



# SAN CARLOS DOWNTOWN SPECIFIC PLAN

## ECONOMIC DEVELOPMENT COMMITTEE MEETING



JANUARY 23, 2024

# WHY ARE WE HERE TODAY?

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- Hear from the consultant team about preliminary design concepts and economic analysis.
- Discussion on Questions specifically related to economic development emerged from community feedback and Consultant team analysis.



# AGENDA

- Welcome & Introductions
- Consultant Presentation
- Q&A



# CITY OF SAN CARLOS TEAM



**Al Savay**  
Community & Economic  
Development Director



**Lisa Porras**  
Planning Manager



**Akanksha Chopra**  
Associate Planner



**Sajuti Haque**  
Senior Management  
Analyst



**Linnet Kwok**  
Senior  
Administrative Clerk



# CONSULTANT TEAM



## PRIME CONSULTANT

PLANNING / URBAN DESIGN / PLACEMAKING



**James Stickley**  
Principal-in-Charge  
Public Realm Design Lead



**Poonam Narkar**  
Project Manager /  
Sr. Urban Designer  
Engagement Lead



**Matt Taecker**  
Sr. Planner / Urban Designer  
Zoning Update +  
Development Standards



**Rohit Tak**  
Project Urban Designer



**Ashwin Nambiar**  
Urban Designer



**Can Liu**  
Landscape Designer

## SUBCONSULTANT TEAM



**David Shiver**  
BAE/  
Financing & Funding Strategy



**David Greensfelder**  
Greenfelder Commercial  
Real Estate /  
Retail Market Strategy



**Federico Messa**  
Systematica /  
Mobility & Circulation Strategy



**Brian Canepa**  
W-TRANS / Mobility, Circulation  
& Parking Strategy, & Downtown  
Traffic Operations Study



**Robert Stevens**  
CSW|ST2 / Civil  
Engineering & Infrastructure



**Karly Kaufman**  
Rincon Consulting/  
Environmental

# **WHAT IS THE VISION FOR DOWNTOWN SAN CARLOS?**

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## DRAFT **VISION STATEMENT**

Downtown is the **heart of San Carlos** that provides a vibrant, pedestrian-friendly, safe, charming, futuristic, and accessible destination for the community. It is a **place for celebration and gathering** that offers **diverse and authentic experiences** through a draw of food, retail, services, art and music in a visually attractive environment for the growing community. Downtown is an **inclusive place** with easy access for all, opportunities for housing and businesses of all types, and **inviting spaces for all users**. Downtown San Carlos is a **sustainable district**, with landscape that **supports ecological and community health & well-being**.





# DRAFT GUIDING PRINCIPLES

## EQUITY + RESILIENCE



### MOBILITY & CONNECTIVITY

Downtown should have a balance of mobility modes that emphasizes 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 Plan Area 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 adaptation needs.*



### PLACEMAKING & IDENTITY

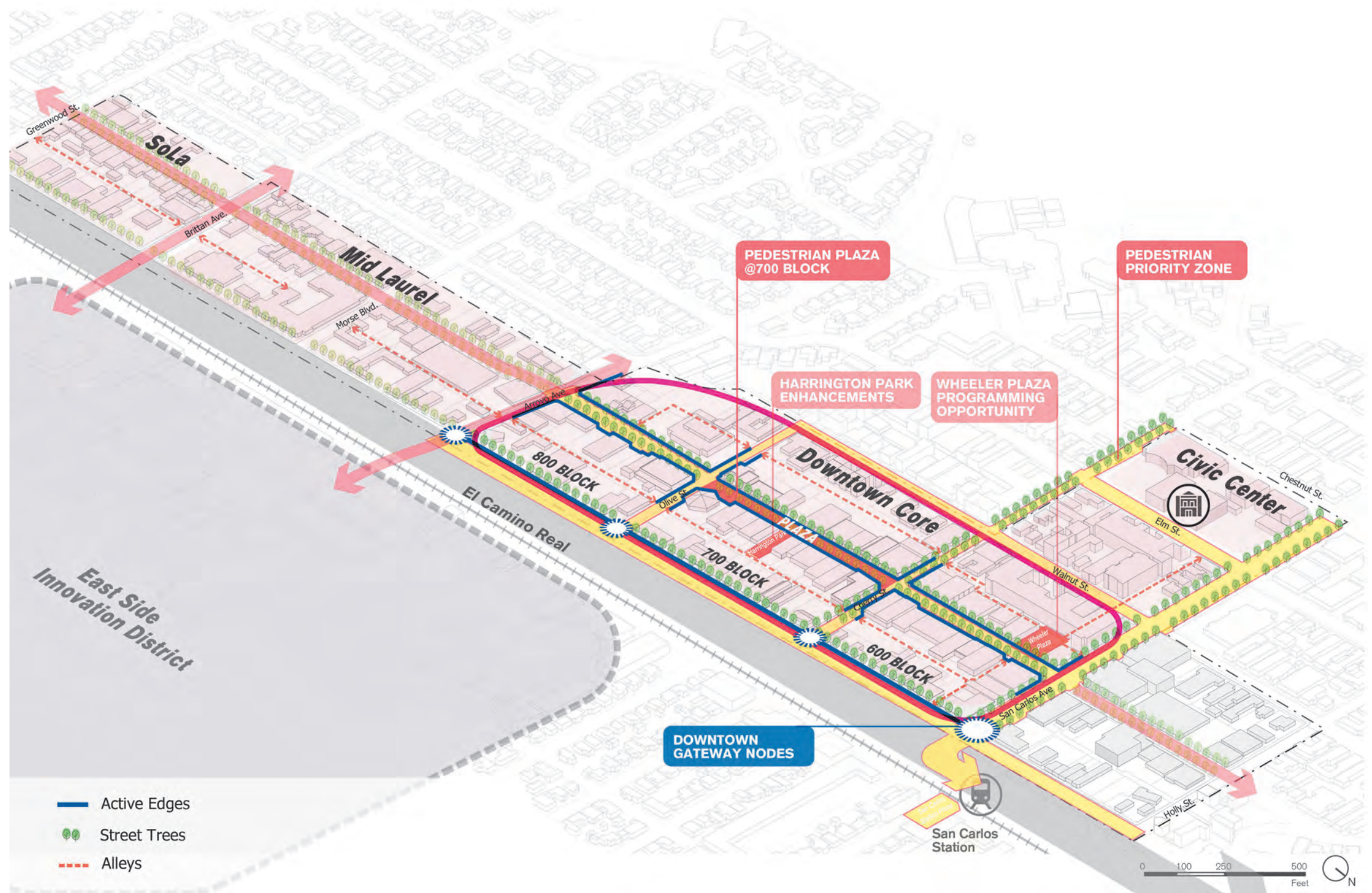
The Downtown Specific Plan should strive to create distinctive character and identity unique to San Carlos' culture, history, and context; defined by the physical form and experience of the downtown.



### DOWNTOWN VIBRANCY

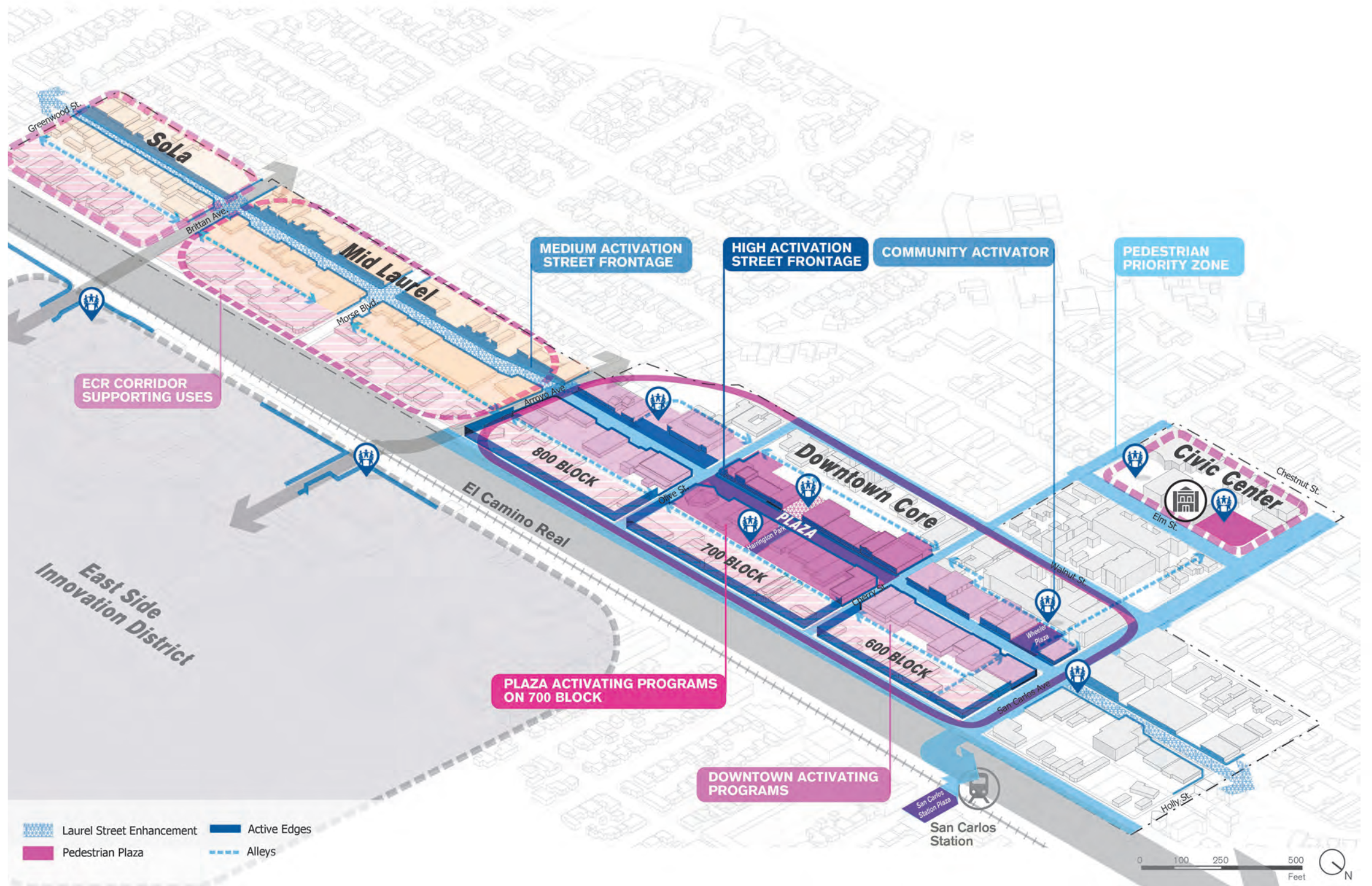
The Downtown should achieve a level of vibrancy and vitality that consistently attracts users and shoppers through enhancement of local businesses and diverse programming, in a setting that is distinctive, safe, and attractive.

