Architectural Review Board
Staff Report (ID # 10184)

Report Type: Action Items **Meeting Date:** 5/2/2019

Summary Title: 233 University Avenue: Seismic Rehabilitation and Office Addition (2nd Formal)

Title: PUBLIC HEARING/QUASI-JUDICIAL. 233 University Avenue [18PLN-00344]: Recommendation on Applicant's Request for Approval of a Major Architectural Review to Allow for Seismic Rehabilitation of an Existing Single-Story Structure, the Addition of a Second-Story for Office Use, and a Rooftop Terrace. Additional Floor Area Would be Added Using a Seismic Floor Area Bonus and Transferred Development Rights (TDRs). The Project Includes Alterations at the Ground Floor to Revise the Entrances, Revisions to the Walls Along the Interior and Rear Lot Lines, and Brick Details. Environmental Assessment: Exempt From the Provisions of the California Environmental Quality Act (CEQA) in Accordance with CEQA Guidelines Section 15332 (In-fill Development). Zoning District: CD-C(GF)(P) (Commercial Downtown Community with Pedestrian and Ground Floor Combining District Overlays). For More Information Contact the Project Planner, Claire Hodgkins, at Claire.hodgkins@Cityofpaloalto.org.

From: Jonathan Lait

Recommendation
Staff recommends the Architectural Review Board (ARB) take the following action(s):

1. Recommend approval of the proposed project to the Director of Planning and Community Environment based on findings and subject to conditions of approval.

Report Summary
The subject project was previously reviewed by the ARB. An earlier staff report includes extensive background information, project analysis, and evaluation to city codes and policies;

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that report is available online: http://tinyurl.com/233-University-Staff-Report. A copy of the report without prior attachments is available in Attachment E.

The purpose of this report is to restate the comments made by the Board and detail the applicant's response to those comments. The analysis section below builds upon the information contained in the earlier report and is modified to reflect recent project changes.

Background

On March 7, 2019 the ARB reviewed the project. A video recording of the Board's meeting is available online: http://tinyurl.com/233-University-ARB-Video. The Board's comments and the applicant's response are summarized in the following table:

ARB Comments/Direction	Applicant Response
Pedestrian Amenities: Multiple board members noted that the project should further enhance the pedestrian experience along Ramona. The board asked for consideration of seating, noting that there is currently no seating provided along Ramona Avenue leading up to University Avenue at this corner.	A built-in concrete bench has been added into a recessed window area at the north corner of the subject property, along Ramona. As discussed further below, at the request of the Office of Transportation and Public Works Engineering Division, no benches were placed in the public right-of-way.
Retail Entrances: The board noted that a better retail entrance along Ramona should be provided; stating that a sliding exit was not sufficient and recommending that the access to the retail be closer to the corner.	As shown on Sheets A2.2 and A3.1, the revised design moves the retail entrance along Ramona closer to the Ramona Street/University Avenue corner. The applicant is proposing two side-by-side sliding doors but also provides an alternative option on Sheet A2.2 that would include swinging doors. An awning has been added to the doorway to further define the entrance. In addition, on University Avenue, another sliding glass opening has been added at the corner. However, because of a step between the interior floor and sidewalk, this will be for display only; a railing will be placed in front of this opening so that it can be opened but cannot be used as an entrance.
Awning: At least one board member noted they would prefer for the awning design to continue around the building along the Ramona frontage	Sheet A3.1, Elevation 2 shows new awnings at Ramona Street above each entrance.
Signage: The proposed signage should be	Possible locations and approximate sizes of

shown	signage are shown on Sheet A3.1. No signage is proposed as part of this application; any future signage would be proposed by the future tenant(s) and would be assessed in accordance with the City's municipal code and guidelines in effect at the time of application.
Rear and Side Wall: The board noted that the wall on the rear of the building is very visible and that it should, accordingly, be more visually interesting. The board noted that the second floor wall and parapet facing the Stanford theater is too blank and some revisions are needed to provide more relief on this wall.	At the northwest wall, about 500 square feet of metal panel is replaced with cement plaster 'P1'. At the southwest wall, about 950 square feet of metal panel is replaced with cement plaster 'P1'. This cement plaster will have a smooth finish and will be divided with a regular pattern of control joints. The thickness of the metal cladding is greater than the cement plaster, so there will be a visible step where the finishes meet. See elevations one and two on sheet A3.2, and detail seven on sheet A5.1. In addition, two glass panels have been added to the rear of the building and one glass panel has been added along the interior lot line, as shown on the elevation sheets.
Brick Detail: The board noted that the brick detailing was somewhat plain and that there should be more treatment around the window/door details, such as more corbeling.	The applicant proposes to retain and repair all existing brick details uncovered when the veneer arches are removed. Following the ARB hearing, the applicant removed interior finishes to examine the original wall. The brick column capitals flanking the doors along University and rounding the corner onto Ramona are proposed to remain and have a brick corbeling detail. In addition, a band of brick corbeling runs along the length of both facades above the doorways. These details are shown on the elevations and perspectives. See sheets A4.2 and A4.3 as well as Sheet A5.1, Details 1 and 2.
Materials: At least one board member noted that the aluminum material is too glossy. They stated a preference for a matted material. In addition, at least one board member noted	The extent of aluminum panel 'M2' is reduced, replaced in part with smooth cement plaster. However, no changes are proposed to the aluminum material proposed.

concerns about false historicism due to reuse of the brick.	The use/reuse of brick materials is discussed further below.

Analysis[1]

Following is staff's analysis of the proposed changes and the revised project's consistency with applicable plans, regulations, and guidelines. It should also be noted that based on the ARB's comments, a condition of approval (COA) has been included in Attachment C, which indicates that the door at the rear of the property may only remain if the applicant shows prescriptive rights or otherwise obtains the adjacent property owner's agreement for access over their property to the door. The door is not required to meet fire safety requirements. A COA clarifying restrictions on the window blinds has also been added.

Pedestrian experience

Overall, the revisions, including the addition of a small window seat and changes to the proposed street trees improve the pedestrian experience along the public right-of-way on Ramona Street. The project includes repaving of the existing sidewalk along Ramona and new grates for the street trees.

Bench

The applicant has proposed a built-in concrete bench with a brick base in front of a recessed window area along Ramona Street in order to provide a small seating area, consistent with the ARB's comments. Although a full-length bench outside one of the larger recessed areas may have been more desirable, it would have either required encroachment into the sidewalk or an increase in the recessed area in order to properly fit the bench, affecting the interior space. In addition, the property owner has expressed concerns that a full-length bench may attract people looking for shelter/sleeping area in front of the store. The applicant explored the idea of placing a bench within the public right-of-way. Given the area needed for street trees, proposed bicycle parking, other electrical equipment above and below grade, and the overall sidewalk width, both the Office of Transportation and the City's Public Works Engineering indicated that the areas along Ramona and University in front of this building were not appropriate locations to place a bench within the public right-of-way.

Trees

Because the utilities along Ramona limit the available soil space for roots, the City's arborist determined that trees of small to medium stature at maturity would perform better than multiple larger trees in this space. In addition, it was recommended that the mature street tree, which appears to be in good health, be protected instead of removed. Therefore, the mature street tree at the corner of Ramona and University will be protected during construction. The

[1] The information provided in this section is based on analysis prepared by the report author prior to the public hearing. The Architectural Review Board in its review of the administrative record and based on public testimony may reach a different conclusion from that presented in this report and may choose to take an alternative action from the recommendation in this report.

other two street trees along Ramona would be replaced with two new catalina ironwood trees, which are a native, low water use species.

Retail entrance

The retail entrances have been revised. Previously, three entrances were provided, including one retail entrance (double swinging doors) along University, a retail entrance towards the rear of the retail space along Ramona (single sliding door), and an entrance to the office space at the rear of the building facing Ramona (double swinging doors). The revised plans include several changes. Along University, the main entrance would remain the same but the glass at the corner has been revised to a sliding glass opening that would only be opened when the weather is nice. Due to the grade along this frontage, this would not serve as a door; a railing is provided in front of the opening to ensure the safety of patrons when the doors are open (similar to the design provided in front of La Joya restaurant at 339 University). The plans have also been revised to move the retail entrance along Ramona closer to the University Avenue corner. The plans now show two sliding doors instead of a single sliding door. Although this revision addresses the ARB's comment regarding the door placement, the sliding glass door is less desirable than a swinging door which is more typical of a retail entrance. Although, when opened, this design could provide a more open store area, the door may not be open to the public at all times and therefore may not be sufficient to address the ARB's recommendation to provide better retail access along Ramona Avenue. The applicant has provided an alternative option, shown on the floor plan on Sheet A2.2, which would include double doors that swing in. This would remove slightly more area from the retail space in order to accommodate the doors, but would be a more traditional retail opening. The ARB may consider either option. In addition, the use of awnings along Ramona better define the entrances, consistent with the ARB's comments about the use of awnings along Ramona.

