

**CITY OF SAN MATEO  
PLANNING COMMISSION  
MINUTES OF THE REGULAR MEETING  
MARCH 27, 2012**

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**Approved**

The meeting convened at 7:30 p.m. in the City of San Mateo Council Chambers and was called to order by Chair Whitaker, who led the Pledge of Allegiance.

Those present were Commissioner Massey, Commissioner Moran, Commissioner Hugg, and Chair Whitaker.

A motion was made by Commissioner Moran, seconded by Commissioner Hugg to approve the minutes of the Regular meeting of March 13, 2012 with additional revisions.

Vote – Passed 4 – 0.

**\*\*\* PUBLIC COMMENT**

Chair Whitaker opened the public comment period.

(No persons wishing to speak, the Chair closed the public comment period.)

**ITEM 1**

**+ STUDY SESSION**

**PA 12-001 Draper University (Pre-Application)**, the project consists of the conversion of an existing hotel (aka Benjamin Franklin Hotel) to an entrepreneurial school. The building is 8 stories with a basement and a penthouse level. The conceptual proposal includes exterior modifications for a new elevator, storefront changes, and alterations to the rear swimming pool area. 44 E. Third Ave (APN 034-143-280, -290)

The property is located on the southern side of E. Third Ave, between S. El Camino Real and San Mateo Drive. The property is designated Downtown Retail Core in the City's General Plan and is zoned Central Business District (CBD).

PROJECT PLANNER: Julia Yeh, Associate Planner  
(650) 522-7216  
jyeh@cityofsanmateo.org

APPLICANT: Tim Murphy, AIA, Tim Murphy Design Associates  
520 Washington St  
San Francisco, CA. 94111  
(415) 986-1600  
tmurphy@tmda.com

PROPERTY OWNER: Tim Draper, Heart of San Mateo LLC.  
2822 Sand Hill Road, Suite 150  
Menlo Park, CA. 94025

Julia Yeh, project planner gave the staff presentation with a PowerPoint.

Tim Draper, Tim Murphy, and Andy Tang gave the applicant presentation.

- Building was purchased with no real plans on how to develop it for future use.
- Various options have been considered; not feasible due to lack of parking and other related parking issues.
  - Reconsidered hotel use, parking problematic. Feasibility of returning the Benjamin Franklin to a hotel is gone.
  - Senior housing with access to downtown, make use of city features; not a popular idea
- Wanted to restore building to its original grandeur
- Because of background, has the ability to bring people to the area who are interested in starting their own business
- A good place for a start-up; examples include YouTube and snapLogic. Good location because of proximity with Silicon Valley
- Short-term school is not expected to generate a lot of revenue for the city; long-term projections more positive.
- Good opportunity to make the city a center of economic activity
- School expected to draw students with high energy & quality – eager to learn how to start a business
- Details are being worked out: consider pilot program with consultants and students, perhaps 20-30, to begin define program(s).
- Building height existed prior to current 55' height restrictions. This gives the penthouse a 360° view of the city and surrounding areas. Looking at possibility of enclosed area for gatherings with access by an exterior glass elevator.
- Would like to fill in the pool right away and create a nice public patio.
- The school would be a 10-week program – looking to attract age group 18-24 with focus on 21-24.
  - 25% would focus on the financial aspects of running a business
  - 25% would focus on new things, such as negotiations, speed reading, yoga, etc.
  - 25% would be off-site “field trips”
  - 25% would help students take their ideas and work 1:1 with a mentor.
  - They would then have the opportunity to give a presentation on their idea(s) to other venture capitalist for possible funding.
- This building does have good proximity to the transit station and other public transit so cars would not be needed and students would be told to leave the cars at home.

- Some permanent staff would remain on site and would have vehicles that could be parked in the city. The estimate is 5-10 vehicles.
- Additional vehicles would be speakers brought in to “teach” a class/give a presentation.

