



## STAFF REPORT

To the Honorable Mayor and City Council  
From the City Manager

**DATE:** February 24, 2020

### **SUBJECT**

Initiation of an amendment to the General Plan and Downtown Precise Plan for the Sequoia Station Shopping Center at 1039-1101 El Camino Real

### **RECOMMENDATION**

Adopt a resolution to initiate proceedings to amend the Redwood City General Plan and Downtown Precise Plan.

### **STRATEGIC PLAN GUIDING PRINCIPLE**

Transportation

### **BACKGROUND**

The City of Redwood City adopted the City's [General Plan](#) in 2010. The General Plan creates the framework for land development including allowed land uses and maximum development intensities. After the adoption of the General Plan, in 2011 the City adopted the [Downtown Precise Plan](#) (DTPP) with its associated Environmental Impact Report. The Downtown Precise Plan implements the General Plan with more specific standards including approved land uses, development standards, open space, and other requirements for new development or changes to the streets and sidewalks. The DTPP ensures that the Downtown is an urban location for entertainment, retail, housing and office. Both the DTPP and the General Plan limit building heights and the amount of development in downtown.

While the General Plan and Downtown Precise Plan are long-term planning documents, they can also be updated periodically to respond to changing community needs and policy objectives. The General Plan and Municipal Code describe a process where property owners may request amendments to the General Plan and the City Council can choose whether to initiate study of that amendment.

There has been significant recent planning work near the Sequoia Station site around public transit and the Redwood City Transit Center, which includes both the Caltrain station and the SamTrans bus depot with related “last-mile” shuttles and transportation options. Additionally:

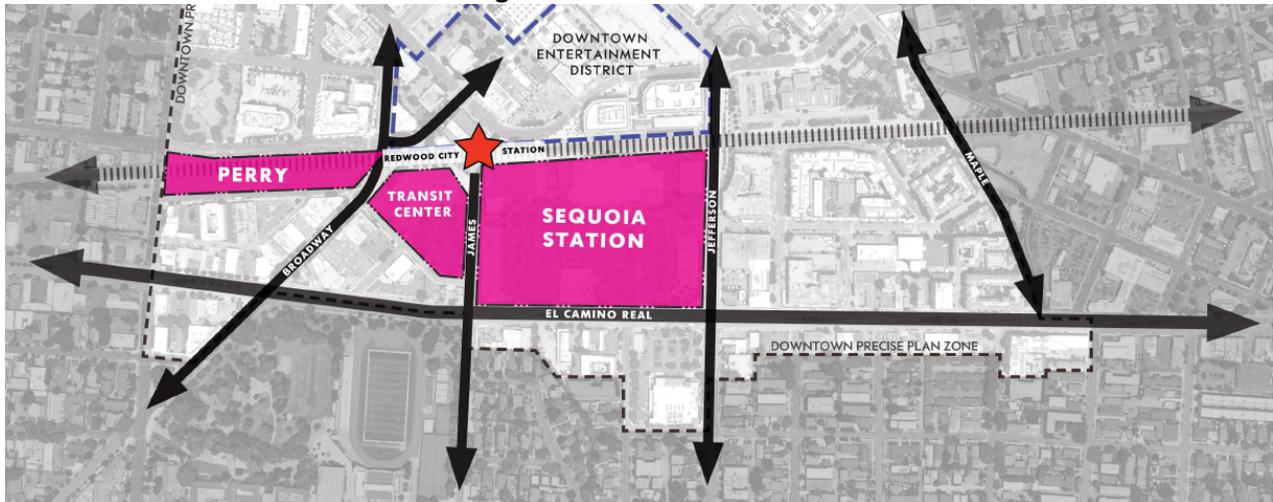
- Redwood City completed the City’s transportation plan called [RWCmoves](#), and utilized a grant to look at [short and long-term options](#) for the Transit Center.
- Caltrain is completing [electrification](#), which will increase train service while reducing greenhouse gas emissions to Redwood City, and recently adopted a long-term vision for the [Caltrain Business Plan](#) which would further enhance train service.
- Cross Bay Transit Partners is studying a long-term option for [Dumbarton Rail Corridor](#) Project, with a potential connection to the Redwood City Transit Center from the East Bay.