Rear and side wall

In response to the board's request for more visual interest on the rear wall and more relief on the second floor wall facing Stanford Theater, the applicant has revised both walls to break up the façade by using different materials. At the northwest wall, about 500 square feet of metal panel is replaced with cement plaster 'P1'. At the southwest wall, about 950 square feet of metal panel is replaced with cement plaster 'P1'. This cement plaster will have a smooth finish and will be divided with a regular pattern of control joints. The thickness of the metal cladding is greater than the cement plaster to provide a visible step where the finishes meet. On both facades the metal panel is used to differentiate the stair element from the rest of the wall. This is more visible on the side wall given the step down (approximately one foot, nine inches) between the top of the stair and the start of the mechanical screen at the rear.

Windows cannot be used given the proximity of these walls to the property line and/or the purpose of the wall (mechanical screening for the side wall). However, the applicant shows two new inoperable windows at the rear and one along the interior lot line at the stair wells. Properly rated fire safe glass would be used for these glass openings. These openings would provide more light into the stairwell; provide some definition, along with the material change, to differentiate the stairwell space; and generally provide further visual interest. Overall these

material changes reduce the appearance of massing and provide more visual interest than the previous design.

Brick detailing

The applicant proposes to retain and repair all existing brick details uncovered when the veneer arches are removed, including brick column capitals with brick corbelling that flank the doors along University and round the two corners on Ramona, as shown on the elevation sheets and renderings (Sheets A3.1 and A4.1 through A4.3 as well as Details 1 and 2 on Sheet A5.1). In addition, a band of brick corbeling runs along the length of both facades above the doorways as shown on the elevation drawings. Therefore, the revised plans address the ARB's comment regarding the need for more brick detailing on the façade.

Materials

Although no changes are proposed to the aluminum material to change it to a matted finish, the revised plans significantly reduce the extent of aluminum panel 'M2', replacing portions with a smooth cement plaster.

The Board also commented on whether maintaining the existing brick would constitute false historicism. Though the existing building does not retain its integrity as a potential historic resource due to extensive revisions over time, the original brick from the early 1900s is planned to be used to maintain the original brick exterior along University and to clad the new façade along Ramona on the ground floor. The design of the proposed addition, including the modifications to the ground floor openings is very modern in style. It does not attempt to create the look and feel of the original building in a manner that creates a false sense of historic character. Rather, the reuse of the brick helps to retain a sense of the original design that is well-known to community members while still providing modern touches through the use of metal, glass and other materials to provide a more modern look and feel.

Consistency with the Comprehensive Plan, Area Plans and Guidelines

As discussed in the previous staff report, the Comprehensive Plan land use designation for the project site is Regional/Community Commercial. The Regional/Community Commercial land use designation is intended to provide a wider variety of goods and services than the neighborhood shopping areas and include such uses as department stores, bookstores, furniture stores, toy stores, apparel shops, restaurants, theatres and non-retail services such as offices and banks. A detailed review of the project's consistency with the Comprehensive Plan is provided in Attachment B. The project is consistent with the policies in the Comprehensive Plan and therefore fulfills the goals of the Plan.

Zoning Compliance

As discussed in the previous staff report, the site is zoned Downtown Commercial-Community with Ground Floor and Pedestrian Combining Districts (CD-C[GF][P]). The project is consistent with the uses, development standards, goals, and guidelines of the CD-C zone district as well as the GF and P combining districts. A detailed review of the proposed project's consistency with applicable zoning standards is provided in Attachment C. The overall design would include the addition of more windows, particularly on the Ramona Street frontage that are slightly recessed

from the brick façade, and recessed entries along both Ramona and University, as encouraged in these pedestrian combining districts. The refined design, which includes the addition of a small bench, refinements to the street trees, revisions to the retail entrances, and the addition of awnings at the entrances along Ramona Street, all help to further improve the project's consistency with the ground floor and pedestrian combining district goals and regulations by making the project more pedestrian friendly.

Transferred Development Rights
As discussed in further detail in the previous staff report, the applicant proposes to utilize 1,600 square feet of transferred development rights, which were previously purchased by Mills Family, LLC, as documented in an informational report to Council on June 6, 2016. The site meets the eligibility requirements outlined in PAMC Section 18.18.080(e) for an eligible receiver site and the project would meet all requirements for the use of TDRs as outlined in PAMC Section 18.18.080(f) and (g).

Seismic Rehabilitation
The existing building is an unreinforced masonry building constructed circa 1905 and has been deemed a Seismic Category I building. In accordance with PAMC Section 18.18.070(a)(2), "a building that is in Seismic Category I, II, or III, and is undergoing seismic rehabilitation, but is not in Historic Category 1 or 2, shall be allowed to increase its floor area by 2,500 square feet or 25% of the existing building, whichever is greater." In accordance with this Code section, the project proposes to seismically rehabilitate the existing building and use the 2,500 square foot bonus to construct a new second-story addition and access to a rooftop terrace. This bonus square footage would be combined with additional floor area obtained through TDRs, as discussed above. The total floor area ratio of the project with the use of both these allowances would be 2.63:1, and therefore would not cause the site to exceed a FAR of 3.0:1 as required in accordance with PAMC Section 18.18.070. The project proposes to park this additional square footage by paying in-lieu fees in accordance with PAMC Section 18.18.090.

Per PAMC Section 18.18.070(b), the use of this floor area bonus is subject to restrictions. As detailed in the previous staff report, the proposed project would comply with all of these restrictions.

Ground Floor Retail Preservation
In accordance with the Ground Floor Retail Preservation Ordinance, as codified in PAMC Section 18.40.180, the proposed project would be required to preserve ground floor retail and retail-like uses on the site. The project proposes to retain the ground floor retail/retail-like use(s), as required in accordance with the code.

Annual Office Limit and Downtown CAP
The proposed project includes 4,400 sf of new office space, which includes access to the stairs and elevator on the ground floor, the second floor space, and covered areas for access to the rooftop terrace. Some of this office space would replace retail space provided on a mezzanine level; therefore the total new non-residential square footage being added totals 2,358 sf.

Pursuant to PAMC Section 18.40.210, "no more than 50,000 net new square feet of office annual limit land uses per fiscal year (July 1 to June 30) shall be approved by the city in the office annual limit area." Currently there are 23,650 sf of office proposed or approved for fiscal year 2019. Therefore, the proposed 4,400 sf would not cause the City to exceed its annual limit of 50,000 sf of new office space.

On February 25, 2019 Council approved a second reading of an ordinance to amend the Palo Alto Municipal Code to remove the cap on new non-residential development in the downtown area. The code amendments became effective on March 25, 2019. Therefore, there is no cap on new non-residential development in the downtown area that would apply to this project.

Multi-Modal Access & Parking

The proposed project does not include any vehicle access or on-site parking. The existing building is being retained and the site has paid into the downtown in-lieu parking for the existing gross floor area. Gross floor area added through both the seismic rehabilitation bonus and the TDR bonus is required to be parked but may be parked through in-lieu fees if parking on site is infeasible. As documented in the previous staff report, parking on this site would not be feasible. Because floor area on the mezzanine level is being removed, the total floor area being added is 2,358 square feet. At a ratio of one space per 250 square feet, a total of nine additional parking spaces are required to be paid in-lieu. No loading space is required for the proposed project.

As discussed in the previous staff report, the project is consistent with the Pedestrian and Bicycle Master Plan. The revisions to the retail entrances have improved pedestrian access to the site. Retail entrances are provided along both Ramona and University. The retail entrance along Ramona is better defined in the revised plans. The project would include repaving the sidewalk along the Ramona frontage and would include tree grates for the three tree wells to improve the area for pedestrians.

Consistency with Application Findings

As detailed in Attachment B, staff finds that the project, on balance, is consistent with the findings for Architectural Review, including the Comprehensive Plan, Zoning requirements for the CD-C Zone District as well as the Pedestrian (P) and Ground Floor (GF) combining districts and the Downtown Guidelines. The project includes high quality materials, including the existing brick, which will be salvaged in order to maintain the existing look and feel of the ground floor of this building. It retains the mature, existing street trees on University and at the corner of University and Ramona. Two other trees along Ramona would be replaced with native species (catalina ironwood). The project also improves the pedestrian environment along the Ramona Street frontage by adding large windows to provide views in, and provides for all three waste streams on site where trash was previously brought off-site to containers in a nearby alley. It also makes the building safer (both from seismic shaking and for fire) and improves American's with Disabilities (ADA) compliance for the building as a whole.

Environmental Review

The subject project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. Specifically, the project was found to be exempt from the provisions of CEQA in accordance with CEQA Guidelines Section 15332, exemptions for in-fill projects. A draft of the documented exemption is included in Attachment F, documenting how this project meets the requirements of the Category 32 exemption.