Andrew Tang: operations aspect

- Want to be a good neighbor
- 3 areas came up at their community meeting
  - Vibrancy
    - Active student body around the clock in downtown
    - Iconic landmark
    - Students come for 10 weeks at the time
    - ‘multiplier effect’ for downtown businesses
    - Help start future companies and retain them
  - Parking
    - Minimum parking anticipated, would encourage walking and biking
    - Use of Zip Cars or shuttles for infrequent need to travel outside the city
    - School would help monitor students re: parking
  - Security
    - Changes to swimming pool area, convert to patio/garden, add more light
    - Would work with neighbors

Tim Murphy, Architect

- Worked with Lembi’s when they owned and began renovating the building.
- Experienced with historic buildings
- Spoke on outside appearance of the building; wants to see a polished, retail friendly storefront appearance;
- Highlighted architectural style
- New means of access to penthouse – glass elevator on east side of building.

The Planning Commission had the following questions/comments for the applicant:

- Question for applicant regarding current restaurant – Astaria. What are the plans for it? Staying? How is Draper University working to integrate it into their plans?
  - No plans to move Astaria.
  - Long-term may be more oriented towards serving the college..
  - Age group targeted is 18-24, 21-24 more specific
- Question for staff regarding downtown parking district?
  - Building owner has paid into the parking district, there’s credit for 59 parking spaces. No designated spaces because parking shared in public garages.
- Question for staff regarding use of penthouse?

- Life safety issues related to change of use from hotel to school need to be addressed. Change to size of penthouse is limited by Measure P, no increase in floor area.
- City Atty addressed the question as well.
- If Draper University hosts an event, people will bring cars: how will the increase in traffic and vehicles be addressed?
- Sport court on roof? Netting would be put around to ensure that basketballs, etc., do not go over the side of the building
- Leadership in Energy and Environmental Design (LEED) certification contemplated? No plans at this time to conform to LEED requirements, however, efforts are being made to ensure that materials are sustainable.
- Double occupancy in rooms? Yes, with very comfortable beds/furniture. There would be a few single rooms on each floor, to meet accessibility requirements. Single room for proctors.
- Ground floor has common rooms available for “group study”.
- Additional in the bank building behind the hotel (also owned by Tim Draper)
- Elevator – make it unobtrusive? Lights?
- Potential for public use of common spaces/rooms? Will accommodate public request to use common rooms on ground floor for community meetings, when school is not in session or rooms are not being used.
- Students live on-site? Students have to board on-site – mandatory. Parallel on-line school program.
- Antennas? Antennas at the four-corners of the penthouse to provide 4G service to the city. No plans yet on how it would be constructed, but being considered.

Chair Whitaker opened the public comment period for this item.

The following people spoke, Sherman Chan, Franklin Street, San Mateo, Doug Henton, Avila Road, San Mateo, Francine Miller, Arroyo Ct, San Mateo, Ken Faller, W. 4<sup>th</sup> Avenue, San Mateo, Patricia Hraba, Costa Rica Ave, San Mateo, Ted Taylor, Amherst Ave, San Mateo, Ray Mauss, Crystal Springs Rd, San Mateo, Patrick Zaroni, 5<sup>th</sup> Ave, San Mateo, Joseph Musich, Parrott Dr, San Mateo, Ben Toy, N. Idaho, San Mateo, Liz Witherspoon, Villa Terrace, San Mateo:

- Concerned about students coming from all over the world, bringing cars with them, parking issues (people coming to the downtown are parking in his neighborhood now & this will only get worse.) Not in favor due to the parking issues.
- The economic benefit to the city is good. In favor and hopes for approval. Parking already a problem for her due to her proximity to ECR, this would potentially make impossible for her to leave her house. Suggested tearing down the bank building adjacent to hotel and constructing another parking garage. Street parking permits possible?

- Suggest changing traffic flow on 3<sup>rd</sup> and 4<sup>th</sup> to one-way to better facilitate traffic/parking impacts. Would help eliminate U-turns in the middle of the street.
- Happy that the building is getting attention, believes building should be kept a hotel. Have experience with historic buildings, parking a big concern for the daytime and would increase at night, other PAC-12 schools have this type of program, could take too long to really get started,
- Like the idea of Draper University and preservation of the hotel, similar to Notre Dame in Belmont
- Great concept, would like to see Astaria stay and hopes something can be worked out. .
- Would be a boost to the local economy. Parking permits and one-way directing of cars east of ECR east of RR, parking lots available for people to use could address the parking issue.
- In favor of the project. Some people are lazy and will circle the block continuously until they find a parking space directly in front of a building they wish to patronize. Need more than just restaurants in the downtown in order pull in people; Draper University can control permits and how parking is appropriated; can't afford to lose another decade of a downward slide.
- In favor, although the city has a parking problem. There are currently impacts to Central and North Central neighborhoods, more and more businesses have their employees parking in residential areas. City take over former Redevelopment Agency properties that are going to be sold (such as old Kinko's building that's now a parking lot) and create more parking.
- Project is good for the downtown and the area in general, the demographic age group suggested is more savvy and aware/sensitive to energy problems, less likely to bring cars, etc. This is a unique idea as it is not linked to a school, has a different concept.

