



CITY COUNCIL STAFF REPORT

MEETING DATE: June 23, 2025

ITEM TITLE: Receive a Presentation and Provide Input on the Downtown Specific Plan.

RECOMMENDATION:

Staff recommend that the City Council receive a presentation and provide input on the Downtown Specific Plan.

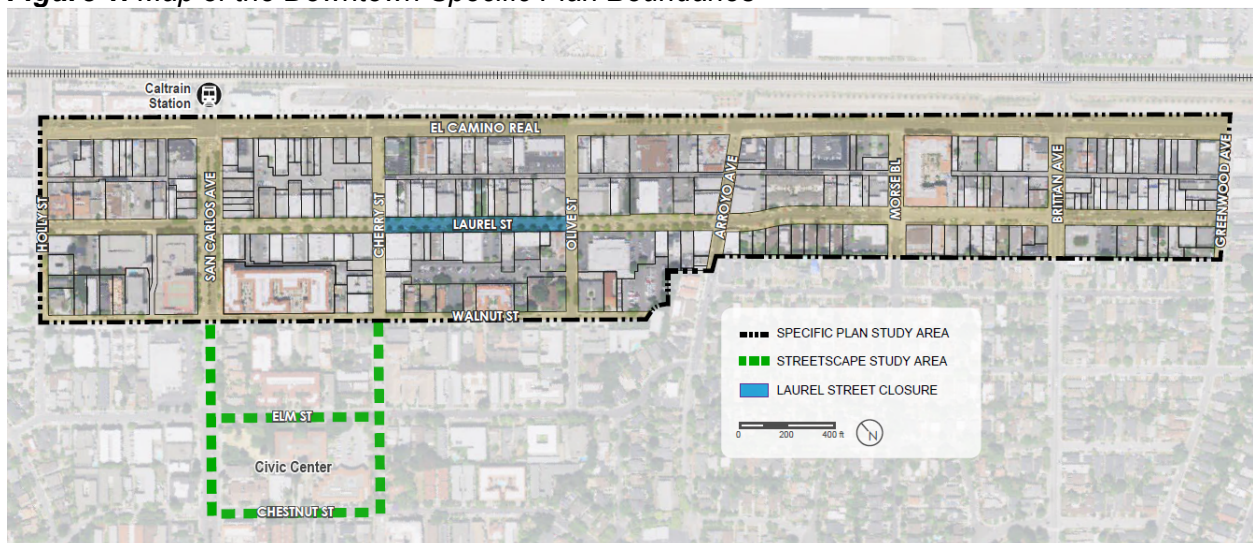
FISCAL IMPLICATIONS:

There are no fiscal impacts associated with providing input on the Downtown Specific Plan project. The downtown planning initiative has already been funded.

BACKGROUND:

The study area for the Downtown Specific Plan is comprised of approximately 67.5 acres. This study area runs along the El Camino Real and Laurel Street corridors and is framed by Holly Street at the north end and Greenwood Avenue on the south end, with El Camino Real to the east and Walnut Street to the west as shown in Figure 1 below.

Figure 1. Map of the Downtown Specific Plan Boundaries



Approximately four years ago in 2021, the City Council advanced the idea of creating a new plan for downtown San Carlos. It had been 12 years since a vision statement and accompanying policies for the downtown were established in the 2009 General Plan. In addition, the 2020

pandemic gave rise to new expectations for downtown, including its management and operations. Around the same time, other efforts were at play, including creation of a brand-new Bicycle and Pedestrian Master Plan (approved in 2020) and a new Climate Mitigation and Adaptation Plan (adopted in 2021). Together, with the temporary closure of the 700 block of Laurel Street to pedestrian-only access, new ideas and a robust discussion about Laurel Street began to emerge. Thus, it became the ideal time to address the future of downtown Laurel Street and its surroundings. For these reasons, in 2021 the City Council established the following goal in its 2021 Strategic Plan:

“The City of San Carlos will work with residents, property owners, business owners, committees, commissions, the Chamber of Commerce, and all other interested members of the community to develop a plan to understand and ensure that the downtown meets the needs of the community and businesses now and into the future.”

