

City Council Agenda Item #10 a Monday, August 25, 2025



Meeting Purpose

Staff recommend that City Council receive a presentation and provide direction on:

- Outdoor Dining and Retail Display Areas
- Formula Businesses
- Personal Services
- Parking Maximums

Staff Supporting Tonight's Item

City Staff

- Al Savay, Community and Economic Development Director
- Andrea Mardesich, Assistant Community Development Director
- Lisa Porras, Planning Manager
- Rendell Bustos, Senior Planner
- Andrew Douglass, Senior Management Analyst
- Sajuti Haque, Economic Development and Housing Manager
- Akanksha Chopra, Senior Management Analyst (Sustainability)
- Tracy Scramaglia, Assistant Public Works Director
- Hanieh Houshmandi, Senior Traffic Engineer

Consultant Team

WRT

- James Stickley, Principal Landscape Architect and Urban Designer
- Rohit Tak, Urban Designer

W-Trans

Brian Canepa, Principal, TDM-CP

Outreach

Council Downtown Subcommittee, Aug 6

Our Meeting Outline

- Downtown Streetscape Master Plan Implementation
 Follow up from City Council Study Session of June 9: 700 block Laurel, next steps
- Developing the Downtown Specific Plan
 Follow up from City Council Study Session of June 23 (next Study Session Aug 25)
 - i. Outdoor Dining & Retail Display Areas (tomorrow mtg with businesses)
 - ii. Formula Business
 - Personal Services
 - iv. Parking/Transportation Demand Management (TDM) Follow Up
- 3. Downtown Specific Plan Schedule and Next Steps

Downtown Business Meeting, Aug 7



Subcommittee – Key Takeaways

- 1. Expand area for outdoor dining along El Camino Real (i.e. greater than 5 ft.)
- 2. Outdoor dining chairs positioned so that their backs do not face the pedestrian zone or street
- 3. Expressed caution about the placement of outdoor heaters
- 4. Emphasized no permanent attachments to the ground/pavement
- 5. Limit colors choices for umbrellas to 4 using colors from the City's official colors palette
- 6. Ensure barriers (i.e. planters) are wide enough for stability, and encourage gaps in between
- 7. Do not allow subletting of outdoor dining or retail display areas
- 8. Investigate the possibility of collecting a fee for private use of city right-of-way
- 9. May be too soon to adopt parking maximums
- 10. Some control over formula businesses is desired, but do not prohibit

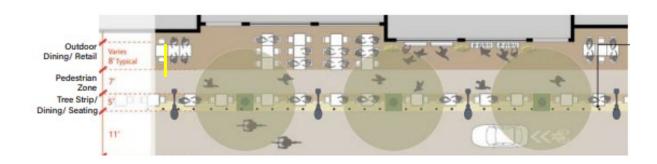
Business Meeting – Key Takeaways

- 1. Generally supportive of outdoor dining standards.
- 2. Will the City charge a fee and how much would it be?
- 3. Asked about the possibility of grandfathering existing outdoor furniture appliances, etc.
- 4. One business owner strongly favors existing parklet setup.
- 5. Generally, all want protection from the elements (e.g. wind, sun).
- 6. Asked about the timing and communication for streetscape construction; and how long will they be able to maintain or improve their parklets?
- 7. All expressed a need for activation; what are the city's plans for bring more vitality to downtown?

New Standards

Outdoor Dining and Retail Display Areas

Location (Outdoor Dining/Retail Zone & Tree Strip



Sidewalk Café/Retail Display Zone:

- Laurel Street
 - 600 and 800 blocks: <u>8 feet</u> from building face
 - 700 block: <u>9 feet</u> from building face
 - South of Arroyo: 4 feet minimum sidewalk clearance
- San Carlos Avenue: 8 feet from building face
- El Camino Real: at least <u>5 feet</u> from building face



Location – Policy Considerations

Outdoor Dining/Retail Display Zones

 Established through the Downtown Streetscape Master Plan's street designs (No direction needed)

Tree Strips

- 1. For private use (e.g. a restaurant/café operator); not for public seating.
- 2. Allow along the 600, 800 blocks of Laurel Street, and 1100,1200 blocks of San Carlos Ave.
- Each business is not guaranteed a space; other streetscape elements may limit equal opportunity.
- 4. Not allowed in tree strips of public plazas.

