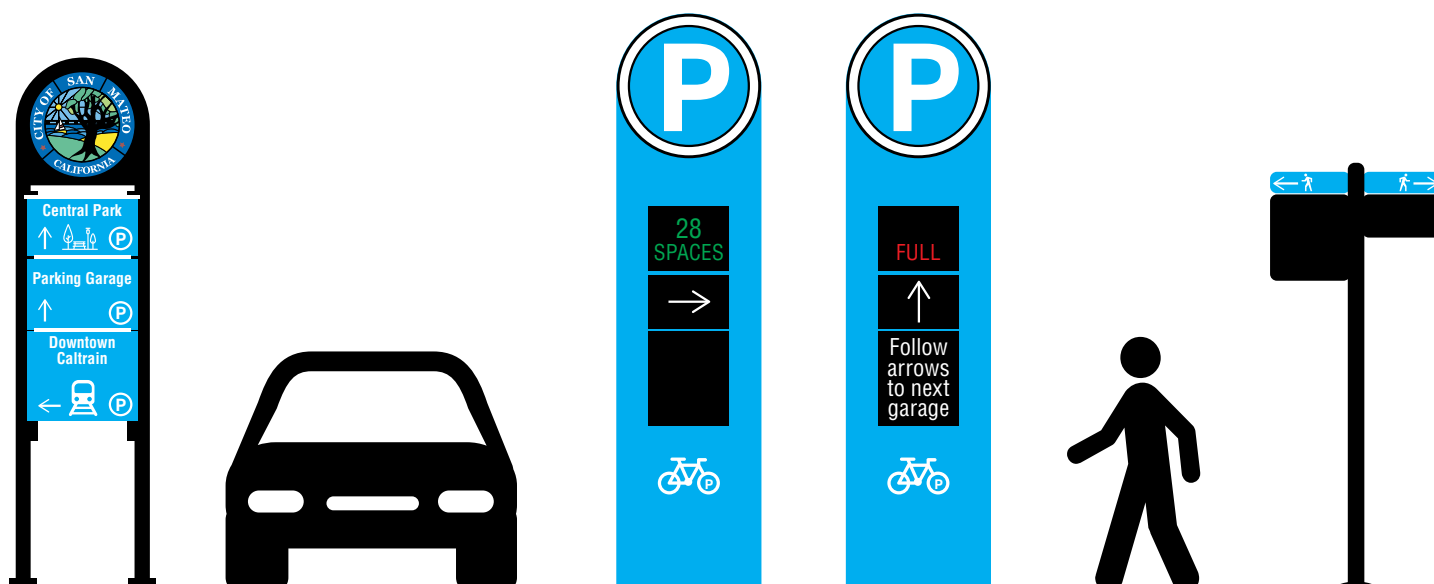
parking are fully occupied; however, short-term parking still has significant availability. The second-busiest time is during weekend evenings, when most of the street-level parking is full with restaurant patron vehicles, while many of the parking garages and lots on the periphery of downtown are less than 50 percent occupied. The *Downtown San Mateo Parking Management Plan* indicates that parking is available at most times during the day in the downtown area.

Solution: Use existing parking resources more efficiently. The cost of building new parking facilities is considerable, and therefore the priority should focus on finding opportunities to use technology and improved information systems to more effectively manage the existing parking assets. Following are some key recommendations for the various stakeholders within downtown San Mateo.

Parking Availability and Walkability in Downtown San Mateo



Example of Real-Time Parking Availability and Wayfinding



For people who visit downtown San Mateo, reduce circling for parking and make parking only once easier by implementing technology and information solutions, such as the following:

- Real-time parking availability through phone applications and signage on major thoroughfares;
- Improved parking payment technologies including pay-by-phone; and
- Dynamic pricing to encourage parking in less-used parking structures.

For people who work in downtown San Mateo, improve multimodal access to downtown by implementing transportation demand management measures, and investigate enhancing the capacity of the existing parking assets. This includes the following measures:

- Implement off-site parking shuttles, neighborhood shuttles, or improved transit connectivity to downtown.
- Encourage employer-sponsored transit programs to provide subsidized transit passes for Caltrain and SamTrans.
- Encourage ride-share, car-share, and bike-share programs.

- Increase long-term parking capacity of existing garages and lots through valet or attended parking.
- Increase density of existing parking resources through additional parking levels or automated parking facilities.
- Address neighborhood concerns about parking spillover with residential preferential parking programs.

