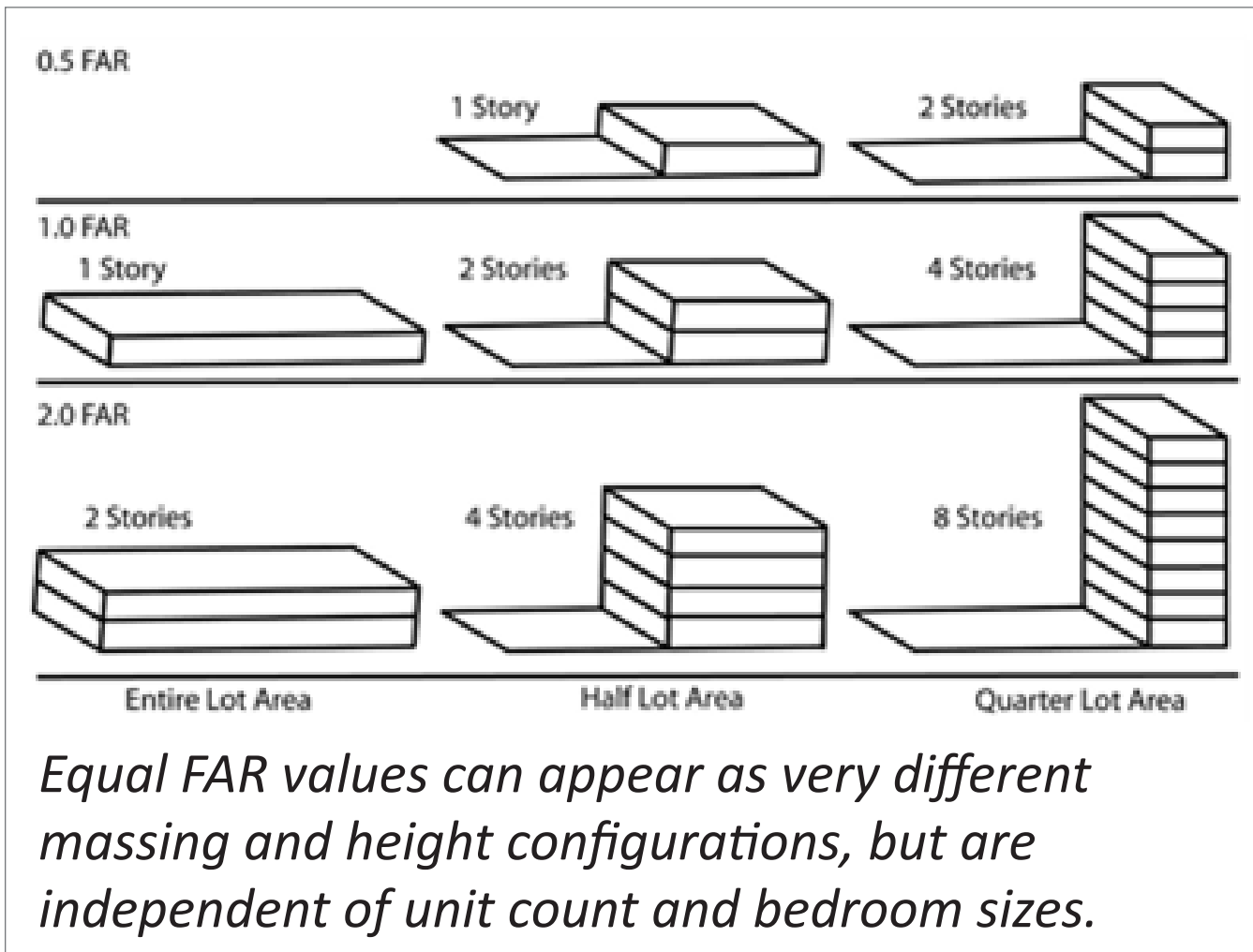




DENSITY & DEVELOPMENT STANDARDS

WHAT DEVELOPMENTS LOOK & FEEL LIKE

Density Metric #1: Floor Area Ratio (FAR)



What is it like today?

Residential Density vs. Floor Area Ratio (FAR)

- The Zoning Ordinance identifies standards for both residential density (units/acre) and floor area ratio (FAR), which aim to regulate population density and building massing.
- However, residential density can be an imperfect metric for evaluating a project's impact.
- FAR values can be more easily illustrated and compared between projects to demonstrate the relationship between total floor area and the site area, and the resulting massing.