# PLACEMAKING + IDENTITY



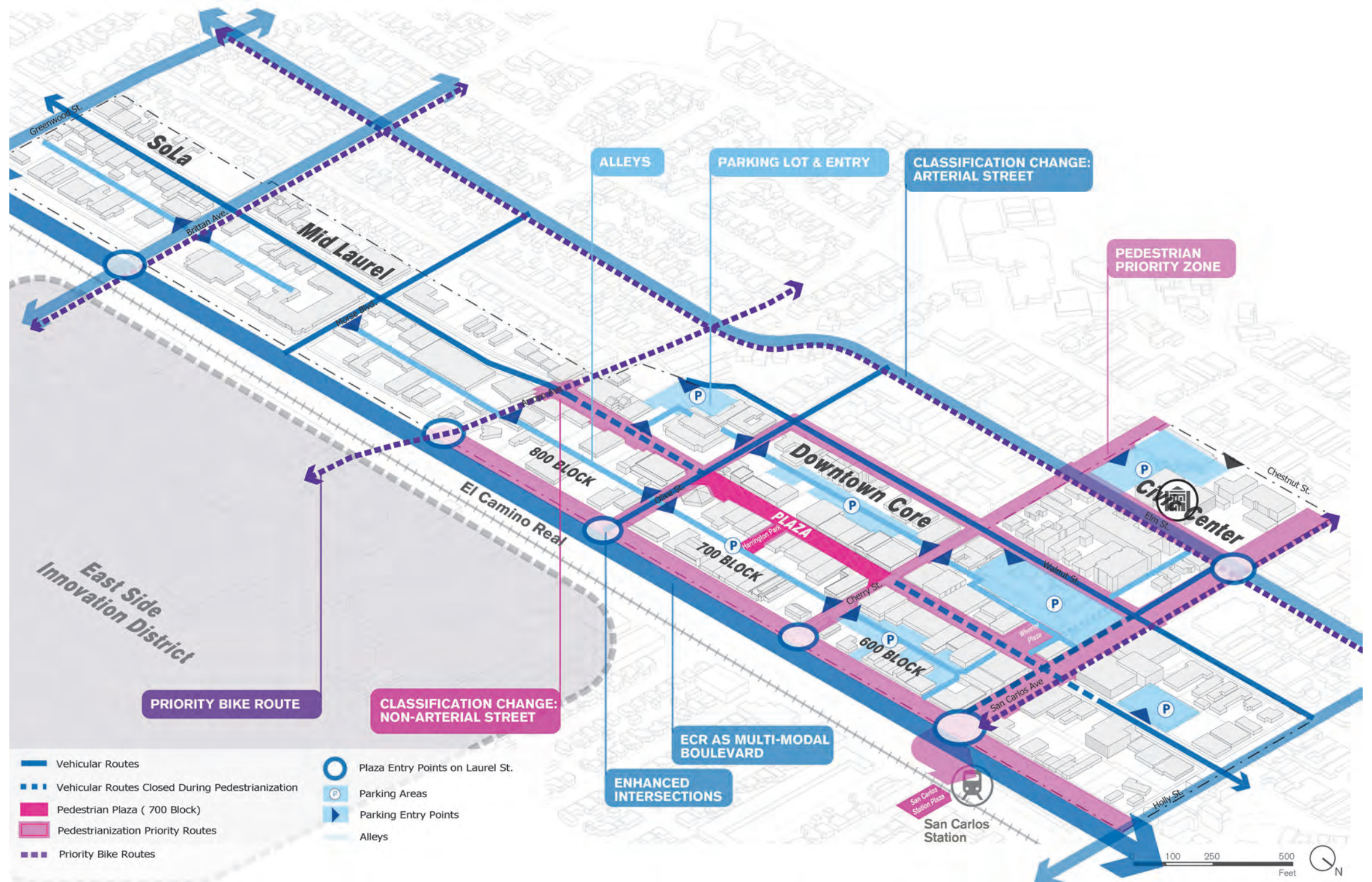


# DOWNTOWN VIBRANCY





# MOBILITY & CONNECTIVITY



# **PUBLIC REALM DESIGN**

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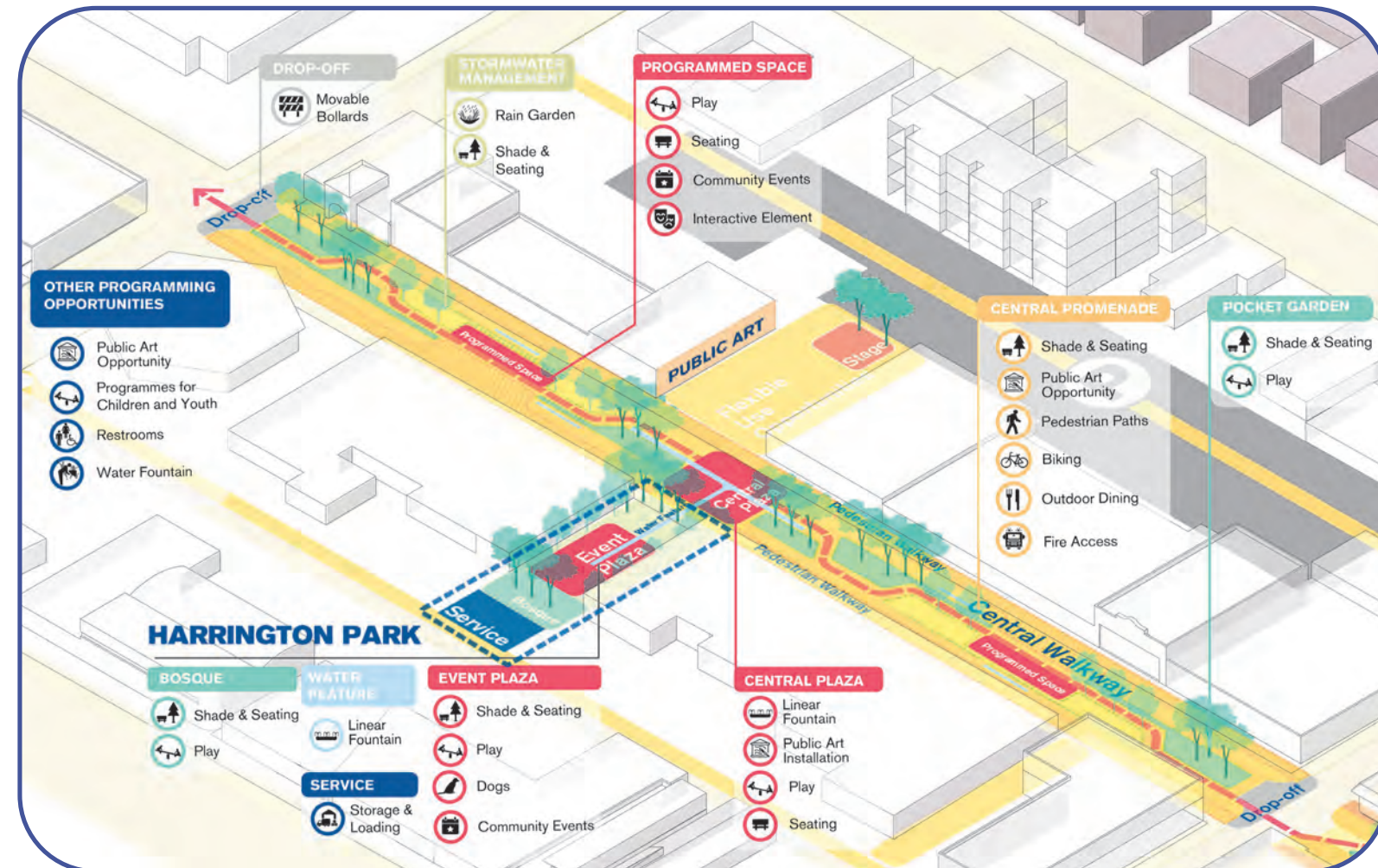
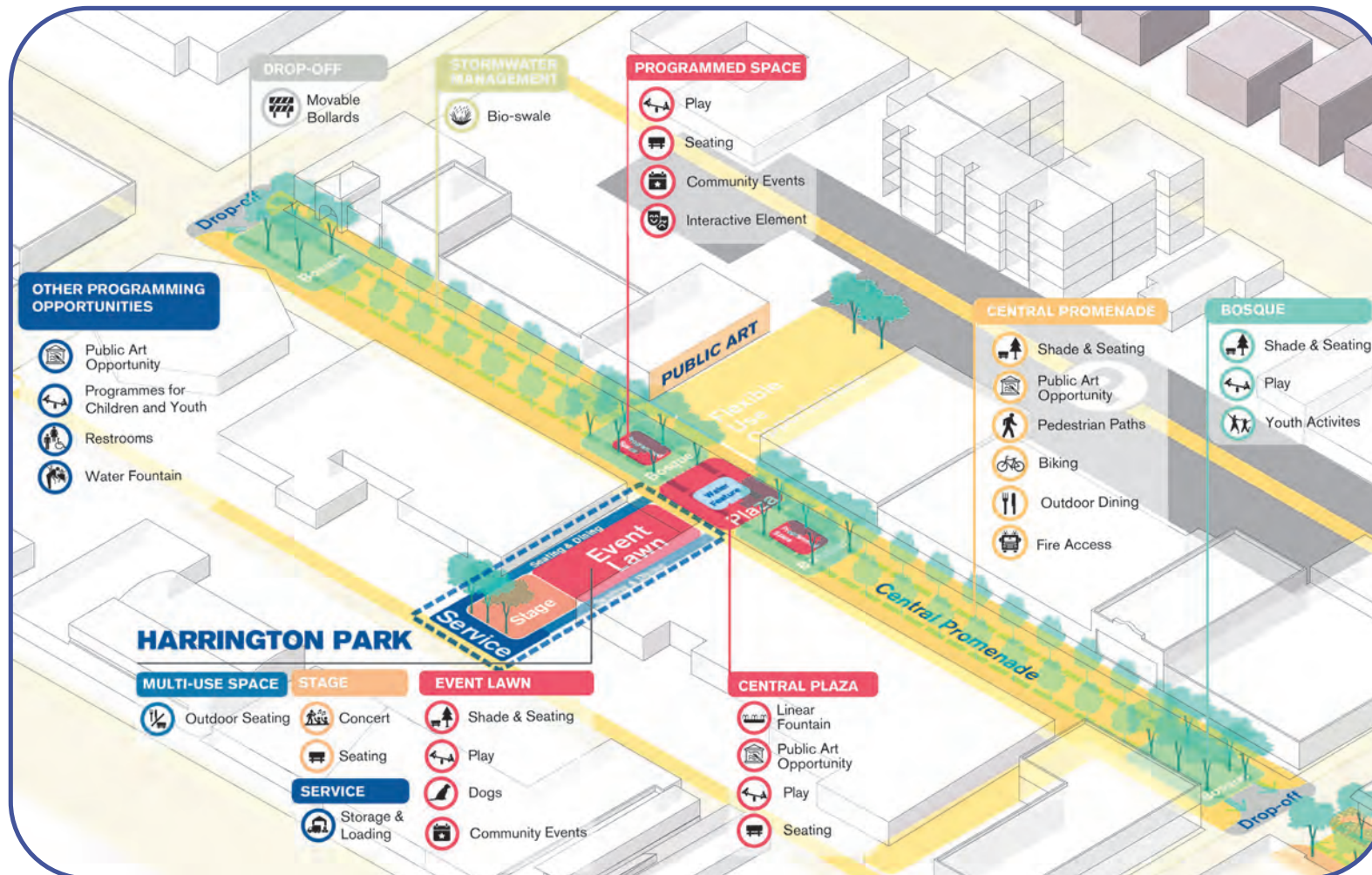


# CONCEPT ALTERNATIVES

700 BLOCK - LAUREL STREET BETWEEN CHERRY STREET AND OLIVE STREET

## CONCEPT 1 "THE PROMENADE"

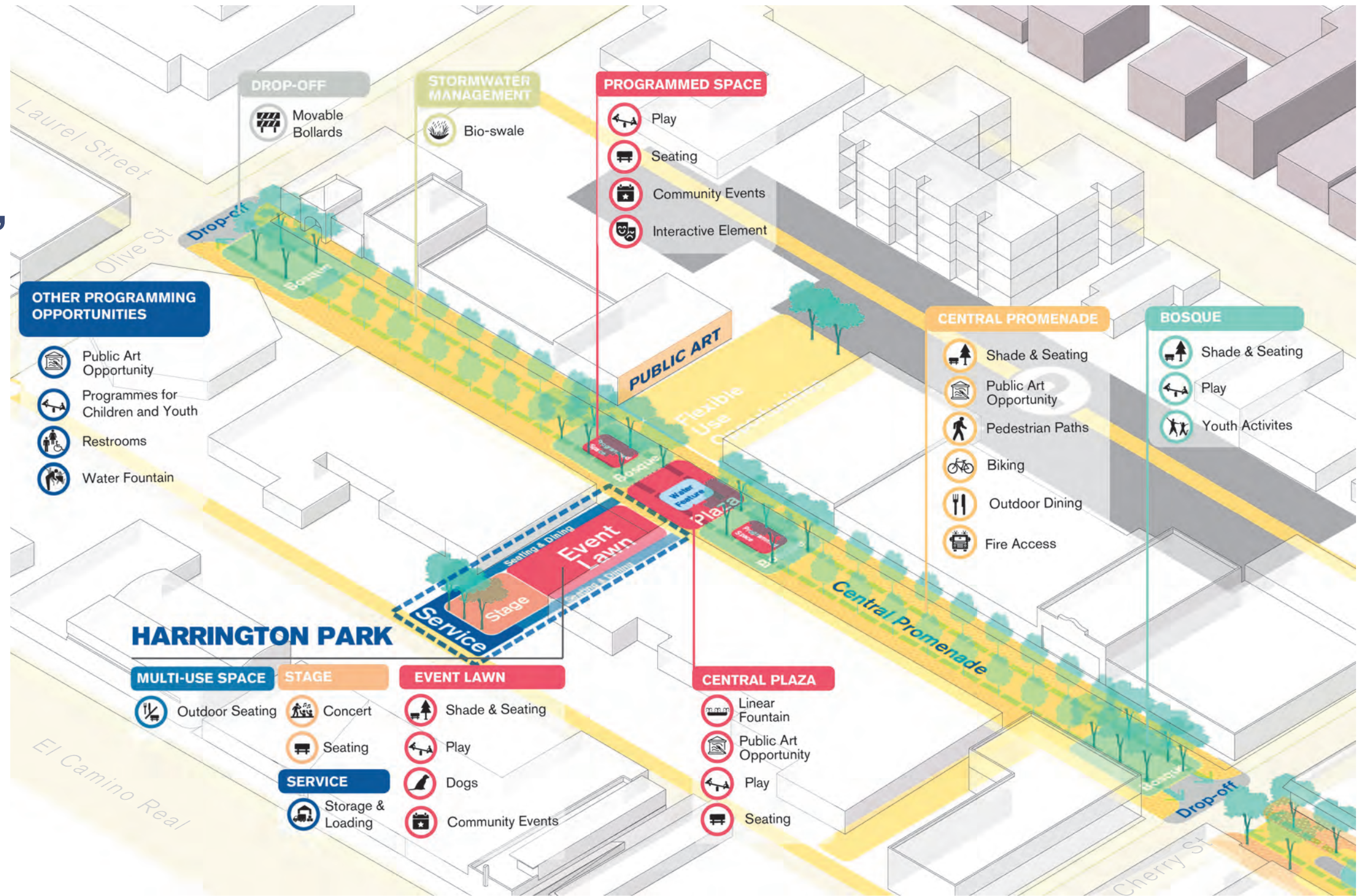
## CONCEPT 2 "THE GARDENS"





# LAUREL STREET 700 BLOCK CONCEPT 1

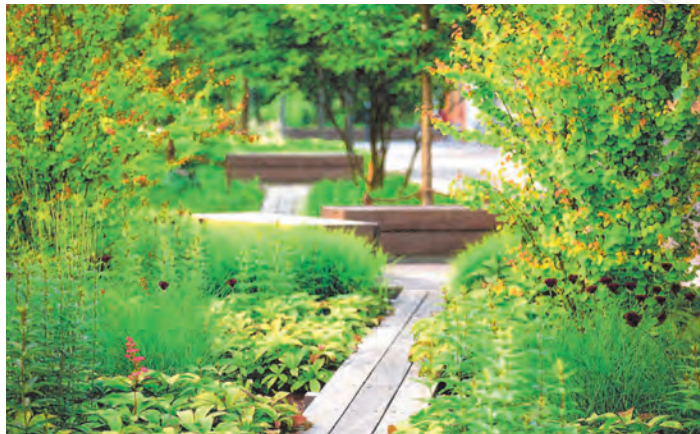
## “THE PROMENADE”







