



January 28th, 2020

Via Electronic Mail

Emily Beach, Mayor
Members of the Burlingame City Council
City of Burlingame
501 Primrose Road
Burlingame, CA 94010

Re: 1095 Rollins Road

Dear Mayor Beach and Members of the City Council:

On behalf of the Hanover Company ("Hanover"), I am writing regarding our proposed multifamily project at 1095 Rollins Road in Burlingame, CA (the "Project"). Hanover is excited to bring this Project forward because we believe the proposed 150 apartment homes will help enliven the surrounding area, increase ridership at the Broadway Caltrain station, and add vitality to the businesses along the Broadway corridor. We are also pleased to present the Project with a recommendation for approval from the Burlingame Planning Commission, which was received on January 13, 2020.

Below you will find a project description and a summary of the Project's public benefits. After reviewing the Project on its merits, we respectfully request that the City Council approve the Project.

I. Project Description:

1095 Rollins Road (the "Property") is comprised of two parcels (APNs: 026-231-250; 026-231-260), totaling 1.075-acres, located between Cadillac Way to the west and Toyon Drive to the east. The Property fronts onto Rollins Road to the north, is surrounded by the Northpark Apartments to the south, is adjacent to a City utility station to the east, and is adjacent to a gas station to the west. The Property is currently improved with a single-story restaurant (Fattoria E Mare), a raised tennis court maintained by the neighboring Northpark Apartments via an easement over a portion of the Property, and a combination of surface and covered parking to service the restaurant. Hanover is proposing to demolish all existing onsite structures for the construction of a new, six-story podium, multifamily residential building. The Project will consist of 5 levels of type IIIA wood construction over 1-level of concrete construction, which will all sit on top of a subterranean garage containing both surface and "stacked" parking.

The Project consists of 150 apartment units, including stoop units, that will help activate the streetscape along Rollins Road. A total of 195 off-street parking spaces will be included on-site, which translates to over one space per bedroom. Six of the 195 parking spaces will be tandem spaces (i.e. 3 double-length spaces to accommodate 6 cars); the remaining 189 spaces will be a combination of traditional parking stalls and individually-accessible mechanical parking stackers, which are discussed in more detail below.

The unit mix will include 35 studios, 74 one-bedroom units, 38 two-bedroom units, and 3 three-bedroom units. Resident amenities will include multiple roof decks with BBQs and fire pits; a programmed courtyard with a bocce ball court; a fitness center and clubhouse, both of which directly access the courtyard; bike parking; and on-site storage. The Project's proximity to the Broadway Caltrain Station – only a five-minute walk – and the nearby Broadway commercial corridor also will be an amenity to

residents, as well as a boon for local businesses in the area. Ten percent (10%) of the apartment units (15 total) will be designated affordable for moderate income households, providing much-needed workforce housing in Burlingame.

Proposed Action:

Hanover is seeking a General Plan Amendment and Rezone to change the land use designation from Commercial (Shopping & Service) to High Density Residential and the zoning from C-1 (Commercial) to R-4 Multifamily Residential. Hanover is also seeking a Conditional Use Permit to allow the Project height to exceed 35 feet and comply with the 75-foot maximum height limit prescribed by Burlingame's Municipal Code. The Project is not seeking any Planning variances.

Hanover is proposing to merge the Property's two parcels via a Vesting Tentative Map (the "VTM"), which will include a public easement along the Property's Rollins Road frontage for the construction of a new sidewalk in the public right-of-way. The VTM will also set the front (10'), rear (4'), and side (20') setbacks for the Project, as allowed by Chapter 25.29.075 of the Burlingame Municipal Code.

Density Bonus:

Per Section 25.63.020 of the Burlingame Municipal Code, the Project seeks to invoke the *Burlingame Density Bonus Program* by allocating ten percent (10%) of units (15 total) as moderate-income affordable units. In exchange for providing these Below Market Rate (BMR) units, Hanover seeks the following concessions for the Project, as allowed by Chapter 25.63 of the Burlingame Municipal Code, and CA Government Code 65915, Section 1:

- By-Right Parking Incentive: Allows the minimum required parking to be set at 1 space for studios and one-bedroom units, and 2 spaces for two-bedroom and three-bedroom units. The Project's proposed parking exceeds this standard.
- Development Concession: The Project will use its one (1) allowed Development Concession for the Project's parking stacker system in the garage, which will allow residents to retrieve their automobiles on an individually-accessible basis via an application on their phone.
- Waiver of Development Standards: The Project seeks the waiver of one (1) development standard that would physically preclude the Project's ability to deliver the 15 affordable units on site:
 - A waiver to allow roof deck areas that serve as open space to be excluded from the calculation of the City's 50% maximum lot coverage requirement. Based on guidance from Planning staff, the Project originally proposed a courtyard on the second floor and roof decks over the 5th floor as areas that would not count towards the City's lot coverage requirement. Burlingame staff subsequently explained that, while courtyards over parking can be excluded from the lot coverage requirement, roof deck areas above units cannot. Therefore, if the Project's proposed 6th floor roof decks had to be lowered to the 2nd floor, the Project would lose the 28 units (seven stacks of four units) beneath the roof decks between the 2nd and 5th floors, which would render the Project economically infeasible, thus preventing the Project from delivering the 15 BMR units.

II. Project Benefits:

The transformation of the Property from a restaurant and rarely-used tennis court to a vibrant multifamily community will bring significant benefits to Burlingame, both fiscal and otherwise. First, the Project will generate over **\$3 million** in impact fees for the City and utilities, with approximately \$675,000 of these fees going to the Burlingame Unified School District. Second, the Project, once completed, will provide

an over 34x increase in property taxes from the current approximately \$24,000 annually to almost **\$800,000 annually**. Additional benefits will include:

- Adding 135 much-needed, market rate residential units to the City's housing stock in an area that does not abut any existing single-family home neighborhoods
- Adding 15 moderate-income affordable units to the City's affordable housing stock
- Utilizing a Transit-Oriented Property for high-density multifamily housing
- Adding ridership demand to the Broadway Caltrain Station (5-minute walk from the Project to the Caltrain platform)
- Increasing the number of Burlingame residents within walking distance (6 minutes) to the businesses along Broadway
- Reimagining a portion of an important, highly-visible gateway to Burlingame with a Project that incorporates clean, modern design and high-quality materials
- Activating Rollins Road with residences that provide "eyes on the street" for a safer and more pedestrian-friendly environment

III. Conclusion

For the past two and a half years, Hanover has worked collaboratively with City staff, our neighbors, and local stakeholders to refine this Project into what we believe will be a transformative, pedestrian-friendly, multifamily development near transit. The Project will further the City's policy goals by providing much-needed housing in Burlingame, while also featuring tasteful design and high-quality materials at this highly visible location. With this in mind, we respectfully urge the City Council to approve the Project.

Thank you for your consideration. Should you have any questions, please contact me at (925) 490-2990.

Sincerely,



Scott Youdall
Development Partner

cc: Kevin Gardiner, Planning Manager
Kathleen Kane, City Attorney
Catherine Keylon, Senior Planner