Historic Evaluation

As discussed in the previous staff report, the subject property is not listed on the National Register, California Register, or City's Historic Inventory. The City's Dames & Moore survey identified the property as potentially eligible for the California Register. However, a Historic Resource Evaluation was recently prepared for the site and concluded the building is not eligible for the California Register because it lacks integrity. A copy of the Historical Resource Evaluation for the proposed project was included in Attachment D of the previous staff report and can be found at this link: http://tinyurl.com/233-University-Staff-Report.

Public Notification, Outreach & Comments

The Palo Alto Municipal Code requires notice of this public hearing be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the Daily Post on April 19th, which is 13 days in advance of the meeting. Postcard mailing occurred on April 22nd, which is 10 days in advance of the meeting.

Public Comments

No additional public comments were received at the public hearing on March 7, 2019 or since that date. The single previous comment on this project was noted in the previous staff report and expressed that they did not like the style of the proposed project and felt that this style in general was inconsistent with the character of the City.

Alternative Actions

In addition to the recommended action, the Architectural Review Board may:

1. Approve the project with modified findings or conditions;
2. Continue the project to a date (un)certain; or
3. Recommend project denial based on revised findings.

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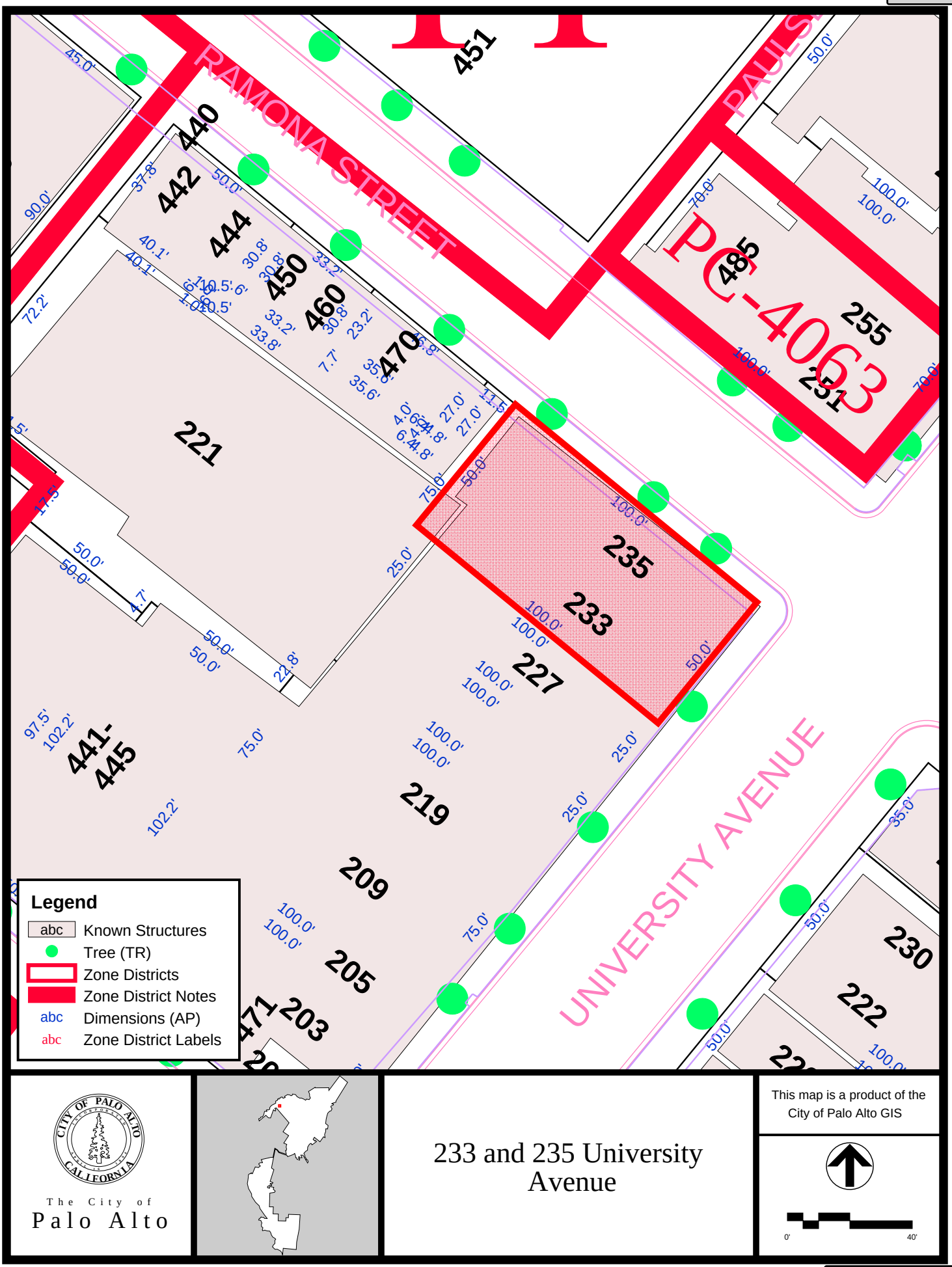
[2] Emails may be sent directly to the ARB using the following address: arb@cityofpaloalto.org

Attachments:

- Attachment A: Location Map (PDF)
- Attachment B: Draft ARB Findings (DOCX)
- Attachment C: Draft Conditions of Approval (DOCX)
- Attachment D: Zoning Compliance Analysis (DOCX)
- Attachment E: March 7, 2019 ARB Staff Report (1st Formal) (PDF)
- Attachment F: Documentation of Exemption (DOCX)
- Attachment G: Project Plans (DOCX)



The City of Palo Alto

233 and 235 University Avenue

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ATTACHMENT C
ARB FINDINGS FOR APPROVAL
233 University Avenue
18PLN-00344

The design and architecture of the proposed improvements, as conditioned, complies with the Findings for Architectural Review as required in Chapter 18.76 of the PAMC.

Finding #1: The design is consistent with applicable provisions of the Palo Alto Comprehensive Plan, Zoning Code, coordinated area plans (including compatibility requirements), and any relevant design guides.

The project is consistent with Finding #1 because:

The proposed project complies with the zoning code and requires no exceptions to the development standards. The project is subject to the Downtown Design Guidelines. The proposed project is generally consistent with the following Comprehensive Plan, below is an analysis of the applicable goals and policies:

Comp Plan Goals and Policies	***How project adheres or does not adhere to Comp Plan***
The Comprehensive Plan land use designation for the site is Community Commercial (CC).	The Community Commercial land use designation includes uses such as department stores, bookstores, furniture stores, apparel shops, restaurants, theaters and non-retail services such as offices and banks. The proposed project includes a ground floor retail use with office above, which is consistent with uses defined in the Community Commercial land use designation.
Land Use and Community Design	
Goal L-1 A compact and resilient city providing residents and visitors with attractive neighborhoods, work places, shopping districts, public facilities and open spaces.	The proposed project includes seismic rehabilitation of an existing structure within the City's downtown area and a second floor office addition to the ground floor retail uses. This type of infill development is consistent with Goal L-1 and relevant policies to achieve that goal. Although the project adds office area within the City, the project stays within the citywide and annual office limit cap
Policy L-1.2. Limit future urban development to currently developed lands within the urban service area. The boundary of the urban service area is otherwise known as the urban growth boundary. Retain undeveloped land west of Foothill Expressway and Junipero Serra as open	

space, with allowances made for very low-intensity development consistent with the open space character of the area. Retain undeveloped land northeast of Highway 101 as open space.	requirements. The project uses quality materials, including salvaging the brick façade along Ramona and University and reusing those bricks for the new development in order to retain the look and feel of the existing building.
Policy L-1.3: Infill development in the urban service area should be compatible with its surroundings and the overall scale and character of the city to ensure a compact, efficient development pattern.	
Policy L-1.10: Cap new square feet of office/R&D development citywide at 850,000 square feet, exempting medical office uses in the Stanford University Medical Center (SUMC) vicinity. Use January 1, 2015 as the baseline and monitor development towards the cap on an annual basis. Continue to exempt medical, governmental and institutional uses from the cap on office/R&D development; no other exemptions are allowed. Through December 31, 2030, this Policy L-1.10 may not be amended or repealed except by a vote of the people, provided, however, that the Palo Alto City Council may reduce the citywide cap of 850,000 new square feet of office/R&D development without a vote of the people.	
Policy L-1.11. Hold new development to the highest development standards in order to maintain Palo Alto's livability and achieve the highest quality development with the least impacts.	
Goal L-2 An enhanced sense of "community" with development designed to foster public life, meet citywide needs and embrace the principles of sustainability.	The building would be required to meet green building standards both for the retrofitted space and the newly added space. The project includes a pedestrian friendly design, increasing visibility into the development by adding full length windows along the frontages and adding a bench along Ramona Street. The project also includes a new rooftop open space area and retains existing trees within the public right-of-way.
Policy L-2.2 Enhance connections between commercial and mixed use centers and the surrounding residential neighborhoods by promoting walkable and bikeable connections and a diverse range of retail and services that caters to the daily needs of residents.	
Policy L-2.11. Encourage new development and redevelopment to incorporate greenery and	