**1** PLANTER BOXES FOR STREET CLOSURE



**2** BOSQUE AND STORM WATER MANAGEMENT



**3** OUTDOOR DINING



LAUREL STREET  
700 BLOCK CONCEPT 1  
**"THE PROMENADE"**



**4** PUBLIC ART/ BIKE PARKING



**5** SHADE AND SEATING



**6** PEDESTRIAN PATHS



**HARRINGTON PARK EVENT LAWN**



**COMMUNITY EVENTS**



**1 AMPHITHEATER**



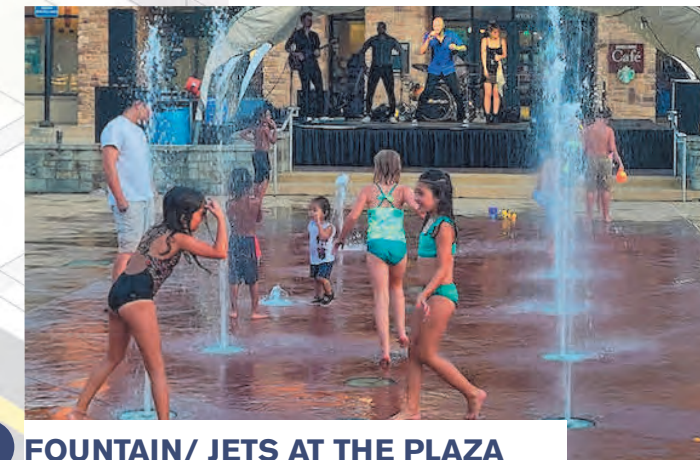
**2 CONCERT SPACE**



**5 PLAY/ PROGRAMMED SPACE**



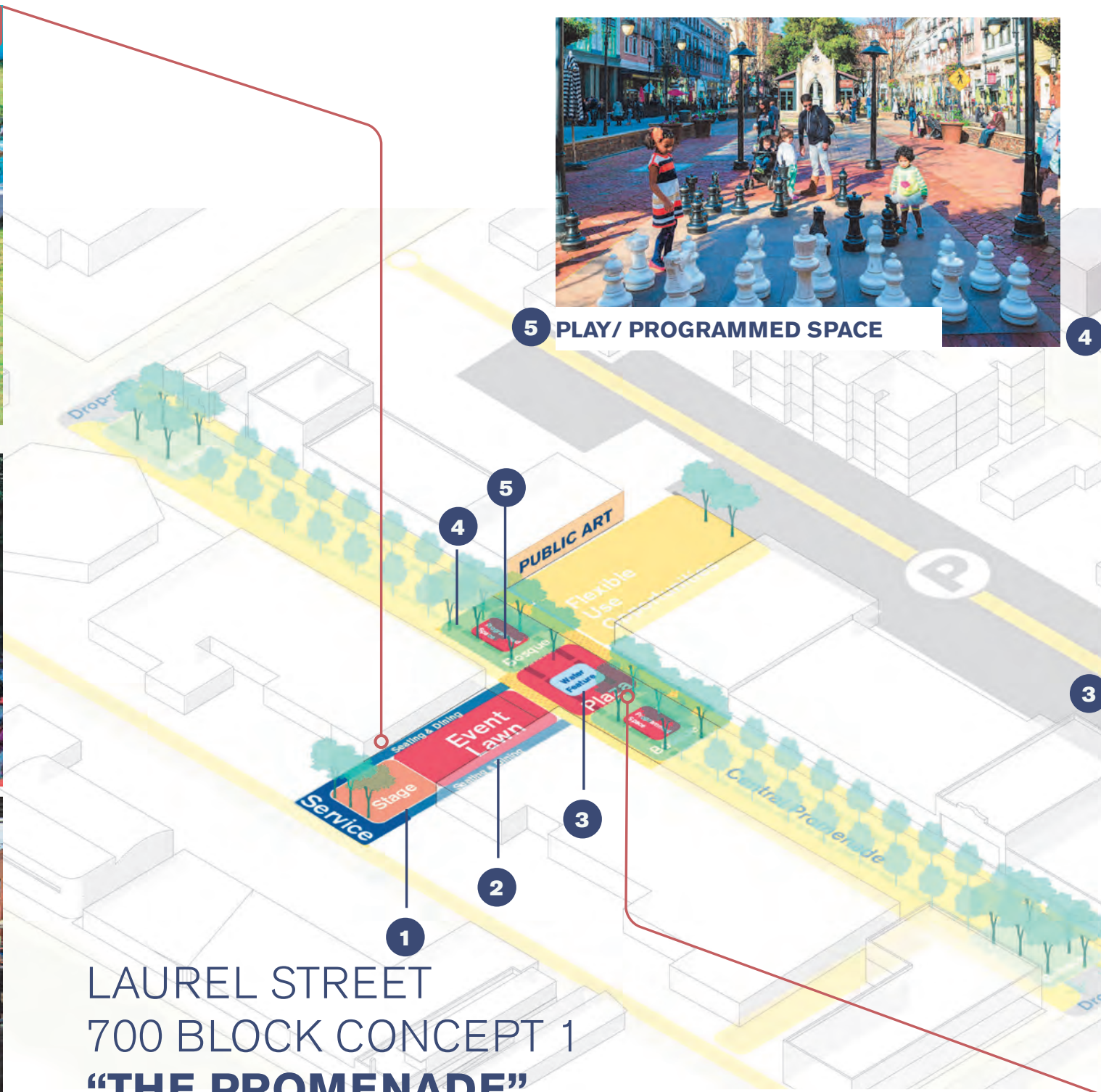
**4 BOSQUE**



**3 FOUNTAIN/ JETS AT THE PLAZA**



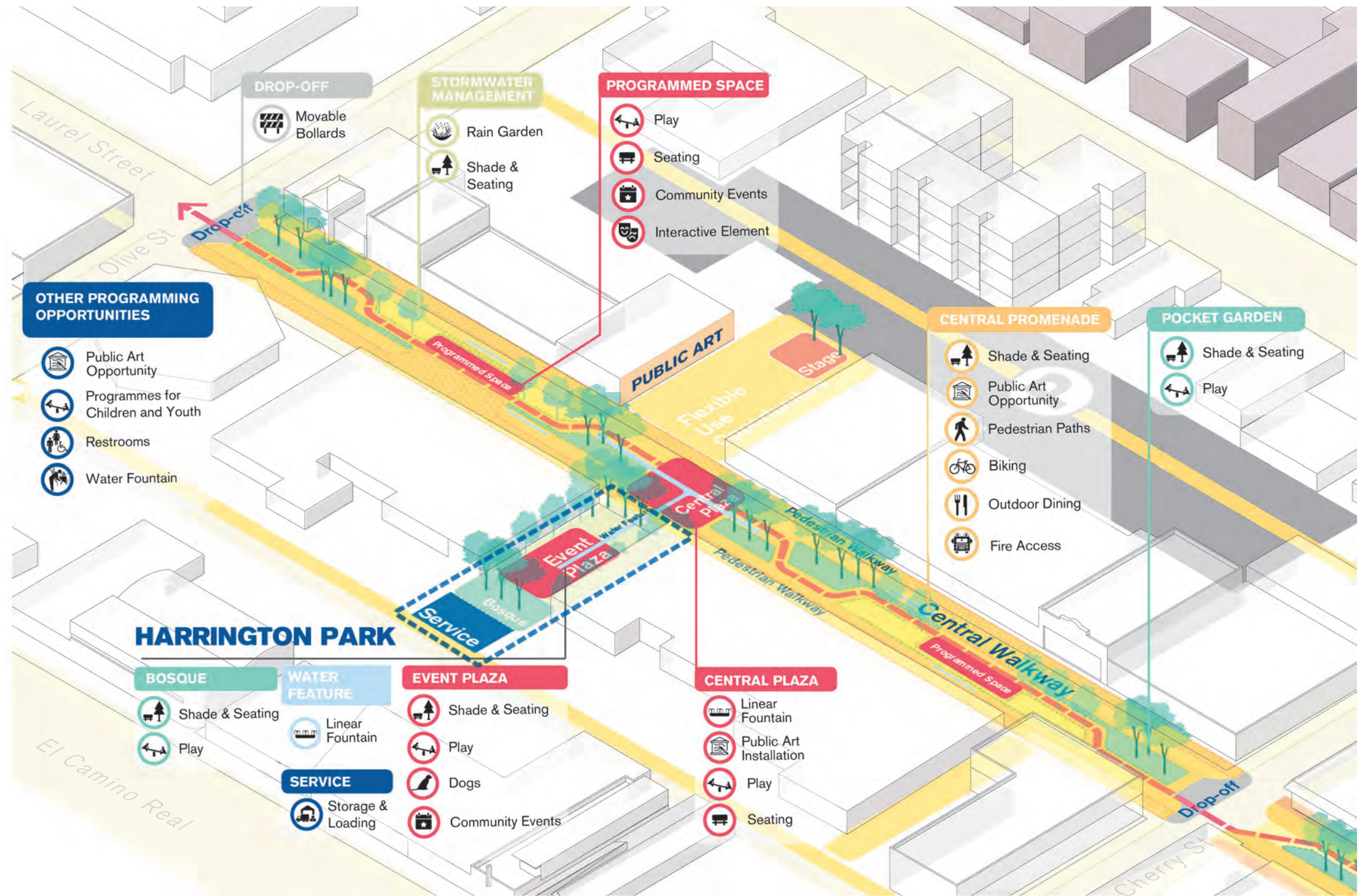
**CENTRAL PLAZA**



**LAUREL STREET  
700 BLOCK CONCEPT 1  
"THE PROMENADE"**



# LAUREL STREET 700 BLOCK CONCEPT 2 "THE GARDENS"







1 **PLANTER BOXES FOR STREET CLOSURE**



2 **RAIN GARDEN**



3 **OUTDOOR DINING**



**PLAY SCULPTURE**

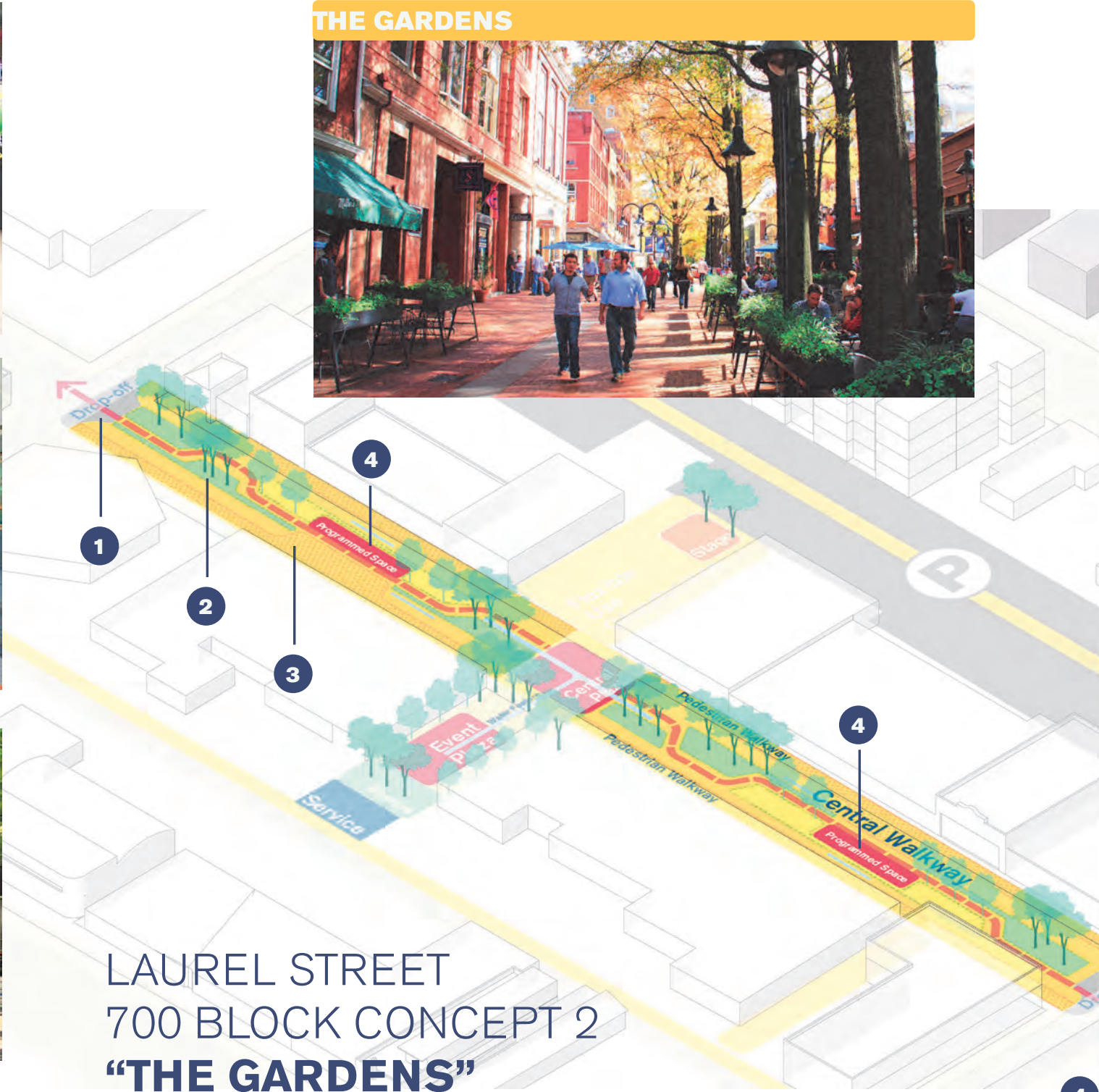


**CHESS BOARD**



**CORNHOLE**

**PROGRAM OPPORTUNITIES**

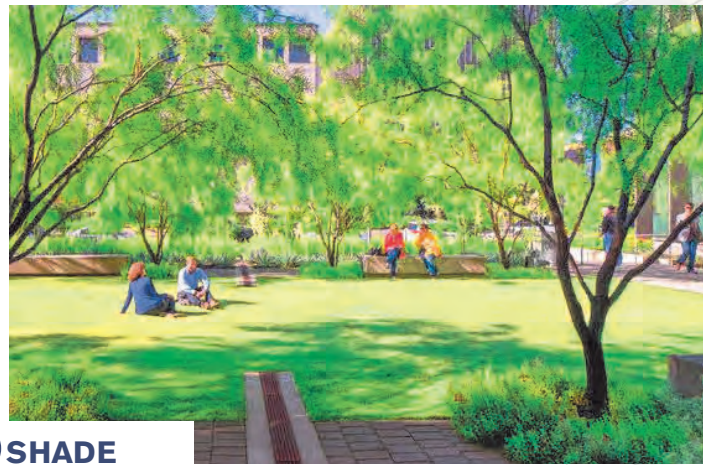




