Owner/Applicant: Paulino/ECR Partners, LLC
File Numbers: PLN 2018-00194
Location: 3001 El Camino Real, Redwood City
APNs: 060-273-120

Project Description:
A Use Permit, Pursuant to Section 6398.2 of San Mateo County’s Zoning (NMU/ECR) Regulations, to allow off-site parking through a shared parking arrangement with two nearby properties to meet the parking regulations triggered by the remodel of the Chantilly II restaurant.
To: Members, North Fair Oaks Community Council

From: Planning Staff

Subject: Consideration of a Use Permit, pursuant to Section 6398.2 of San Mateo County’s Zoning (NMU/ECR) Regulations, to allow off-site parking through a shared parking arrangement with two nearby properties to meet the parking regulations triggered by the remodel and expansion of the Chantilly II restaurant located at 3001 El Camino Real in the unincorporated North Fair Oaks area of San Mateo County.

County File Number: PLN 2018-00194 (Paolino/3001 ECR Partners, LLC)

PROPOSAL

The applicant (ECR Partners) proposes to remodel and slightly expand the interior seating capacity of the Chantilly restaurant to 129 customers, which will only be open for dinner (5 PM onward). Whereas the restaurant remodel will trigger a parking requirement of 40 spaces, the Chantilly property can only accommodate 27 spaces; the remaining 13 required spaces would be achieved via the subject Use Permit to obtain an off-site shared parking arrangement (via valet service) with two other nearby businesses: K&L Wine Merchants (next door at 3305 – or 3033 El Camino Real) and Poly Clean Cleaners (about two blocks away at 3275 El Camino Real), who would make their parking spaces available from 7:00 p.m. onward, solely for the Chantilly restaurant customers’ use.

The parcel’s zoning of “Neighborhood Mixed Use-El Camino Real” includes parking requirements which defer to the “Commercial Mixed Use-1” zoning regulations, which require one space per 200 sq. ft. of total project floor area, whereby a Use Permit is required to allow such off-site, shared parking arrangements. This project is associated with BLD 2018-00646.
**REQUESTED ACTION**

That the North Fair Oaks Community Council provide a recommendation to the Community Development Director on the proposed Use Permit to allow off-street/shared parking to accommodate the remodeled, slightly expanded Chantilly II restaurant.

**BACKGROUND**

Report Prepared By: David Holbrook, Project Planner

Owner: Louis Paolino

Applicant: 3001 ECR Partners, LLC

Location: 3001 El Camino Real, Redwood City

APNs (under same ownership): 060-273-120 (restaurant), 060-273-110 (parking to rear), 060-273-130 (all parking)

Parcel Size: 5,333 sq. ft. (that restaurant is on; pursuant to approved Lot Line Adjustment; PLN2017-00492; recorded 3/15/2018)

Existing Zoning: Neighborhood Mixed Use-El Camino Real (NMU/ECR)

General Plan Designation: Commercial Mixed-Use/Medium-High Density

Existing Land Use: Restaurant (060-273-120), Parking and Commercial Building (060-273-110; All parking (060-273-130)

Water Supply: California Water Service

Sewage Disposal: Fair Oaks Sewer District

Flood Zone: Zone X (area of minimal flood risk); FEMA Panel No. 06081C0302E, Effective October 16, 2012

Environmental Evaluation: The project is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15301, Class 1, for a minor alteration of an existing private structure (in this case a restaurant) where the project involves negligible expansion of use.

Setting: The project site is at the corner of El Camino Real at East Selby Lane. The Chantilly restaurant has existed as a restaurant, albeit of different names, since a previous building’s construction in 1959. The Chantilly restaurant, as it currently appears, was constructed and finalized with an issued building permit (BLD98-0252), applied for in 1998 and completed in 2000. The subject parcel is entirely covered by the restaurant structure, with its associated parking provided on a parcel across the alley to
the rear and to the back of an adjacent parcel. The restaurant is located on a parcel that is separated from the R-1 zoned Selby Lane community to the north by an alleyway (entered from East Selby Lane and exiting at Fifth Avenue), and on the other side of that by a like-NMU zoned parcel used for parking by the restaurant.