600 Block Plaza

1. No outdoor dining areas for private use, plenty of public seating.

Operations – Consider 5 New Standards

- Allow outdoor businesses and retail display areas to conduct live music/ entertainment with City approval of a Minor Use Permit with conditions that ensure proper coordination, avoid over-concentration of venues, and minimize noise impacts.
- 2. Portable heating devices must meet Fire code and subject to Fire approval.
- 3. Okay to leave appurtenances, furnishings overnight.
- 4. No subleasing to another business.
- 5. Areas allowed in outdoor dining/retail zone is the same amount for both dining and retail (retail was previously limited.

Design – Consider 14 New Standards

- 1. Underscore no permanent attachments to ground/pavement areas.
- 2. No permanent freestanding shelters/structures over outdoor dining/retail display areas.
- 3. Umbrellas shall be of a solid color (using City official color palette plus white); no advertising or signage.
- 4. Awnings allowed to be patterned (current code requires solid color).
- 5. Outdoor dining chairs positioned so that their backs do not face the pedestrian zone or street.
- 6. Arrangement must comply with ADA access and clear zone requirements.

Design – Consider 14 New Standards (cont.)

- 7. Soft, retractable panels allowed for privacy on the sides of dining/retail areas.
- 8. Windscreens in the front of outdoor dining areas allowed provided they are retractable, transparent, and only used in inclement weather.
- 9. Barriers not required, but if provided:
 - a. may include planter boxes (but no wrought iron fencing)
 - b. No continuous wall
 - c. cohesive in color, size, material
 - d. Encourage gaps between planter boxes and barrier elements
 - e. Limited to 3 ft in height, with plants 4 ft.
 - f. No freestanding stanchions with weighted bases (create tripping hazard along the pedestrian path)

Design – Consider 14 New Standards (cont.)

- 10. No fake plants or hedges.
- 11. Prohibit rope barriers, metal crowd barriers, and jersey barriers.
- 12. No ground platforms or ground surface coverings.
- 13. No outdoor display figures.
- 14. Prohibit plastic card tables, cinderblocks, and cardboard as display elements.

Design – Consider Umbrella Colors



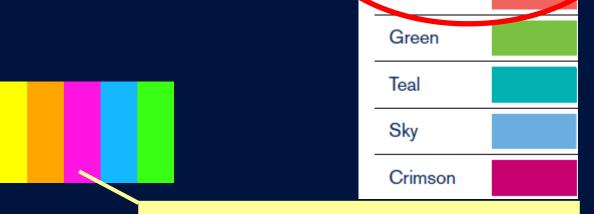
Umbrellas to be solid color using San Carlos'
Official Color Palette *plus white* (no advertising or signage).

Navy

Gold

Orange

Coral



But exclude neon and dayglow colors

Tree Strip – Consider Operation and Design

- Tables and chairs set back 2.5 ft. from a curb face or bollard (to allow passengers to enter and exit their vehicles where parallel parking occurs).
- 2. 5 ft. buffer between adjacent tree strip dining areas (so pedestrians can access the sidewalk).
- 3. Tables and chairs set back 4 ft. from utility access panels, survey monuments, and manholes.
- 4. Tables and chairs, setback 3 ft. from fire hydrants or Fire Department Connections.
- 5. Consistency with ADA parking locations that require 3 ft. wide clear path for each door (affects placement of tables/chairs).

- 6. Establish maximum table size.
- 7. Tables and chairs in the tree strip zone to match tables and chairs in the dining zone.
- 8. Tables and chairs in from tree strip zone may be stored overnight.
- 9. No umbrellas.
- 10. No portable heaters.
- 11. No barriers.
- 12. May not string electric lines or lighting between business and tree strip zone.
- 13. No objects within the sight distance triangle of an intersection.

POLICY CONSIDERATIONS

Formula Business and Personal Services

Formula Business

Current Situation:

 Current ordinance seeks to maintain a local feel and keep brands/chains limited.

The Challenge:

 Regulating formula businesses can be challenging with unintended consequences such as discouraging compatible chains, even those local to the Bay Area.

Things to Consider:

- Should the current ordinance be re-evaluated to add more flexibility through mechanisms like:
 - Streamlined approvals, (including change from CUP to MUP for retail formula business)
 - Expedited plan check
 - Concierge approach



Formula Business cont.