Density Metric #2: Residential Density (units/acre)

HYPOTHETICAL 1-ACRE PROJECT

Senior Housing

- 50 units
- Studios & 1 bedrooms
- Total of 50 bedrooms

Density = 50 units/acre

Student Housing

- 10 units
- 5-bedroom suites
- Total of 50 bedrooms

Density = 10 units/acre

Residential density values vary based on the number of units and do not reflect the unit size or number of bedrooms in each unit.

Incentives for Non-Residential Development

- The commercial zoning districts in Downtown, California Avenue, and El Camino Real generally allow more generous standards for non-residential uses, such as office and hotel.
- This may be one reason that developers have built more offices and hotels vs. residential development in recent years.
- The CD(C) District in Downtown regulates setbacks, lot coverage, and open space for residential uses—but not for offices and hotels.
- Meeting all of these standards while still proposing a viable project can be challenging, especially on small sites.

What could change?

Idea #1: Align regulations (incentives) toward the type of development prioritized in the Council's Housing Work Plan.

Idea #2: Eliminate residential density standards; maintain FAR as a standard.

Idea #3: Allow residential development to utilize all existing FAR allowance and offer bonus for priority project types (e.g., affordable projects, projects with extra open space).

Idea #4: Provide more flexible open space standards (e.g., allow rooftop open space).

Idea #5: Provide an incentive for lot consolidation, such as a height or density bonus, to enable the development of small sites.



In the CS District on El Camino Real, hotels are permitted 2.0 FAR, while residential uses are permitted only 0.6 FAR.