Two different, but complementary documents are essential for fulfilling this City Council goal: a Specific Plan and a Streetscape Master Plan. Together, these two documents will govern future development and street improvements in the downtown over the next 20 years. The Specific Plan will establish goals, policies, standards for new development, and identify action items that will be undertaken throughout the life of the plan. The Streetscape Master Plan provides clear, delineated space allocations for all users within the street rights-of-way and provides clear instruction for how the streets would be beautified with new paving, lighting, public seating, public restrooms, new street trees and landscaping, and new public plaza and park designs.

Following an extensive, multi-pronged community engagement process, the **San Carlos Downtown Streetscape Master Plan** was adopted by the City Council on April 28, 2025. Now, City staff and the consultant team turn their focus to completing the Downtown Specific Plan.

This month (in June 2025), two study sessions will have been held to present the initial draft’s goals, policies, actions, and development standards that will apply to the downtown’s 67.5-acre plan area. The first study session with the Planning and Transportation Commission (PTC) was held on June 16, and the second study session will be held on June 23 with the City Council.

Following input received from these two study sessions, City staff plans to release a Public Draft Downtown Specific Plan in late July, with formal adoption hearings scheduled for the PTC and City Council on August 18 and September 22, 2025, respectively.

ANALYSIS:

The City of San Carlos’ policies and standards that currently govern the downtown area include:

- 1) The 2045 General Plan
- 2) The Zoning Ordinance

All policies and regulations applicable to downtown will be reflected in and/or moved to the Downtown Specific Plan, but modified to support a new vision and urban design framework for the downtown. There are no changes to land use designations, nor a change in zoning districts, with one exception that will be presented in this report and discussed during the study session. Proposed modifications to development standards aim to support the look and feel of the downtown’s urban setting, which is established in the recently adopted Downtown Streetscape Master Plan.

The Downtown Specific Plan incorporates overarching guiding principles that reflect the community's aspirations in a vision for the downtown and brings all the tools of making a successful downtown considering social, economic, and experiential factors, and developing strategies that integrate them seamlessly.

These guiding principles are defined in Table 1 below.

Table 1. Guiding Principles

Placemaking and Identity	Mobility and Connectivity	Downtown Vibrancy	Equity & Resilience
The Downtown Specific Plan should strive to create distinctive character and identity unique to San Carlos' culture, history, and context; defined by the physical form and experience of the downtown.	Downtown should have a balance of mobility modes that emphasize pedestrian, bicycle, and public transit circulation along with effective parking management strategies, to support a socially vibrant pedestrian-oriented environment and to minimize auto-dependence to access downtown.	The downtown should achieve a level of vibrancy and vitality that consistently attracts users and shoppers through enhancement of local businesses and diverse programming, in a setting that is distinctive, safe, and attractive.	The downtown should strive to be an equitable place offering social, economic, housing, and recreational opportunities at varying levels of affordability for all users along with being resilient to address evolving climate adaption needs.

Land Use and Urban Design

The Land Use and Urban Design chapter maintains the current six General Plan land use designations for downtown; these are: (1) Mixed Use 90-120, (2) Mixed Use 75-100, (3) Mixed Use 38-50; (4) Mixed Use 30-40; (5) Neighborhood Retail/Mixed Use 75-120, and (6) Parks.