**HARRINGTON PARK EVENT PLAZA**



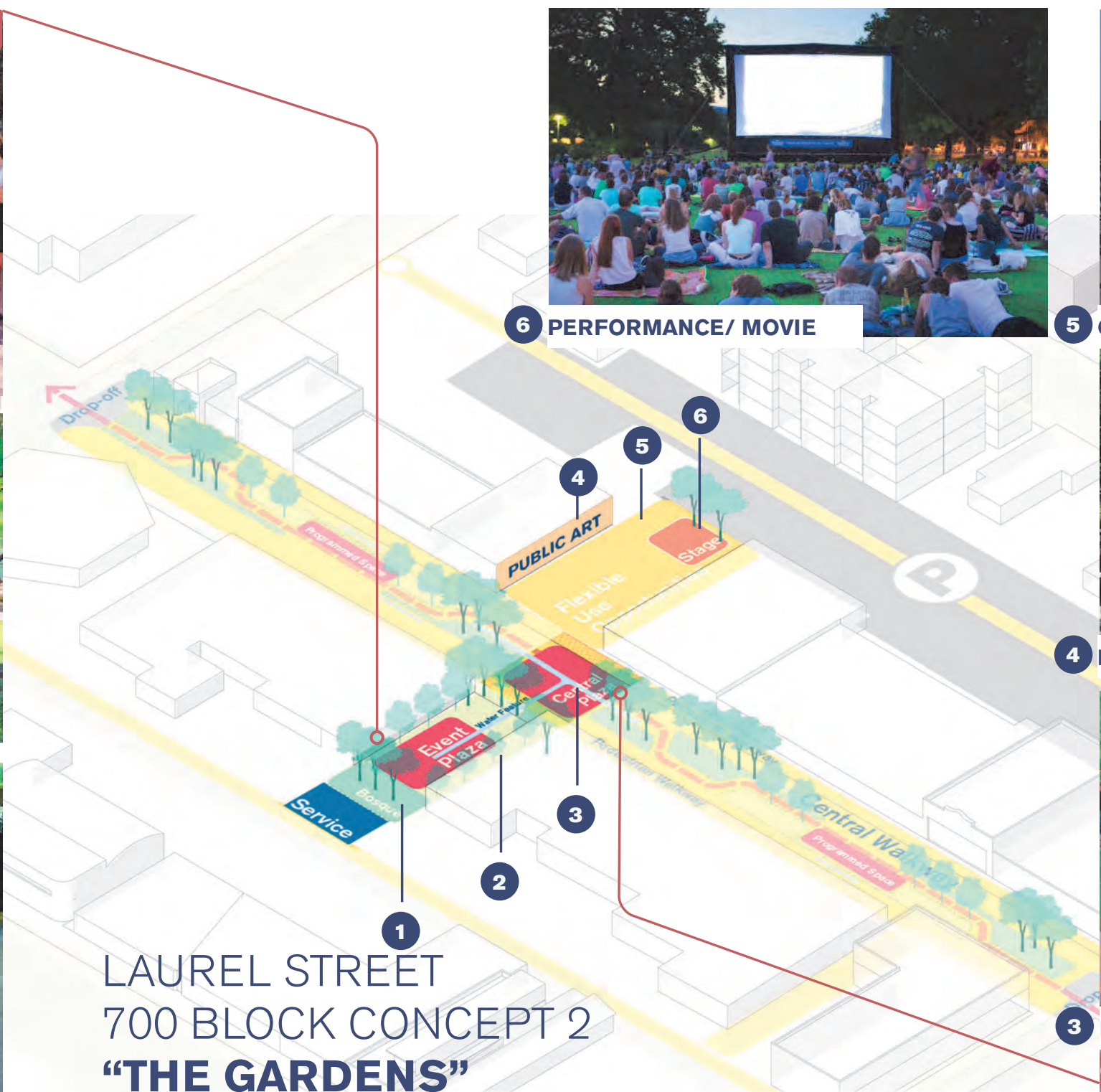
**COMMUNITY EVENTS**



**1 SHADE**



**2 OUTDOOR SEATING**



**LAUREL STREET  
700 BLOCK CONCEPT 2  
"THE GARDENS"**



**6 PERFORMANCE/ MOVIE**



**5 OUTDOOR SEATING**



**4 PUBLIC ART**

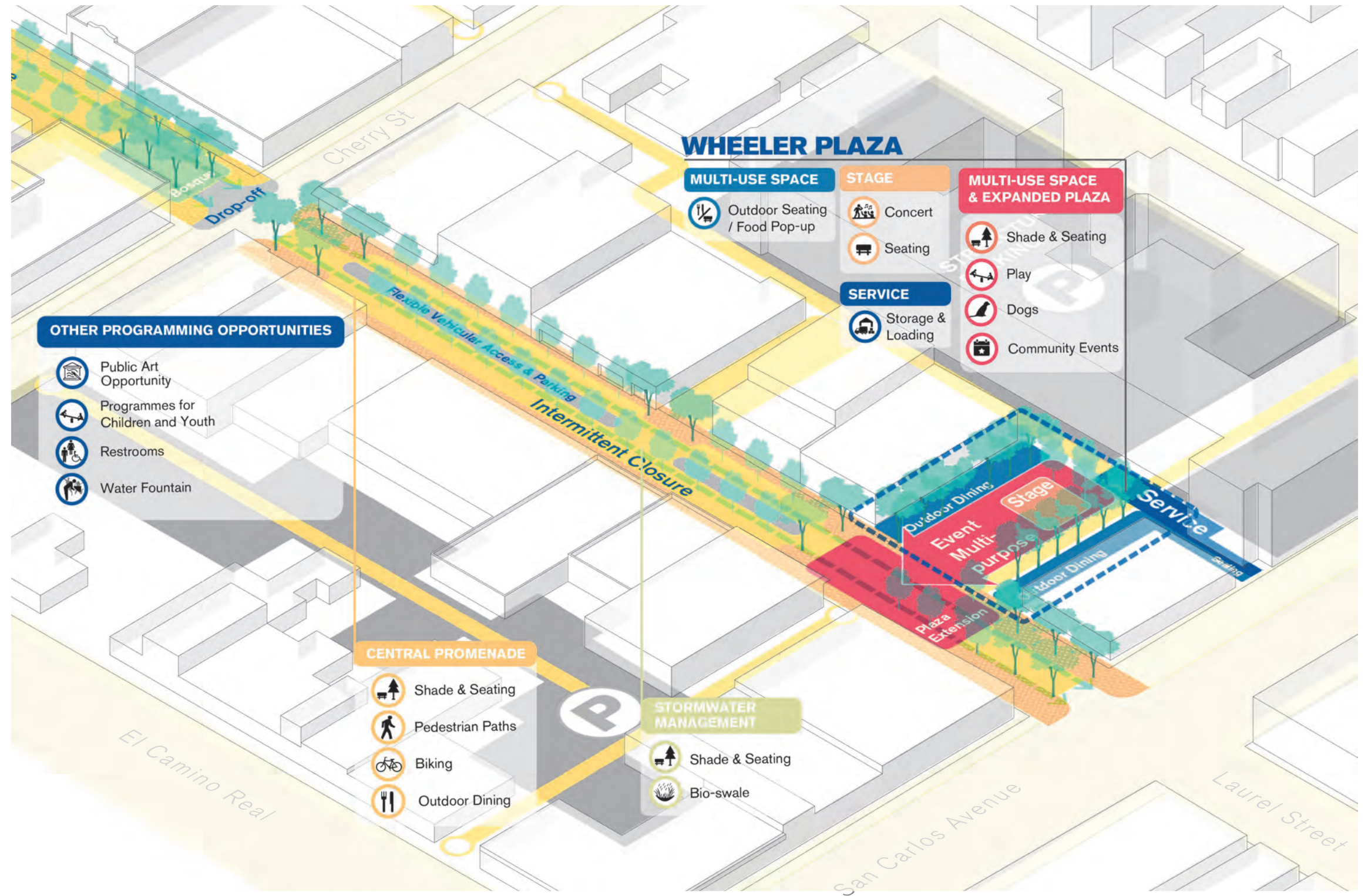


**3 LINEAR WATER FEATURE**

**CENTRAL PLAZA**



# LAUREL STREET 600 BLOCK CONCEPT







**1 EXPANDED SIDEWALK**



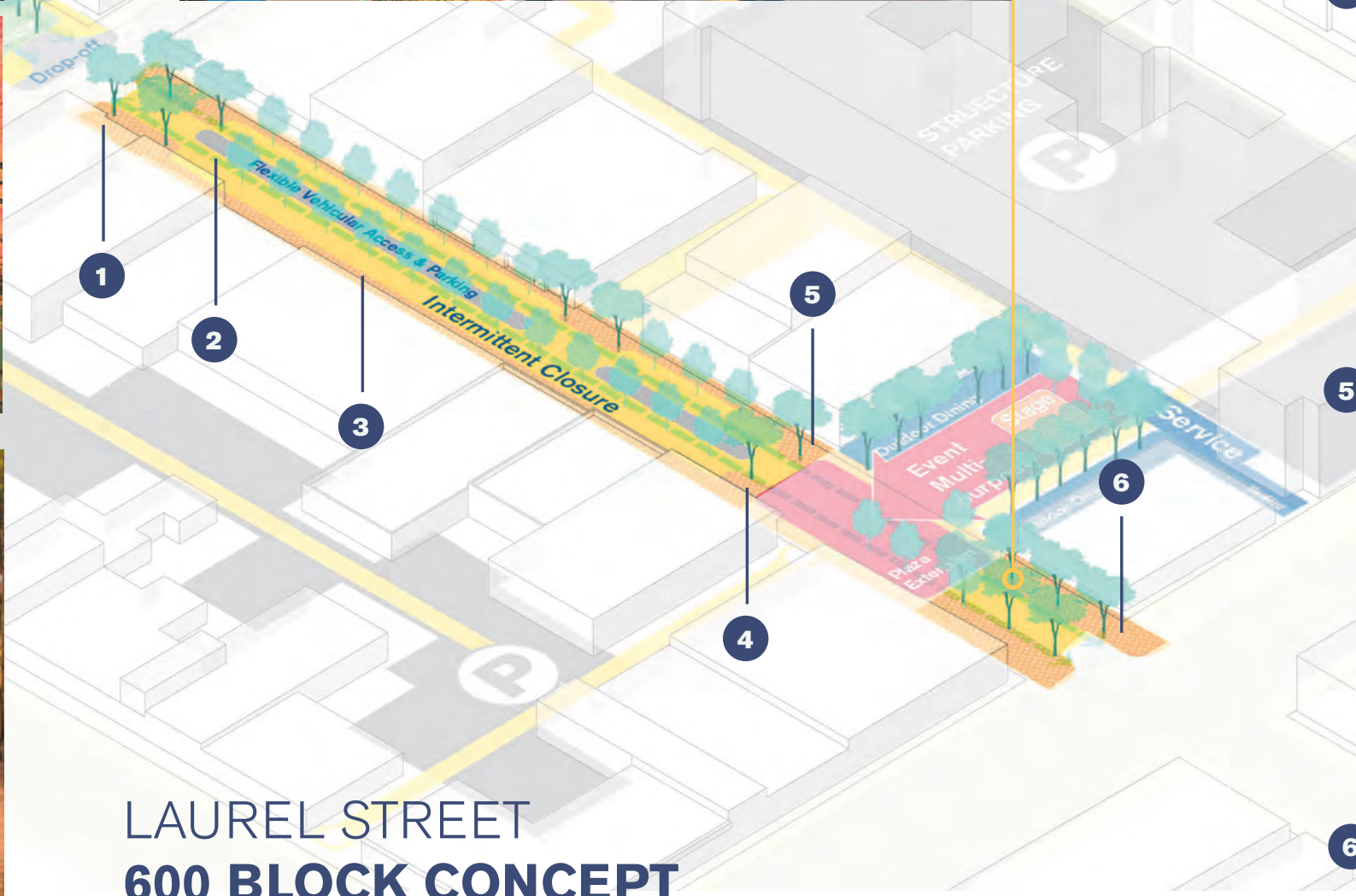
**2 BIOSWALE**



**3 SEATING**



**WHEELER GATEWAY**



**LAUREL STREET  
600 BLOCK CONCEPT**



**4 OUTDOOR DINING**



**5 INTERACTIVE ELEMENT**

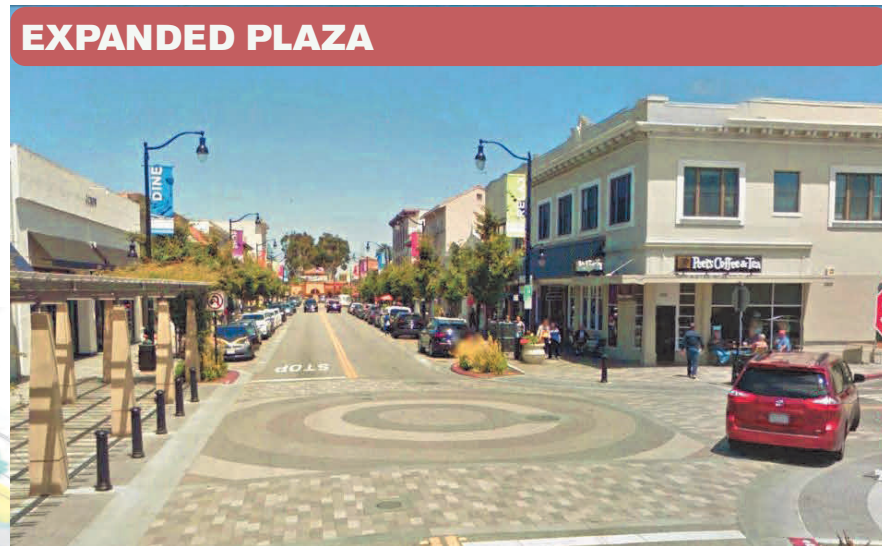


**6 PLANTER BOXES**





1 INTERACTIVE ELEMENT



EXPANDED PLAZA



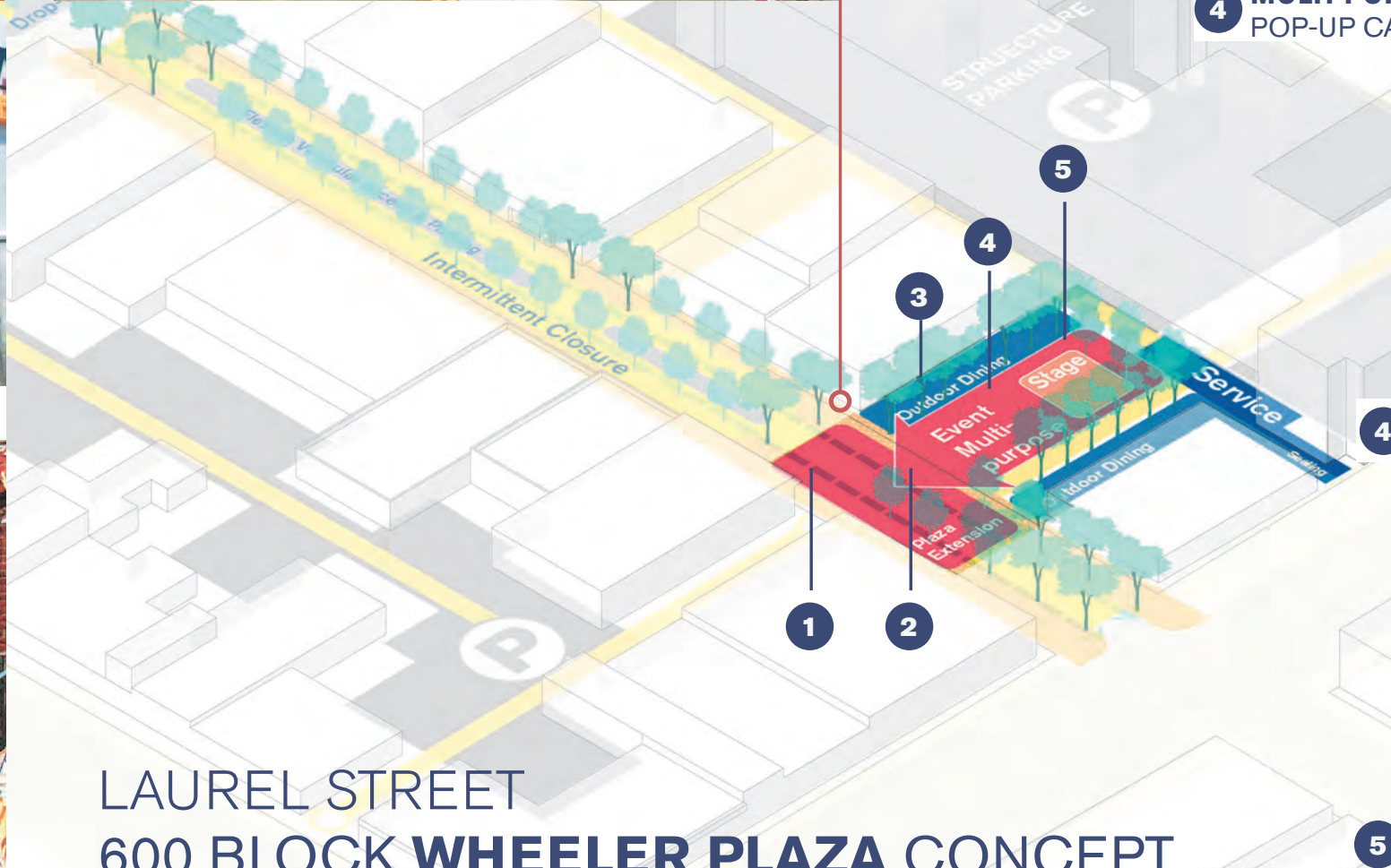
4 MULTI-PURPOSE SPACE - POP-UP CAFE/ FOOD TRUCK/ BEER GARDEN



2 FOOD HALL



3 OUTDOOR DINING



4 MULTI-PURPOSE SPACE - PERFORMANCE AREA



5 PUBLIC RESTROOMS

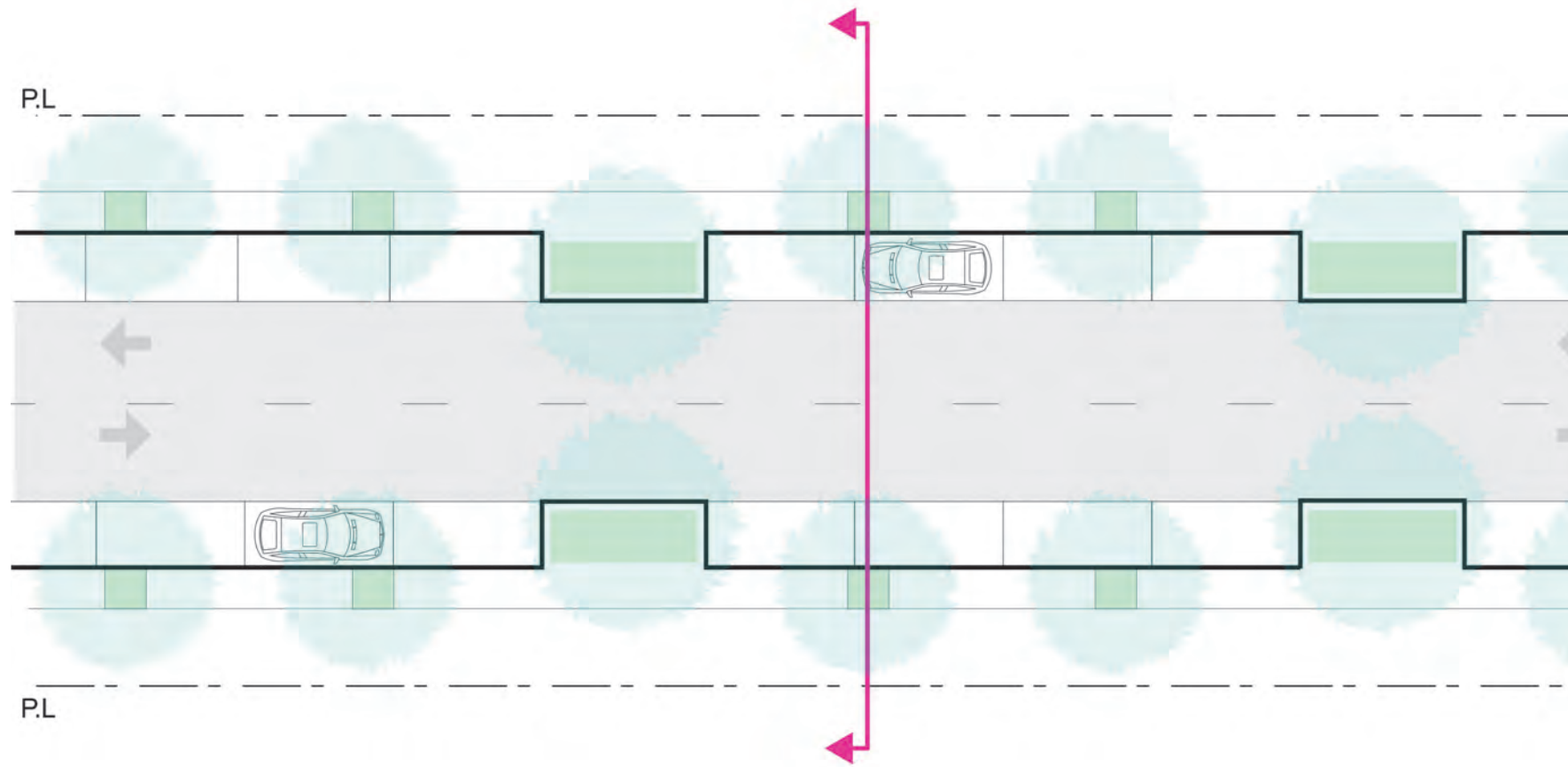
LAUREL STREET  
600 BLOCK **WHEELER PLAZA CONCEPT**