For new residential buildings within downtown, implement a transportation demand management program, and lower parking requirements to meet the anticipated demand. Because of the high-quality transit access, mix of surrounding land uses, potential for pedestrian- and bicycle-oriented streets, and provision of means such as bicycle and car sharing, new residents within downtown San Mateo are expected to own fewer vehicles and generate fewer vehicle trips than a typical suburban location.

Recommendations for the Downtown Area Plan Update

To create a downtown that is increasingly active, diverse, vibrant, and pedestrian-friendly, the city must first create a vision for change through updates in the Downtown Area Plan. A few key opportunities that will help the city and its residents refine their vision for the future of downtown San Mateo are described on the following page.

- **Refine the Community's Vision for Downtown.** Downtown will flourish if the area is consistent with the wants and needs of the community. Therefore, continuing to solicit community input about the growth and development of downtown San Mateo is critical. The city is already on the right track with its “taste and talk” series, which invites San Mateans to share their views about the future of downtown. Ask community members to focus on what they believe will make downtown successful while considering current changes in demographics and lifestyle preferences. Encourage community members to suspend belief in current reality and be bold in their vision for their downtown.
- **Bring Clarity and Predictability to Guide Change.** The winds of change bring uneasiness to stakeholders with vested interests in a city. Residents, employers, visitors, and developers will all benefit from a plan that is clear in its purpose and predictable in its implementation. Clarity and predictability of process will attract high-quality developers who seek to build in cities where the political process is well defined. Consider the use of Specific Area Plans to lessen the entitlements risk to developers and streamline the California Environmental Quality Act process.

- **Decide on an Appropriate Mix of Uses.** When updating the Downtown Area Plan, the city should carefully consider the role of downtown. While the city goes through the process of updating this plan, it must consider the desired mix of housing, jobs, retail, and parking in the area. The resulting mix of uses will have longstanding effects on the look, feel, and functionality of downtown. Once the appropriate mix of uses is decided upon, the city needs to implement changes to building controls that align with that mix of uses.

Responses to the City's Questions

Question 1. What types of development would be most appropriate for the study area?

The study area, which spans both the east and west sides of the Caltrain tracks, is a key area of downtown. The east side of the tracks, which is less developed than the west side, also faces the physical constraint that visitors must cross the train tracks when arriving from the downtown retail core. Therefore, this critical section of downtown could serve as either an unintentional boundary or a pedestrian connection drawing people over to an expanded

Walkable Development, Flickr CC: © La Chitta Vita



downtown on the east side of the tracks. To create the vision of a flourishing area connecting the two sides of the tracks, the study area should be filled with people on the streets, as well as exciting uses that draw patrons, shoppers, and diners to the study area and eventually to the east side of the tracks. The types of development that would be most appropriate for the study area are described below and appear in order of highest priority and compatibility:

- **Market, Workforce, and Affordable Housing:** The study area is an excellent location for high-density multifamily housing. The core location near transit, jobs, and services will keep residents out of their cars and encourage walking. The presence of new residents in the study area will bring street life to the area, and residents will support business and service providers that are located there.
- **Social Services and Nonprofits:** The development of the WRC site may or may not require relocation of an important community service that currently operates there. An immediate need exists to find space for offices for social services and nonprofits that serve the community. The accessibility of these two sites and the churn of clients from social services and nonprofit work make these two sites a choice location for this type of use.
- **Office:** Proximity to Caltrain, restaurants, and services makes the study area ideal for office use. Office uses will help keep the area active with workers flowing in and out of buildings and walking to the retail core, further establishing a connection between the east and west sides of the Caltrain tracks. Additionally, offices are less sensitive to railroad noise than residential.
- **Retail:** Retail and restaurant uses are appropriate for the study area because they will enhance activity on the street, and encourage people to spend more time walking around and less time in their cars. In addition, retail uses in the study area can be a draw from the downtown retail core and west side of the Caltrain tracks, which will further enhance the connection between east and west.
- **Hotel:** A hotel would be an acceptable use in the study area. Hotel guests would be helpful in generating activity and a presence of people at all hours of the day and night, thus eliminating “dead hours.” Visitors who stay overnight would also generate street activity by dining, shopping, and exploring downtown.

Question 2. What uses of the two former RDA sites best support this vision?