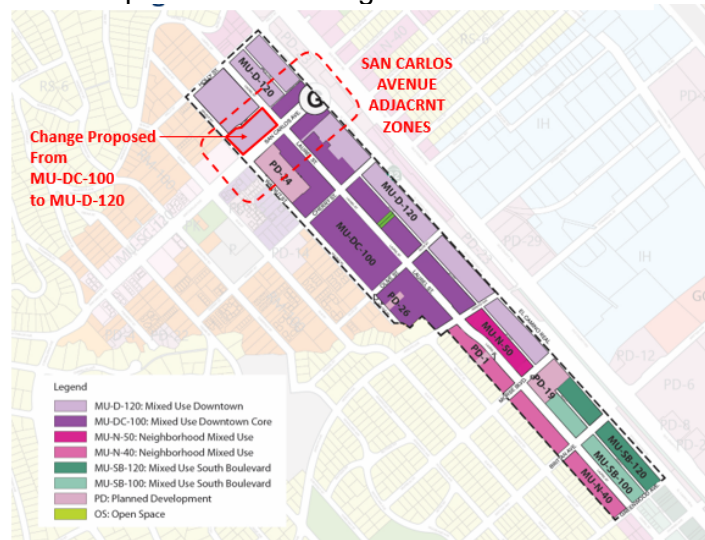
A total of seven zoning districts in the downtown implement the General Plan land uses. Three sites were developed as Planned-Developments (PDs). These seven zoning districts, which are also maintained, include:

1. MU-D-120 (120 units/acre)
2. MU-DC-100 (100 units/acre)
3. Park
4. MU-N-40 (40 units/acre)
5. MU-N-50 (50 units/acre)
6. MU-SB-100 (100 units/acre)
7. MU-SB-120 (120 units/acre)

Rezoning Recommendation

The Downtown Specific Plan proposes to rezone the SamTrans site (APN: 050-072-380) located at 1250 San Carlos Avenue. This site is approximately 1.1 acres and is currently zoned MU-DC-100, which allows 100 units to the acre with a maximum height of 50 feet. The plan proposes to upzone this site to MU-DC-120, which would allow 120 units to the acre and a maximum building height of 75 feet. This rezone would allow more residential units and allow a similar building height and massing that is on the site today.

Figure 2. SamTrans Site Proposed Zone Change from MU-D-100 to MU-DC-120



Land Use Changes

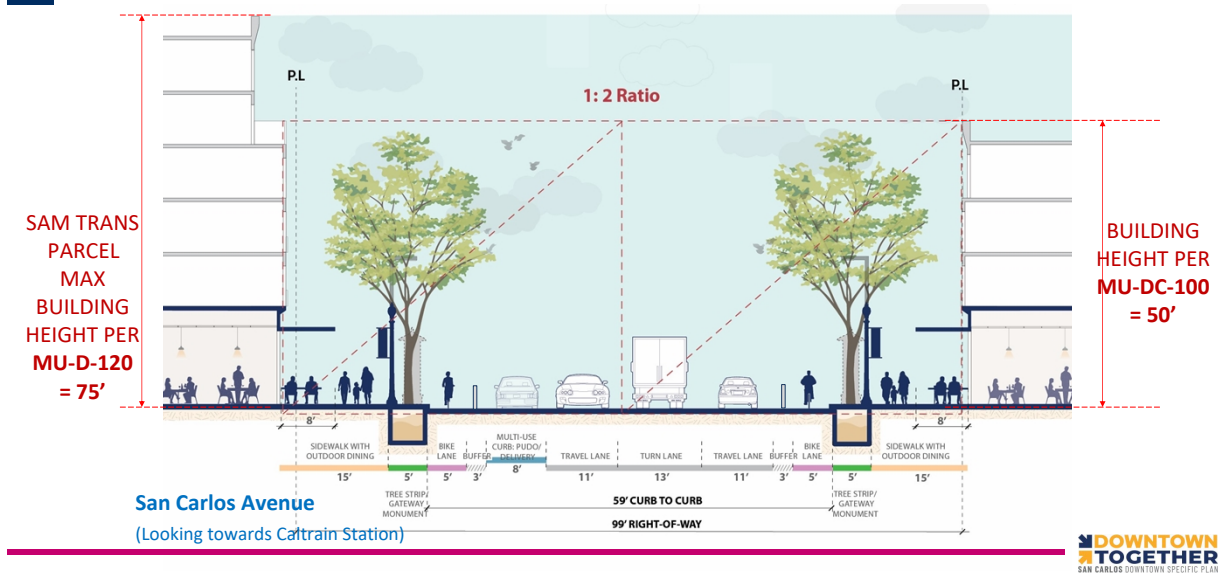
The plan also proposes several land use regulatory changes: Automobile/Vehicle Sales and Leasing is proposed to be discontinued/not allowed; while General Personal Services, which is restricted under current land use regulations, would be allowed. Car showrooms would conflict with the small-scale shopfront patterns that exist and are intended to be preserved. General personal services, such as barber shops, beauty salons, dry cleaning, and shoe repair shops are intended to serve everyday needs and provide a community service; with a growing population in the downtown, personal services become essential ingredients.