These service expansions require adjustments to the existing station area and may require additional space for tracks, bus operations, and related transit. One of the primary constraints to station improvements is the proximity of the CVS and Safeway buildings to the track edge, limiting potential widening of the tracks or platforms. On [November 4, 2019](#) and [January 27, 2020](#), the City Council approved moving forward with creating a Transit District made up of key properties around the Transit Center and starting a larger Central Redwood City visioning effort to obtain community input on future development within the boundaries of Veteran’s Boulevard, Whipple Avenue, El Camino Real, and Woodside Road. In these meetings, the City Council supported the City-led effort for a new Transit District within the Downtown Precise Plan area, and was informed of the General Plan Initiation request by Sequoia Station property owners represented by Lowe.

In September 2019 Sequoia Station property owners requested consideration of a General Plan Amendment for all of the properties that would be a part of the proposed Transit District, including property controlled by the Joint Powers Board (Caltrain), San Mateo County Transit District (SamTrans), and the private property of A-1 Party Rentals (corner of Broadway and California Street). Since that time, the City Council has directed staff to proceed with the Transit District planning actions, emphasizing the importance of the City leading this planning process. Both SamTrans and Caltrain have submitted letters supporting a General Plan Amendment Initiation, but indicating that they do not yet have development plans for their properties. The owner of A-1 Party Rentals has also described interest in participating in the Transit District, but does not have immediate plans for redevelopment or wish to be included in an initiation process.

Lowe is requesting to submit a comprehensive development application in the near term for the seven parcels owned by Regency, Safeway, and SamTrans that comprise Sequoia Station. This would allow for community outreach and environmental review on the proposed redevelopment of Sequoia Station, a process that will be shaped by the City and will support the larger City-led study of the Transit District. As shown in Figure 1 below, the Transit District includes Sequoia Station as well as the current Transit Center and property owned by SamTrans and CalTrain. Initiation of the Sequoia Station project would allow the City to consider and encourage transit-supportive development as a first step in that effort.

Figure 1 – Transit District



While the City and its partner agencies are completing technical transit studies to define space and circulation needs and considering compatible land uses and appropriate development standards, the Sequoia Station project would refine their proposed redevelopment of Sequoia Station through a community engagement process to meet City goals. This sequencing would ensure the appropriate phasing of interrelated planning efforts: modifications to Sequoia Station are necessary to support transportation initiatives which will be addressed in the Transit District. Community engagement related to both Sequoia Station and the Transit District will inform the Central Redwood City Plan. Redevelopment of Sequoia Station provides opportunities to advance numerous City policy objectives including transportation, housing, sustainability, aesthetics, public safety, and economic vitality. Figure 2 provides the location of Sequoia Station within the Transit District, and the location of the Transit District within the preliminary boundaries of the Central Redwood City Plan.

Figure 2 – Context of Sequoia Station within Planning Efforts



## ANALYSIS

This report describes the proposed initiation request, the context of related City plans and policies, and potential next steps for technical studies, community outreach, and environmental review.

*Project Description:* The 12-acre project area of Sequoia Station is bounded by James Street, El Camino Real, the railroad tracks and Jefferson Avenue (Figure 3). The area is currently developed with a retail shopping center containing Safeway, CVS, Barnes and Noble, Old Navy and a variety of restaurants and other retail services. The existing site has substantial parking, with a 6-acre surface parking lot and an underground garage serving both the retail uses and the adjoining Caltrain Station.

Figure 3 - Site Area



The proposed project involves a new mixed-use development that proposes to maintain the same amount of retail and add affordable housing and a significant amount of office space. The ground floor would consist predominantly of retail uses, with housing and office above with Safeway and CVS stores to be retained (Figure 4). While the initial application requested building heights of 7-8 stories along El Camino Real, two 10-story buildings, and one 17-story building along the railroad tracks, the applicant has since withdrawn its request for the 17-story building and instead would like to comply with the DTPP heights (Figure 5) with the ability to study revised heights on a portion of the site by 1-2 stories given its proximity to the Transit Center (Attachment 3). The project would be served by a large underground garage providing shared parking.