Of the projects and uses that were considered, the panel concluded that the uses that best support the vision for the study area are a high-density multifamily community and an office project. The panel further recommends that the ground floor of both projects contain an active use that will stimulate activity in the area as well as enhance the public realm.

Each site is unique; that is to say, some distinct differences in neighboring uses and physical constraints make one site more viable for an office project and the other more feasible for a multifamily project. Whereas the south side of each site is exposed to noise and vibration from Caltrain, only the north exposure of the WRC site has direct exposure to industrial uses—a utility infrastructure site and a lumberyard. Because of the adjacent industrial uses on the WRC site, that site would be more suitable for an office use. The Kinko’s site is more appropriate for a high-density multifamily project because the traditionally incompatible industrial uses are buffered by the WRC site.

The multifamily project should place an emphasis on providing workforce housing for people earning 80 to 140 percent of the area median income. Dedication of housing on this site exclusively to the workforce population would be appropriate to help address the lack of housing options for middle-income earners, which includes public service employees such as teachers, police officers, firefighters, nurses, and the like. Our communities rely on these public service providers to keep us safe and educate our children, yet these community members often do not make enough to afford market-rate housing but make too much to qualify for traditional housing subsidies.

The panel sees this site as being particularly well suited for workforce housing because it is close to transit and services. The workforce demographic typically spends a higher proportion of its income on housing and transit when compared to higher-income earners. Providing the workforce housing demographic with the opportunity to live close to transit means they will spend less of their monthly budget on transit than they otherwise would if they were living farther from their place of employment. The goal in prioritizing housing to the workforce demographic is to keep them in the community that they are contributing to, rather than requiring them to make long daily commutes from areas where more affordable housing options exist.

Recommendations and considerations for the design and planning of the two site-specific projects follow:

Kinko's Site Development: Building a high-density multifamily building on the Kinko's site is challenged by its proximity to the Caltrain tracks. The square shape of the lot and the design that it would permit can help mitigate the effects of the passing trains. Construction of the building should focus on the following design elements to ease noise and vibration (see drawings below and on following page):

- Designing a U-shaped building with all units oriented toward a central courtyard looking out onto South Claremont Street;
- Constructing a grade-level parking deck on the south side of the site to act as a buffer between the train and other ground-floor uses;
- Using the north side of the project for active ground-floor uses;
- Considering potential ground-floor uses for amenity space for residents, retail, creative workspace, or even space for local social service providers; and
- Reserving upper levels of the structure exclusively for multifamily housing and resident amenities.

Worker Resource Center Site Development: The long and narrow shape of the lot makes it suitable for division into two rectangular office structures with one or two levels of underground parking. Development of the site should focus on the following design elements and uses:

- Create one or two levels of on-site parking to serve the buildings, rather than as ancillary parking for downtown visitors.
- Similar to the Kinko's site, the ground floor level should be dedicated to active users so that as the area matures, pedestrian activity increases. These spaces should be dedicated to a mix of uses oriented toward public interests, such as nonprofits, city offices, maker spaces, social service providers, affordable housing provider offices, co-working spaces and incubators, or artists' studios.
- Design buildings with floor plates that are sufficiently large and open enough to attract office users and firms seeking collaborative environments.
- Create a landscape buffer between the northern ground-floor exposure of the buildings and the adjacent Pacific Gas and Electric Company (PG&E) utility and lumberyard sites to the north.