No other individuals wishing to speak, Chair Whitaker closed the Public Comment Period.

Chair Whitaker asked for a break period. Commission reconvened at 9:20pm.

The Planning Commission made the following questions:

- How will parking impacts be addressed? Staff: Parking in the downtown is a challenge, longer term PW will study downtown parking and develop alternatives to better manage existing resources.
- What is the status of the Transportation Management Association (TMA) in the downtown? Staff: City has plans to implement/develop a TMA program. However, seeking "seed" money in order to get the program going. No time frame as been established.
- How do residential parking permit programs impact downtown parking? Staff: Here is a slide that shows the areas that have neighborhood parking program west of El Camino Real.
- Given # of competing school programs, how will this one at Draper University be viable?

Applicant: Have done business differently than others. Opened businesses in places others would not; has many friends and has been involved with Stanford. Difference between Draper University and other schools is that the 10-week program is an immersion program and not part of a degree program.

- Parking has to be addressed. Applicant: Open to building a garage from which both he and the city can benefit. Would need to look into the cost/benefits.

Planning Commission Comments:

- Primary impediment is parking; but will be regardless of use because the building has been vacant for a long time – has to be addressed and solved but in the long term, and not solely as a result of this project.
- Like the design. Not sure about the elevator.
- Would like to see ground floor rooms available for use by community groups and others not associated with DU.
- Don't believe we should let the required retail frontage stand in the way of this project.
- Remain open to maintaining the current restaurant.
- Allow use of the Fireside and Redwood Rooms by others.
- Students that cannot afford cars will have the ability to use public transportation and other means of getting around. Current problem is downtown parking, which is not generated by this project, but is an existing situation.
- We are at a fork in the road (our city). Need to take a risk. See how other start-ups can work, otherwise a historic building could decay – the very building we are trying to keep.
- Huge opportunity that businesses can benefit from.
- Create a “hub” in the city allowing businesses to get together.
- Glass elevator? Still unsure about its design.
- Parking difficult but not impossible.
- Hotel has been vacant a long time.
- School use is not tightly linked to parking demand.
- Life safety issues regarding penthouse – means of egress. Staff needs to provide guidance on technical problems that can be resolved.
- Sounds like a case can be made for a downtown economic development permit.
- Look forward to establishment of a TMA to better manage plan downtown parking and traffic. It's a problem that needs resolving.
- Bulk and mass of the penthouse is not visible, not sure if this matters.
- Would be supportive of Special Use Permit and downtown economic development permit?

No Vote as this is a study session.

## **COMMUNICATIONS/ANNOUNCEMENTS**

### **1. Communications from Staff**

- a. Retail Frontage Requirements going to a City Council study session on April 2.
  - b. No meeting on the April 10<sup>th</sup> – no items.
  - c. No meeting currently scheduled for the 25<sup>th</sup>, although the CC is appointing someone soon. An item may come up.
  - d. May 2012, likely 2 meetings:
    - a. St. Matthews Catholic Parish
    - b. Bay Terrace
2. Communications from the Commissioners
- a. Joshua Hugg out on May 22<sup>nd</sup>
  - b. Kelly Moran likely out on May 8<sup>th</sup>
3. Other
- a. Election of Officers. Ron explained the process.
    - a. Chris Massey nominated Diane Whitaker as Commission Chair; Joshua Hugg 2<sup>nd</sup> the nomination. Vote: Passed 4-0.
    - b. Kelly Moran nominated Chris Massey as Vice Chair and Joshua Hugg 2<sup>nd</sup> the nomination. . Vote: passed 4-0.

**ADJOURNMENT at 10:08 pm.**