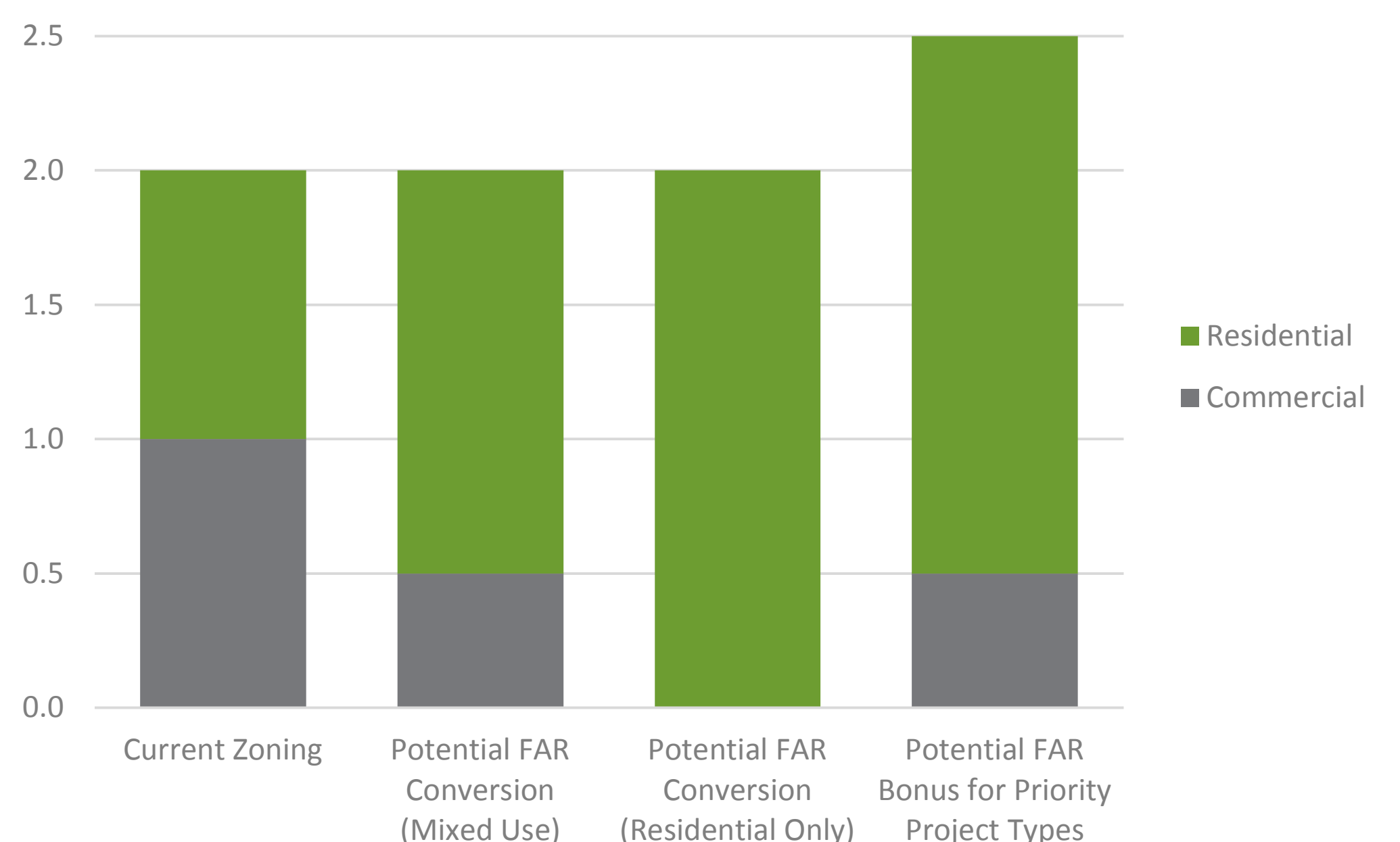
HOUSING WORK PLAN TASKS

- 2.4 Provide incentives and remove constraints for multifamily housing in the Downtown, Cal Ave., and El Camino Real districts
- 2.4.2 Consider eliminating dwelling unit densities and relying on FAR and average unit sizes
- 2.4.6 Convert some non-residential FAR to residential FAR
- 2.4.8 Increase housing Floor Area Ratio (FAR)

FAR Allocation

Current zoning standards Downtown split FAR equally between residential and commercial uses.

New zoning could shift the balance in favor of residential uses, to encourage more residential development.