- Potential Outcomes if modified
 - Signals to businesses that San Carlos is not necessarily closing the door to formula businesses
 - A strategy to gain diversity, vibrancy, by having other uses in the downtown to serve daily needs and respond to community's request for a variety of offerings.



POLICY CONSIDERATION: Staff recommends requiring a Minor Use Permit for formula business <u>RETAIL</u>. Add an Action Item in the Specific Plan:

To ensure the downtown remains vibrant with a mix of businesses and offerings for the San Carlos community, conduct additional research and evaluation of the City's Formula Business Ordinance and consider removing constraints.

Personal Services

Current Code Requirement

- 600, 700 and 800 blocks of Laurel Street
- 1100 and 1200 blocks (south side only) of San Carlos Avenue
- 1. 7 am to 10 pm only
- 2. Existing personal services uses may continue to occupy their current location but **shall not expand greater than twenty-five percent of their floor area** as it existed on **August 22, 1994**.
- 3. New personal services uses may move into a location that was previously a personal services use, provided:
 - a. That location has not been vacant for more than six months; and
 - b. The **new business type is the same as the previous business type**, i.e., beauty salon for beauty salon, shoe repair for shoe repair, etc.
- 4. New personal services may move into a location that was previously retail, restaurant, personal services, or a space that was vacant for more than six months, **provided no other personal service use of any type exists within a three-hundred-foot radius** of the proposed use.

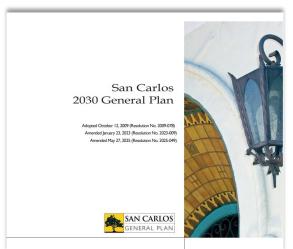
POLICY CONSIDERATION: Staff recommends removing these restrictions and require a Minor Use Permit.

POLICY CONSIDERATIONS

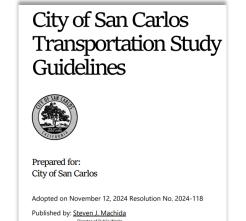
Parking Maximums

A Transportation Demand Management (TDM) Strategy

Staff recommends policies and standards that are most consistent with adopted policy documents we already have.



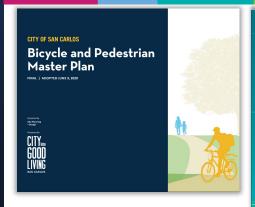




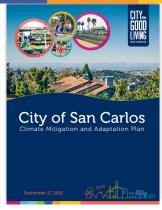
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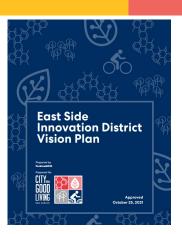
FEHR PEERS

4. Mobility, Traffic and Transportation Infrastructure: The City of San Carlos will actively pursue plans and strategies for improving mobility, traffic, parking, transportation infrastructure, and street maintenance while encouraging alternative modes of transportation to provide efficient, safe, and effective movement throughout the city.









Traffic impact mitigation strategies generally take the form of TDM measures.

Setting balanced parking targets is one of the most effective TDM strategies, it can:

- Decrease traffic & VMT
- Decrease cost of development
- Help San Carlos' meet its GHG reduction targets
- Make San Carlos' streets more walkable and bicycle friendly

5.1.4 Mitigation Measures

When VMT impacts are identified, there are currently two types of project-based mitigation measures to consider:

- Physical Design (land use or transportation); and,
- Transportation Demand Management (TDM).

What we heard.

- More information is needed, what are the benefits and tradeoffs?
- Let the market decide.
- Overly restrictive maximums can deter development.
- Adopting parking maximums so soon after the State required no parking minimums.
- Let San Carlos figure out what's right for San Carlos.