A new street grid is proposed connecting Franklin Avenue through the site to James, with cross streets of Hamilton and Harrison, as required by the Downtown Precise Plan. The project includes significant setbacks from the rail right-of-way to facilitate additional tracks, and has a large community gathering and open space between Franklin and the railways. Improved pedestrian and bicycle amenities would be provided along all streets, including El Camino and James.

- *Retail of 175,000 sq. ft.* - The proposal includes keeping both Safeway and CVS open during construction, and relocating them into new spaces when the first phase of construction is complete. Safeway is the major retailer (and a property owner) in Sequoia Station, and maintaining operations during construction is an important priority. The proposed amount of retail is equal to the existing amount today.

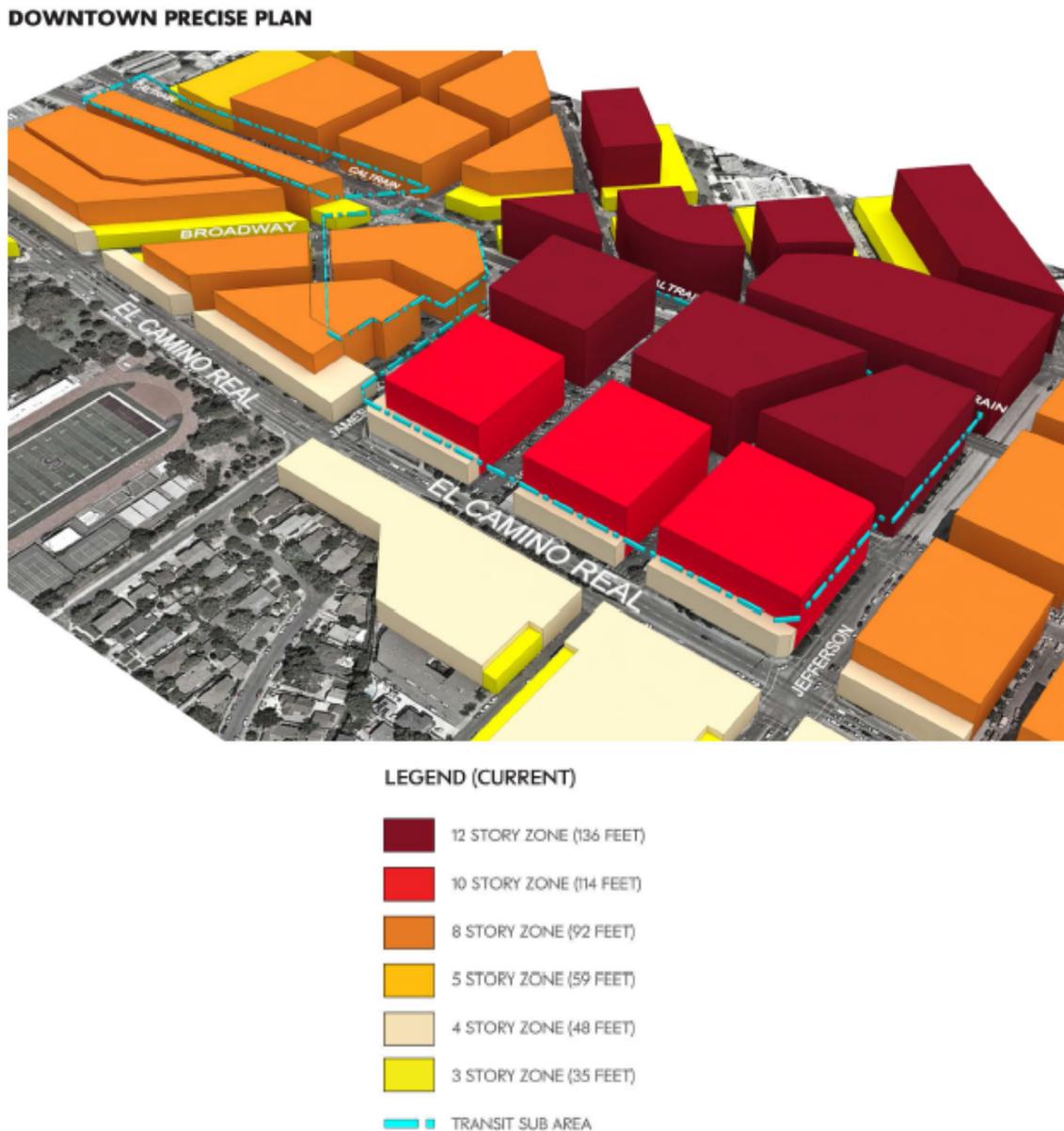
- *Office of 1,400,000 sq. ft.* - Office uses make up the predominant portion of the proposed project and would be built on top of ground floor retail.
- *Residential with 225 units of affordable housing* - The project proposes up to 225 affordable residential units, with over half of the units affordable to very low income households. Over 50 of the units would have three bedrooms, which are desirable for larger families. There may also be opportunity for housing on the Transit Center property, adjacent to Sequoia Station, which will be analyzed through the City-led Transit District Plan.