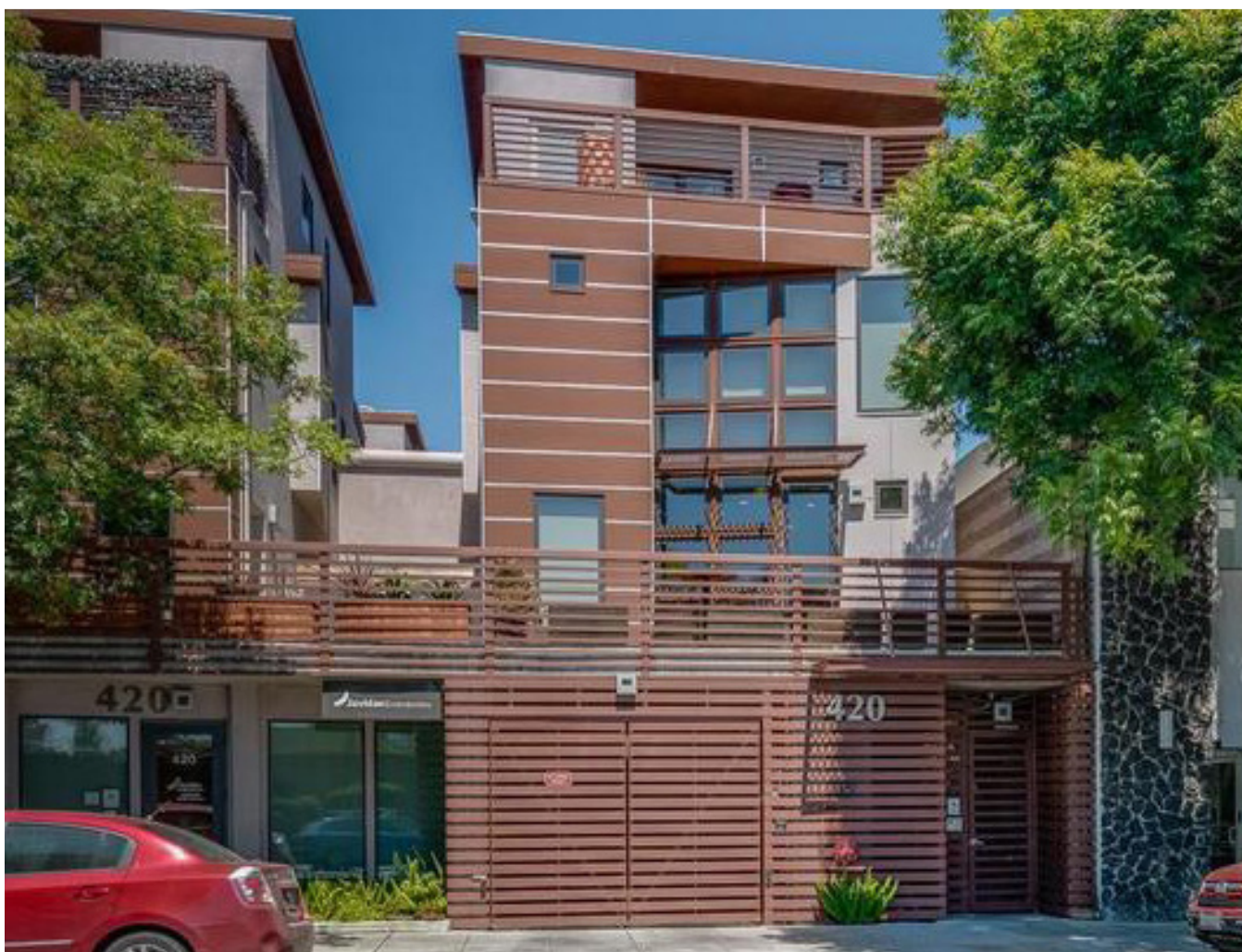


PROJECT REVIEW PROCESS

OPPORTUNITIES FOR INPUT

WHAT IS PTOD?

The California Avenue Pedestrian and Transit Oriented Development (PTOD) Combining District is intended to allow higher density residential dwellings on commercial, industrial and multi-family parcels within a walkable distance of the California Avenue Caltrain station, while protecting low density residential parcels and parcels with historical resources that may also be located in or adjacent to this area.



Only two applicants have sought out PTOD rezoning since its inception in 2006.

COUNCIL WORK PLAN TASKS

2.4.4. Review and revise level of permitting and site plan review required

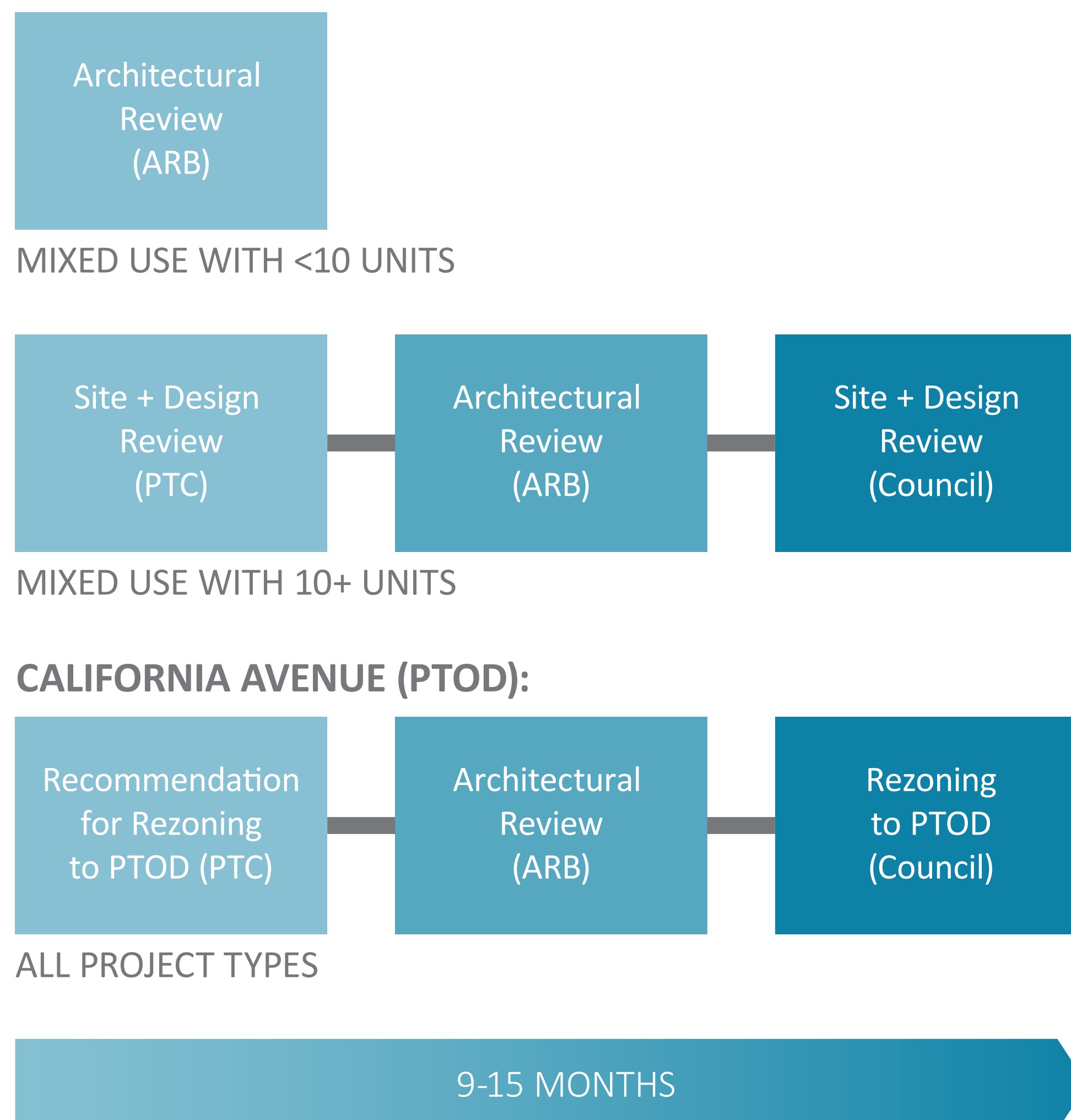
2.10. Review PTOD zoning overlay process to remove constraints/complexity, and expand usage