Development Standards

The Land Use and Urban Design chapter also provides development standards for each zone, including floor area ratio (FAR), density, height, setbacks, etc., which will be maintained except for the following modifications:

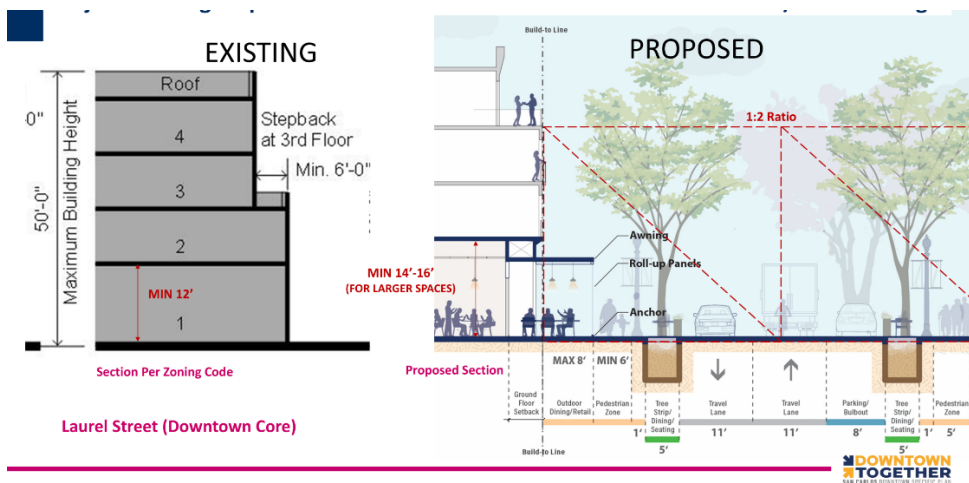
1. Adjust building stepback standards for San Carlos Avenue to require the 5th and 6th stories to be stepped back from the 1st, 2nd, 3rd, and 4th stories below on the north side of the street. No stepback is required on the south side of San Carlos Avenue to allow all 4 stories to align. This allows more flexibility in the building envelope, while serving to frame the street at a 1:2 ratio, which is recommended as a metric for good urban design.

Figure 3. Cross Section Showing Building Stepback on North Side of San Carlos.