Chronology:

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 8, 1997</td>
<td>Parking Exception (OSP97-0010) application submitted to allow for off-site parking for new Chantilly II restaurant, which will provide seating for 80 customers, but where (with the requirement of 1 parking space for every 3 seats) the project site does not have compliant on-site parking capacity. The two subject parcels include a retail business (K&amp;L Wine Merchants), which generates the need for</td>
</tr>
<tr>
<td>February 10, 1998</td>
<td>Zoning Hearing Officer (ZHO) approves OSP to allow 9 standard-sized parking spaces, 36 tandem (valet) parking spaces and 1 accessible (ADA) space, for a total of 46 on-site spaces, where a total of 47 standard-sized on-site parking spaces for use by the employees and customers of Chantilly II and K&amp;L Wine Merchants (K&amp;L), in addition to the provision of 20 additional off-site parking spaces located (per agreement) at Key Market, at 5th Avenue and El Camino Real.</td>
</tr>
<tr>
<td>February 16, 1998</td>
<td>OSP approval appealed by attorney for K&amp;L, due to a disagreement as to their right of use of parking spaces.</td>
</tr>
<tr>
<td>April 3, 1998</td>
<td>Appeal withdrawn by K&amp;L, citing that all issues between both parties have been resolved.</td>
</tr>
<tr>
<td>March 15, 2000</td>
<td>Letter from K&amp;L attorney confirming that the 1998 Agreement between K&amp;L and Chantilly will be followed; that except for when K&amp;L has exclusive use of the subject 19 parking spaces (from 9 AM to 7 PM), Chantilly may use those spaces from 7 PM to midnight.</td>
</tr>
<tr>
<td>April 7, 2000</td>
<td>Planning provides its final approval (prior to inspection final) of building permit (BLD98-0252)</td>
</tr>
<tr>
<td>April 18, 2000</td>
<td>Final inspection approval of building permit for Chantilly restaurant.</td>
</tr>
</tbody>
</table>
DISCUSSION

A. KEY ISSUES

1. Compliance with the General Plan/North Fair Oaks Community Plan

The proposed project complies with all applicable General Plan Policies, specifically:

Urban Land Use Policies

a. Policy 8.9 (Designation of Existing Urban Communities) of the General Plan (GP) identifies North Fair Oaks as an urban community and the North Fair Oaks Community Plan (adopted in 2011) has designated the land use for this particular area along El Camino Real as “Commercial Mixed-Use”. While this designation allows a medium to high density of land uses, including a mix of multi-family residential, local- and regionally-oriented commercial and institutional uses, the existing restaurant constitutes a “commercial” element consistent with this designation. Policy 8.36 (Uses) seeks to allow uses in zoning districts that are consistent with the overall land use designation of the North Fair Oaks Community Plan. The zoning districts and associated regulations for this area along El Camino Real (including the subject parcels) – the NMU-ECR and CMU-1 Districts - were both approved and adopted by the Board of Supervisors in November 2017. The regulations for both districts were derived from and deemed to be consistent with the GP’s land use policies for “Commercial Mixed-Use”.

b. Policy 8.40 (Parking Regulations) seeks to establish minimum on-site parking requirements and parking development standards to accommodate the parking needs of development, provide convenient and safe access, and prevent congestion of public streets.

In this case, since the restaurant’s parking requirements exceed that provided on the owner’s parcels, the applicant proposes to utilize a shared parking arrangement with two other nearby businesses by obtaining a Use Permit pursuant to the cited regulations of the NMU-ECR and CMU zoning districts.

2. Compliance with the Zoning Regulations

While zoned MNU-ECR, the Zoning District’s permitted uses defer to those allowed as cited in the CMU-1 District, Section 6567.3. As such, restaurants are included under “Food Services”, requiring no Use Permit.
a. Development Standards

The parcel’s zoning is “Neighborhood Mixed Use-El Camino Real” (NMU-ECR), whose development standards (pursuant to Section 6569.4.) mandate requirements for Building Setbacks, Maximum Building Floor Area and Building Height. The Chantilly restaurant is on a parcel that is not directly adjoining any R-1 property. Its compliance with the CMU District regulations is shown in the table below:

<table>
<thead>
<tr>
<th>Zoning Standard</th>
<th>Project Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Setbacks</strong></td>
<td></td>
</tr>
<tr>
<td>Directly adjoining R-1 zoned parcels:</td>
<td>N/A; Does not adjoin R-1 parcels</td>
</tr>
<tr>
<td>Front Setback: 0 ft to 10 ft max.</td>
<td></td>
</tr>
<tr>
<td>Rear Setback: 20 ft.</td>
<td></td>
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<tr>
<td>Adjoining R-2/R-3 zoned parcels:</td>
<td>N/A; Does not adjoin R-2/R-3 parcels</td>
</tr>
<tr>
<td>Front Setback: 10 ft.</td>
<td></td>
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<tr>
<td>Rear Setback: 15 ft.</td>
<td></td>
</tr>
<tr>
<td>All other cases:</td>
<td>Compliant:</td>
</tr>
<tr>
<td>Front Setback: 0 ft to 10 ft max.</td>
<td></td>
</tr>
<tr>
<td>Rear Setback: 5 ft.</td>
<td></td>
</tr>
<tr>
<td><strong>Building Frontage</strong></td>
<td></td>
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<tr>
<td>Corner parcels on El Camino Real (ECR) must have an ECR frontage and ECR entrance.</td>
<td>Compliant: Has ECR frontage, with main entry off ECR.</td>
</tr>
<tr>
<td>Parcels adjoining alley rights-of-way must have minimum 5 ft. setback from alley</td>
<td>Compliant: Has 20.4 ft. setback from alley</td>
</tr>
<tr>
<td><strong>Maximum Building Floor Area</strong></td>
<td>Compliant: At 8,049 s/f total floor, for a 5,333 s/f parcel, FAR is 150%</td>
</tr>
<tr>
<td>For commercial uses: 150% (FAR) of total parcel area.</td>
<td></td>
</tr>
<tr>
<td><strong>Maximum Building Height</strong></td>
<td>Compliant: 27'-10&quot;.</td>
</tr>
<tr>
<td>40 ft.</td>
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b. Parking Standards

Again, while zoned NMU-ECR, the Zoning District’s permitted parking requirements defer to those cited in the CMU-1 District (Section 6567.8.), which require that parking for “restaurants/bars” be provided at a ratio of one on-site parking space per 200 sq. ft. of (assumed) gross floor area. With the restaurant’s total size at 8,049 sq. ft., a total of 40 parking spaces are required.

Aside from the subject parcel (060-273-120) where the restaurant is located, the involved parcels and businesses that will accommodate both existing and off-site shared parking (to be provided via leases with those businesses, and as shown in Attachments C and D) are broken down as follows:
### Chantilly Restaurant
3001 ECR (Property Owner: Paolino)
APN: 060-273-120
Business Hours: 5:00 p.m. - Midnight
No on-site parking spaces

### Parking Lot (across the alley behind Chantilly)
(Property Owner: Paolino)
APN: 060-273-130
19 total spaces – 10 reserved for Chantilly during daytime hours
All 19 reserved for Chantilly: 5:00 p.m. – Midnight

### K&L Wine Merchants (retail store) (immediately adjacent)
3005/3017 ECR (Property Owner: Paolino)
APN: 060-273-110
8 total spaces – All reserved for Chantilly: 6:00 p.m. – Midnight (*K&L Merchants closes by 6:00 p.m.*)
(Spaces reserved for K&L during daytime hours)

### K&L Wine Merchants (next to K&L’s retail store)
3033 ECR (Property Owner: K&L Wine Merchants)
APN: 060-273-100 - **Lease Provided**
25 spaces (15 south & 10 north of building)
(*K&L Merchants closes by 6:00 p.m.*)
All spaces reserved for Chantilly: 7:00 p.m. – Midnight

### PolyClean Cleaners (Approx. 725 ft. from Chantilly)
3275 ECR (Property Owner: Theresa Winterling)
APN: 060-281-520 - **Lease Provided**
16 total spaces (*PolyClean closes by 6:00 p.m.*)
All spaces reserved for Chantilly: 6:00 p.m. - Midnight

With 40 spaces required, the total parking provided as cited above is 68 spaces. With 27 spaces included on the two Paolino-owned properties (thus no lease necessary), the two off-site parcels (owned by others and operated with businesses by K&L Wine Merchants and PolyClean Cleaners) will provide an additional 41 spaces of parking if and when needed.

The CMU-1 Zoning District Regulations (Section 6567.9.2; Alternative Parking Approaches; Off-Site Parking) allows for off-site/shared parking upon issuance of an approved Use Permit, the subject of this application. The remodel of the Chantilly II restaurant will provide seating for 129 customers (an increase from the number of seats with the last approved Parking Exception; OSP97-0010; but less than the actual number of subsequent seating that occurred in the restaurant after that approval).

**Required Standards.** *The required standards for the consideration of a Use Permit for off-site parking shall comply with this Section’s standards and criteria, each followed by staff response:*

1. Parking requirements may be satisfied by the provision of parking on another parcel, if dedicated access to the off-site spaces is demonstrated by ownership or a current lease. Changes in ownership, termination of leases that infringe dedicated access to any of the required parking spaces, shall result in revocation of the Use Permit until the parking deficiency is remedied.