natural features such as green rooftops, pocket parks, plazas and rain gardens.	
Policy L-4.2. Preserve ground-floor retail, limit the displacement of existing retail from neighborhood centers and explore opportunities to expand retail.	The design maintains the ground floor retail space and provides more openings in the façade along Ramona Street to provide a more pedestrian friendly atmosphere along this right-of-way. It also adds bicycle parking within the right-of-way along Ramona to create an environment that is more friendly to bicyclists. The street trees along Ramona are also being revised to provide better soil volume and more appropriate trees to allow for better growth.
Policy L-4.3. Encourage street frontages that contribute to retail vitality in all Centers. Reinforce street corners in a way that enhances the pedestrian realm or that form corner plazas. Include trees and landscaping.	
Policy L-4.7. Maintain and enhance the University Avenue/Downtown area as a major commercial center of the City, with a mix of commercial, civic, cultural, recreational and residential uses. Promote quality design that recognizes the regional and historical importance of the area and reinforces its pedestrian character.	
Policy L-4.8. Ensure that University Avenue/Downtown is pedestrian-friendly and supports bicycle use. Use public art, trees, bicycle racks and other amenities to create an environment that is inviting to pedestrians and bicyclists.	
Policy L-5.1. Foster compact Employment Districts developed in a way that facilitates transit, pedestrian and bicycle travel. Provide mixed uses to reduce the number of auto trips.	The project includes additional office area in a transit-oriented employment district area and improves the pedestrian experience, especially along Ramona by adding more visibility into the space.
Policy L-5.3. Design paths and sidewalks to be attractive and comfortable and consistent with the character of the area where they are located.	
Goal L-6: Well-designed buildings that create coherent development patterns and enhance city streets.	The project is consistent with the development pattern of the area, which generally consists of one and two story buildings. The project would include two stories above grade with a roof top deck on top of the second floor. The project is consistent with the City's Zoning Ordinance, including all development standards such as height. Further, the project is subject to the City's design review process, which ensures a high-
Policy L-6.2: Use the Zoning Ordinance, design review process, design guidelines and Coordinated Area Plans to ensure high quality residential and commercial design and architectural compatibility.	

	quality appearance.
Business and Economics Element	
Policy B-6.1: Support and enhance the University Avenue/ Downtown area as a vital mixed use area prioritizing retail, personal service, small office, start-ups, restaurant, residential and arts and entertainment uses. Recognize the importance of an appropriate retail mix, including small local businesses, to the continued vitality of Downtown.	The project provides a mix of uses on University Avenue with retail on the level and office uses above. The retail use will enliven the area and add to the vibrancy of Downtown.
Program B-6.1.1: Actively work with Downtown businesses, professional associations and the Palo Alto Chamber of Commerce to retain successful retail businesses that contribute to the City's goals for Downtown.	

The project is also consistent with the Downtown Design Guidelines because it includes greater visibility into the retail area, consistent with the guidelines' goal to create ground floor architectural interest with windows and displays. It is also consistent with the goal of encouraging the 25-50 foot storefront building rhythm and the goal for corner buildings within the University district to generate interest on side streets as well as the main street to foster linkage with the rest of the commercial core.

The project has been reviewed for conformance with the development standards in the zoning code and found to be in compliance with the intent and regulations contained therein. A comprehensive review of the project to applicable development standards is included in the administrative record as Attachment C to the March 7, 2019 staff report.

Finding #2: The project has a unified and coherent design, that:

a. **creates an internal sense of order and desirable environment for occupants, visitors, and the general community,**
b. **preserves, respects and integrates existing natural features that contribute positively to the site and the historic character including historic resources of the area when relevant,**
c. **is consistent with the context-based design criteria of the applicable zone district,**
d. **provides harmonious transitions in scale, mass and character to adjacent land uses and land use designations,**
e. **enhances living conditions on the site (if it includes residential uses) and in adjacent residential areas.**

The project is consistent with Finding #2 because:

The area is comprised of various commercial and residential buildings mostly one to two stories in height. The project proposes to construct a building that is taller than many of the

immediately adjacent buildings. However, across University and Ramona at the opposite corner is a five story tower reinforcing the corner. The building directly across Ramona is also a taller two story building that is similar in height to the proposed building. The proposed building also steps the second story back, reducing the perceived height of the building from the pedestrian perspective along University.

The proposed project is consistent with the findings to provide high quality materials and finishes in a neutral color palette, including reuse of the salvaged brick from the existing building. Despite the fact that the building was not determined to be historic, the brick façade of the existing building is unique and reflects the history of the original building. The building will have retail on the first floor, which is accessible to residents within walking distance of the project site. The project also proposes a smaller-scale office space, which is also desired in this area.

Adjacent historic buildings include the Stanford Theater two buildings down from the project along University and the Fidelity Bank building, both of which are included as Category 3 buildings in the City's historic inventory. Although both of these buildings are within the immediate vicinity; neither is immediately adjacent the building. Each of these buildings, including the existing building at the project site, has a different style of architecture. Therefore, the proposed project does not attempt to mimic the architecture of either of these two buildings; rather it retains the original look of the brick first floor from the existing building at the project site, while adding modest modern touches. It steps the tallest portions of the façade back, away from these buildings, and preserves mature existing trees on the site.

Pursuant to PAMC 18.16.090(b), the following context-based design considerations and findings are applicable to this project. These context-based design criteria are intended to provide additional standards to be used in the design and evaluation of development in a commercial district. The purpose is to encourage development in a commercial district to be responsible to its context and compatibility with adjacent development as well as to promote the establishment of pedestrian oriented design.

1. Pedestrian and Bicycle Environment

The design of new projects shall promote pedestrian walkability, a bicycle friendly environment, and connectivity through design elements

The finding can be made in the affirmative in that the proposed project offers short term bike racks for commercial visitors and well as long-term bike lockers for employees. There is no vehicular access to the property. The project increases visibility into the retail area and includes slightly recessed entries to further activate the pedestrian environment.

2. Street Building Facades

Street facades shall be designed to provide a strong relationship with the sidewalk and the street (s), to create an environment that supports and encourages pedestrian activity through design elements

The finding can be made in the affirmative in that the project has its entries directly off the sidewalk to encourage pedestrians and allow for sidewalk uses such as storefront windows. There are existing mature street trees along both frontages, which would be maintained or otherwise replaced. The office decks also increase activity and views to the street.

3. Massing and Setbacks

Buildings shall be designed to minimize massing and conform to proper setbacks

The finding can be made in the affirmative in that the project conforms to the required setbacks for the CD-C zone. Massing has been minimized by stepping back the second story from the frontage along University and utilizing clear glass railings to provide a lighter feel to the second story. The use of balconies and landscaping on the balconies helps break up the visual mass of the building.

4. Low Density Residential Transitions

Where new projects are built abutting existing lower scale residential development, care shall be taken to respect the scale and privacy of neighboring properties

The project does not directly abut a lower scale residential development. Therefore, this context-based criteria is not applicable.

5. Project Open Space

Private and public open space shall be provided so that it is usable for the residents and visitors of the site

Although there are no open space requirements for the proposed project, the project provides both a deck at the second floor and a rooftop terrace to provide private open space for office employees.

6. Parking Design

Parking shall be accommodated but shall not be allowed to overwhelm the character of the project or detract from the pedestrian environment

All parking is provided in-lieu as parking on site is infeasible.

7. Large Multi-Acre Sites

Large sites (over one acre) shall be designed so that street, block, and building patterns are consistent with those of the surrounding neighborhood

This site is less than an acre. Therefore, this context-based criteria is not applicable.

8. Sustainability and Green Building Design

Project design and materials to achieve sustainability and green building design should be incorporated into the project

The finding can be made in the affirmative in that the building will satisfy the requirements for CALGreen Mandatory + Tier 2 in accordance with the City's Green Building Regulations. This is

demonstrated on the GB sheets in the plan set.

Additionally, in accordance with PAMC Section 18.18.100, the project complies with the following performance criteria outlined in PAMC Section 18.23. The following performance criteria are intended to provide additional 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 and businesses. The criteria are intended to make new developments and major architectural review projects 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.