What is it like today?

Residential Design Review Process

- Whether a use is permitted through an administrative (staff-level) approval or a public review process can present an incentive or disincentive to its development.
- The public review process provides opportunities for community input and feedback from decision-makers, but also adds time, expense, and uncertainty from the perspective of applicants.

DOWNTOWN AND EL CAMINO REAL (CD-C, CN, CS):



What could change?

Idea #1: Streamline review process for projects that are consistent with the Zoning Ordinance by eliminating Site & Design Review with the PTC and Council:

- Require Architectural Review, with the ARB.
- Maintain noticing and hearing process to provide opportunities for public input.

Idea #2: Allow PTOD bonus height and density “by right” for certain types of projects:

- Market-rate housing projects?
- 100% affordable housing projects?
- Affordable housing with a certain level of affordability (e.g., 80% of Area Median Income)?



PARKING REQUIREMENTS

ALIGNING DEMAND AND SUPPLY

PALO ALTO MULTI-FAMILY MINIMUM PARKING REQUIREMENTS

Market Rate	1.25 spaces per studio 1.5 spaces per 1-bedroom unit 2 spaces per 2+ bedroom unit 1 guest parking space per project plus 10% of total number of units
Affordable Housing	See market rate, less 20-40% reduction depending on affordability
Senior Housing	See market rate, less up to 50% reduction
Housing Near Transit	See market rate, less up to 20% reduction with approval of Transportation Demand Management (TDM) measures
Mixed Use Projects	See market rate, less up to 20% reduction with shared parking analysis

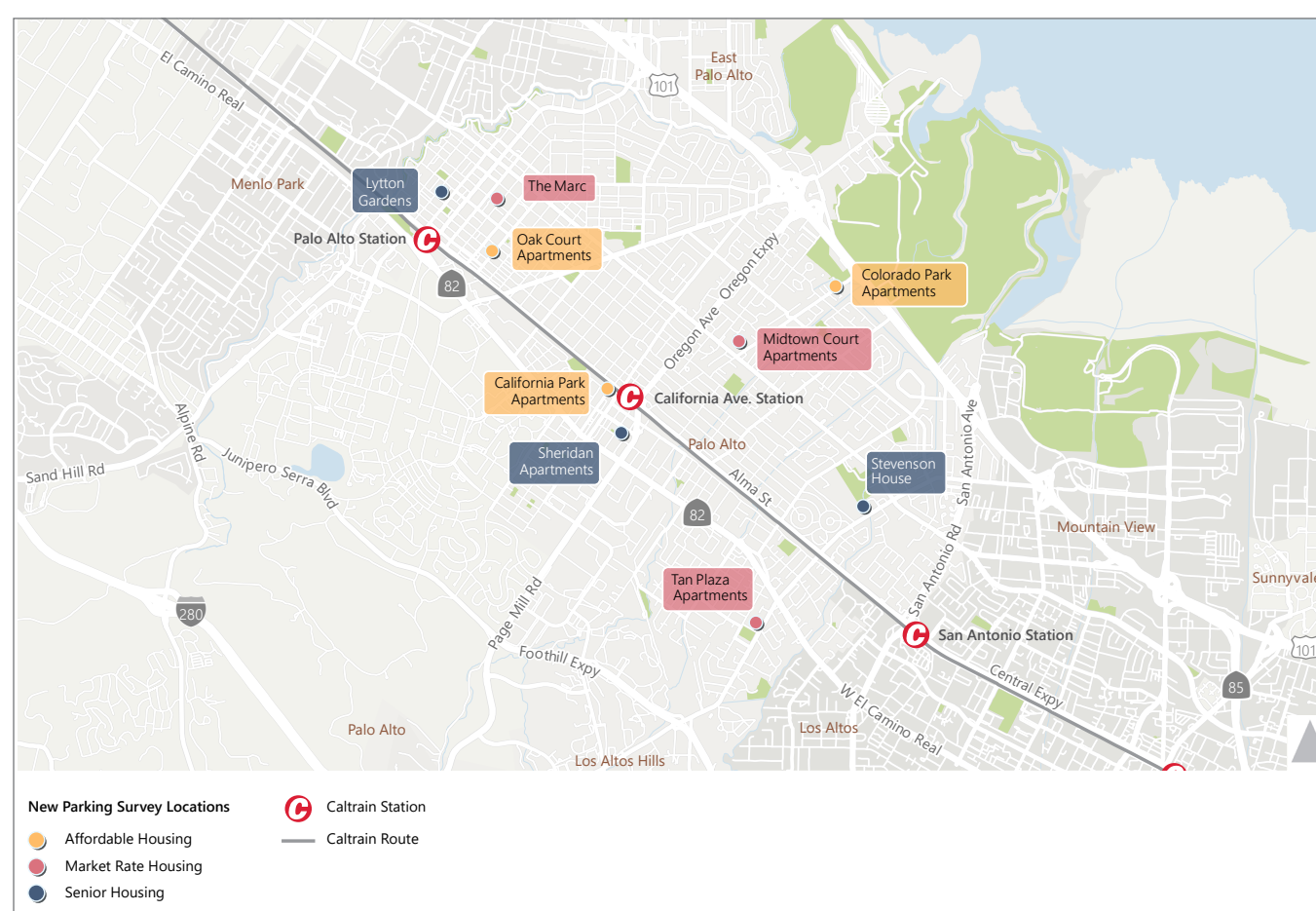
What is it like today?

