TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: JANUARY 22, 2007 CMR: 113:07

SUBJECT: ZONING ORDINANCE UPDATE – ADOPTION OF AN ORDINANCE DELETING CHAPTERS 18.28 (MULTI-FAMILY RESIDENCE DISTRICT GUIDELINES) AND 18.64 (ADDITIONAL SITE DEVELOPMENT AND DESIGN REGULATIONS FOR COMMERCIAL AND INDUSTRIAL DISTRICTS), AND ADOPTING A NEW CHAPTER 18.23 (PERFORMANCE CRITERIA FOR MULTI-FAMILY, COMMERCIAL AND INDUSTRIAL DISTRICTS) OF TITLE 18 (ZONING ORDINANCE) OF THE PAMC

RECOMMENDATION
Staff and the Planning and Transportation Commission (P&TC) recommend that the City Council adopt the attached ordinance to delete current Chapters 18.28 and 18.64 from the Zoning Ordinance and to add new Chapter 18.23 to address performance criteria for multi-family, commercial and industrial uses.

BACKGROUND
Comprehensive Plan
The City of Palo Alto Comprehensive Plan includes several policies to address transitions in scale, density and intensity between residential and non-residential areas and between residential areas of different densities. Program L-5 specifically directs the City to:

“Establish new performance and architectural standards that minimize negative impacts where land use transitions occur.”

On October 16, 2006, the City Council adopted revisions to the City’s commercial zoning districts. The revisions included context-based design criteria that address the architectural and design relationships related to land use transitions. The purposes of the performance criteria are to make new developments and land uses compatible with nearby residential and business areas, and to enhance the desirability of the proposed developments for the site residents and users, and for abutting neighbors and businesses.
Planning and Transportation Commission Review
On November 1, 2006, the P&TC recommended (7-0) to the Council approval of the draft ordinance (Attachment A) encompassing updated performance criteria. Staff initially presented a draft of the performance standards to the P&TC on August 30, 2006 along with the commercial zone updates and mixed use standards. Subsequent to that date, staff and the P&TC decided to separate the commercial and mixed use development standards from the performance standards to allow the Commission, public and business community further opportunity to review and discuss the criteria. The Commission’s review focused on assuring that the criteria require protection from nuisance or otherwise objectionable conditions for nearby residential areas, and allow for similar protections adjacent to nonresidential uses where appropriate. The major issues addressed by the Commission and the public centered on hazardous materials (use, storage and handling) and noise.

DISCUSSION
Existing Zoning Ordinance Chapters 18.28 (Multi-Family Residence District Guidelines) and 18.64 (Additional Site Development and Design Regulations for Commercial and Industrial Districts) provide performance criteria (guidelines) for multiple family and commercial/industrial development, respectively. These criteria address privacy, trash disposal areas, lighting, noise impacts, visual impacts, carports, underground garages, landscaping, pedestrian protection, and access impacts. The revised performance criteria are proposed as a new Chapter 18.23 and address all of those potential impacts, but consolidate them into a single chapter, rearrange the criteria, and update them, to include the following:

- Trash Disposal and Recycling
- Lighting
- Late Night Uses and Activities
- Visual, Screening and Landscaping
- Noise and Vibration
- Parking
- Vehicular, Pedestrian, and Bicycle Site Access
- Air Quality
- Hazardous Materials

These revised performance criteria are intended to provide standards to be used in the design and evaluation of developments in the multi-family, commercial, and industrial zones. The purpose is to balance the needs of the uses within these zones with the need to minimize impacts to surrounding neighborhoods. The criteria are intended to make new developments and major architectural review projects compatible with nearby residential areas, and to enhance the desirability of the proposed developments for the site residents and users, and for abutting neighbors and businesses. Some of the requirements (e.g., noise from mechanical equipment, hazardous materials) would apply at the building permit stage even where no discretionary permit is required. The requirements and guidelines would not be retroactive, but would apply for permits to replace existing equipment.

As with the existing code, criteria are listed as either “requirements” or “guidelines.” Requirements are mandated and would require variances or exceptions for any proposed deviations. Guidelines are recommended and will be encompassed in review by staff and ARB,
as applicable. They are assumed to apply unless the applicant demonstrates that they are not appropriate or that other means are provided to address the same concerns.

Many of these criteria restate the current standards and guidelines in Chapters 18.28 and 18.64. Attachment B is a redline version of the new chapter. Because the chapter consolidates and rearranges existing code provisions, the redline is not a verbatim reflection of changes to the code, but indicates new substantive language added to the existing provisions. The key issues for each section are noted below.

**Trash Disposal and Recycling** – This section generally requires enclosure and screening of trash and recycling areas, and adds requirements for designing such enclosures to be architecturally compatible with the rest of the project and reviewed by the ARB.

**Lighting** – This section includes current code language to allow for safe and secure lighting, but to minimize its use and avoid offsite impacts. The amendments quantify maximum lighting intensity (0.5 footcandle) as measured at the abutting residential property line, and provide additional considerations to limit interior lighting and to reduce exterior lighting after operating hours at a site.

**Late Night Uses and Activities** – This is a new section that includes general language about restricting late night activities at retail or service commercial businesses abutting or within 50 feet of (either directly adjacent or across the street) residentially zoned properties. Additionally, within the CN or CS zone, any such uses would require a conditional use permit for operations or activities occurring between 10:00 p.m. and 6:00 a.m. (also required by the recently amended CN and CS zoning requirements).