   **Response:** The parking lot behind Chantilly is also owned by Paolino, thus does not require a lease to ensure that its 19 spaces are
available for Chantilly patrons after 5 PM. The other two properties that provide off-site parking (as cited in the above table) include leases (Attachment D.) that allow, respectively, for a specific number of parking spaces to be reserved for Chantilly patrons. Conditions of approval will be added upon submittal of this application to the Zoning Hearing Officer to ensure that such parking provisions will be subject to the criteria stated in the standard above.

2. Off-site parking shall be located within a walking distance no greater than 800 feet from the use served, unless the use being served is residential, in which case such off-site spaces shall be located within a walking distance no greater than 400 feet from the use served.

Response: While the off-site parking that would be provided by the K&L Wine Merchants property is directly adjacent to Chantilly, thus walkable. The off-site parking provided at the PolyClean Cleaners business is approximately 725 feet away, whose parking would be provided by valet service.

3. In the event that a shared parking entity has been formed and is fully operational, the documented parking spaces allocated to the parcel will count toward the vehicle parking requirement. Although allocated to a specified parcel, said spaces need not be specifically reserved for said specified parcel.

Response: The subject leases for both offsite parking locations clearly indicate the number of each property’s parking spaces that are specifically reserved for Chantilly for specifically identified hours.

Required Findings. Issuance of a Use Permit authorizing off-site parking may be approved if the deciding body issuing the use permit makes all of the following findings, in addition to the findings required in Section 6503 (cited as Finding (6) below), each followed by staff response:

(1) The off-site spaces to be used to satisfy the project’s parking obligation will be available as long as the uses requiring the spaces are in operation.

Response: While both subject leases include a clause whereby either party can terminate the agreement with 30-day written notice, conditions of approval will be added upon submittal of this application to the Zoning Hearing Officer that will require that should either lease be so terminated or changed, remaining off-site parking at the two off-site locations shall be assessed (or another off-site parking location secured) to ensure that the minimum required 40 spaces total are still being provided.
Should the total number of spaces available fall under 40, the seating capacity at Chantilly shall be reduced to ensure compliance with available (and as secured by lease where necessary) parking requirements.

(2) The peak hours of parking demand from all uses do not coincide in such a way that peak demand is greater than the parking provided.

Response: Both subject leases provide for adequate parking to be provided during Chantilly’s business hours, which also coincide (and thus do not conflict) with business hours (daytime) of both respective businesses.

(3) The adequacy of the quantity and efficiency of parking provided will equal or exceed the level that can be expected if off-site parking is not provided.

Response: While the previously cited parking regulations only require 40 spaces, it’s understood that with a seating capacity of 129 (which would assume about 3 patrons per vehicle), a greater and more realistic number of spaces would likely be required. With a total of 68 spaces provided, the number of patrons per vehicle comes down to about two, which seems reasonable to assume.

(4) A written agreement between the property owner(s) and the County, in a form satisfactory to County Counsel, is submitted, and that the agreement includes:

(a) A guarantee that there will be no alteration in the uses that will create a greater demand for parking, and a guarantee that any change of use will require immediate written notification to the County Planning and Building Department and an reassessment of the parking demand of the revised project and any necessary updates to the written agreement;

(b) A guarantee among the property owner(s) for access to and use of the off-site parking facilities;

(c) A provision that the County may require parking facilities in addition to those originally approved, upon finding by the Planning Commission that adequate parking to serve the use(s) has not been provided; and
(d) A provision stating that the County, acting through the Planning Commission, may for due cause and upon notice and hearing, unilaterally modify, amend, or terminate the Use Permit and/or agreement at any time.

Response: County Counsel has reviewed the two subject leases. While they both provide the guarantee required in subsection (b), conditions of approval will be added upon submittal of this application to the Zoning Hearing Officer that will mandate that such leases be amended accordingly, reviewed by the Director and signed by all parties to include the cited restrictions.

(5) That the establishment, maintenance and/or conducting of the use will not, under the circumstances of the particular case, result in a significant adverse impact to coastal resources, or be detrimental to the public welfare or injurious to property or improvements in said neighborhood.

Response: The use of parking from 5:00 pm. or 6:00 p.m. and available until Midnight at all four off-site locations (as described in the table above) will not create adverse impacts on the adjacent residential neighborhoods. With the expectation that such parking will provide for complete parking for all 129 restaurant patrons and staff, no such related parking will occur on the streets leading into the adjacent neighborhoods. No additional lighting shall be added or is required for these parking locations to operate in the evening hours. Conditions of approval will be added requiring that all such patrons walking to their vehicles will not loiter, but will leave in a timely manner. Taken together with all the previously cited conditions of approval, the off-site parking provisions will not be detrimental to the public welfare or injurious to property or improvements in said neighborhoods.