Proposed Uses for the Two Project Sites

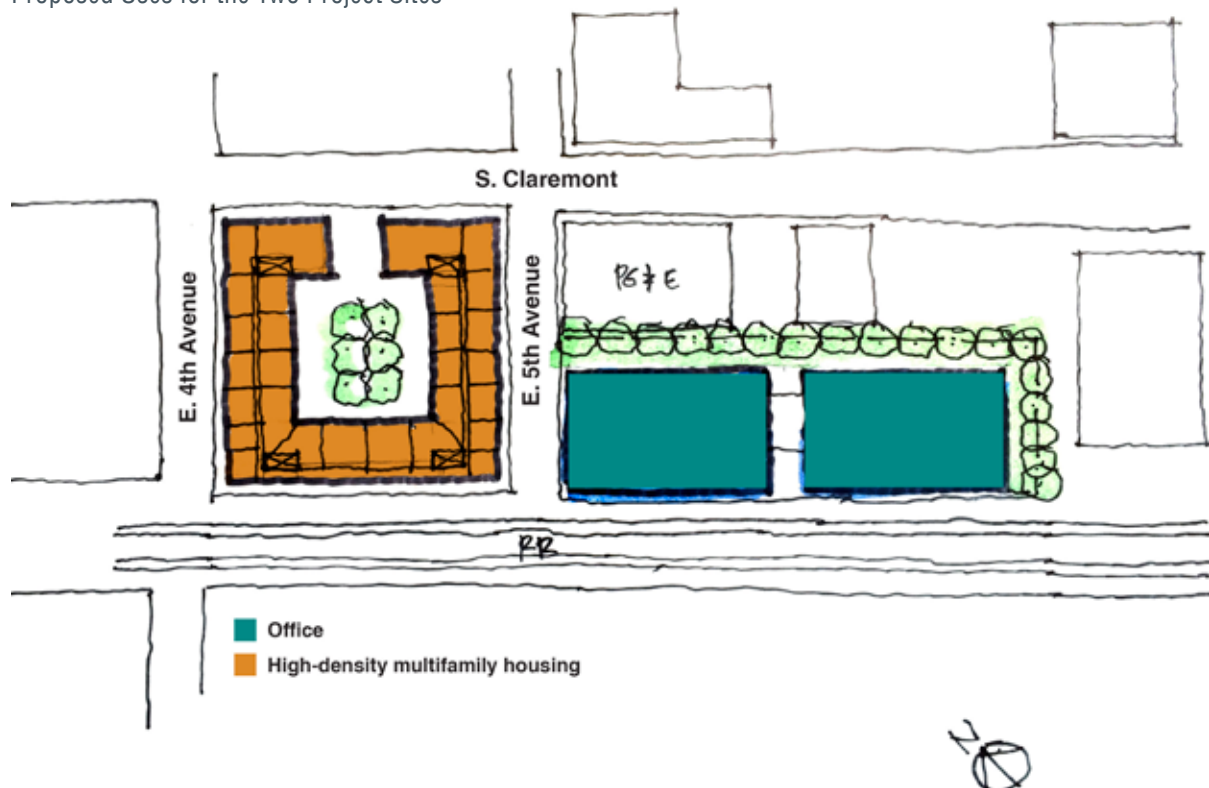


Image not to scale

Proposed Ground-Floor Drawing of Two Project Sites

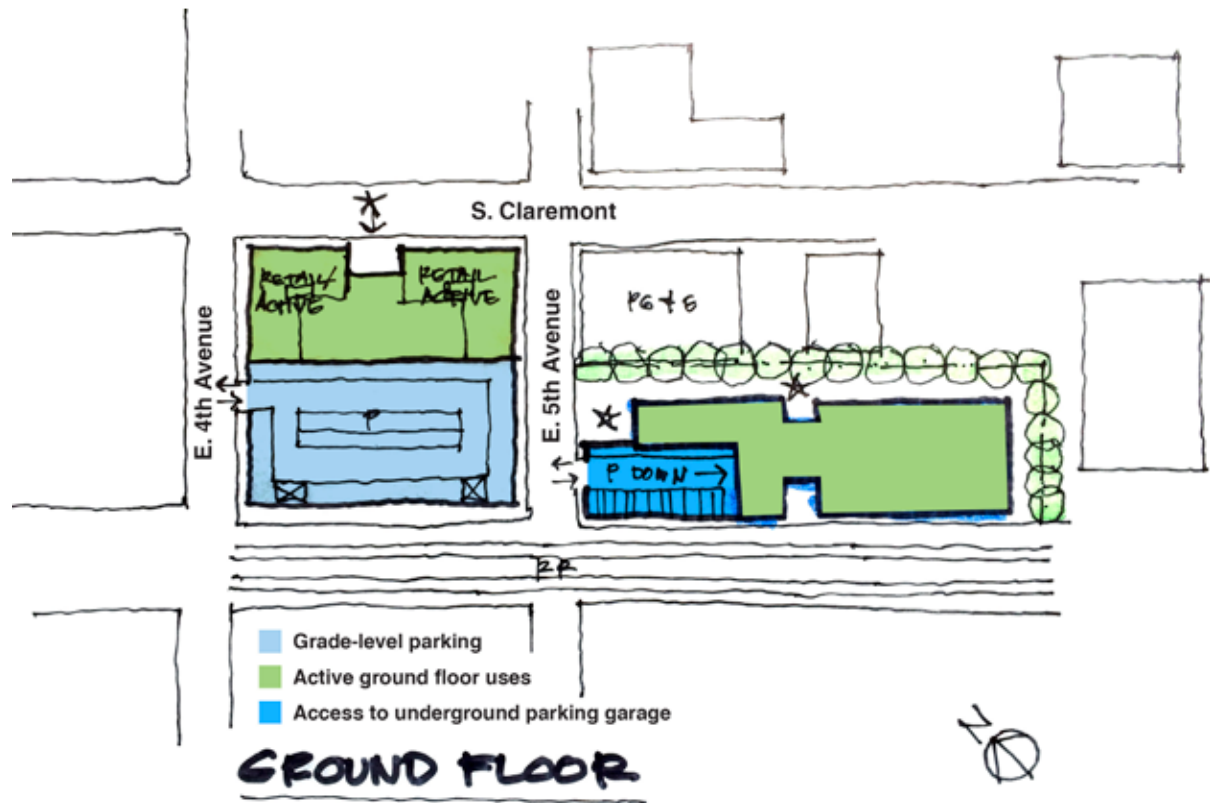


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Proposed