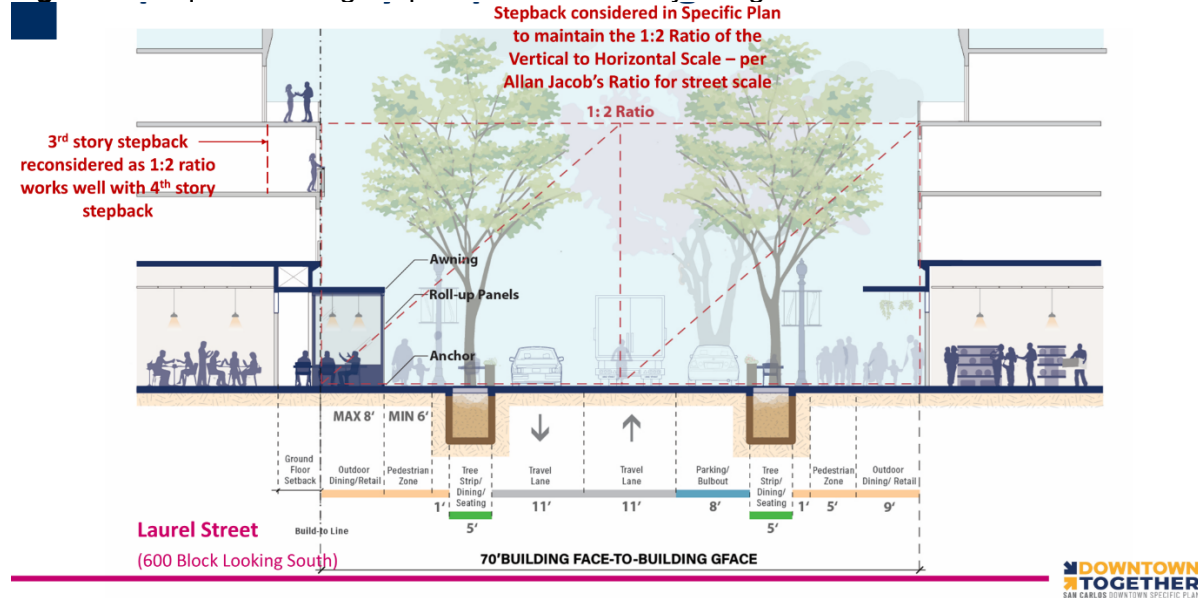
2. Increase height of ground floor uses (finished floor to finished ceiling height) from a minimum of 12 ft. to a minimum of 14 ft. and up to 16 ft. This recommendation is to create high quality commercial space in alignment with a high-quality public realm design.

Figure 4. Increase Ground Floor Height



3. Propose 4th story stepback along Laurel Street. This would allow the building to be stepped back at the uppermost (4th) story instead of at the 3rd story. This also allows more flexibility in the building envelope, while serving to frame the street at a 1:2 ratio, which is recommended as a metric for good urban design and creates a human-scaled environment with a comfortable sense of enclosure for pedestrians.

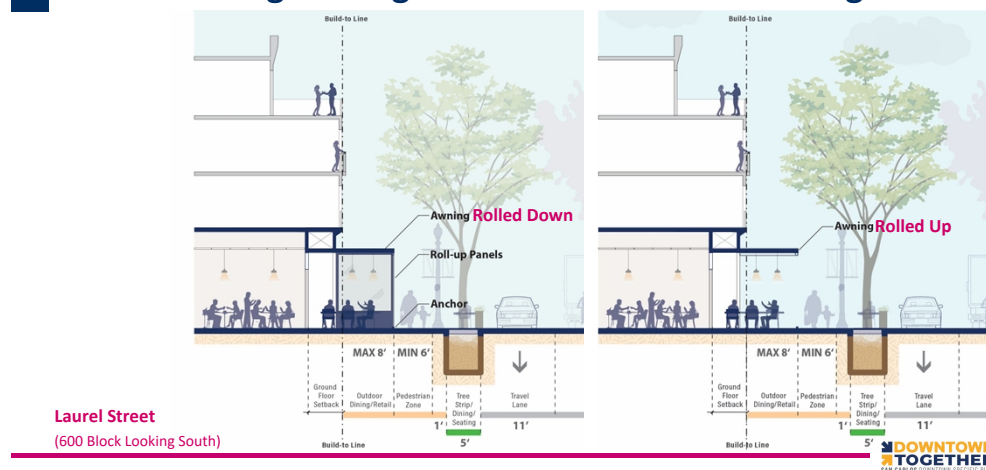
Figure 5. Require Building Stepback at the 4th Story along Laurel Street



4. Allow awnings to align with 8ft/9ft outdoor dining areas. Currently awnings and overhangs cannot project more than 3 feet into the right of way. The recommendation is to allow awnings to extend into the right of way for 8 to 9 ft. to cover the full extent of the outdoor dining area, as set forth in the Downtown Streetscape Master Plan.