Parking Maximums - Past Development Data

Past Development Parking Averages

- Residential Average 0.73 spaces/bdr (0.35 0.9 spaces/bdr)
- Office/R&D Average 2.07 spaces/ksf (1.14 2.51 spaces/ksf)

2019-2024 DEVELOPMENT DATA						
Type of Project	Fully Market-Rate	Partially Affordable	Fully Affordable	Office/R&D		
Sites	6	6	2	11		
Total size	33 units	342 units	57 units	2,106 ksf		
AVERAGE SPACES SUPPLIED	0.73 spaces/bdr	0.75 spaces/bdr	0.48 spaces/bdr	2.07 spaces/ksf		

Note: R&D = Research and Development; bdr = bedroom; ksf = 1,000 square feet

Parking Maximums – Staff Recommendation

Number of *new* parking spaces that can be provided by new development:

Proposed Vehicle Parking Maximums for Downtown						
Land Use	Tier 1	Tier 2	Compared to MTC TOC			
Multi-Family	0.7 spaces/bdr	0.8 spaces/bdr	(0.6 spaces/bdr)			
Residential	(1.17 spaces/unit)	(1.33 spaces/unit)	1 space/unit			
Non-Residential	2.0 spaces/ksf	2.5 spaces/ksf	2.5 spaces/ksf			

Note: bdr = bedroom; ksf = 1,000 square feet

- Total # of projected new private parking spaces added to downtown San Carlos: 2,568 to the year 2045.
- Estimated traffic reduction from new residential development: 7 to 15%
 (~500 to 1,000 vehicle trips per day)

Final thoughts for consideration.

- 1. Right sizing parking supply is the most effective transportation demand management tool.
- 2. Parking maximums help to manage traffic, reduce VMT, and help San Carlos meeting its GHG reduction targets.
- 3. Residential developers will still be able to build any amount of parking they want using State Density Bonus (state law allows deviations from city's adopted development standards).
- 4. Proposed Parking Maximums not so different from what the market has proposed over the last several years.
- 5. Staff recommends a proactive approach considering future growth in San Carlos to 2045.
- 6. Under MTC's current scoring methodology:
 - a. If adopted, in a strong position for highest level of funds from MTC.
 - b. If not adopted, at a disadvantage in a competitive grant funding arena.

Project Schedule and Next Steps:

- 1. Release Public Draft Downtown Specific Plan: by late September
- 2. Planning and Transportation Commission recommendation: October 20
- 3. City Council adoption: November 10
- 4. City Council 2nd reading: **November 24**
- 5. Downtown Specific Plan goes into effect: December 24, 2025

Questions?

BACK UP SLIDES

MTC/TOC/OBAG

MTC's draft scoring matrix for OBAG eligibility

Score	Compliance Level	One Bay Area Grant (OBAG) Funding Implication
0 to 39 points	Not compliant	No funding priority
40 to 84 points	Partially compliant	Priority for funding
INA TO THIS NAME	Substantially compliant	Access to special set-aside of funding

Jurisdictions can score a maximum of 100 points through MTC's chosen policy areas:

- 1.Density (25 points)
- 3. Parking (25 points)
- 4. Station Access & Circulation (25 points)
- 5. Affordable Housing & Commercial Stabilization (25 points)

MTC Policy Areas	MTC Points	San Carlos' Current Estimated Score	San Carlos' Potential Estimated Score
Density (meeting all commercial and residential density policies)	25	+8 minimum residential density +8 maximum residential density =16	16
Affordable Housing & Commercial Stabilization (meeting all affordable housing production, preservation, and protection and commercial stabilization policies)	25	+4 inclusionary zoning +4 affordable housing funding +1 commercial stabilization = 9	+4 adopting no net loss policy (also a San Carlos Housing Element action item) = 13 *Attached summary details remaining policies and considerations
Parking (meeting all shared, unbundled, and capped parking policies)	25	+4 Assembly Bill 2097 compliance +3 minimum commercial bicycle parking ratio +1 allow unbundled parking +1 allow shared parking +1 parking management policy = 10	+12 parking maximums +3 residential bicycle parking ratio = 25
Station Access & Circulation Total	25 100	+3 complete streets policy +7 prioritizing active transportation +8 access gap analysis +7 mobility hub planning = 25	25 79

BACK UP SLIDES

Existing Standards
Outdoor Dining and
Retail Display Areas

18.23.140

Eating and drinking establishments with outdoor dining areas shall be located, developed, and operated in compliance with the following standards:

- A. Application Information. Applicant shall submit a site plan and description of the proposed outdoor dining area. The plan shall be drawn to scale showing the location of buildings and structures and in the case of dining in the public right-of-way, the location of street furnishings and trees, curb and onstreet parking, adjacent to the proposed outdoor dining. The plan shall show locations, number and the arrangement of planters, fencing, umbrellas, sun screens, tables, chairs, and other portable or affixed appurtenances proposed. Colors and commercial grade materials shall be specified. An electrical plan, when applicable, shall include any lighting and electrical connection proposed including specification of fixtures, type and location. In addition to any other application materials required, an application for an outdoor dining area shall state the anticipated periods of use during the year, and the proposed hours of daily use, including Saturdays, Sundays, and holidays; and whether any liquor will be sold or consumed in the area to be covered by the permit.
- B. Hours of Operation. **Hours of operation** shall be limited to the hours of operation of the associated eating and drinking establishment and shall be open for a minimum of two service periods per day, except when the establishment is open for only one service per day.

33

- C. Permits and Licenses. The applicant shall obtain a **City of San Carlos zoning clearance/minor architectural review approval and an annual business registration**. The applicant shall also obtain **approval from the San Mateo County Health Department**. In the case of outdoor dining in the public right-of-way, an annual City of San Carlos **encroachment permit is required** pursuant to Chapter <u>12.36</u>. As applicable, a **current and valid liquor license** issued by the California Department of Alcoholic Beverages Control is also required.
- D. Outdoor Dining Area in the Public Right-of-Way.
- 1. Encroachment Permit Required. An encroachment permit approved by the City Engineer is required for any outdoor dining area located in the public right-of-way. **No part of an outdoor dining area shall be permanently attached to the building, public right-of-way or sidewalk**.
- 2. Minimum Clearance. For outdoor dining in the MU-DC zoning district, the outdoor dining area may be **located no further than the extent of the brick demarcation** line that is closest to the front property line. For all other areas, a **minimum of four feet of unobstructed sidewalk** must remain available for pedestrians. For purposes of the minimum clear path, parking meters, traffic signs, trees, tree grates and all similar obstacles shall constitute obstructions within the sidewalk area.

- a. Adjacent to Street. Where the outdoor dining area is located adjacent to a street, an **eighteen-inch clearance shall be maintained from the face of the curb to the outdoor dining area** unless there is parking parallel to the street, in which case a **two-foot clearance** is required.
- b. No Obstructions. Minimum width of access opening shall be forty-four inches. No outdoor dining area shall obstruct any points of building ingress and/or egress.
- c. Corner Lots. On a corner lot, the outdoor dining area shall not be located within the area bound by the extensions of the corner building walls between the building and the curb.
- d. Vertical Clearance. Vertical clearance of seven feet shall be maintained.
- 3. Design.
- a. No Permanent Attachments. Roofs, awnings or umbrellas may be used in conjunction with an outdoor eating area, although permanent shelters over an outdoor eating area are prohibited. Awnings shall be adequately secured, retractable, and shall comply with the Building Code.
- b. Barriers. The outdoor **dining area may be delineated by an edge** perpendicular to the sidewalk, but is not required, by the use of barriers such as **planter boxes or wrought iron fencing**.
- c. Design. The design of all improvements and furniture shall be of a quality to sustain weather and wear, and shall be of commercial grade materials.

- i. Furniture shall be of durable materials such as wrought iron, wood, steel, or cast aluminum. Tables shall be a size suitable for seating of two to four patrons. Plastic chairs and table and vinyl or plastic tablecloths are not permitted.
- ii. Planter boxes shall be of quality materials such as finished wood, precast concrete, terra cotta, or other pottery.
- iii. Umbrellas and awnings shall be solid color canvas. Sun screens shall be a durable fabric and retractable. No generic advertising or signage is permitted.
- 4. Operation.
- a. Noise Limits. No entertainment or use, operation, or playing of any musical instrument, loudspeaker, sound amplifier, or other machine for the production or reproduction of sound is permitted in the outdoor dining area.
- b. No Outdoor Cooking or Open Flames. No electrical appliances, heating or cooking of food or open flames shall be allowed in the outdoor dining area. Use of portable heating devices may be permitted with approval from the Fire Marshal.
- c. No Storage. No structure or enclosure to accommodate the serving or clean-up stations, storage of trash or garbage shall be erected or placed on, adjacent to, or separate from an outdoor dining area on the public sidewalk or right-of-way.