Underground Parking Drawing of Two Project Sites

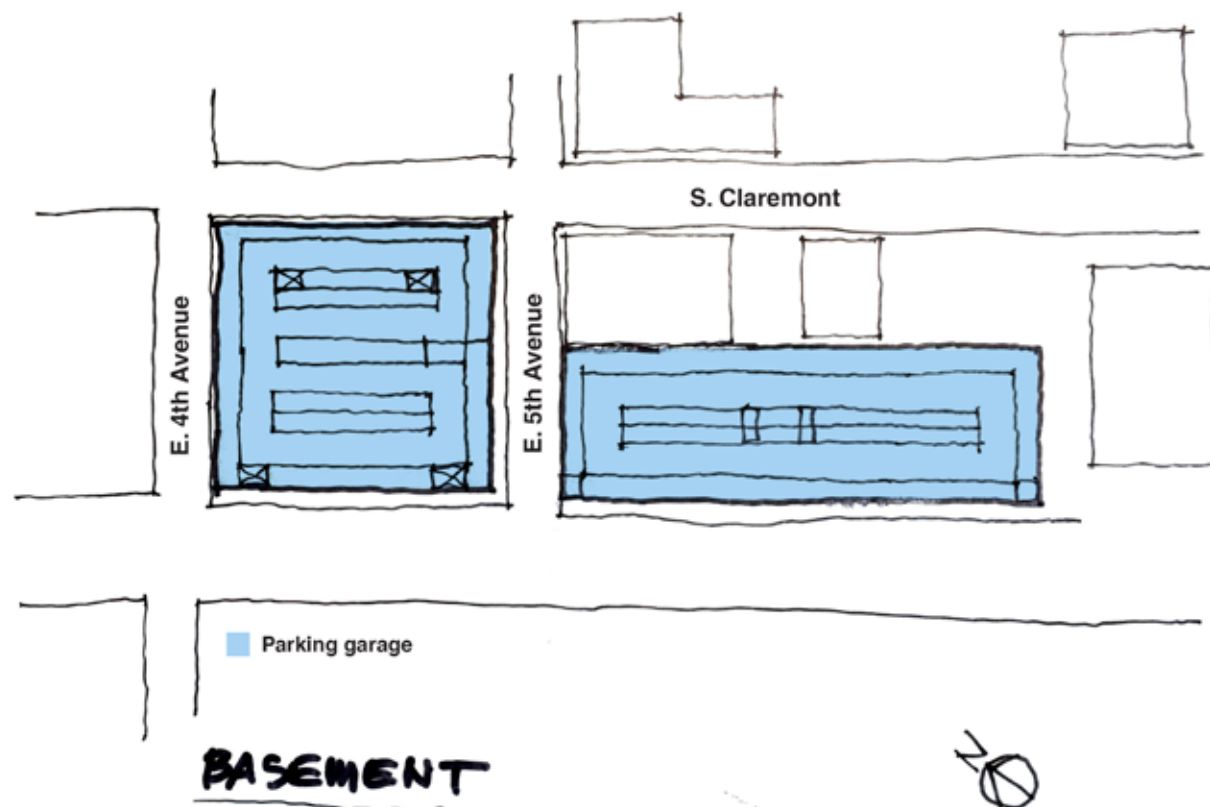


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Question 3. Which development scenarios best integrate or support the financing of the city's public needs?