Figure 4 - Proposed Land Uses and Streets



*Downtown Precise Plan Context:* The proposed project is within the Precise Plan’s “Downtown Core” area which allows retail, office, housing, lodging and civic uses by right. It is currently planned to be one of the densest areas within the Precise Plan with major retail activity and vibrant street level activity. The Downtown Core area also allows for some of the tallest buildings in the DTPP, with heights of 10 stories (114 feet) along El Camino Real and heights of 12 stories (136 feet) along the Caltrain tracks. Required parking is 3 spaces/1,000 sq. ft. of commercial use if parking is shared, and ranges from 0.75 to 1.5 spaces/unit for residential, dependent on the bedroom count.

**Figure 5 – DTPP Heights Regulations Map**



*El Camino Real Corridor Plan, RWCmoves, Vision Zero and Sustainability:* Sequoia Station is identified in the El Camino Real Corridor Plan as an activity center, with focus on ground floor retail and pedestrian

amenities including improved crossings, plazas, courtyards, and other publicly accessible spaces. The *RWCmoves* plan identified a 73% increase in Caltrain ridership since 2006. The Redwood City Transit Center has an average of 4,200 Caltrain and 2,200 bus passengers on weekdays and has the fifth-highest ridership in the Caltrain system. Improvements to the Transit Center were frequently supported by the community and ranked highly on the priority list of transportation improvements.

Identifying, and then building, improved facilities for people walking, biking, scooting etc. to a new transit center could advance multiple City priorities:

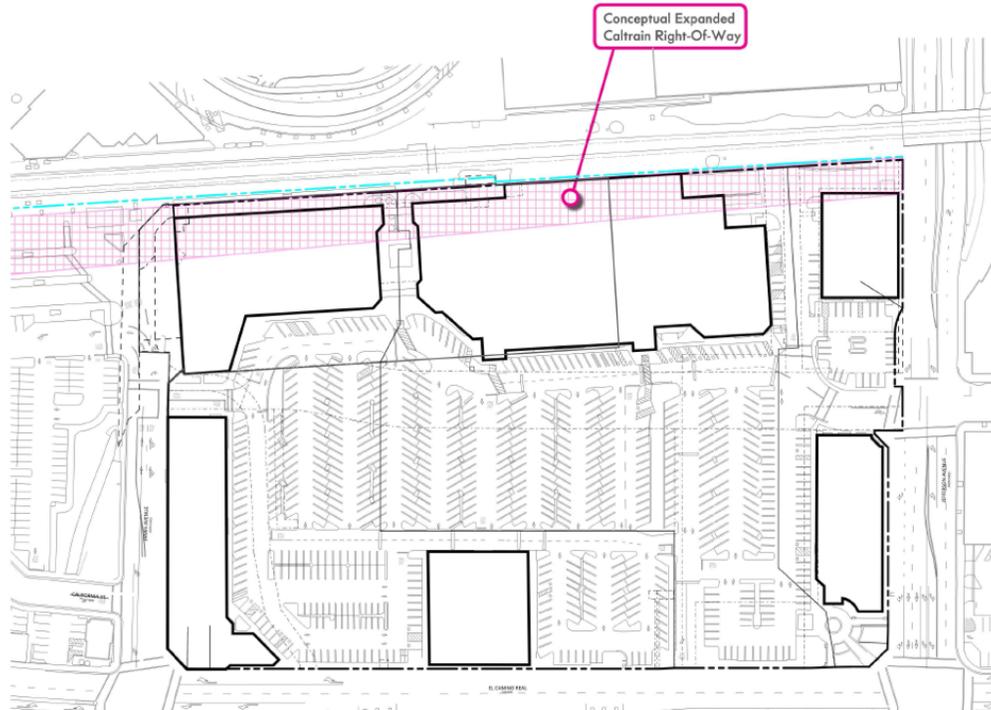
- Vision Zero – research has shown that increasing the number of people walking and biking reduces collision rates for those groups,
- Sustainability – shifting people to less energy intensive commutes (from driving to riding Caltrain, from driving to the station to riding a bike, etc.) will help reach Climate Action Plan goals for reducing greenhouse gas emissions. Transportation-related emissions are the top source of greenhouse gas emissions in Redwood City.