Performance Criteria	**Project Consistency**
18.23.020 Trash Disposal and Recycling	
Assure that development provides adequate and accessible interior areas or exterior enclosures for the storage of trash and recyclable materials in appropriate containers, and that trash disposal and recycling areas are located as far from abutting residences as is reasonably possible.	The project provides an enclosed trash facility, replacing the existing trash disposal area in a nearby ally. The trash facility is fully enclosed and out of clear sight from any public right-of-way or neighboring lots. There are no abutting residences.
18.23.030 Lighting	
To minimize the visual impacts of lighting on abutting or nearby residential sites and from adjacent roadways.	The photometric study provided in the project plans shows that the project will minimize the visual impacts of lighting from adjacent roadways. All lights proposed are wall downlights. There are no nearby residential uses.
18.23.040 Late Night Uses and Activities	
The purpose is to restrict retail or service commercial businesses abutting (either directly or across the street) or within 50 feet of residentially zoned properties or properties with existing residential uses located within nonresidential zones, with operations or activities between the hours of 10:00 p.m. and 6:00 a.m. Operations subject to this code may include, but are not limited to, deliveries, parking lot and sidewalk cleaning, and/or clean up or set up operations, but does not include garbage pick- up.	The current project proposal does not include late night uses or activities. Future commercial tenants that would like this will need to file for a Conditional Use Permit, as required per the Zoning Code.
18.23.050 Visual, Screening and Landscaping	
Privacy of abutting residential properties or properties	While the project does not abut

Performance Criteria	Project Consistency
with existing residential uses located within nonresidential zones (residential properties) should be protected by screening from public view all mechanical equipment and service areas. Landscaping should be used to integrate a project design into the surrounding neighborhood, and to provide privacy screening between properties where appropriate.	any residential properties or properties with existing residential uses located within non-residential zones, the project is consistent with the stated performance criteria in that there is no mechanical equipment above grade existing or proposed along the project frontage.
18.23.060 Noise and Vibration	
The requirements and guidelines regarding noise and vibration impacts are intended to protect residentially zoned properties or properties with existing residential uses located within nonresidential zones (residential properties) from excessive and unnecessary noises and/or vibrations from any sources in abutting industrial or commercially zoned properties. Design of new projects should reduce noise from parking, loading, and refuse storage areas and from heating, ventilation, air conditioning apparatus, and other machinery on nearby residential properties. New equipment, whether mounted on the exterior of the building or located interior to a building, which requires only a building permit, shall also be subject to these requirements.	There are no residential uses or zones within the vicinity of the project area.
18.23.070 Parking	
The visual impact of parking shall be minimized on adjacent residentially zoned properties or properties with existing residential uses located within nonresidential zones.	There is no parking proposed on site. Parking would be provided via in-lieu fees.
18.23.080 Vehicular, Pedestrian and Bicycle Site Access	
The guidelines regarding site access impacts are intended to minimize conflicts between residential vehicular, pedestrian, and bicycle uses and more intensive traffic associated with commercial and industrial districts, and to facilitate pedestrian and bicycle connections through and adjacent to the project site.	There are no curb cuts for the proposed project. No parking is provided on site and there would be no conflicts with pedestrian and bicycle uses of the site.
18.23.090 Air Quality	
The requirements for air quality are intended to buffer residential uses from potential sources of odor and/or toxic air contaminants.	No proposed uses on the project site would produce odor or toxic air. Future uses are required to

Performance Criteria	Project Consistency
	comply with these performance standards.
18.23.100 Hazardous Materials	
In accordance with Titles 15 and 17 of the Palo Alto Municipal Code, minimize the potential hazards of any use on a development site that will entail the storage, use or handling of hazardous materials (including hazardous wastes) on-site in excess of the exempt quantities prescribed in Health and Safety Code Division 20, Chapter 6.95, and Title 15 of this code.	This is not applicable to the proposed uses associated with the project.

Finding #3: The design is of high aesthetic quality, using high quality, integrated materials and appropriate construction techniques, and incorporating textures, colors, and other details that are compatible with and enhance the surrounding area.

The project is consistent with Finding #3 because:

The project proposes to retain the brick façade of the ground floor of the building, including salvaging the original brick to the extent feasible for reuse on the façade. Above, the project has a more contemporary style, using balconies to step the second story back, glass railings to convey a lighter upper level, and landscaping to further break up the massing of the second level. The proposed colors are neutral and are compatible with surrounding color schemes.

Finding #4: The design is functional, allowing for ease and safety of pedestrian and bicycle traffic and providing for elements that support the building's necessary operations (e.g. convenient vehicle access to property and utilities, appropriate arrangement and amount of open space and integrated signage, if applicable, etc.).

The project is consistent with Finding #4 because:

The building provides access both along University and along Ramona Street and does not include any curb cuts on either frontage that could impact the safety of pedestrians or bicyclists. There are bicycle racks provided along the frontage and bicycle lockers provided in the garage. Although not required, ample open space is provided for the office employees and creates visual interest along the frontage.

Finding #5: The landscape design complements and enhances the building design and its surroundings, is appropriate to the site's functions, and utilizes to the extent practical, regional indigenous drought resistant plant material capable of providing desirable habitat that can be appropriately maintained.

The project is consistent with Finding #5 because:

The project will provide a variety of drought-tolerant planting on the rooftop deck and terrace as well as in the street right-of-way. Some of the plantings were selected from a California native palette while others were selected to provide seasonal variety. The existing mature street trees along University and at the corner of University and Ramona would be maintained. Two trees along Ramona would be replaced and the soil area beneath would be designed to allow for better growth of the new, native trees.

Finding #6: The project incorporates design principles that achieve sustainability in areas related to energy efficiency, water conservation, building materials, landscaping, and site planning.

The project is consistent with Finding #6 because:

In accordance with the City's Green Building Regulations, the project will satisfy the requirements for CALGreen Mandatory + Tier 2. This is demonstrated on the GB sheets in the plan set.

ATTACHMENT B
CONDITIONS OF APPROVAL
233 and 235 University Avenue
18PLN-00344

PLANNING DIVISION

1. CONFORMANCE WITH PLANS. Construction and development shall conform to the approved plans entitled, "233 University Ave Palo Alto, CA 94301 Major Architectural Review Submittal," stamped as received by the City on April 22, 2019 on file with the Planning Department, 250 Hamilton Avenue, Palo Alto, California except as modified by these conditions of approval.

2. BUILDING PERMIT. Apply for a building permit and meet any and all conditions of the Planning, Fire, Public Works, and Building Departments.

3. BUILDING PERMIT PLAN SET. The Architectural Review (AR) approval letter including all Department conditions of approval for the project shall be printed on the plans submitted for building permit.

4. PROJECT MODIFICATIONS: All modifications to the approved project shall be submitted for review and approval prior to construction. If during the Building Permit review and construction phase, the project is modified by the applicant, it is the responsibility of the applicant to contact the Planning Division/project planner directly to obtain approval of the project modification. It is the applicant's responsibility to highlight any proposed changes to the project and to bring it to the project planner's attention.

5. PROJECT EXPIRATION. The project approval shall automatically expire after two years from the original date of approval, if within such two year period, the proposed use of the site or the construction of buildings has not commenced pursuant to and in accordance with the provisions of the permit or approval. Application for a one year extension of this entitlement may be made prior to the expiration. (PAMC 18.77.090(a))

6. TRANSFERRED DEVELOPMENT RIGHTS FLOOR AREA BONUS CERTIFICATION. Prior to final inspection, the property owner shall receive a written verification, issued by the Director of Planning and Community Environment, verifying development and construction has conformed to the approved plans dated April 22, 2019 except as otherwise modified and approved in the building permit. The project is eligible to receive 1,600 square feet of floor area from TDRs transferred from historic rehabilitation of the property at 2560 Embarcadero Road, of which 1,600 sf has been utilized at the site.

7. SEISMIC REHABILITATION FLOOR AREA BONUS. The building permit plan set shall show full implementation of the seismic rehabilitation strategies identified in the Memorandum (Memo #

001) from Sierra Engineering Group, dated May 11, 2017, to the satisfaction of the Chief Building Official and the Planning Director prior to the release of building permits. Implementation of those strategies conform to Palo Alto Municipal Code Chapter 16.42 and qualify the existing building to be eligible for a seismic rehabilitation floor area bonus. According to PAMC Section 18.18.070(a)(2) and based upon the existing 9,481 square feet of gross floor area in the existing 233 and 235 University Avenue building, the maximum bonus is 2,500 square feet. This seismic rehabilitation floor area bonus shall be fully utilized onsite and there shall be no remainder floor area that could be transferred to another property at a later date.