The city has defined a number of desired public benefits in the district, ranging from public parking to affordable housing units. However, the panel concluded that expecting development on the two sites to deliver all the identified public benefits is not realistic. Therefore, the panel examined which of the benefits were identified as high priorities by the community.

On the basis of interviews with stakeholders, the panel found that affordable and workforce housing were top priorities for most of the interviewees. The panel therefore recommends that the Kinko's site be developed as multifamily workforce housing, as described in the answer to Question 2. Furthermore, the WRC site could accommodate nonprofit uses (such as the existing social services provided on site) or civic offices, potentially including some of the services currently provided at City Hall.

New residents and employees are expected to own fewer vehicles and generate fewer vehicle trips. Because of the adjacent transit station and unique potential for transit-oriented development, the panel concluded that by implementing pedestrian and bicycle improvements, enhanced transit services, and technology to improve existing parking resources, parking assets can be more effectively managed.

Kristen Hall and Jonathan Cohen Sketch the Project Sites



Implementation Strategy

In support of the recommendations for the two subject sites and the study area, the panel suggests considering the following implementation strategies.

Short-Term Implementation

Zoning and Building Controls: Current zoning and height restrictions on the two subject sites stifle the potential for impactful development. Acknowledging that the two sites are well suited for transit-oriented development, the panel recommends the following adjustments:

- Modify zoning to allow for transit-oriented development with uses such as high-density multifamily and office development with active ground-floor uses and lower parking ratios.
- Align height, density, FAR, and lot coverage to allow building controls to work cohesively and ensure efficient and high-quality development results.
- Target height limits of 65 to 85 feet.
- Maintain the look and scale of the area by creating building controls that are in alignment across the entire study area; do not view the two subject sites as separate from the study area.

The city should look at these two sites as an opportunity to reset the bar on building controls, as well as to set a precedent for future development in the study area. Proximity to Caltrain and the retail core makes these sites an excellent location for higher-density development. With the appropriate zoning in place, additional value could be unlocked with the suggested modifications.

Long-Term Implementation

Acquisition of Adjacent Sites: Additional value and economies of scale could be realized if the city were able to assemble the two adjacent parcels (PG&E site and lumberyard) to create a larger footprint on which to build a workforce housing community. If the PG&E and lumberyard sites can be acquired, a larger opportunity exists to create a three-phase multifamily project that will add significantly to the unit count of the project. Because workforce housing is currently the greatest community need, the panel recommends that the city pursue acquisition of the neighboring parcels through an entitlement strategy that takes advantage of the previously implemented zoning and building control changes.

Benefits of a larger community include the following:

- Flexibility in scaling the project over time and as financing allows;
- A better living environment for residents by replacing the industrial uses on the target acquisition sites with those more consistent with the desired uses of the area;
- Economies of scale in operations and shared use of amenity space;
- Added presence of people to the area east of the Caltrain tracks where additional activity and street life are needed to support growth of that area; and
- Residents living in the community to support new restaurants and retail on the east side of the Caltrain tracks, furthering the vision of extending downtown across the tracks.

Unlocking Additional Value East of the Tracks: Should a three-phase multifamily project prove feasible through the cooperation of neighboring site owners, the impact on the neighborhood would be substantial enough to create demand for additional restaurants and retail. Additional restaurants, new retail, and growth of active uses will spur the development of downtown San Mateo to the east side of the railroad tracks. Greater emphasis should be placed on the exploration of this opportunity because of

the profound impact it could have on building a stronger connection between the east and west sides of the tracks. In essence, new development built on the east side of the tracks, such as retail, restaurants, public amenity spaces, offices, and housing, could all be a draw that creates a stronger pedestrian connection between the retail core and the up-and-coming downtown area across the railroad tracks.

Three Opportunity Sites, Assuming Acquisition of PG&E Site and Lumberyard



Image not to scale

About the Panel

Jon Knorpp, TAP Chair

Managing Director of Development Services, San Francisco Giants

Jon Knorpp currently serves as the managing director of Giants Development Services where he oversees entitlement and development of Seawall Lot 337/Pier 48 (Mission Rock), a 27-acre mixed-use master plan at the northern end of Mission Bay, as well the San Francisco Giants South American facility improvements. Jon has over 35 years of real estate investment and development experience with urban residential, mixed-use, and master plan properties nationwide. Before joining the Giants, Jon was a founding/senior partner with Wilson Meany Sullivan where he oversaw design, development, and construction for several of the firm's signature assets as well as third-party asset repositioning for some of the nation's foremost banking institutions and private equity clients.