Figure 6. Cross Section Showing Expanded Awning Allowance Recommendation

Allow Awnings to Align with 8 -9 ft Outdoor Dining Areas



Outdoor Dining Regulations

Current standards regulating outdoor dining/retail are set forth in SCMC Sections 18.23.140 and 150. The Downtown Streetscape Master Plan sets in place more outdoor dining/retail area than is currently allowed under the Zoning Ordinance; the Streetscape Plan allows for 9 ft. from building

face on the 700 block of Laurel Street and 8 ft. from building face on the 600 and 800 blocks of Laurel Street. The current parklets are temporary, not codified in the Zoning Ordinance, and are anticipated for removal when improvements to streets are made. Other than the expanded area for outdoor dining, staff are proposing to maintain the existing standards for outdoor dining which are outlined below for reference.

- 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.
 - 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.
 - Planter boxes shall be of quality materials such as finished wood, precast concrete, terra cotta, or other pottery.
 - Umbrellas and awnings shall be solid color canvas. Sun screens shall be a durable fabric and retractable. No generic advertising or signage is permitted.

Objective Design Standards

Objective Design Standards that are underway for multi-family and mixed-use zoning districts are proposed to be applied to downtown, with some variation. The standards that will be followed include:

- Minimum Floor Area Ratio for Commercial Uses
- Transitional Standards for Mixed Use Districts Adjacent to Single-Family Residential Zoning Districts (for rear and side yards)

Recommended Parking Strategies

The Specific Plan is a long-term policy document that contemplates new growth and land use changes where a new paradigm of parking management strategies could be employed as essential tools in the future. Best practices, based on research and case studies, show that comprehensive parking management leads to reduced vehicle trips. Fewer vehicle trips would help the City achieve other goals, including the reduction of greenhouse gas emissions and reduced traffic congestion and lead to a more walkable and active downtown setting. The following strategies have been evaluated and proposed as part of the Downtown Parking Study, which is an essential study intended to inform the Downtown Specific Plan process. Many of these recommendations have been presented to the City Council as part of the *Citywide Transportation Demand Management and Parking Reform* project. Based on previous discussions with the City Council, staff do not expect priced parking to be an immediate tool, but rather a long-term policy strategy that could be considered in the future as parking conditions change. The following phased strategies are recommended for implementation in the Downtown. See Attachment 4 for the full report.

Short-Term Strategies

Short-Term Strategy 1 – Suspend the Downtown Employee Parking Permit program. Designate the second floor of the Wheeler Plaza Garage and the top floor of the SamTrans Garage as free ten-hour parking.

Short Term Strategy 2 – Modify the time-restricted hours for all on-street parking and high-demand public off-street parking to include the period between 6:00 p.m. and 8:00 p.m., as well as Sundays. Move the time-restricted hours for all Downtown public parking to begin at 8:00 a.m. instead of 7:00 a.m. if this is supported by future data collected.

Short-Term Strategy 3 – Install parking wayfinding signs to guide drivers to new free ten-hour parking spaces, as well as shared, private parking spaces should they become accessible to the public.

Short-Term Strategy 4 – In advance of formation of a Transportation Management Association (TMA), the City should provide online mobility information for visitors, employees, and residents traveling to and from Downtown including information on multimodal travel options, commuter programs, parking lot locations, parking costs, and parking regulations.

Short-Term Strategy 5 – The City should pursue shared parking agreements with private off-street lot owners and Caltrain to better utilize the existing parking resources within Downtown. A citywide TMA would take over responsibility for pursuing and managing shared parking agreements once it is formed.