- d. Parking. Outdoor dining areas are exempt from the parking requirements of Chapter <u>18.20</u>, Parking and Loading.
- e. No Overnight Use. All umbrellas, tables, chairs and other portable appurtenances shall be removed from the outdoor dining area at the end of each business day. No storage in the public right-of-way shall be permitted.
- 5. Maintenance.
- a. The permittee and the property owner shall maintain the outdoor dining area and the adjoining street, curb, gutter and sidewalk in a neat, clean and orderly condition at all times, regardless of the source of the refuse and litter.
- b. Activities involving the outdoor dining area shall be conducted in a manner that does not interfere with pedestrians, parking or traffic.
- c. If necessary, the permittee or the property owner shall clean the surface of the sidewalk by washing or buffing to remove any stains, marks, or discoloration and in accordance with prevailing stormwater and water quality regulations.
- d. Furniture and appurtenances shall be kept clean and in good condition. Umbrellas shall be kept secure in windy conditions, and fire-treated. (Ord. 1480 (Exh. C (part)), 2015; Ord. 1438 § 4 (Exh. A (part)), 2011)

Existing Outdoor Retail Sales Standards

18.23.150

encroachment permit.

Outdoor retail sales shall be located, developed, and operated in compliance with the standards of this section.

A. Temporary Outdoor Display and Sales. The temporary outdoor display and sale of merchandise shall comply with Section 18.23.240, Temporary uses, and Chapter 18.31, Temporary Use Permits. An encroachment permit is required for any temporary outdoor display and sales within the public right-of-way; reasonable conditions of approval of such permits may be imposed to ensure unobstructed pedestrian movement in a minimum clear zone and to maintain clean sidewalks.

B. **Downtown Outdoor Display and Sales**. Outdoor display and sale of merchandise in downtown districts shall comply with this section and Title 12. Outdoor display and sale of merchandise is permitted on private property in the MU-DC, MU-D, MU-N and the MU-SB. Outdoor display and sale of merchandise is permitted on public property and in the right-of-way in the MU-DC, MU-D with frontage on Laurel Street and San Carlos Avenue, MU-N with frontage on Holly Street, MU-N south of Arroyo Avenue and the MU-SB with frontage on Laurel Street. The display area shall not encroach in

a public right-of-way, street, alley, sidewalk or other public property without first obtaining an

Existing Outdoor Retail Sales Standards

- 1. General Requirements.
- a. Application Information. **Applicant shall submit a site plan** and description of the proposed outdoor display and sales area. The plan shall be drawn to scale showing the location of buildings and structures. In cases where outdoor sales are proposed for location in the public right-of-way, the site plan shall include the location of street furnishings and trees adjacent to the proposed outdoor display and sales area. The **plan shall show locations**, **number and the arrangement of portable appurtenances proposed. Colors and commercial grade materials shall be specified.** In addition to any other application materials required, an application for an outdoor display and sales area shall state the anticipated periods of use during the year, and the proposed hours of daily use, including Saturdays, Sundays, and holidays.
- b. Hours of Operation. Hours of outdoor display and sales shall be limited to the hours of operation of the associated commercial establishment.
- c. Permits and Licenses. The applicant shall obtain a City of San Carlos zoning clearance/minor architectural review approval and an annual business registration. In the case of outdoor display and sales in the public right-of-way, an annual City of San Carlos encroachment permit is required.

Existing Outdoor Retail Sales Standards

- 2. Outdoor Retail Sales Standards.
- a. Design.
- i. The design of all improvements, sales racks and furniture shall be of a quality to sustain weather and wear, and shall be of commercial grade materials. Vinyl or plastic tablecloths are not permitted.
- ii. The merchandise in the outdoor display and sales area including but not limited to the display racks, tables and stands shall not exceed a height of six feet and in no case be lower than two feet.
- iii. Display and sales area fixtures and appurtenances shall be stable and secure in all wind and weather conditions. **Umbrellas and awnings shall be solid color canvas**. Sun screens shall be a fabric and retractable. No generic advertising or signage is permitted.
- iv. The display and sales area shall not exceed twenty-five percent of the width of the frontage of the associated business storefront.
- b. Operation.
- i. Outdoor display and sales conducted by a business shall be located in front of the associated business storefront.
- ii. All merchandise or services displayed outdoors shall be of the same types ordinarily sold indoors at the business conducting the sale. All sale transactions shall be conducted indoors.