8. MAXIMUM PROJECT SIZE. Palo Alto Municipal Code Section 18.18.060(a) Table 1 and PAMC Section 18.18.070(b) limit the maximum size of a project in the Downtown Commercial zoning district. The increase in gross floor area at the parcel is 2,358 square feet (including 1,600 sf from TDRs and 2,500 sf of seismic floor area bonus minus 1,742 sf of existing gross floor area), for a total gross floor area at the parcel of 11,839 square feet, which excludes 16 square feet of exempt floor area attributed to first time ADA upgrades at 233 University Avenue.

9. BRICK PROTECTION AND REPAIR. The applicant shall maintain the existing, original brick on the front and interior side façade. In addition, any other existing brick will be salvaged, to the maximum extent feasible, and reused for the new brick wall areas along Ramona. The property owner or its designee shall prepare a brick protection and repair specifications prior to issuance of the building permit.

10. DUST AND VIBRTATION RELATED TO ADJACENT HISTORIC STRUCTURE. In accordance with the best practices recommended in the historic analysis, the applicant will prepare a dust minimization plan and a vibration monitoring plan to ensure that dust is minimized during construction and that vibrations from transient sources do no exceed 0.50 Peak Particle Velocity (PPV)(in/sec) and vibrations from continuous sources do not exceed .25 PPV (in/sec).

11. PERSCRIPTIVE EASEMENT. Either documentation of a prescriptive easement or an agreement with the adjacent property owner shall be provided to the Project Planner prior to planning approval of the building permit. If approval of access over this private property is not obtained, the door at the rear of the building must be removed prior to issuance of the building permit.

12. AGREEMENT FOR TEMPORARY CONSTRUCTION ACCESS. If construction requires workers to encroach onto the adjacent private property, a signed agreement with the adjacent affected property owner that approves temporary construction access on their site shall be provided to the City prior to beginning such work.

13. LANDSCAPE MAINTENANCE. All landscape material shall be well maintained and replaced if necessary, to the satisfaction of the Urban Forester and Director of Planning.

14. PROJECT ARBORIST. The property owner shall retain a certified arborist to ensure the project conforms to all Planning and Urban Forestry conditions related to the new trees along Ramona, as shown in the approved plan set.

15. TREES. All public trees shall be retained and protected to the satisfaction of the City of Palo Alto arborist and in accordance with the Tree Technical Manual except as otherwise approved in the plan set.

16. CONSTRUCTION HOURS. All non-residential construction shall be subject to the requirements in the City's Noise Ordinance contained in Palo Alto Municipal Code 9.10.

17. AUTO PARKING REQUIREMENTS. Auto parking requirements are based upon gross floor area for the parcel, minus exempt floor area. The gross floor area for determining auto parking requirements is 11,839 square feet and a minimum requirement for 47 auto parking spaces. Because parking is infeasible on site, as documented in the project plans, auto parking spaces shall be provided through participation in the Downtown Parking Assessment District.

    a. A total of 38 parking spaces were previously approved and purchased for the existing square footage. Nine (9) additional spaces shall be required to address the increase in gross floor area (2,358 sf) and fees shall be paid prior to issuance of the building permit.

18. BICYCLE PARKING REQUIREMENTS. Bicycle parking requirements are three (3) short term bicycle parking spaces and two (2) long term bicycle storage spaces to ensure compliance with PAMC Section 18.52.040 Table 2 and PAMC Section 18.54.060 Bicycle Parking Facilities. Short term bike parking spaces may be located within the right of way, to the satisfaction of the Director of Planning and the Chief Transportation Official, as approved on the plans. If located within the right-of-way, the rack model shall be a city-approved model and located to provide proper pedestrian clearances.

19. MANUFACTURERS SPECIFICATIONS AND PHOTOMETRICS. Manufacturer's specifications shall be included in building permit plans for bicycle racks and light fixtures. Photometric information shall be included in building permit plans.

20. WINDOW DISPLAYS AND WINDOWS. Interior areas in front of first story windows are to remain free of storage or other interior-focused elements. All ground floor windows shall remain transparent to allow views into the tenant space, consistent with PAMC Section 18.30(A).055. In areas on the second floor where blinds are provided, all drapes, curtains, shutters, blinds or other window coverings visible from the street shall be beige, white, or off-white in color or lined in beige, white, or off-white unless otherwise approved by the Director of Planning.

21. SIGNAGE. Signage is not included or approved as part of this application. Any future signage will be subject to architectural review and must be pedestrian friendly, in accordance with the Downtown Design Guidelines.

22. PERFORMANCE CRITERIA AND STANDARDS - SCREENING. The mechanical equipment shall be screened from view from the public right-of-way.

23. HOURS OF OPERATION. Approval of a Conditional Use Permit is required prior to conducting any use outside of the hours of 6:00 a.m. and 10:00 p.m. (PAMC 18.23.080(B)(i)).

24. INDEMNITY. To the extent permitted by law, the Applicant shall indemnify and hold harmless the City, its City Council, its officers, employees and agents (the "indemnified parties") from and against any claim, action, or proceeding brought by a third party against the indemnified parties and the applicant to attack, set aside or void, any permit or approval authorized hereby for the Project, including (without limitation) reimbursing the City for its actual attorneys' fees and costs incurred in defense of the litigation. The City may, in its sole discretion, elect to defend any such action with attorneys of its own choice.

25. DEVELOPMENT IMPACT FEES: Estimated Development Impact Fees in the amount of $766,068.39 plus the applicable public art fee, per PAMC 16.61.040, shall be paid prior to the issuance of the related building permit.

26. IMPACT FEE 90-DAY PROTEST PERIOD. California Government Code Section 66020 provides that a project applicant who desires to protest the fees, dedications, reservations, or other exactions imposed on a development project must initiate the protest at the time the development project is approved or conditionally approved or within ninety (90) days after the date that fees, dedications, reservations or exactions are imposed on the Project. Additionally, procedural requirements for protesting these development fees, dedications, reservations and exactions are set forth in Government Code Section 66020. IF YOU FAIL TO INITIATE A PROTEST WITHIN THE 90-DAY PERIOD OR FOLLOW THE PROTEST PROCEDURES DESCRIBED IN GOVERNMENT CODE SECTION 66020, YOU WILL BE BARRED FROM CHALLENGING THE VALIDITY OR REASONABLENESS OF THE FEES, DEDICATIONS, RESERVATIONS, AND EXACTIONS. If these requirements constitute fees, taxes, assessments, dedications, reservations, or other exactions as specified in Government Code Sections 66020(a) or 66021, this is to provide notification that, as of the date of this notice, the 90-day period has begun in which you may protest these requirements. This matter is subject to the California Code of Civil Procedures (CCP) Section 1094.5; the time by which judicial review must be sought is governed by CCP Section 1094.6.

27. FINAL INSPECTION: A Planning Division Final inspection will be required to determine substantial compliance with the approved plans prior to the scheduling of a Building Division final. Any revisions during the building process must be approved by Planning, including but not limited to; materials, landscaping and hard surface locations. Contact your Project Planner, Claire Hodgkins at claire.hodgkins@cityofpaloalto.org to schedule this inspection.

PUBLIC WORKS ENGINEERING

28. STREET TREES: The applicant may be required to replace existing and/or add new street trees in the public right-of-way along the property's frontage(s). Call the Public Works' arborist at 650-496-5953 to arrange a site visit so he can determine what street tree work, if any, will be required for this project. The site plan submitted with the building permit plan set must show the street tree work that the arborist has determined, including the tree species, size, location, staking and

irrigation requirements, or include a note that Public Works' arborist has determined no street tree work is required. The plan must note that in order to do street tree work, the applicant must first obtain a Permit for Street Tree Work in the Public Right-of-Way from Public Works' arborist (650-496-5953).

29. Excavation activities associated with the proposed scope of work shall occur no closer than 10-feet from the existing street tree, or as approved by the Urban Forestry Division contact 650-496-5953. Any changes shall be approved by the same.

30. GRADING PERMIT: Separate Excavation and Grading Permit will be required for grading activities on private property that fill, excavate, store or dispose of 100 cubic yards or more based on PAMC Section 16.28.060. Applicant shall prepare and submit an excavation and grading permit to Public Works separately from the building permit set. The permit application and instructions are available at the Development Center and on our website.
http://www.cityofpaloalto.org/gov/depts/pwd/forms_and_permits.asp

31. EXCAVATION: Plans shall clearly identify the deepest point of excavation including below grade basement slab with note and appropriate dimensions.

32. GRADING & DRAINAGE PLAN: The plan set must include a grading & drainage plan prepared by a licensed professional that includes existing and proposed spot elevations, earthwork volumes, finished floor elevations, area drain and bubbler locations, drainage flow arrows to demonstrate proper drainage of the site. Adjacent grades must slope away from the house a minimum of 2% or 5% for 10-feet per 2013 CBC section 1804.3. Downspouts and splashblocks should be shown on this plan, as well as any site drainage features such as swales, area drains, bubblers, etc. Grading that increases drainage onto, or blocks existing drainage from neighboring properties, will not be allowed. Public Works generally does not allow rainwater to be collected and discharged into the street gutter, but encourages the developer to keep rainwater onsite as much as feasible by directing runoff to landscaped and other pervious areas of the site. http://www.cityofpaloalto.org/civicax/filebank/documents/2717

33. UTILITIES: Note that all above ground utilities, such as transformer, backflow preventer, gas meters, etc., shall be located within project site but accessible from the street. Any new or relocated utilities will correspond with approved locations from City Utilities Department.