Gillian Adams, Senior Regional Planner, Association of Bay Area Governments

Gillian Adams manages the housing program of the Association of Bay Area Governments (ABAG) to increase the supply and affordability of housing, including development of the Regional Housing Need Allocation. In addition to her role as the ABAG project manager for Plan Bay Area 2040, she is the liaison to San Francisco and jurisdictions in San Mateo County and works with local governments to better integrate regional and local land use policies and to facilitate implementation efforts that encourage more compact, "complete communities" near public transit. Gillian has a master's of regional planning from the University of North Carolina at Chapel Hill and a bachelor of arts in American Studies from Pomona College.

Panelists Deliberate at Draper University, May 2015



Jonathan Cohen, Principal/Studio Director, TCA Architects

Jonathan Cohen, FAIA, has over 30 years of architectural experience, including large-scale multifamily housing, corporate office, mixed-use, and institutional projects in the United States and abroad. He is a principal and studio director in TCA Architects' Northern California office, where he directs design and project management of large-scale, urban, high-density multifamily, and mixed-use projects for national real estate investment trusts and developers. Jonathan is passionate about cities, livability, great design, and sustainability. He received his master of architecture degree from the University of California, Berkeley. He was the 2008 chair of the AIA California Council Integrated Project Delivery Steering Committee and the 2003 chair of the national AIA Technology in Architectural Practice committee. Jonathan was the conference chair of "Connecting the Dots: Understanding the Emerging Digital Building Process," held in San Francisco in 2003. In 2004 he was elected to the AIA College of Fellows.

Jordan Geller, Senior Investment Associate, NAI Northern California; Lead Author

Jordan Geller is an investment sales broker at NAI Northern California specializing in multifamily and mixed-use assets in the San Francisco Bay Area. Jordan's practice has guided clients through the acquisition and disposition of more than \$50 million in investment sales since 2012. Before joining NAI, he served as sales director for a green technology startup, then as a business development manager for an environmental service and consulting firm. Jordan currently serves on two separate committees for the ULI of San Francisco, the Young Leader Group Steering Committee and the District Council's Membership Committee.

Matt Goynes, Associate, Fehr & Peers

Matt Goynes is an associate and project manager with Fehr & Peers in the San Francisco office. He manages a wide variety of transportation studies that involve the nexus of land use and transportation planning. This includes transportation impact studies for large mixed-use infill developments, multimodal corridor studies that require complex simulation models, and pedestrian and bicycle plans that improve accessibility for diverse communities. Matt works frequently with a diverse list of clients, including small landowners, large developers, consulting firms, city agencies, and state and local agencies, on projects, throughout San Francisco, Marin, Sonoma, and San Mateo counties.

Kristen Hall, Urban Design Associate, Perkins+Will

Kristen Hall is an urban designer and planner who specializes in complex urban infill projects. She has led the urban design of several high-profile projects in San Francisco, including Mission Rock and Central Subway Chinatown Station. Through her experience both locally and internationally, she has worked across many different scales to design master plans, write guidelines, coordinate public outreach, and create implementation strategies. Kristen's core area of expertise is delivering projects that require innovation, interdisciplinary collaboration, and stakeholder engagement.

Sujata Srivastava, Principal, Strategic Economics

Sujata Srivastava is a principal at Strategic Economics, a real estate economics consulting firm based in Berkeley, California. She specializes in economic development, real estate market analysis, and fiscal impact studies. She is particularly interested in developing strategies to overcome the barriers to implementing transit-oriented and infill development. Her clients include cities, transit agencies, regional agencies, and private developers. She has worked for many of the local jurisdictions in San Mateo County and has a strong understanding of the market context of the Peninsula. She holds a master's degree in city and regional planning from the University of California, Berkeley.

Therese Trivedi, Senior Planner, Metropolitan Transportation Commission

Therese Trivedi is a senior planner at the Metropolitan Transportation Commission, the transportation planning, coordinating, and financing agency for the San Francisco Bay Area. She manages a suite of transportation and land use programs focused on implementing regional goals and objectives to enhance livability in the Bay Area, improve the quality of development patterns, and promote alternatives to auto travel. In addition, Therese manages projects and teams focused on assessing the feasibility of infill residential development throughout the Bay Area, as well as regional economic strategies and sustainability.

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