Short-Term Strategy 6 – The City should either transition from enforcement through the County's Sheriff Office to an internal office of Community Service Officers (CSOs) or third-party enforcement, or augment enforcement through the Sheriff's office. If internal or augmented enforcement is selected, investment should be made in one or more electric interceptor vehicles with automatic license plate recognition (ALPR) technology.

Short-Term Strategy 7 – Introduce permits for residents of new multi-family developments in Downtown to park without limits in time restricted or priced on-street spaces along or near their building's frontage. The cost of the permit should be equivalent to the market value of the space.

Short-Term Strategy 8 – When improving Downtown streets, prohibit parking near intersections per the state "Daylighting" law and designate accessible on-street spaces required by the federal Public Right-of-Way Accessibility Guidelines (PROWAG).

Mid-Term Strategies

Mid-Term Strategy 1 – Install a Downtown bicycle parking "hub" on the 700 Block of Laurel Street that includes bicycle racks, bicycle lockers, and a bicycle repair station.

Mid-Term Strategy 2 – Designate residential streets within Downtown as a potential Residential Permit Parking (RPP) district. Establish an escalating permit price structure (e.g. \$25 for the first permit, \$50 for the second permit, etc.) and tiered price structure based on a residence's off-street parking capacity (e.g. residents of homes with no garage or driveway receive free permits while residents with more off-street parking spaces pay a greater amount).

Long-Term Strategy

Long-Term Strategy 1 – Operate vehicle and bicycle valet programs for special events in Downtown.

Long-Term Strategy 3 – Create a citywide Transportation Management Association (TMA) for San Carlos that includes Downtown.

Recommended Zoning Changes

Zoning Code Update 1 – Establish Downtown San Carlos as a distinct parking district.

Zoning Code Update 2 – Eliminate vehicle parking minimums for Downtown from the City's Code.

Zoning Code Update 3 – Adopt new loading standards for the Downtown Parking District for developments with 10,000 square feet or more of non-residential uses and/or 100 or more residential units.

Zoning Code Update 4 – Implement tiered vehicle parking maximums for Downtown with a districtwide cap on the number of new parking spaces.

Zoning Code Update 5 – Per AB 2097, the City can require that parking built within Downtown be shared with the public.

Zoning Code Update 6 – Mandate unbundled parking for new multi-unit residential and non-residential developments within Downtown.

Zoning Code Update 7 – Reference state and federal standards for electric vehicle and accessible parking in the Zoning Code and ensure compliance for new and altered facilities.

Zoning Code Update 8 – Revise the existing bicycle parking requirements for Downtown to be independent from the number of vehicle parking spaces required, consider newer and/or emerging bicycle types, and include more specificity in the design guidelines.

Zoning Code Update 9 – For Downtown TDM policy reforms, refer to the project to update the Citywide TDM Ordinance.

NEXT STEPS:

Following the City Council study session on June 23, 2025, City staff and the consultant team will update the Downtown Specific Plan and aim for a release at the end of July 2025. Adoption hearings are scheduled with the Planning and Transportation Commission and City Council on August 18, 2025 and September 22, 2025, respectively.

ALTERNATIVES:

1. Provide input to staff and consultants on the Downtown Specific Plan project, or
2. Do not provide input to staff and consultants on the Downtown Specific Plan project, or

3. Provide alternative approach.

Respectfully submitted by:

Al Savay, Community Development Director

Approved for submission by:

A handwritten signature in black ink, appearing to read 'J. Maltbie', with a stylized flourish at the end.

Jeff Maltbie, City Manager

ATTACHMENT(S):

1. Vision and Guiding Principles
2. Draft Goals and Policies
3. Graphics Representing Zoning Changes
4. Draft Parking Management Strategy
5. Planning and Transportation Commission Input from June 16, 2025