ATTACHMENTS

A. Vicinity Map
B. Project Plans
C. Map Showing Shared Parking Locations and Arrangements
D. Lease Agreements

DJH:jvp – DJHCC0482_WVU.DOCX
Parking Locations Map

Chantilly Restaurant
Owner: Paolino
3001 ECR. No onsite parking

K&L Wine Merchants
Owner: Paolino
3005/3017 ECR
8 spaces reserved 6 PM to Midnight

K&L Wine Merchants:
Owner: K&L Wine Merchants
3033 ECR. 25 spaces reserved 7 PM - Midnight

PolyClean Cleaners:
Owner: Theresa Winterling
3275 ECR. 16 spaces Reserved 6PM - Midnight

Parking Lot (19 total spaces)
Owner: Paolino
10 spaces during daytime hours
All 19 from 5PM - Midnight
PARKING SPACE LEASE AGREEMENT

ECR Parking

as Lessor, does hereby agree to let to __________ as Lessee, __________ parking spaces located at 3275 Euc, Altamont (Building/Street Address) __________ (City), __________ (State). The following terms and conditions shall apply to this Parking Space Lease Agreement ("Agreement"):

Terms and Conditions:

1. Items Left in Vehicle. Lessor shall not be responsible for damage or loss to possessions or items left in Lessee’s vehicles.

2. Damage to Vehicle. Lessor shall not be responsible for damage to Lessee’s vehicles, whether or not such damage is caused by other vehicle(s) or person(s) in the parking lot and surrounding area.

3. Payments by Lessee. Lessee agrees to pay Lessor $ ____ per month for the lease of the aforementioned parking spaces. Lessee is to make such leasehold payment to Lessor or Lessor’s Agent in person (or by mail) at 3275 Euc, Altamont, __________ address. Payments shall be made in advance by Lessee on the first of each month, or other agreed date.

4. Receipts by Lessor. Lessor agrees to provide a receipt to Lessee upon request for each payment received. Such receipt shall show the amount paid and number of the leased parking spaces.

5. Termination. Either party may terminate this Agreement by providing written notice to the other party. Any such notice shall be directed to a party at the party’s address as listed below in this Agreement.

EXECUTED AND AGREED by the parties hereto, this the __________ day of __________, 20__.

[Signatures]

Lessor

Lessee

3275 El Camino Real 3001 El Camino Real
Altamont CA 94020

Lessor’s Address

Lessee’s Address
PARKING SPACE LEASE AGREEMENT

KBK Enterprises, Inc DBA K & L Wine Merchants, as Lessor, does hereby agree to let to [Name], as Lessee, 25 parking spaces located at 3033 El Camino Real, Redwood City, CA 94061. The following terms and conditions shall apply to this Parking Space Lease Agreement ("Agreement"):  

25 parking spaces are available 7 days a week between the hours of 7:00 PM and 12:00 AM. 10 of the spaces are located on the north side of the building at 3033 El Camino, and 15 spaces are located on the south side of the same building.

Lessee shall furnish a certificate of liability insurance favoring the Lessor.

Terms and Conditions:

1. Items Left in Vehicle. Lessor shall not be responsible for damage or loss to possessions or items left in Lessee’s vehicles.

2. Damage to Vehicle. Lessor shall not be responsible for damage to Lessee’s vehicles, whether or not such damage is caused by other vehicle(s) or person(s) in the parking lot and surrounding area.

3. Payments by Lessee. Lessee agrees to pay Lessor $1,250 per month for the lease of the aforementioned parking spaces. Lessee is to make such leasehold payment to Lessor or Lessor’s Agent in person (or by mail) at 3005 El Camino Real, Redwood City, CA 94061. Payments shall be made in advance by Lessee on the first of each month, or other agreed date.

4. Receipts by Lessor. Lessor agrees to provide a receipt to Lessee upon request for each payment received. Such receipt shall show the amount paid and number of the leased parking spaces.

5. Termination. Either party may terminate this Agreement with 30 days written notice to the other party. Any such notice shall be directed to a party at the party’s address as listed below in this Agreement.

EXECUTED AND AGREED by the parties hereto, this the 5th day of May, 2017.

KBK ENTERPRISES, INC /Bette Zucker Partnership

[Signature]
President

Lessor

3005 El Camino Real
Redwood City, CA 94061

[Signature]
Lessor’s Address

Lessee

Lessee’s Address