Parking May Constrain Development of Residential and Mixed Use Projects

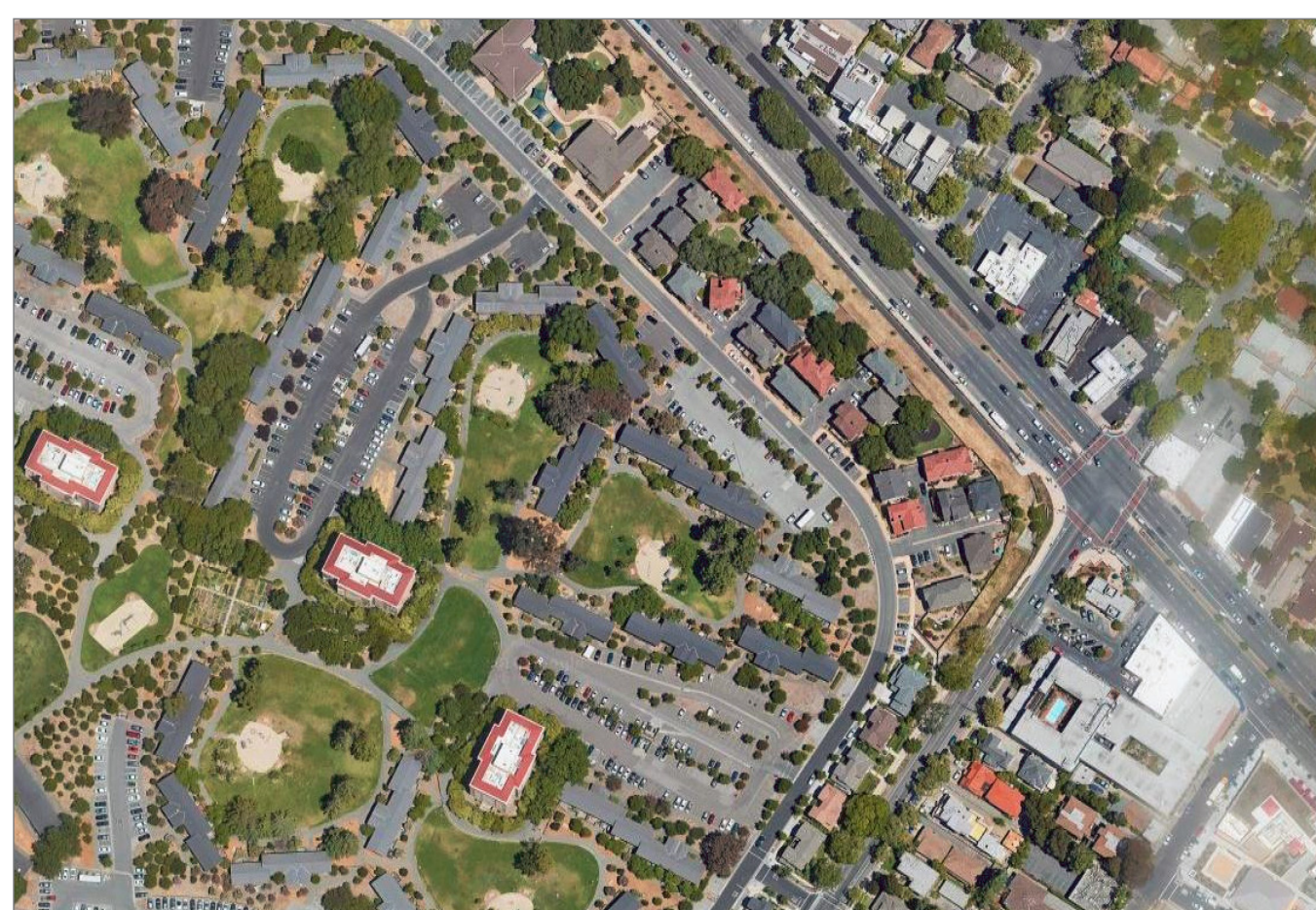
- Requirements for driveway widths, backup distances, and the number of stalls can hinder production of a sufficient number of units to make a project viable.
- In Downtown and Cal Ave.—unlike with office developers—residential developers do not have the option to pay a fee in lieu of providing parking on-site.
- Mixed Use and Retail Preservation requirements necessitate retail parking requirements which range from 1 space/60 sq. ft. for restaurants to 1/350 sq. ft. for retail.