34. BASEMENT DRAINAGE: Due to high groundwater throughout much of the City and Public Works prohibiting the pumping and discharging of groundwater, perforated pipe drainage systems at the exterior of the basement walls or under the slab are not allowed for this site. A drainage system is, however, required for all exterior basement-level spaces, such as lightwells, patios or stairwells. This system consists of a sump, a sump pump, a backflow preventer, and a closed pipe from the pump to a dissipation device onsite at least 10-feet from the property line and 3-feet from side an rear property lines, such as a bubbler box in a landscaped area, so that water can percolate into the soil and/or sheet flow across the site. Include these dimensions on the plan. The device must not allow stagnant water that could become mosquito habitat. Additionally, the plans must show that

exterior basement-level spaces are at least 7-3/4" below any adjacent windowsills or doorsills to minimize the potential for flooding the basement. Public Works recommends a waterproofing consultant be retained to design and inspect the vapor barrier and waterproofing systems for the basement.

35. BASEMENT SHORING: Shoring Plans prepared by a licensed professional are required for the Basement Excavation and shall be submitted with the Grading and Excavation Permit. Shoring for the basement excavation, including tiebacks, must not extend onto adjacent private property or into the City right-of-way without having first obtained written permission from the private property owners and/or an encroachment permit from Public Works.

36. GEOTECHNICAL REPORT: Shall clearly identify the highest projected groundwater level to be encountered in the area of the proposed basement in the future will be _____ feet below existing grade. Provide the following note on the Final Grading Plans. "In my professional judgement, the highest projected groundwater level to be encountered in the area of the proposed basement in the future will be _____ feet below existing grade. As a result, the proposed drainage system for the basement retaining wall will not encounter and pump groundwater during the life of this wall."

37. DEWATERING: Excavation may require dewatering during construction. Public Works only allows groundwater drawdown well dewatering. Open pit groundwater dewatering is not allowed. Dewatering is only allowed from April through October due to inadequate capacity in our storm drain system. The geotechnical report for this site must list the highest anticipated groundwater level. We recommend that a piezometer be installed in the soil boring. The contractor shall determine the depth to groundwater immediately prior to excavation by using a piezometer or by drilling and exploratory hole. Based on the determined groundwater depth and season the contractor may be required to dewater the site or stop all grading and excavation work. In addition Public Works may require that all groundwater be tested for contaminants prior to initial discharge and at intervals during dewatering. If testing is required, the contractor must retain an independent testing firm to test the discharge water for contaminants Public Works specifies and submit the results to Public Works.

    Public Works reviews and approves dewatering plans as part of a Grading Permit. The applicant can include a dewatering plan in the building permit plan set in order to obtain approval of the plan during the building permit review, but the contractor will still be required to obtain a Grading Permit prior to dewatering. Public Works has dewatering guidelines available at the Development Center and on our website. http://www.cityofpaloalto.org/gov/depts/pwd/forms_and_permits.asp

38. WORK IN THE RIGHT-OF-WAY: The plans must clearly indicate any work that is proposed in the public right-of-way, such as sidewalk replacement, driveway approach, or utility laterals. The plans must include notes that the work must be done per City standards and that the contractor performing this work must first obtain a Street Work Permit from Public Works at the Development Center. If a new driveway is in a different location than the existing driveway, then the sidewalk associated with the new driveway must be replaced with a thickened (6" thick instead of the

standard 4" thick) section. Additionally, curb cuts and driveway approaches for abandoned driveways must be replaced with new curb, gutter and planter strip.

39. Provide the following note on the Site Plan and adjacent to the work within the Public road right-of-way. "Any construction within the city's public road right-of-way shall have an approved Permit for Construction in the Public Street prior to commencement of this work. THE PERFORMANCE OF THIS WORK IS NOT AUTHORIZED BY THE BUILDING PERMIT ISSUANCE BUT SHOWN ON THE BUILDING PERMIT FOR INFORMATION ONLY."

40. Provide the following note on the Site Plan and Grading and Drainage Plan: "Contractor shall not stage, store, or stockpile any material or equipment within the public road right-of-way." Construction phasing shall be coordinate to keep materials and equipment onsite.

41. Contractor shall contact Public Works Engineering Inspectors to inspect and approve the storm drain system (pipes, area drains, inlets, bubblers, dry wells, etc.) associated with the project prior to backfill. Contractor shall schedule an inspection, at a minimum 48-hours in advance by calling (650)496- 6929.

42. OFF-SITE IMPROVEMENTS: Along with full sidewalk, curb & gutter replacement (University Ave and Ramona frontage), full width street resurfacing (grind and pave) is also required for the property frontage along Ramona St. The plans shall note this requirement.

43. IMPERVIOUS SURFACE AREA: The project will be creating or replacing 500 square feet or more of impervious surface. Accordingly, the applicant shall provide calculations of the existing and proposed impervious surface areas with the building permit application. The Impervious Area Worksheet for Land Developments form and instructions are available at the Development Center or on our website.

44. STORM WATER POLLUTION PREVENTION: The City's full-sized "Pollution Prevention - It's Part of the Plan" sheet must be included in the plan set. Copies are available from Public Works on our website http://www.cityofpaloalto.org/civicax/filebank/documents/2732

45. LOGISTICS PLAN: Prior to Building Permit issuance the contractor/designer must submit a logistics plan to the Public Works Department prior to commencing work that addresses all impacts to the City's right-of-way, including, but not limited to: pedestrian control, traffic control, truck routes, material deliveries, contractor's parking, concrete pours, crane lifts, work hours, noise control, dust control, storm water pollution prevention, contractor's contact, noticing of affected businesses, and schedule of work. Include a copy in resubmittal. Guidelines are attached below:
http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=2719

46. SIDEWALK ENCROACHMENT: Add a note to the building permit plan set that says, "The contractor using the city sidewalk to work on an adjacent private building must do so in a manner that is safe for pedestrians using the sidewalk. The work area must be coned or taped off while still leaving at

least 4 feet of sidewalk for pedestrian use. If less than 4 feet of sidewalk is available for pedestrians, the contractor must obtain an encroachment permit from Public Works to close the sidewalk."

BUILDING DIVISION

47. On the Roof Plan, there is a roof deck with a perimeter tempered glass guard on 3 sides. The guard facing the adjacent building at 227 University Ave is located 2' from the property line. Non-bearing partitions located less than 30-ft for Type III-B buildings shall be constructed of one-hour fire-resistive construction per CBC Table 601 & 602. Please revise the guard along this wall line for compliance.

48. For the Basement Floor Plan (ref sheet A2.1), revise the occupant load factor for Retail Support to 60 sf/occupant from 100 sf/occupant or revise the use group of the space. (CBC Table 1004.1.2)

PUBLIC WORKS URBAN FORESTRY SECTION

37. PLAN SET REQUIREMENTS. The final Plans submitted for building permit shall include SHEET T-1, BUILDING PERMIT. The building permit plan set will include the City's full-sized, Sheet T-1 (Tree Protection-it's Part of the Plan!), available on the Development Center website at http://www.cityofpaloalto.org/civicax/filebank/documents/31783. The Applicant shall complete and sign the Tree Disclosure Statement.