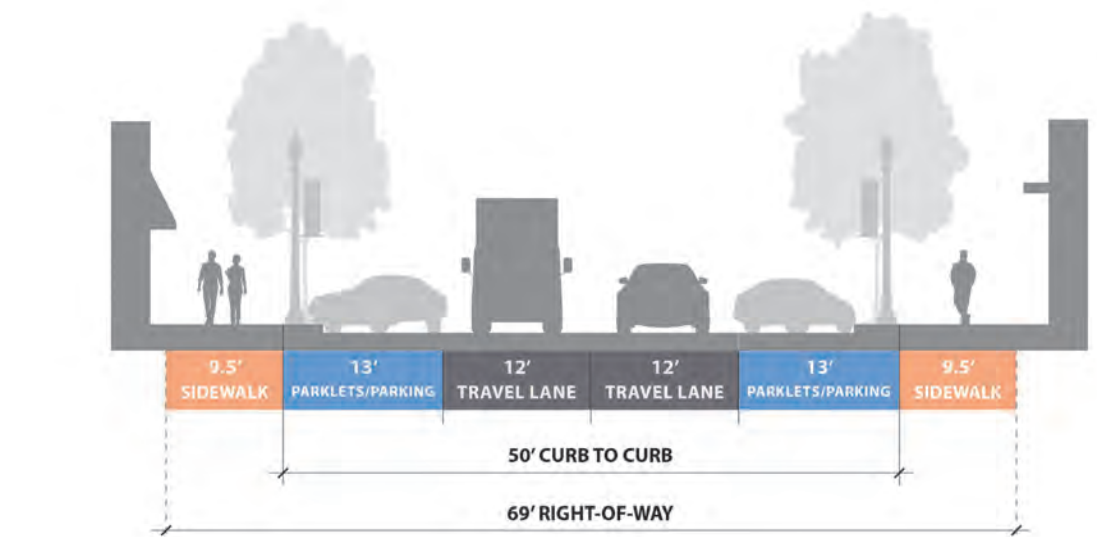
# LAUREL STREET

## CONCEPT 1 - PARELLEL BOTH SIDES

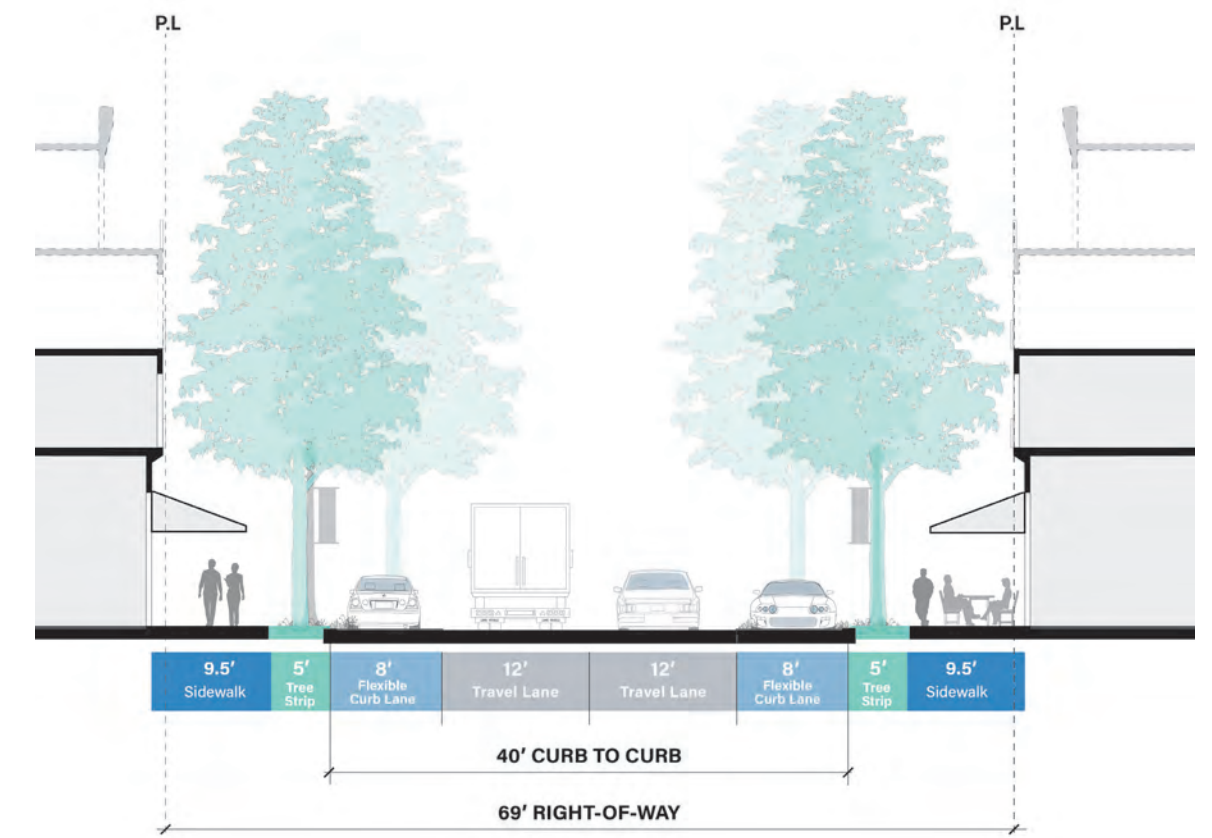
600 & 800 BLOCKS (LOOKING NORTH)



**SCHEMATIC PLAN**



**EXISTING**  
(LOOKING NORTH)

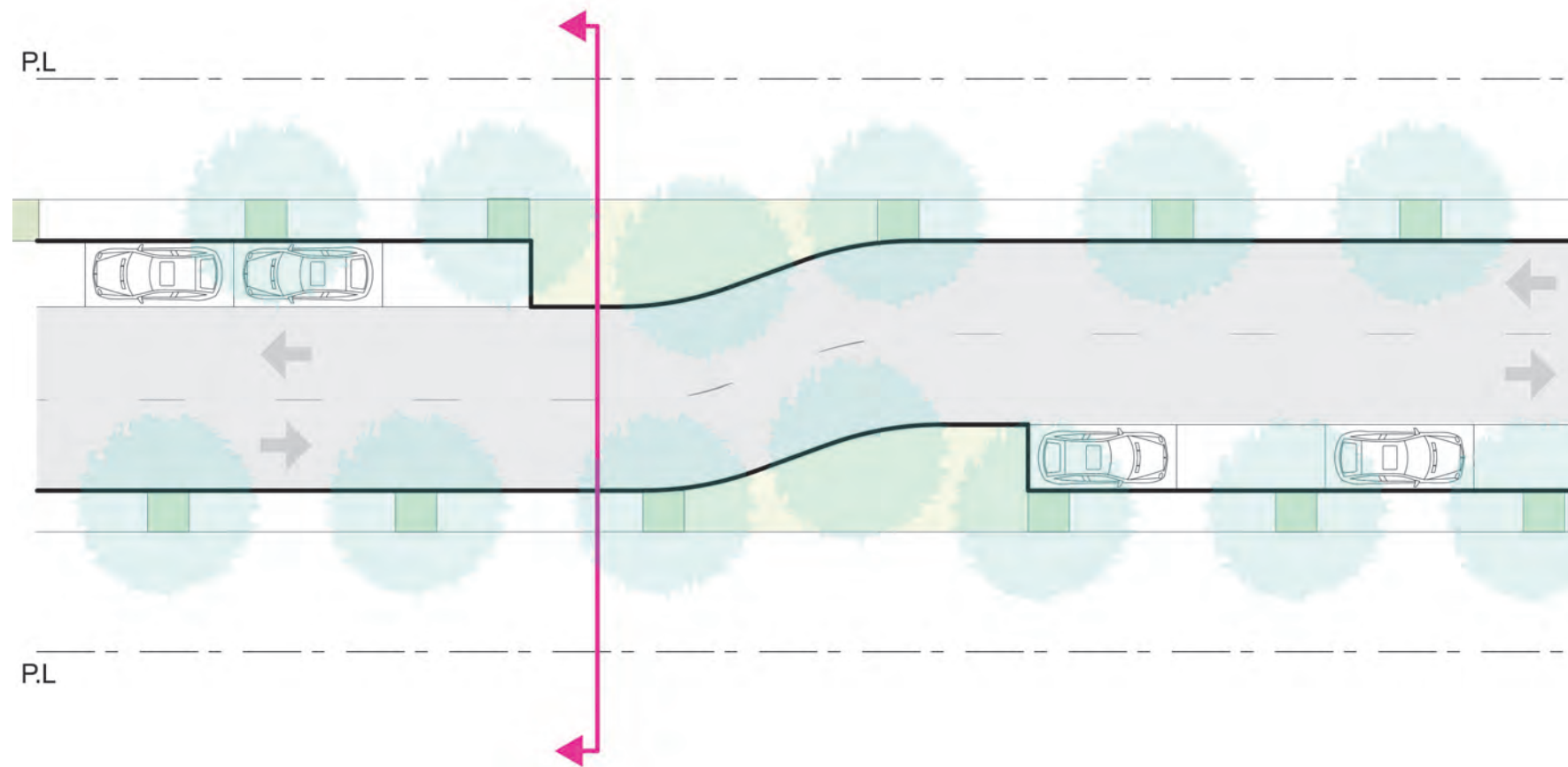


**CROSS SECTION**  
(LOOKING NORTH)

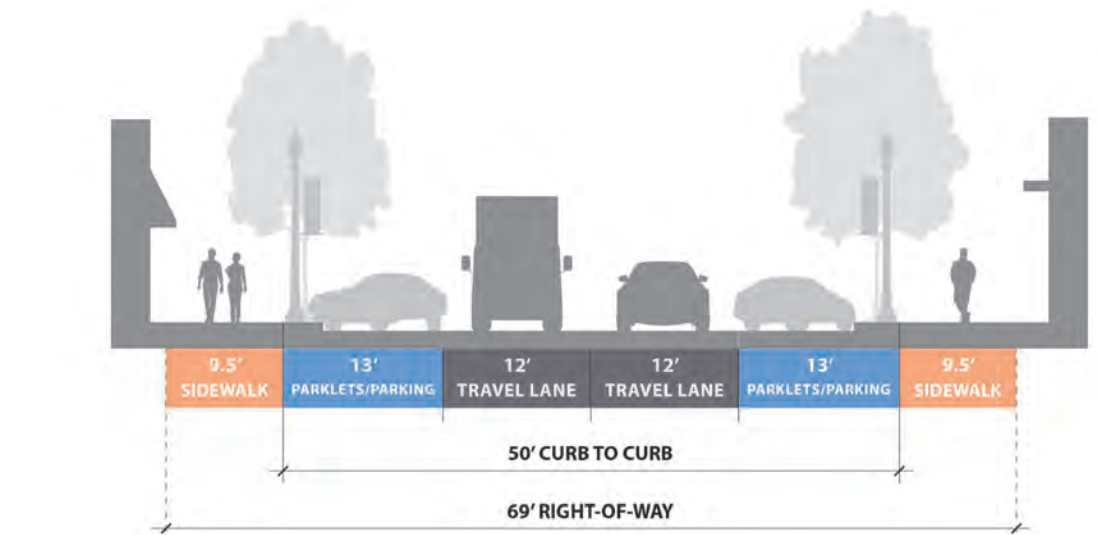


# LAUREL STREET CONCEPT 2 - PARALLEL, ALTERNATING SIDES

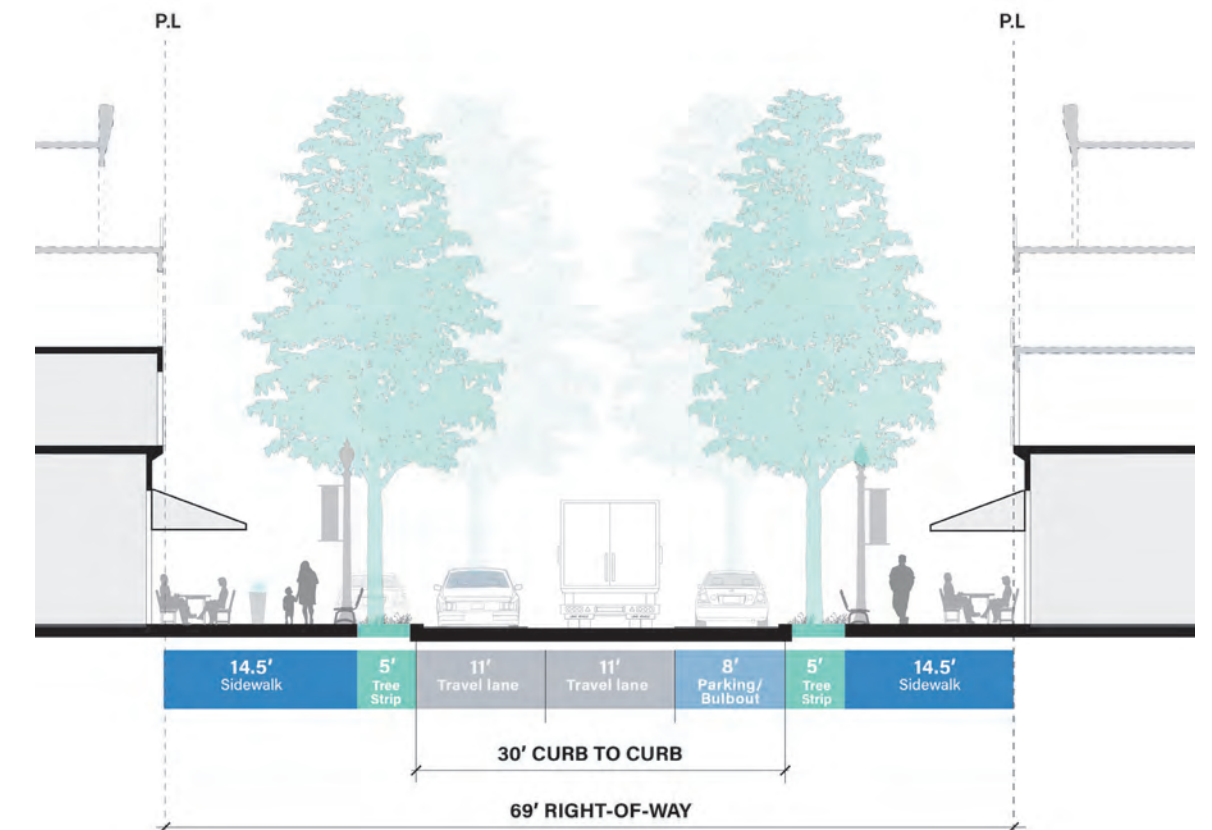
600 & 800 BLOCK (LOOKING NORTH)



