

City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: October 25, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Jovan D. Grogan, City Manager

PREPARED BY: Darcy Smith, Assistant City Manager

SUBJECT: Presentation of an Update on the Tanforan Preliminary Project

Application Submittal and the City's Community Engagement Process

BACKGROUND: On July 27, 2021, the City Council approved the Reimagining Tanforan Land Use Fact Sheet. This provides a comprehensive guide for future owners to realize City's vision in redeveloping Tanforan. This was developed as the City's effort to unite the three separate parcels at Tanforan into a single planning effort when the City learned that some of the individual parcels were about to be sold. The Fact Sheet articulates a vision for redevelopment that includes office, retail, entertainment, and housing units in a manner that supports a diverse mix of uses. The vision preserves and builds on what the community values about Tanforan while ensuring that it can remain viable into the future and continue to provide important revenue to San Bruno's local economy and city services.

The Reimagining effort was successful. In 2021, an LLC controlled by Alexandria Real Estate Equities (Alexandria) acquired the approximate 15 acre parcel formerly owned by JC Penney and the approximately 14 acre former Sears store owned by Seritage Growth Properties. In 2022 Alexandria acquired the parcels owned by Queensland Investment Corporation encompassing 16.4 acres and including the enclosed mall.

On October 5, 2022, the City received a preliminary project application for a transit-focused mixed-use village comprised of 1,000 housing units, a life science campus, and retail space, including an upgraded Target and Century Theatres. The application encompasses the entire 44-acre Tanforan site. The preliminary project description is provided as Attachment 1.

DISCUSSION: This agenda item provides a presentation of an update on the Tanforan preliminary project application submittal and the City's community engagement process.

Preliminary Project Application

The preliminary application submitted by proposes to replace the existing mall with a transit-focused mixed-use village that seeks to retain and upgrade Target and refresh the Century at Tanforan movie theater to accommodate the modern movie going experience. It also includes a meaningful residential component of the project that will help our City meet its significant Statemandated Regional Housing Needs Allocation (RHNA) housing obligations.

The application also includes a proposed life science campus that will be owned and operated by Alexandria Real Estate Equities. Alexandria operates exclusively in the life science market

and is known for its innovations in the industry. Locally that includes campuses in South San Francisco, San Francisco at Mission Bay, and San Carlos.

The fabric that unites these uses is a community-serving series of spaces that connect the development to the BART station and integrates it with the neighborhood around the project site. The project will also retain and incorporate the new Tanforan Memorial, which now permanently honors the thousands of Japanese Americans processed for detainment at Tanforan during World War II and stands as a symbol against future injustice.

City Review of Preliminary Application

The City has initiated a comprehensive review by all City reviewers. Application feedback will be provided by the City to ensure project is in alignment with the City's vision and requirements. The City will initiate technical analysis, studies, and the California Environmental Quality Act (CEQA) review of project. The City will also work with key stakeholders, agencies, and other interested parties, including SFO and FAA.

City's Community Engagement Process

On October 13, 2022, the City kicked off the initial phase of the City led "Tanforan for San Bruno" community engagement effort. This started with the release of a dedicated City Manager's eNewsletter and launch of the City dedicated engagement website. The purpose of this effort is to keep the community informed of the project and solicit community input throughout the City's planning process. It is a transparent, community-focused effort. The effort is founded on the Reimagining Tanforan vision, and grounding its purpose in an expanded City review process to include substantial community prioritization appropriate to the significance of this project. Following the public introduction and first City meeting on October 25, 2022, a series of community meetings will be held in November at the City engagement storefront to help inform the priorities around San Bruno's future and guide the City's review of the project.

The City's robust community engagement process serves to hear from San Bruno about what's most important. The goal is to establish a shared vision and guiding principles on what matters most to the community as the City studies and understands the application. This conversation will explore Tanforan's past, identify the City's emerging needs and opportunities, and help articulate what matters most to the community. This extended review effort is appropriate due to the significance of the project, its proximity to public transit, and the importance of the opportunity to address emerging and future needs that impact not just the immediate surrounding area, but San Bruno as a whole. The additional community conversation throughout the process will help us take advantage of this once in a generation opportunity, and ensure that the community's priorities are aligned with those of the project applicant to ensure that the next life of Tanforan is successful for everyone.

Key components of the engagement effort include a website and storefront space:

- City Dedicated Website: The City's dedicated website, Tanforanforsanbruno.com, will become a central point of information for this process that will be conducted over the next several months in person and virtually. The website provides context, virtual engagement tools, and application information. It will solicit meaningful virtual input. Questions posted by the public can be responded to. Dates of future meetings and events related to the project will be posted here.
- Engagement Storefront at Tanforan: A storefront space inside Tanforan mall will be utilized by the City for in-person participation. The space will host a variety of meeting formats, including

community meetings, drop in office hours, and small group meetings. The space format is both informational and participatory through exercises that seek to focus feedback on topics that are important and relevant to Tanforan.

The proposed schedule for engagement is as follows:

- November 2022 Community meetings and online engagement begin.
- December 2022 to February 2023 Additional meetings and office hours.
- Early 2023 Community meeting series continued.
- Spring 2023 Develop and deliver a community priorities report to be presented to the City Council.

The outcome of this effort is a report to help establish community priorities based on public input and expert analysis. The identification of community priorities will help focus the City's review of the project. The report will be hosted on website for community to review. Feedback on the report will be taken and engagement will continue throughout 2023.

The City's communication methods to distribute information related to this effort includes the City's social media accounts (Facebook, Instagram, Twitter), City-wide direct mail, email, and various social and digital advertising. For formal meetings on the project, the City will provide public notices mailed to property owners within 1,000 feet on the site, in additional to legal newspaper notices and social media posts.

NEXT STEPS: The filing of the preliminary project application is just the start of an approximately 18-to-24 month City review process. The planning entitlement process for the project will include technical studies, environmental analysis and economic assessments. This includes a comprehensive City review for conformance of the project to the City's General Plan, land use regulations, and the analysis required by the State California Environmental Quality Act (CEQA) culminating in the development of a project Environmental Impact Report. The process will include public meetings with the City's Planning Commission, as well as multiple public City Council meetings before being considered for final action.

FISCAL IMPACT: There is no fiscal impact from the informational presentation of the Tanforan Preliminary Project Application submittal and update on the City's Community Engagement Process. Consistent with City Council policy to maximize cost recovery for development related services, the project applicant has executed a Reimbursement Agreement with the City to reimburse the full cost of processing the preliminary project application.

ENVIRONMENTAL IMPACT: The update on the Tanforan Preliminary Project Application submittal and the City's Community Engagement Process does not have the potential for creation of a significant environmental impact pursuant to the California Environmental Quality Act (CEQA), and as such are exempt from further environmental consideration per CEQA Guidelines Section 15061(b)(3).

RECOMMENDATION: That the City Council receive this informational presentation on the Tanforan Preliminary Project Application submittal and update on the City's Community Engagement Process and address any questions or comments to staff.

ALTERNATIVES:

- 1. Receive the report from informational presentation on the Tanforan Preliminary Project Application submittal and update on the City's Community Engagement Process and address any questions or comments to staff; or
- 2. Provide alternative direction to staff.

ATTACHMENTS:

1. Preliminary Project Description