*Future Rail Improvements:* Through its Business Plan, Caltrain identified Redwood City for the location of a mid-Peninsula transit hub with an increased number of trains (up to 12 trains per hour per direction from the 6 once electrification is complete). Significant changes are needed to facilitate this level of service:

- Additional tracks and train platforms to allow transfers between local and express trains,
- Longer platforms to accommodate longer train sets and to increase the number of passengers each train can carry, and
- Better access to and from the station to get more riders there.

At the same time, the City is studying how best to accomplish grade separations – which crossings to separate, how to separate them, and when to separate them. Because 4-track, at-grade crossings are not allowed, adding railroad tracks downtown is directly tied to the grade separation work. To accommodate more tracks, additional land would be needed from the Sequoia Station shopping center, greatly impacting the existing CVS and Safeway buildings. An estimation of required land is shown in Figure 6. Caltrain and SamTrans are conducting technical studies to determine the land need with more certainty, and these studies should be completed in late fall.

**Figure 6 - Estimated Land for Dedication in Future Rail Improvements**



*General Plan Amendment Initiation:* An initiation is requested to consider the following General Plan amendments:

1. Amend the Development Caps to allow additional residential beyond 2,500 units and office beyond 586,000 sq. ft. No increase to the 100,000 sq. ft. retail cap is requested.
2. Amend the Maximum Heights to allow consideration of heights beyond 10 and 12 stories on a portion of their site.

*Note:* The specific square footage requested for office and residential uses will be determined when the formal development application is submitted. As part of the study of this project, various square footage scenarios could be studied as part of the environmental analysis.

Development caps have been amended twice since the implementation of the DTTP, once to reserve 375 residential units for low or very low income housing, and secondly to increase the office cap in order to allow the 851 Main mixed-use development. This would be the third plan amendment since adoption in 2011.

Many community members have expressed concerns with the jobs/housing balance within the proposal, as well as the proposed height of the 17-story building adjacent to the railroad tracks. In response, the applicant has withdrawn its request for the 17-story building and instead proposes to comply with DTPP building heights and requests to study 1-2 stories of additional height on a portion of the site (Attachment 3). Staff recommends a financial analysis be completed to evaluate the value of the proposed development in relation to the proposed community benefits. Initiation of a General Plan and Precise Plan amendment would allow for development, economic and environmental review to proceed, but does not imply approval of any project entitlements.

If the City Council chooses not to consider the development proposal via a General Plan Amendment Initiation at this time, staff would continue with development of the Transit District plan. However, this would likely extend a potential redevelopment timeline for Sequoia Station and could compromise the City's ability to establish a larger, more effective transit hub and accommodate additional rail tracks needed to support more frequent rail service. Relocation of the Safeway and CVS buildings are critical to these efforts. The developer has indicated that the timing of existing lease terms has created a window of opportunity for development. If redevelopment of the site is not possible in the near term, a longer and more expensive process would be needed to secure the needed land for additional rail and bus service. Having the ability to plan and engage the community for the future Central Redwood City Plan and the transit district while concurrently reviewing the Sequoia Station development application will greatly inform future land uses, site design and functionality of the community's future downtown area.