Findings from a 2018 Empirical Study of Nine Palo Alto Multifamily Developments

- The lowest parking demand rates were observed at the Senior Housing complexes and the highest at a Market Rate complex.
- Parking demand rates seem to be correlated with proximity to transit for both Affordable and Market Rate apartments. (Results are inconclusive for Senior Housing.)
- Off-street parking supplies appear to exceed demand in the nine developments surveyed. However, the study did not account for on-street parking abutting the developments.
- An updated study in response to PTC comments is forthcoming in August.



Nine multifamily housing survey locations.



Finding the right balance between parking demand and supply helps to ensure sufficient parking availability, without causing spillover impacts into surrounding neighborhoods.

What could change?

Idea #1: Adjust parking requirements to better align with empirical findings:

- Reduce base parking requirements.
- Eliminate need to provide parking studies and TDM measures for projects that meet base parking requirements.

Idea #2: Maintain parking requirements for single- and two-family residential uses.

Idea #3: Exempt a portion of ground-floor retail from parking requirements to relieve physical and financial constraints of providing retail.

Idea #4: For the Downtown Parking Assessment districts consider allowing housing development to participate in the in-lieu parking program and explore the possibility of establishing a program for California Avenue.

COUNCIL WORK PLAN TASKS

2.4.5 Allow parking reductions based on TDM plans and on payment of parking in-lieu fees for housing (Downtown and Cal Ave.).