**SCHEMATIC PLAN**



**EXISTING**  
(LOOKING NORTH)



**CROSS SECTION**  
(LOOKING NORTH)

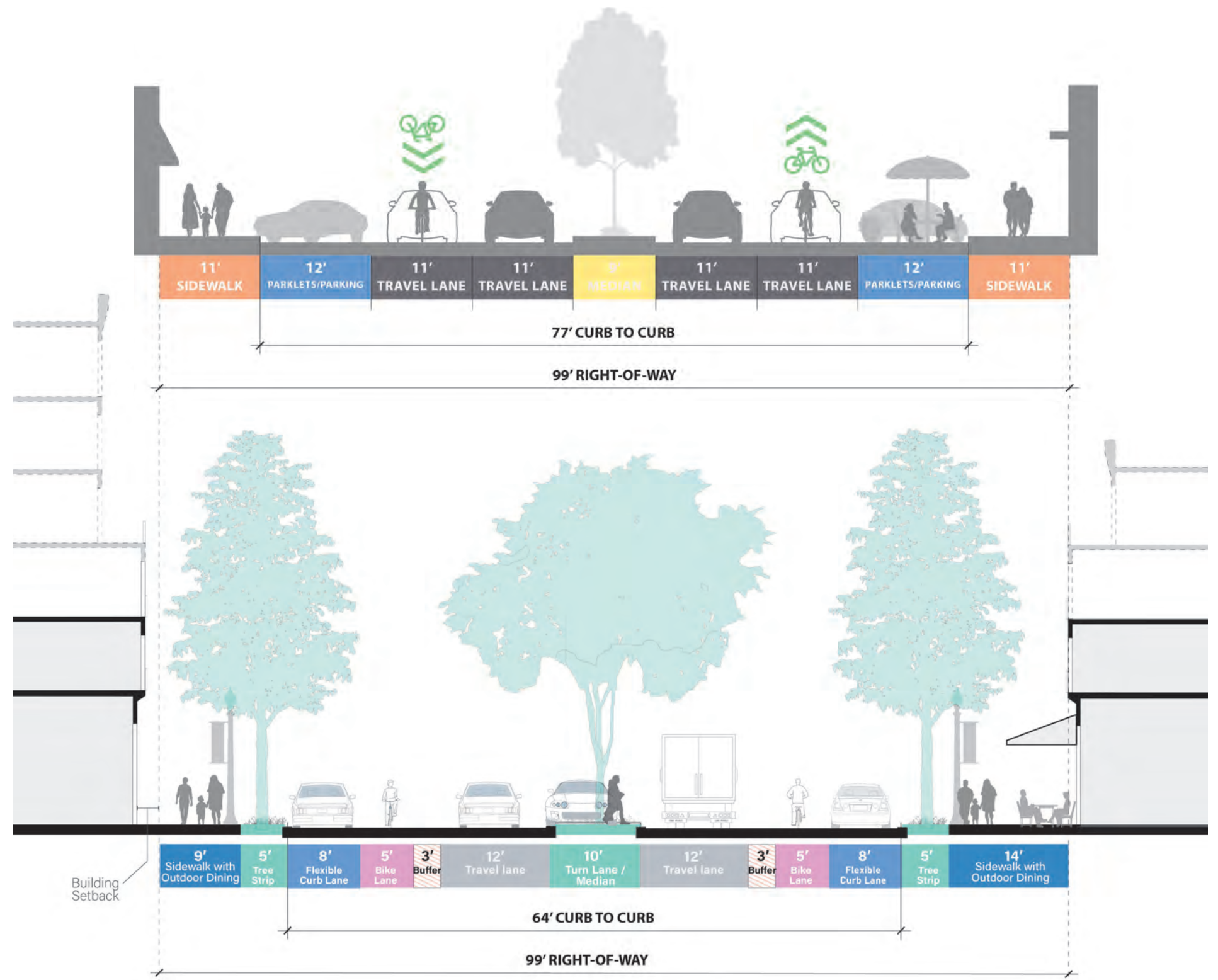


# SAN CARLOS AVENUE

## PRIMARY GATEWAY TO DOWNTOWN

1100 & 1200 BLOCKS  
(LOOKING EAST)

**EXISTING**  
(LOOKING EAST)

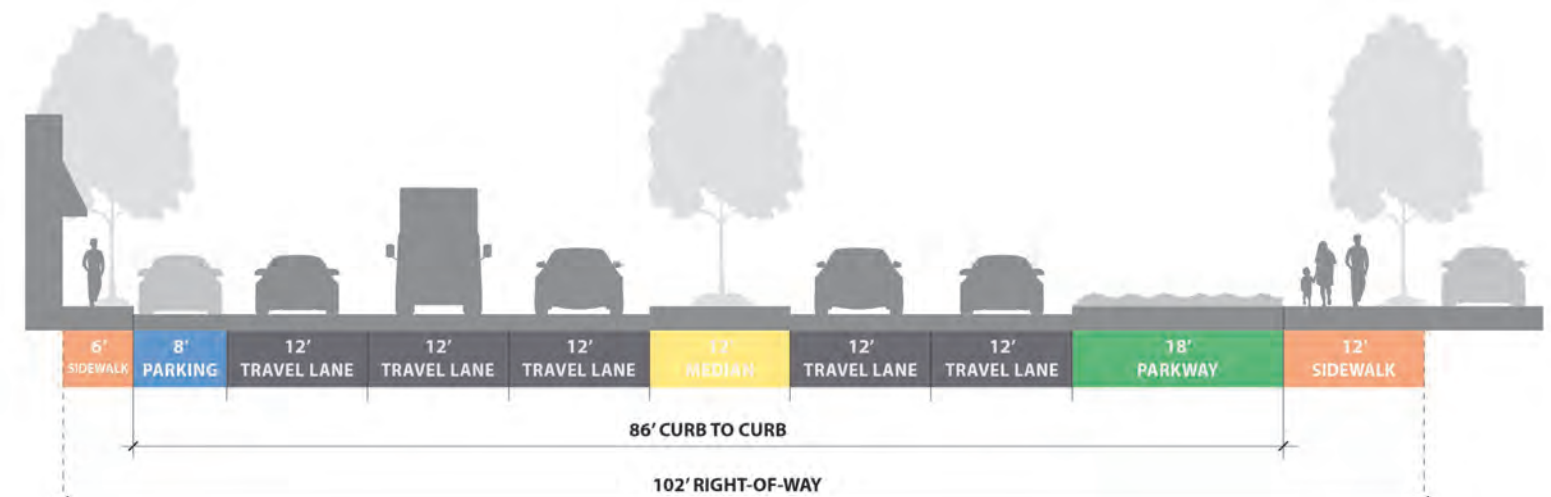




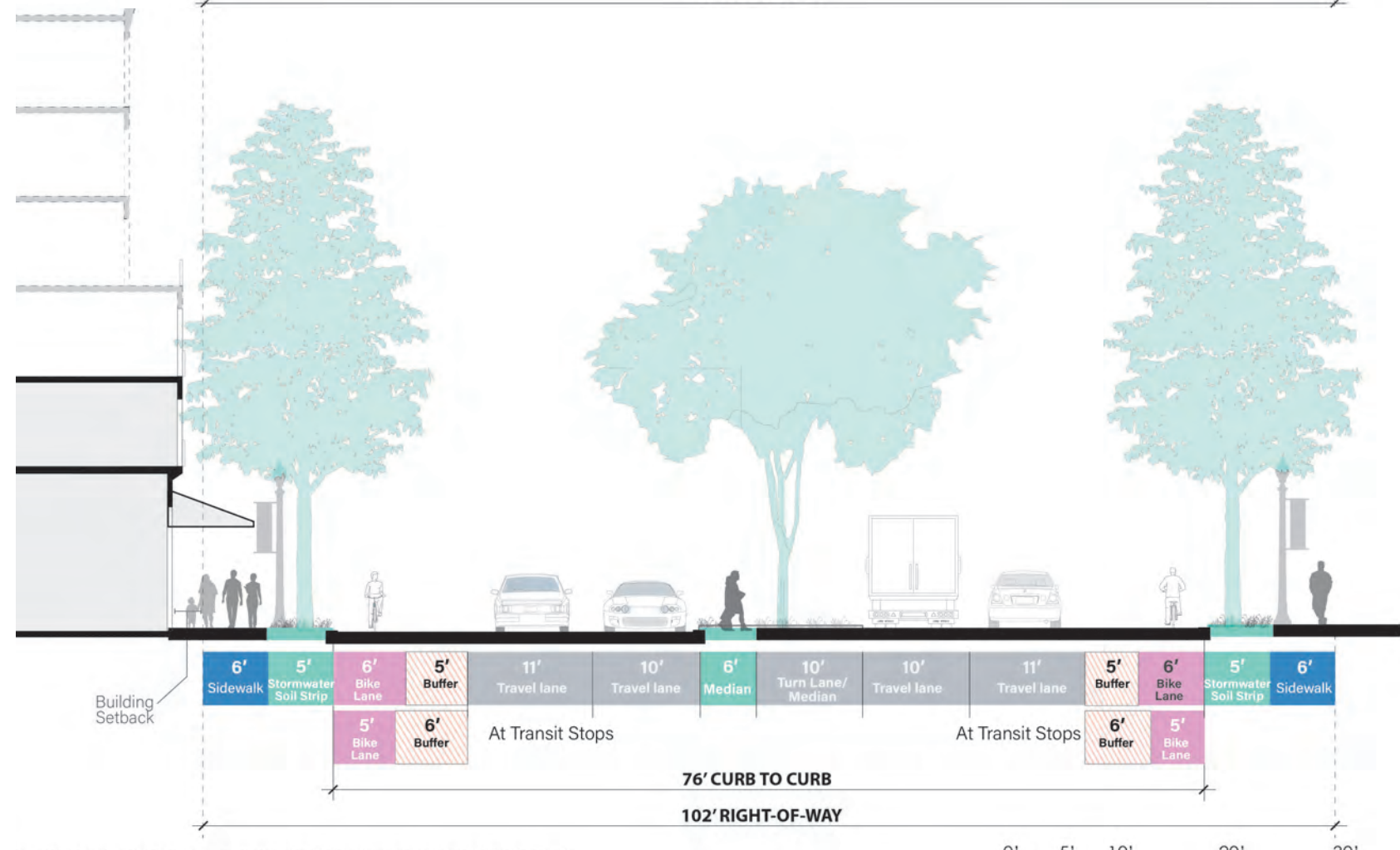
# EL CAMINO REAL

(LOOKING NORTH)

**EXISTING**  
(LOOKING NORTH)



**PROPOSED**





# PEDESTRIAN MALL EXAMPLES

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# EXAMPLE 1: PEDESTRIAN MALL | ITHACA COMMONS, NY





# EXAMPLE 2: PEDESTRIAN MALL | PEARL STREET, BOULDER, CO





# EXAMPLE 3: PEDESTRIAN MALL | CHARLOTTESVILLE, VA





# EXAMPLE 4: CASTRO STREET, MOUNTAIN VIEW, CA





# EXAMPLE 5: BURLINGAME AVENUE, BURLINGAME, CA





# PROGRAM IDEAS FROM OTHER CITIES





# ECONOMIC ANALYSIS

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# Existing Condition: Economics Analysis

Demographics – Population & Household Characteristics

Economy – Economic Base

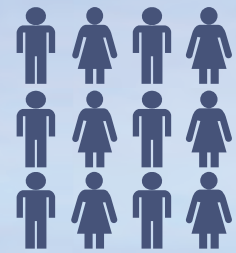
City Fiscal Position

Real Estate Market Conditions

Questions for EDAC



# Demographics – Population



2023 Population:  
**29,500**



Modest Recent Growth  
2010-2023:  
**+1,100**

Source: CA Department of Finance; BAE, 2023.



Citywide Growth Prospects  
2023-2033:  
**+6,000-7,900\***

\* Assumes buildout of Housing Element with average household size of 2.12 persons. Actual growth will likely be less than maximum potential.



Downtown Growth Prospects  
2023-2033:  
**+1,600 \***

\* Assumes buildout of at least 747 units with average household size of 2.12 persons

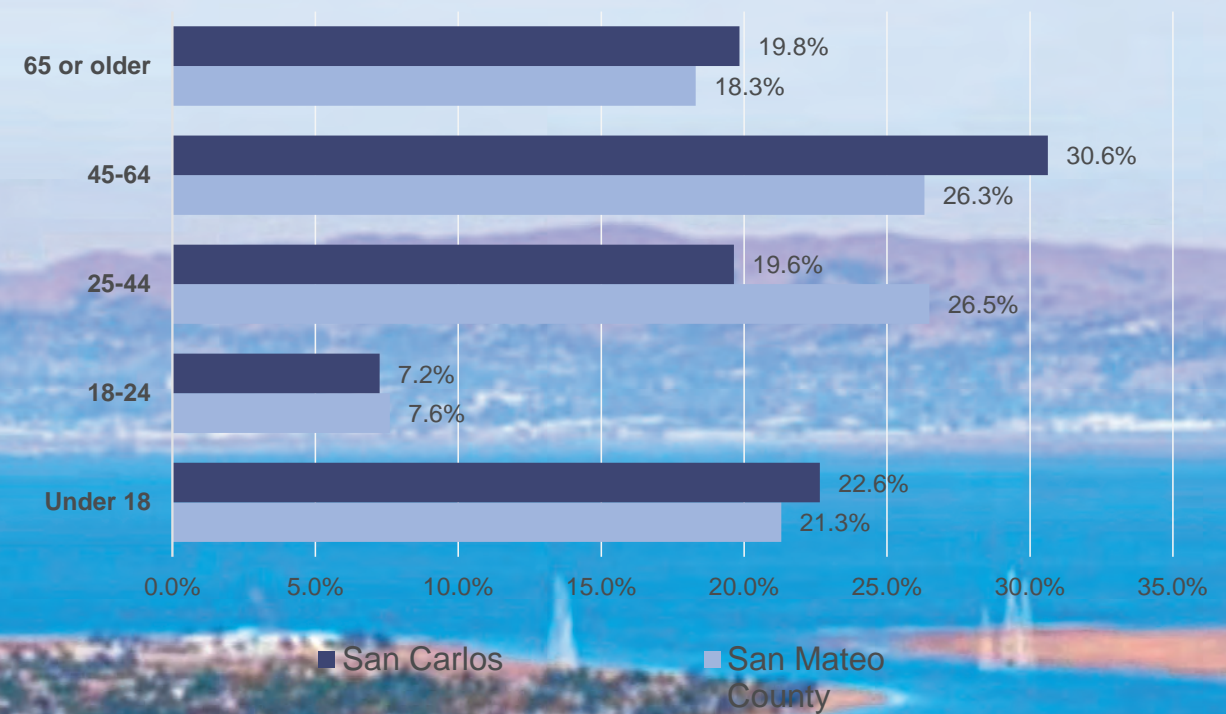


# Demographics – Median Age & Age Distribution

## Median Age 2023

San Carlos **45.3**  
San Mateo County **41.2**

## Age Distribution

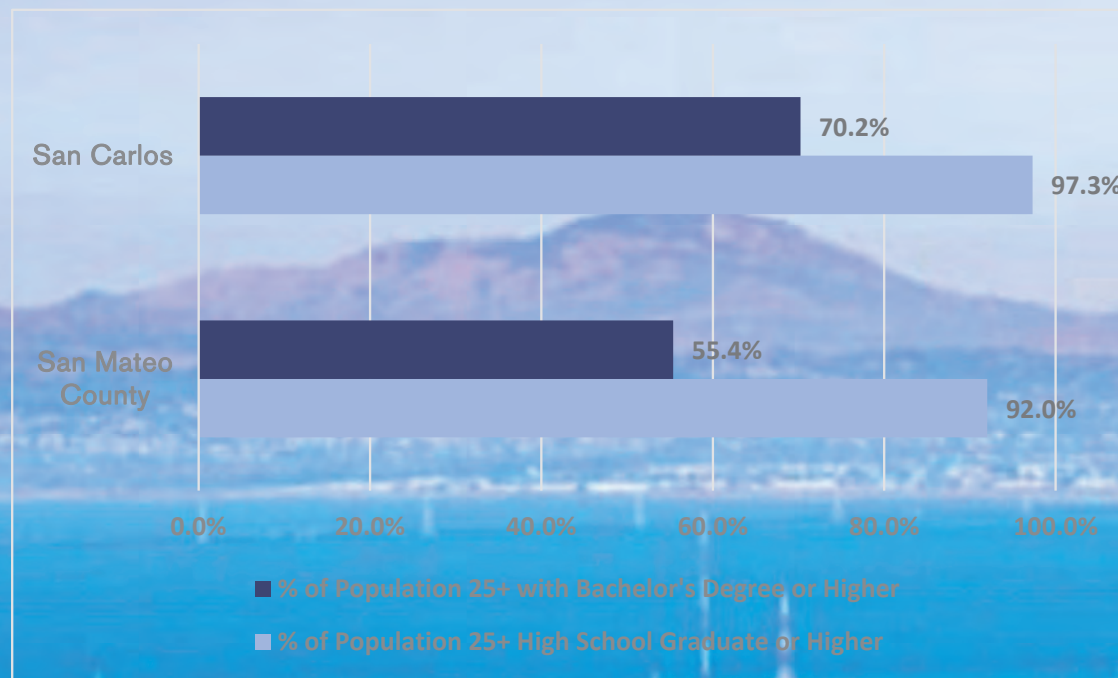


Source: Esri Business Analyst; BAE, 2023

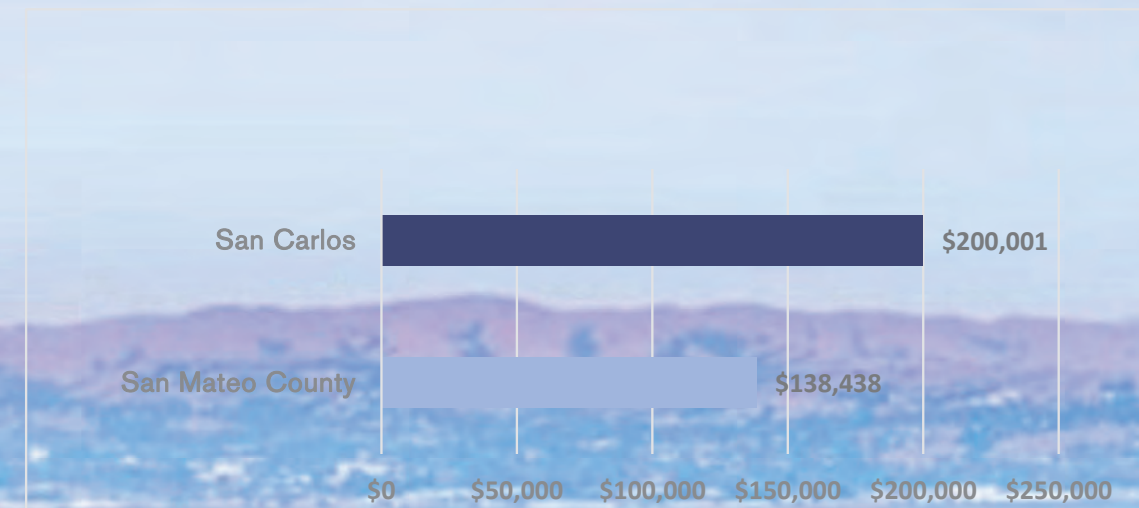


# Demographics – Educational Attainment and Income

### Educational Attainment



### Median Household Income



Sources: Esri Business Analyst, BAE, 2023.