*Downtown Precise Plan Initiation:* The Downtown Precise Plan also lists development caps, heights, and specifies parking ratios for uses. Consideration of reduced parking would be done in concert with the Precise Plan amendments. Interested parties may request the City to initiate an amendment of the Precise Plan, which may be authorized by the Planning Manager or designee. (Redwood City Zoning Code [Section 52.5\(A\)](#)). As with the previous request for 851 Main Street, the City's policy is to bundle related requests and have them acted upon by the highest approval authority, in this case the City Council. The proposed resolution includes initiation of a Downtown Precise Plan amendment.

## **NEXT STEPS**

If the Sequoia Station is initiated, staff proposes the following steps:

- Spring 2020 - Technical studies begin for railway operations and land needs on the Transit District.
- Summer 2020 - Community outreach for the Transit District on goals, land uses, and connections. Sequoia Station project is revised to conform to the Transit District proposal.
- Fall 2020 - Technical studies are completed and environmental review begins, including the Sequoia Station project.
- Winter 2020 and 2021 - Community engagement continues along with environmental studies and further refinements of the Sequoia Station project to address transit needs and community input.

## **FISCAL IMPACT**

If a General Plan Amendment Initiation is approved for the proposed Sequoia Station project, a cost recovery account will be established to pay for staff review time, environmental review and community engagement efforts associated with considering the proposed project. If the project is not initiated, the City will need to use other funding sources including potentially the General Fund to pay for related planning efforts for the Transit District.

Redevelopment of Sequoia Station could increase property and sales tax revenue to the City while also increasing City service obligations related to office, housing and retail uses. This would be analyzed as part

of the General Plan Amendment Initiation. Additionally, the financial analysis would assess the value of the additional proposed development in relation to the proposed community benefits.

Staff anticipates similar financial analyses will be conducted for the Transit District and the Central Redwood City Plan.

## **ENVIRONMENTAL REVIEW**

In 2010, an Environmental Impact Report (State Clearinghouse #2006052027) was prepared to assess potential impacts resulting from the implementation of the DTPP. The DTPP established new land use, development, and urban design regulations for the 183-acre DTPP area, including the potential for up to 500,000 square feet of office space. The DTPP Environmental Impact Report (EIR) was certified by the City Council on January 24, 2011.

Additional environmental review will be required for the project. This environmental review would identify potentially significant unavoidable impacts (significant impacts that cannot be avoided by the proposed project) and potentially cumulative impacts (significant impacts generated by past and future projects in addition to the current proposal). To determine significance of traffic and transportation impacts, the new Vehicle Miles Traveled (VMT) standard would be used consistent with State law. Generally projects within one-half mile of a transit station are considered to have a less than significant effect on traffic and transportation.

## **PUBLIC NOTICE**

Public notification of the public hearing was achieved by posting the notice on the website, with the agenda items being listed, at least 72 hours prior to the meeting, mailing notices to property owners and tenants within 300 feet, emailing to a list of interested parties, and through City's social media and electronic newsletters.

## **ALTERNATIVES**

1. Direct staff to bring back additional information for future initiation consideration; or
2. Do not initiate a General Plan Amendment and Downtown Precise Plan Amendment. If this option is selected, specify if the project may be substantially changed and returned for reconsideration.

Either of these alternatives may impact funding and the timeline associated with development of the Transit District.

## **ATTACHMENTS**

Attachment A - Resolution initiating proceedings to amend the General Plan and Downtown Precise Plan  
Attachment B - Estimated timeline for the project and land use studies

Attachment C - Supplemental letter to General Plan amendment initiation request  
Attachment D - Project description letters  
Attachment E - Public comments since January 27, 2020

**RELATED DOCUMENTS AVAILABLE ONLINE**

[Project Plans](#)  
[General Plan](#)  
[Downtown Precise Plan](#)

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