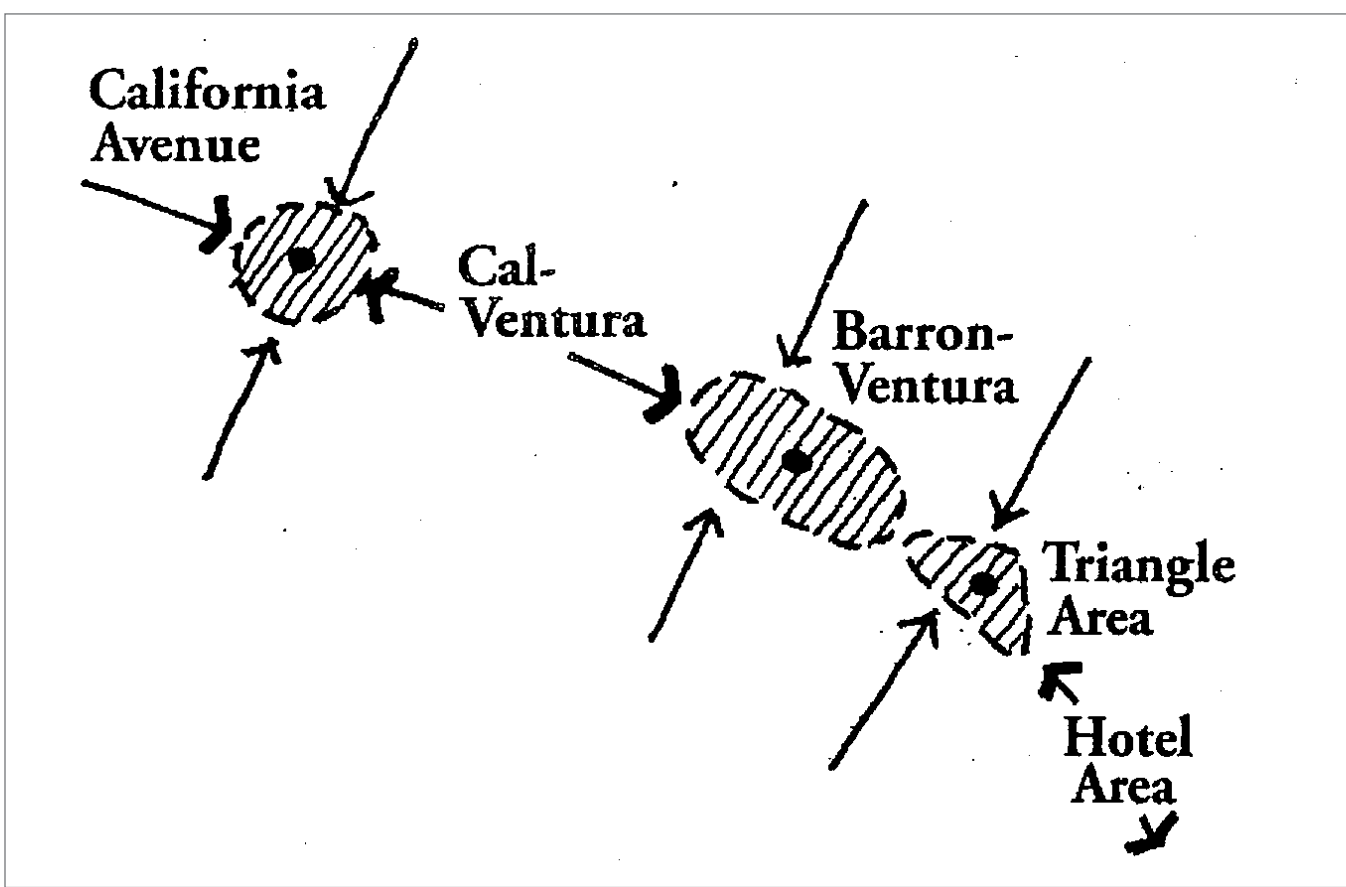
2.6.1. Adjust parking requirements to reduce costs (based on parking study); identify the appropriate amount of parking for various housing types and locations, taking into account parking mitigations.



HOUSING AND RETAIL CONFRONTING TRADEOFFS



801 Alma, a 50-unit affordable housing development, was originally conceived to include ground-floor retail. However, the financing and logistics proved too complicated; ultimately, a 100% residential project was approved and constructed.



The South El Camino Design Guidelines acknowledge that a continuous pedestrian-oriented environment along the 2+-mile corridor of El Camino Real is unrealistic. Instead, the guidelines describe a “node” concept to focus investment in areas with existing pedestrian amenities, retail uses, and good transit access.

COUNCIL WORK PLAN TASKS

2.4.3. Review and revise permitted uses and use mix

What is it like today?

Mixed Use Developments are Generally Required in all Commercial Districts

- Residential uses are generally only permitted as part of mixed use developments in the Downtown, California Avenue, and many places along El Camino Real.
- The Retail Preservation Ordinance requires on-site replacement of any retail uses and required parking.
- When 100% residential uses are permitted in the code, they are constrained by more rigorous development standards.

Commercial Mixed Use Requirements Challenge Housing Developers

- Mixed use and Retail Preservation requirements presents a challenge to affordable housing developers who are not in the retail business.
- Financial challenges: Affordable housing developers’ financing often does not include commercial development.
- Physical challenges: Retail and residential have different building code requirements, necessitating additional ingress/egress, mechanical and plumbing systems, and separate access and circulation for residents’ security.



A strip development on a lower intensity section of El Camino Real, near Barron Avenue.



A higher intensity commercial mixed-use building anchors the intersection of El Camino Real and California Avenue.

What could change?

Idea #1: Identify the priority locations for ground-floor retail.

Idea #2: Identify locations where 100% residential uses could be permitted.

- Provide standards/guidelines for how to maintain ground-level interest (e.g., lobbies, stoops, community rooms).

Idea #3: Exempt a portion of ground-floor retail from parking requirements to relieve physical and financial constraints of providing retail.

Idea #4: Consider additional waivers under the Retail Preservation Ordinance for certain project types:

- 100% affordable housing projects?
- Market rate housing projects?
- Retail parking reductions for residential mixed-use projects?