# Demographics – Housing Tenure

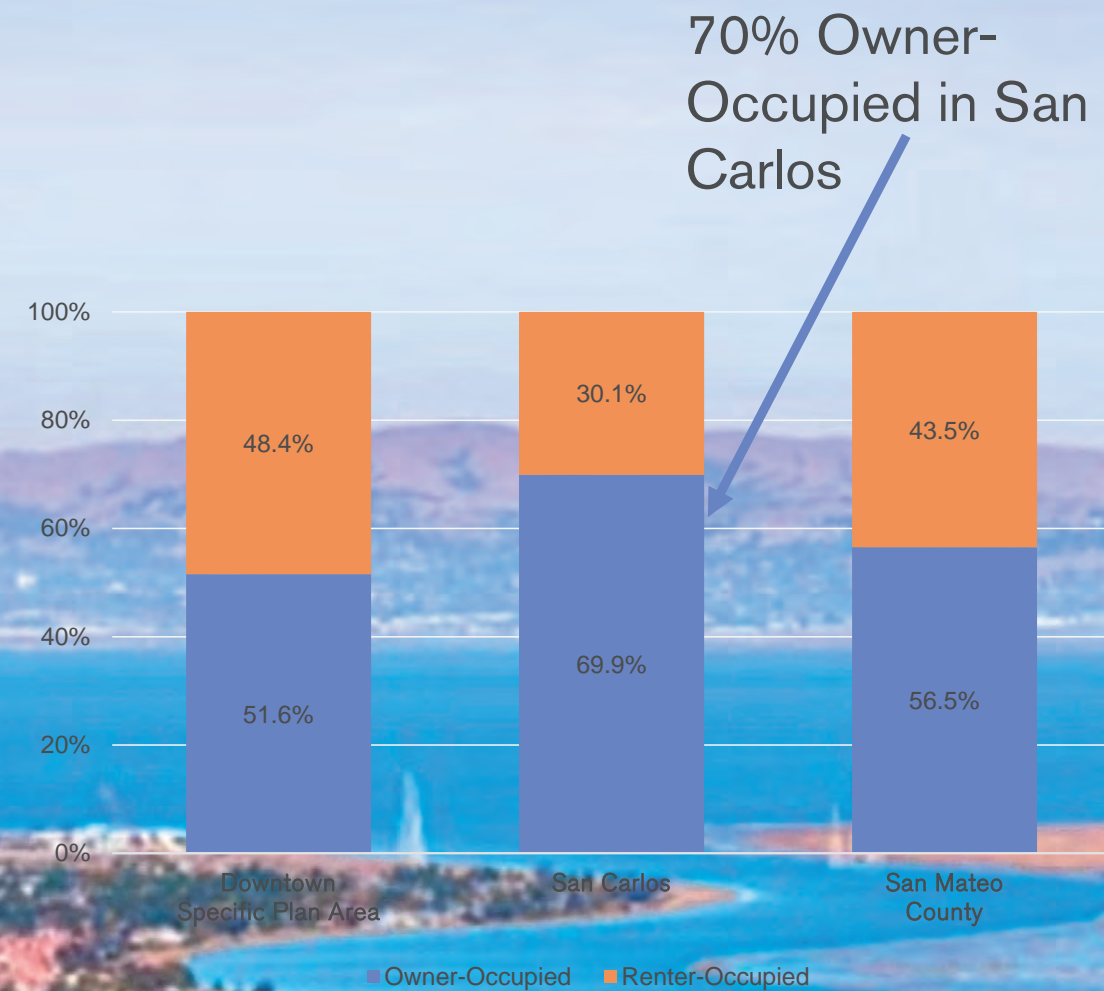


2023 Total Occupied Housing Units

**450** – Downtown

**11,800** – San Carlos

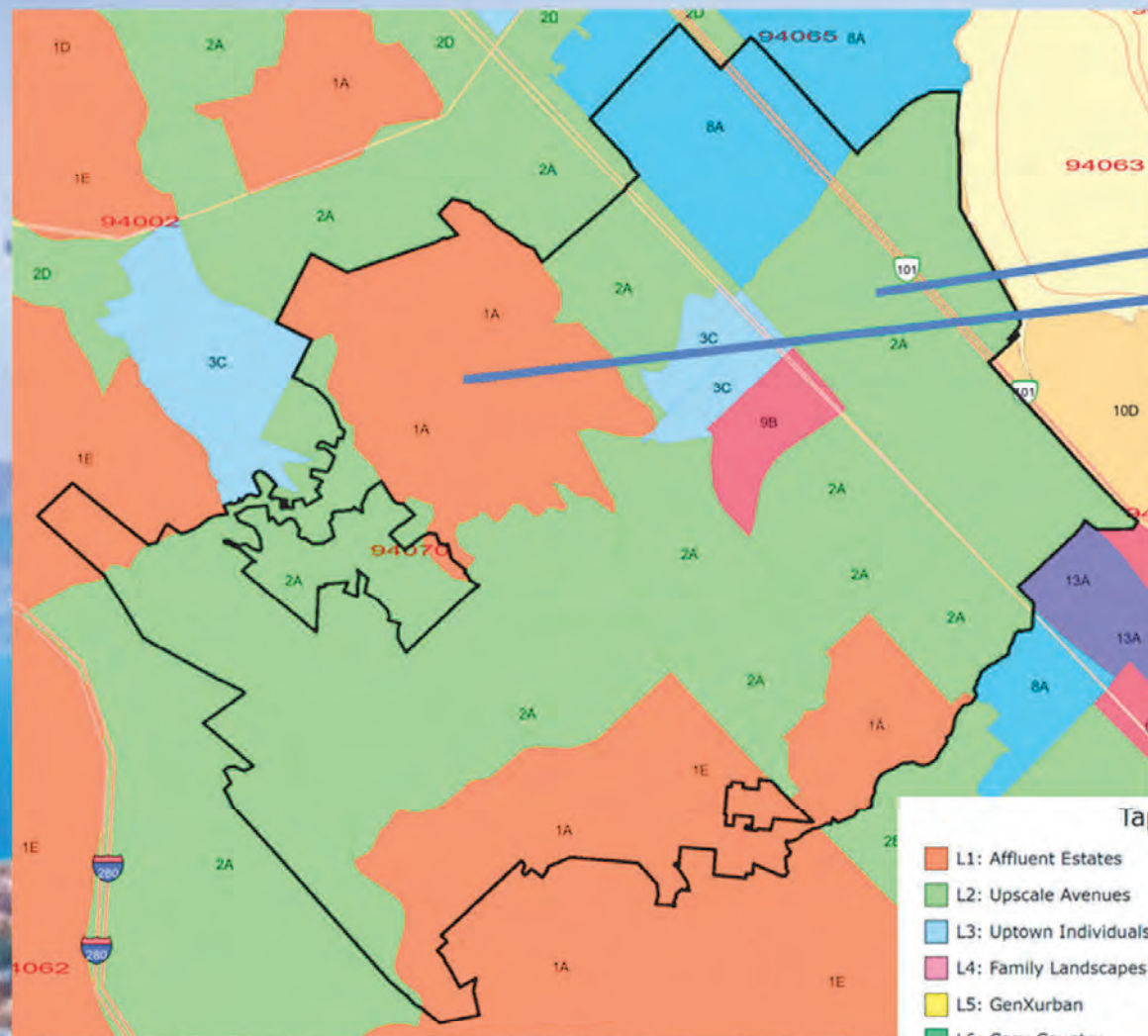
**269,400** – San Mateo County



Sources: U.S. Census, BAE, 2023



# Demographics – Consumer Segments



Top 5 Tapestry Segments – San Carlos

Top 5 Tapestry Segments	Households		Adult Population	
	Number	% of Total	Number	% of Total
Upscale Avenues: Urban Chic (2A)	6,245	52.5%	12,853	53.5%
Affluent Estates: Top Tier (1A)	2,999	25.2%	6,370	26.5%
Uptown Individuals: Trendsetters (3C)	1,215	10.2%	2,064	8.6%
Senior Styles: Golden Years (9B)	646	5.4%	1,106	4.6%
Middle Ground: City Lights (8A)	232	2.0%	498	2.1%
<b>Subtotal</b>	<b>11,337</b>	<b>95.3%</b>	<b>22,891</b>	<b>95.2%</b>
<b>City Total</b>	<b>11,890</b>	<b>100.0%</b>	<b>24,034</b>	<b>100.0%</b>

Common attributes are support for arts and cultural organizations, health consciousness, preference for natural or organic products, and users of financial services. These segments spend more than the national average on retail goods and services.

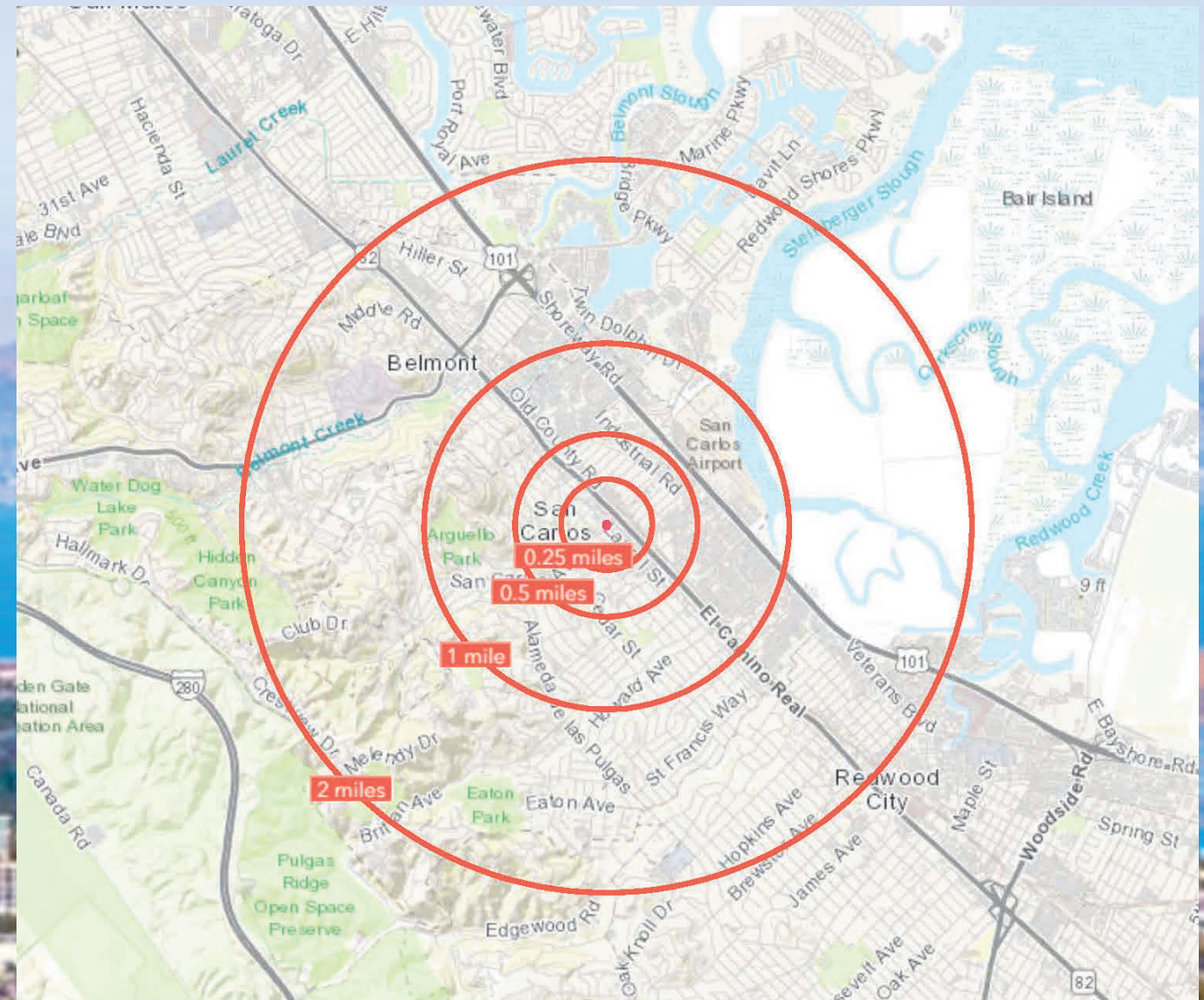
Sources: Esri Business Analyst; BAE, 2023.



# Demographics – Retail Trade Area

## Key Trade Area Characteristics by Distance

Trade Area	Population	Households	Median Age	Median Income
1/4 Mile	2,154	1,110	42.6	\$ 119,644
1/2 Mile	7,488	3,356	42.9	\$ 142,045
1 Mile	17,608	6,936	44	\$ 177,659
2 Mile	60,237	23,284	43.3	\$ 177,404



Sources: Esri Business Analyst; BAE, 2023



# Demographics – Retail Buying Power

2023 San Carlos Annual Retail Spending:



**\$656 M** total in these categories

**\$55,100** per household

**\$105.7 M** Food Away from Home

	Spending Index (a)	Average Amount Spent per Household	Total Estimated Spending (b)
<b>Apparel and Services</b>	240	\$5,274	\$62,710,000
<b>Computer</b>	253	\$757	\$9,010,000
<b>Entertainment &amp; Recreation</b>	240	\$9,070	\$107,840,000
Fees and Admissions	274	\$1,950	\$23,180,000
TV/Video/Audio	222	\$3,009	\$35,780,000
Pets	237	\$2,185	\$25,980,000
Toys/Games/Crafts/Hobbies (4)	220	\$349	\$4,140,000
Recreational Vehicles and Fees (5)	256	\$385	\$4,570,000
Sports/Recreation/Exercise Equipment (6)	233	\$655	\$7,790,000
Photo Equipment and Supplies (7)	248	\$116	\$1,380,000
Reading (8)	265	\$335	\$3,990,000
Catered Affairs (9)	282	\$86	\$1,020,000
<b>Food</b>			
Food at Home	236	\$16,023	\$190,510,000
Food Away from Home	239	\$8,888	\$105,680,000
Alcoholic Beverages	267	\$1,801	\$21,420,000
<b>Health</b>	200	\$1,347	\$16,020,000
<b>Household Furnishings and Equipment</b>		\$4,264	\$50,700,000
<b>Household Operations</b>			
Child Care	258	\$1,335	\$15,880,000
Lawn and Garden (16)	249	\$1,672	\$19,880,000
Moving/Storage/Freight Express	250	\$224	\$2,670,000
Housekeeping Supplies (17)	228	\$2,130	\$25,330,000
Personal Care Products (18)	241	\$1,329	\$15,800,000
School Books and Supplies (19)	230	\$308	\$3,660,000
Smoking Products	173	\$749	\$8,910,000
<b>Total Potential Consumer Spending</b>		<b>\$ 55,173</b>	<b>\$656,020,000</b>


Sources: Esri Business Analyst, BAE, 2023.