**Visual, Screening and Landscaping** – This section encompasses extensive existing language requiring landscape transitions and buffers adjacent to residential uses, and adds setbacks for rooftop equipment or rooftop equipment enclosures (already included in the research/industrial zoning districts). The amendments also suggest the use of textured or permeable paving materials for visual and stormwater purposes, and specify that plantings should allow for a mature appearance within 5 years.

**Noise and Vibration** – Existing standards require compliance with the City’s noise ordinance (Title 9) and equipment location out of setbacks. Other noise sources are to be located away from residential properties where feasible and/or must incorporate noise-reducing measures. The proposed amendments add language that requires demonstration of compliance with both the noise ordinance and Comprehensive Plan noise criteria through an acoustical analysis prior to building permit issuance.

**Parking** – This section incorporates criteria from the existing code regarding underground parking and compatibility of carports. Amendments include locating parking behind buildings, breaking parking into smaller groupings of spaces, and assuring that underground garages provide adequate perimeter area for transition landscaping.

**Vehicular, Pedestrian and Bicycle Access** – This section adds language to avoid access conflicts with pedestrian walkways or bikeways, as well as including existing provisions to locate
shipping and receiving areas away from residences and to avoid use of residential streets for employee or truck access.

**Air Quality** – This section adds new language generally requiring owners/applicants to address cooking and other odors, smoke and dust that may affect adjacent residences.

**Hazardous Materials** – This is a new section requiring compliance with regulations and providing notice to nearby residents when a business increases the quantities or changes the types of hazardous materials stored, used or handled. Staff believes this language is appropriate to allow for public “right to know” where such materials are being used. The provisions only apply when a business proposes to use hazardous materials in excess of certain threshold limits governed by Health and Safety Code 6.95, requiring permitting through the Fire Department. Notice would be sent to all residential property owners within 150 feet of the building or area of storage or use of the materials, not later than 10 days after permit approval, and would allow for such residents to review the plans and applicable accidental release measures.

For projects with “extremely hazardous” materials governed by Title 19 of the California Code of Regulations and requiring a Release Management Plan (RMP) to be filed with the County Department of Health, the code would require the City to notify “affected residents” within a geographic area identified in the RMP of a County 45-day period for public review and comment on the RMP. A minimum 300-foot setback from residential properties would be required for such materials, and increases in existing facilities already within the 300 foot limit would be restricted to 25% of existing quantities. In addition, this section includes a prohibition of the use or storage of BioSafety Level 4 etiological (biological) agents within the City of Palo Alto.

Some residents of the Barron Park area have recently expressed concern about the allowance for a 25% increase in existing Title 19 quantities within 300 feet of residential properties, and suggest a lesser or no increase be allowed (this provision is applicable only to the CPI facility). Staff believes, however, that some increase to allow for future business needs is appropriate, that 25% is a reasonable limit, and that adequate protections exist through the public notice and review provisions of this section and Fire Department and County Health review.

**Community Outreach**
Staff met on October 18, 2006, with neighborhood representatives and other residents and provided a draft of the proposed code section to the attendees. Community input was also part of the Commission’s study sessions and hearings. The proposal was added to the City’s Zoning Ordinance Update website for public review as well. Staff met on October 17, 2006, with business representatives from the Stanford Research Park who have properties that abut residentially zoned properties to discuss these provisions. Staff believes that the vast majority of public and business concerns were addressed in and subsequent to those meetings.

**RESOURCE IMPACT**
The recommendations in the proposed zoning revisions for performance criteria will have little, if any, resource impact on the City of Palo Alto. The changes would not affect the allowable uses on a site or the intensity of development permitted. The new measures appear to be reasonable expectations of the community for protection of adjacent properties, and would not involve substantial new costs to business.
Minor incremental staff costs will be incurred in the review, public notice and enforcement of
development proposals, particularly relative to potential noise and hazardous waste impacts.
These costs will generally be recovered in application permit fees, however.

**POLICY IMPLICATIONS**
The Zoning Ordinance Update is intended to bring the Zoning Ordinance into compliance with
the 1998-2010 Comprehensive Plan. Staff and the Commission believe that the proposed
amendments reflect the intent and policies of the Comprehensive Plan to prepare performance
standards and to provide for appropriate transitions from high density residential and
nonresidential development to lower density residential uses.

**ENVIRONMENTAL REVIEW**
The proposed modifications to the Zoning Ordinance would not affect the intensity of
development permitted, and would provide greater environmental protection regarding visual,
noise, air quality, hazardous materials and other potential impacts of development. The
amendments are consistent with the policies and programs outlined in the Comprehensive Plan
and with the Comprehensive Plan EIR.

**PREPARED BY:**
CURTIS WILLIAMS
Assistant Director of Planning and Community Environment

**DEPARTMENT HEAD REVIEW:**
STEVE EMSLIE
Director of Planning and Community Environment

**CITY MANAGER APPROVAL:**
EMILY HARRISON
Assistant City Manager

**ATTACHMENTS**
Attachment A: Draft Ordinance
Attachment B: Redlined Version of Ordinance
Attachment C: November 1, 2006 P&TC Staff Report and Attachments
Attachment D: October 25, 2006 P&TC Staff Report and Attachments
Attachment E: November 1, 2006 P&TC Minutes
Attachment F: October 25, 2006 P&TC Minutes
Attachment G: Correspondence
COURTESY COPIES
Planning and Transportation Commission
Architectural Review Board
Dan Firth, Fire Marshal
Doug Moran, Barron Park Association
Sheri Furman, Midtown Residents Association
Chamber of Commerce
Ramsey Shuayto, Stanford Management Company
Art Liberman
Fred Balin
Joy Ogawa