## Demographics – Key Points

 Highly affluent trade area

Not enough people live near downtown to sustain it

 A smart parking plan is critical to attract shoppers  
– parking study underway





## Economics – Export Industries



Q2 2023 Employment in  
Export Sectors

**100,700 jobs**

**26% of San Mateo County total**  
(390,100 Q2 2023)



# Economics – Growth Prospects



Life science/Office R&D Pipeline  
**3.2M square feet**

Employment Growth Prospects  
2023-2033:

**+5,000-10,000\***

\* Assumes 50% to 100% buildout range and average of 325 square feet per employee for primarily life science occupiers

 Downtown can capture new employee spending

 Requires connecting downtown & innovation district

Sources: City of San Carlos, BAE, 2023



# Fiscal Condition – San Carlos

General Fund Revenue 2023-24:

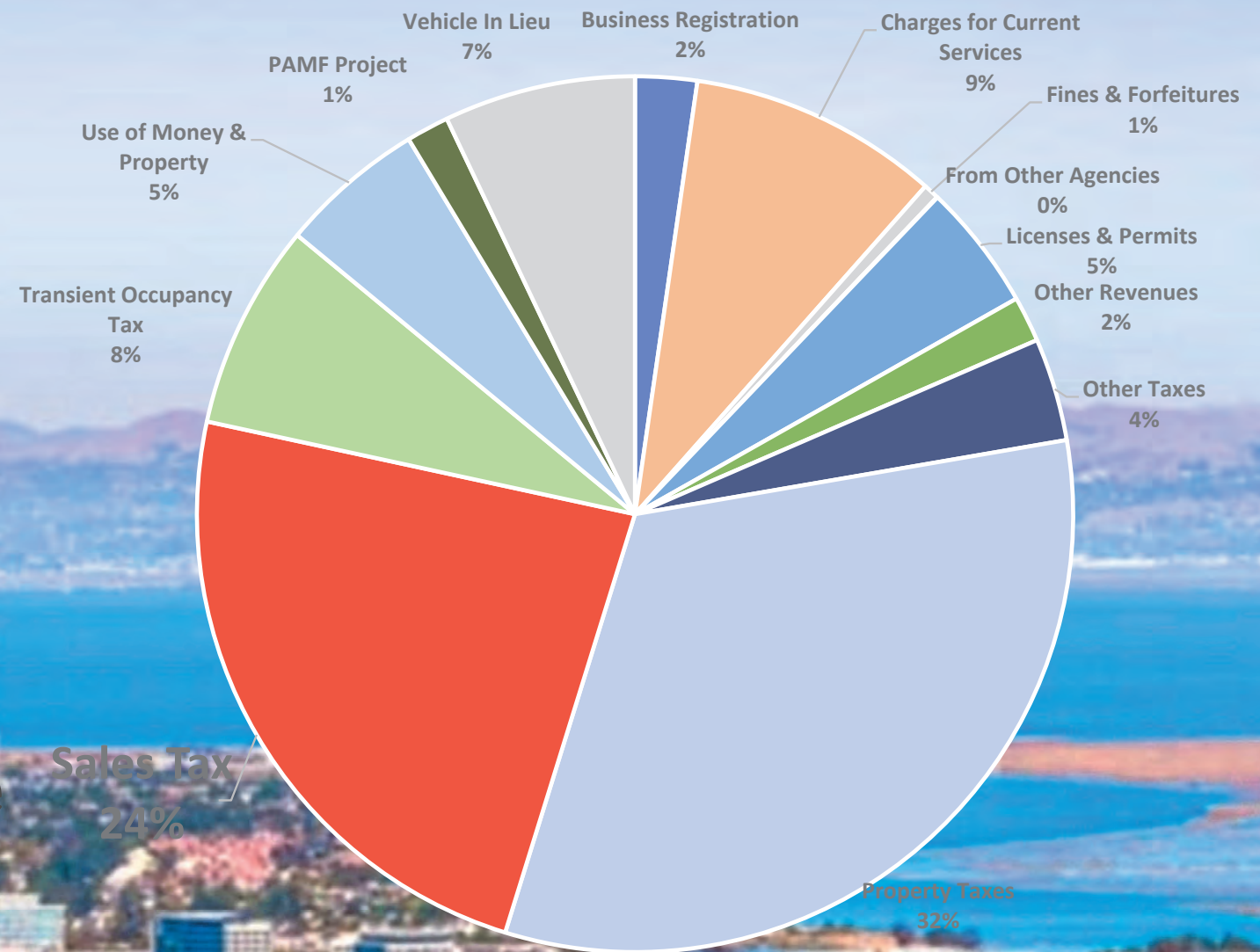
**\$55.3 million**

Sales Tax Generates:

**24% of total**

Top General Fund Expense:

**\$25.1 M Fire & Police**



Sources: City of San Carlos; BAE, 2023.



# Real Estate Market – Residential



Single Family Home  
Median Price Q4 2023:  
**\$2.3M**



Condominium  
Median Price Q4 2023:  
**\$1.1M**



Multifamily Rental Q3 2023:  
**\$2,809 average asking rent**

<u>Multifamily Rental Market Summary</u>	<u>City of San Carlos</u>	<u>San Mateo County</u>
<b>Inventory Units, Q3 2023</b>	2,096	77,331
Average Unit Size (sf)	873	822
Vacancy Rate	4.9%	5.6%
<b>Avg. Monthly Asking Rents (per unit)</b>		
Avg. Asking Rent, Q3 2022	\$2,681	\$2,835
Avg. Asking Rent, Q3 2023	\$2,809	\$2,846
% Change Q3 2022 - Q3 2023	4.8%	0.4%
Avg. Asking Rent, Q3 2013	\$2,214	\$2,257
Avg. Asking Rent, Q3 2023	\$2,809	\$2,846
% Change Q3 2013 - Q3 2023	26.9%	26.1%
<b>New Deliveries (units), Q1 2013 - Q3 2023</b>	272	10,055
<b>Under Construction (units), Q3 2023</b>	26	3,268

Sources: CoStar Group, BAE, 2023.



## Real Estate Market – Residential



Jobs drive demand for housing



Demand in San Carlos pushed by new jobs in innovation district



Downtown offers amenities for new multifamily development



## Real Estate Market – Retail



Downtown Retail Inventory Q3  
2023:  
**550,000** square feet



Vacancy Rate Q3 2023:  
**0.9%**  
(2.4% citywide; 4.5% countywide)



Average Asking Rental Rate Q3 2023:  
**\$44.00** monthly per square foot NNN



# Real Estate Market – Retail

## Downtown Retail Mix Q3 2023

Overall diverse mix  
Reflects community's spending patterns





# Real Estate Market – Retail

## Key Retail Trends



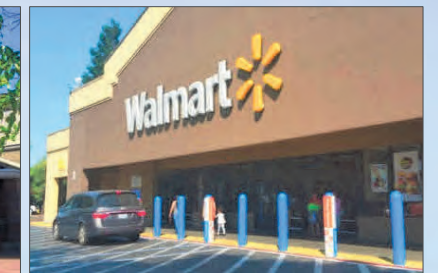
Commodity vs Specialty



E-commerce – 15.4% of all retail



Omnichannel Retailing – Role of Platforms



Commodity



Specialty



## Real Estate Market – Retail

### Team Observations on Downtown



Authentic and small scale – popular events



Competes with nearby downtowns



Impact of Laurel Street closures on goods retailers



Equity issue related to use of public space –parklets?



Enhance use of digital sales channels and social media



# Real Estate Market – Office



City of San Carlos Office Inventory Q3 2023:

**2.0 M** square feet

Vacancy Rate Q3 2023:

**18.8%**

(13.1% countywide)

Average Asking Rental Rate Q3 2023:

**\$54.00-\$76.00**

monthly per square foot, gross

Sources: CoStar Group; BAE, 2023

## Office Market Summary, Q3 2023

	City of San Carlos	San Mateo County
<b>Inventory (sf)</b>	<b>2,002,316</b>	<b>58,968,899</b>
Vacancy Rate	18.8%	13.1%
<b>Annual Direct Asking Rents (psf)</b>		
Annual Gross Asking Rent (psf), Q3 2022	\$54.36	\$72.29
Annual Gross Asking Rent (psf), Q3 2023	\$76.40	\$72.25
% Change, Q3 2022 - Q3 2023	40.5%	-0.1%
Annual Gross Asking Rent (psf), Q3 2013	\$34.00	\$41.85
Annual Gross Asking Rent (psf), Q3 2023	\$76.40	\$72.25
% Change, Q3 2013 - Q3 2023	124.7%	72.6%
<b>Total Net Absorption (sf)</b>		
Ten-Year Total Net Absorption (sf), 2013 - 2022	686,212	7,822,352
One-Year Total Net Absorption (sf), 2022	42,408	593,369
<b>Under Construction, Q3 2023</b>		
Buildings Under Construction	1	16
Under Construction Inventory (sf)	17,847	2,295,443
<b>New Deliveries, Q1 2013 - Q3 2023</b>		
Number of Buildings	8	106
Inventory Delivered (sf)	591,623	10,951,822



# Real Estate Market – Office

## Office Trends

- 🏢 Demand for amenity-rich, sustainable space
- 🏢 Preference sites near Caltrain
- 🏢 Impacts of remote work
- 🏢 Typical 150,000 to 200,000 square foot project size



## Real Estate Market – Office

### Downtown Office Potential

- 🏢 Smaller floor plate projects
- 🏢 Local-serving businesses/start-ups/co-working
- 🏢 Prior market study indicates 30,000 to 50,000 square feet demand
- 🏢 Challenging economic conditions – capital markets

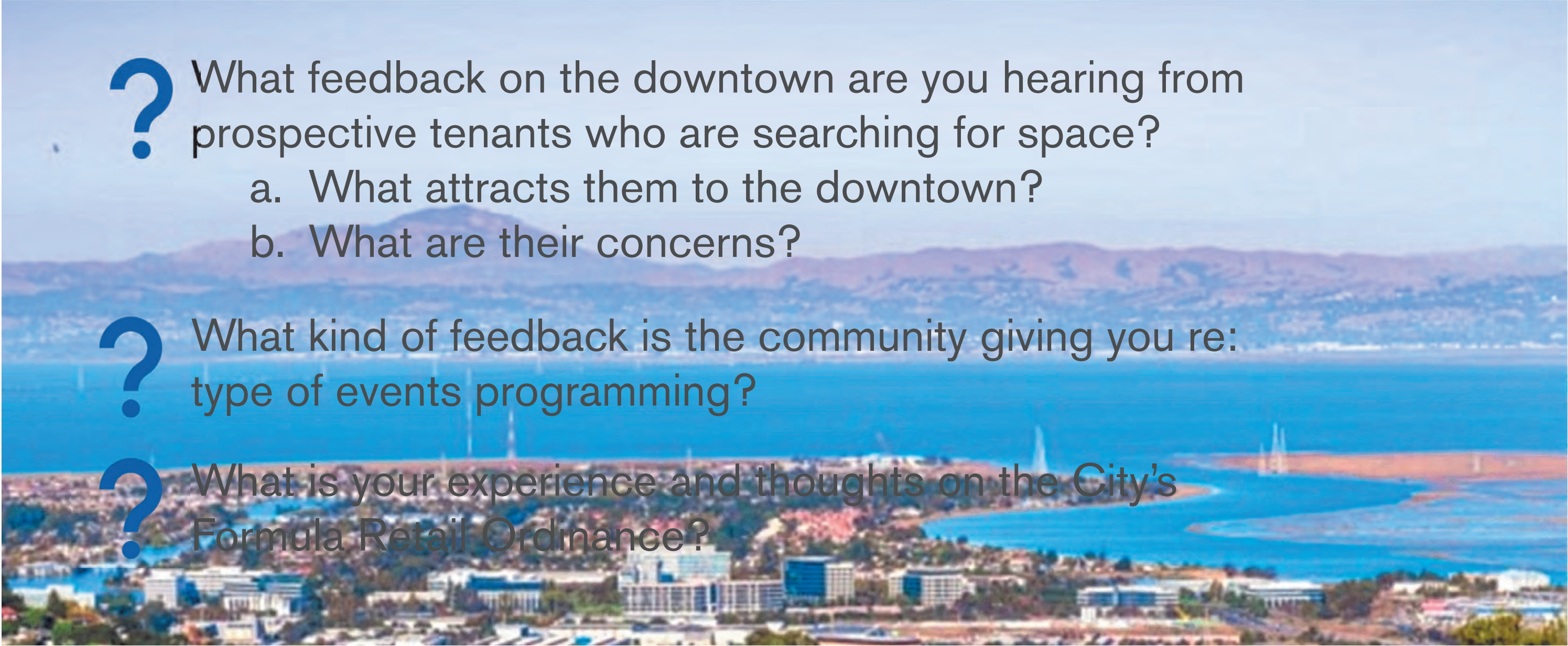


# Downtown SWOT Update

S	W	O	T
Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> <li>○ Affluent consumer base with high level of retail spending</li> <li>○ Authentic, small-scale village feel</li> <li>○ Diverse retail mix of locally-owned businesses</li> <li>○ Provides retail amenities for nearby workers</li> <li>○ The City's 'Living Room' where people go to socialize &amp; mingle</li> <li>○ 700 Block Laurel Street Pedestrian Mall</li> <li>○ Caltrain station</li> </ul>	<ul style="list-style-type: none"> <li>- Traffic congestion-change in circulation impairs access</li> <li>- Limited availability of affordable commercial space</li> <li>- Limited wayfinding</li> <li>- Lack of distinct visual identity, no uniform parklet design standards</li> <li>- Limited connectivity with innovation district</li> <li>- Lack of clear vision statement and differentiation</li> </ul>	<ul style="list-style-type: none"> <li>- Capture spending by new life science workers</li> <li>- "Pop-up" retail in public spaces</li> <li>- Small, "creative" or co-working office development</li> <li>- Community events/activities</li> <li>- Arts/culture</li> <li>- Potential for new transit-oriented development near Caltrain station</li> <li>- Improved wayfinding signage</li> </ul>	<ul style="list-style-type: none"> <li>- Economic uncertainty</li> <li>- Goods retailers at risk due to rising online shopping</li> <li>- Other nearby DT districts are ahead of San Carlos and also have better layouts than DT San Carlos including better circulation</li> </ul>



## Questions for EDAC?

- 
- ? What feedback on the downtown are you hearing from prospective tenants who are searching for space?
    - a. What attracts them to the downtown?
    - b. What are their concerns?
  - ? What kind of feedback is the community giving you re: type of events programming?
  - ? What is your experience and thoughts on the City's Formula Retail Ordinance?



## Questions for EDAC?

- 
- ? What's working and not working with respect to the City's small business initiatives?
  - ? To what degree would providing affordable housing downtown help with labor recruitment and retention?
  - ? What is the current thinking on managing parking downtown?



## Questions for EDAC?

- 
- ? Would a pop-up retail program work in the downtown's public spaces? Vacant storefronts?
  - ? Do you think that encouraging co-working space downtown would be valuable?
  - ? How can economic inclusion be promoted downtown?  
Who are potential partners?



# THANK YOU

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