38. PLANS--SHOW PROTECTIVE TREE FENCING. The Plan Set (esp. site, demolition, grading & drainage, foundation, irrigation, tree disposition, utility sheets, etc.) must delineate/show Type I or Type II fencing around each Regulated Trees, using a bold dashed line enclosing the Tree Protection Zone as shown on Standard Dwg. #605, Sheet T-1, and the City Tree Technical Manual, Section 6.35-Site Plans; **or using the Project Arborist's unique diagram for each Tree Protection Zone enclosure.**

39. SITE PLAN REQUIREMENTS: Plans with Public Trees shall show Type II street tree fencing enclosing the entire parkway strip

    a. Add Site Plan Notes.
        i. Note #1. Apply to the site plan stating, "All tree protection and inspection schedule measures, design recommendations, watering and construction scheduling shall be implemented in full by owner and contractor, as stated on Sheet T-1, in the Tree Protection Report and the approved plans".
        ii. Note #2. All civil plans, grading plans, irrigation plans, site plans and utility plans and relevant sheets shall add a note applying to the trees to be protected, including neighboring trees stating: "Regulated Tree--before working in this area contact the Project Site Arborist at 650-654-3351 ";
        iii. Note #3. Utility (sanitary sewer/gas/water/backflow/electric/storm drain) plan sheets shall include the following note: "Utility trenching shall not occur within the TPZ of the protected tree. Contractor shall be responsible for ensuring that no

trenching occurs within the TPZ of the protected tree by contractors, City crews or final landscape workers. See sheet T-1 for instructions."

iv. Note #4. "Basement or foundation plan. Soils Report and Excavation for basement construction within the TPZ of a protected tree shall specify a vertical cut (stitch piers may be necessary) in order to avoid over-excavating into the tree root zone. Any variance from this procedure requires Urban Forestry approval, please call (650) 496-5953."

v. Note #5. "Pruning Restrictions. No pruning or clearance cutting of branches is permitted on City trees. Contractor shall obtain a Public Tree Permit from Urban Forestry (650-496-5953) for any work on Public Trees"

40. TREE REMOVAL—PROTECTED & RIGHT-OF-WAY TREES. Existing trees (Publicly-owned or Protected) to be removed, as shown accurately located on all site plans, require approval by the Urban Forestry Tree Care Permit prior to issuance of any building, demolition or grading permit. Must also be referenced in the required Street Work Permit from Public Works Engineering.
    a. Add plan note for each tree to be removed, "Tree Removal. Contractor shall obtain a completed Urban Forestry Tree Care Permit # _____ (contractor to complete) separate from the Building or Street Work Permit. Permit notice hanger and conditions apply. Contact (650-496-5953)."
    b. Copy the approval. The completed Tree Care Permit shall be printed on Sheet T-2, or specific approval communication from staff clearly copied directly on the relevant plan sheet. The same Form is used for public or private Protected tree removal requests available from the Urban Forestry webpage: http://www.cityofpaloalto.org/gov/depts/pwd/trees/default.asp

41. TREE PROTECTION COMPLIANCE. The owner and contractor shall implement all protection and inspection schedule measures, design recommendations and construction scheduling as stated in the TPR & Sheet T-1, and is subject to code compliance action pursuant to PAMC 8.10.080. The required protective fencing shall remain in place until final landscaping and inspection of the project. Project arborist approval must be obtained and documented in the monthly activity report sent to the City. The mandatory Contractor and Arborist Monthly Tree Activity Report shall be sent monthly to the City (pwps@cityofpaloalto.org) beginning with the initial verification approval, using the template in the Tree Technical Manual, Addendum 11.

42. TREE DAMAGE. Tree Damage, Injury Mitigation and Inspections apply to Contractor. Reporting, injury mitigation measures and arborist inspection schedule (1-5) apply pursuant to TTM, Section 2.20-2.30. Contractor shall be responsible for the repair or replacement of any publicly owned or protected trees that are damaged during the course of construction, pursuant to Title 8 of the Palo Alto Municipal Code, and city Tree Technical Manual, Section 2.25.

43. GENERAL. The following general tree preservation measures apply to all trees to be retained: No storage of material, topsoil, vehicles or equipment shall be permitted within the tree enclosure area. The ground under and around the tree canopy area shall not be altered. Trees to be retained shall be irrigated, aerated and maintained as necessary to ensure survival.

44. MAINTENANCE. All landscape and trees shall be maintained, watered, fertilized, and pruned according to Best Management Practices-Pruning (ANSI A300-2008 or current version) and the City Tree Technical Manual, Section 5.00. Any vegetation that dies shall be replaced or failed automatic irrigation repaired by the current property owner within 30 days of discovery.

FIRE DEPARTMENT

45. Install a NFPA 13 fire sprinkler, NFPA 14 standpipe, NFPA 24 underground fire service and NFPA 72 fire alarm system. Note: Due to low water pressure a fire pump may be required for this project.

46. The building is required to have an Emergency Responder Radio System installed per the CA Fire Code section 510 unless the property owner submits an evaluation report stating the system is not required.

UTILITIES ELECTRICAL ENGINEERING

47. Based on the final load calculations, if the existing transformer (transformer #6381) located adjacent to the project does not have sufficient capacity to accommodate the proposed project, a new vault shall be installed by the applicant per City's standard and specifications. The vault would fall under "special facilities" and the applicant shall be billed accordingly. The applicant will be responsible for installing a new submersible transformer of adequate size to serve the new building. The Applicant shall install all substructure (boxes, vaults, conduits etc.) as required by the City. All the electric meters shall be located at one central location easily accessible to our Metering & Operational crews. The City will provide detailed comments and cost estimate when the plans are submitted to the Building Department for review and approval.

WASTE-GAS-WATER UTILITIES

48. Prior to building permit issuance, the applicant shall submit a completed water-gas-wastewater service connection application - loadsheet for City of Palo Alto Utilities. The applicant must provide all the information requested for utility service demands (water in fixture units/g.p.m., gas in b.t.u.p.h, fire system load in gpm, and sewer in fixture units/g.p.d.). The applicant shall provide the new total loads.

49. Prior to building permit issuance, the applicant shall submit improvement plans for utility construction. The plans must show the size and location of all underground utilities within the development and the public right of way, including meters, backflow preventers, fire service requirements, sewer mains, sewer cleanouts, sewer lift stations and any other required utilities. Plans for new wastewater lateral need to include new wastewater pipe profiles showing existing potentially conflicting utilities especially storm drain pipes electric and communication duct banks. Existing duct banks need to be daylighted by potholing to the bottom of the ductbank to verify cross section prior to plan approval and starting lateral installation. Plans for new storm drain

mains and laterals need to include profiles showing existing potential conflicts with sewer, water and gas.

50. The applicant shall be responsible for upgrading the existing utility mains and/or services as necessary to handle anticipated peak loads. This responsibility includes all costs associated with the design and construction for the installation/upgrade of the utility mains and/or services.

51. The gas service, meters, and meter location must meet WGW standards and requirements.

52. Installations parallel to new or existing WGW utilities to remain shall maintain 5ft minimum horizontal separation, unless specified otherwise by WGW Engineering . Crossings shall maintain minimum of one foot clear of any obstruction to WGW utilities.

53. An approved reduced pressure principle assembly (RPPA backflow preventer device) is required for all existing and new water connections from Palo Alto Utilities to comply with requirements of California administrative code, title 17, sections 7583 through 7605 inclusive. The RPPA shall be installed on the owner's property and directly behind the water meter within 5 feet of the property line. RPPA's for domestic service shall be lead free. Show the location of the RPPA on the plans submitted for building permit along with required drainage.

54. An approved reduced pressure detector assembly is required for the new water connection for the fire system to comply with requirements of California administrative code, title 17, sections 7583 through 7605 inclusive. Reduced pressure detector assemblies shall be installed on the owner's property adjacent to the property line, within 5' of the property line. Show the location of the reduced pressure detector assembly on the plans with required drainage.

55. The applicant shall pay the capacity fees and connection fees associated with new utility service/s or added demand on existing services. The approved relocation of services, meters, hydrants, or other facilities will be performed at the cost of the person/entity requesting the upgrade or relocation.

56. Each unit or place of business shall have its own water and gas meter shown on the plans. Each parcel shall have its own water service, gas service and sewer lateral connection shown on the plans.

57. All existing water and wastewater services that will not be reused shall be abandoned at the main per WGW utilities procedures.

58. Utility vaults, transformers, utility cabinets, concrete bases, or other structures cannot be placed over existing water, gas or wastewater mains/services. Maintain 1' horizontal clear separation from the vault/cabinet/concrete base to existing utilities as found in the field. If there is a conflict with existing utilities, Cabinets/vaults/bases shall be relocated from the plan location as needed to meet field conditions.

59. Trees may not be planted within 10 feet of existing water, gas or wastewater mains/services or meters; lesser distances require a permanent impermeable root-barrier a minimum of 3ft horizontal from water, gas and wastewater services/mains/meters.

60. All utility installations shall be in accordance with the City of Palo Alto current utility standards for water, gas & wastewater.

GREEN BUILDING

61. The project is required to comply with all Green Building requirements for non-residential uses, as required in accordance with the California Green Building Code and PAMC Section 16.14.

ATTACHMENT C
ZONING COMPARISON TABLE
233 and 235 University Avenue, 18PLN-00034

Table 1: COMPARISON WITH CHAPTER 18.18 (CD-C DISTRICT)
Exclusively Non-Residential Development Standards

Regulation	Required	Existing	Proposed
Minimum Setbacks			
Front Yard	None Required	the building currently encroaches into the PROW by a few inches	0 ft, once the newer layer(s) of facade is removed
Rear Yard	None Required	0 ft-6 in	0 ft-6 in
Interior Side Yard	None Required	0 ft	0 ft
Street Side Yard	None Required	0 ft	0 ft
Special Setback	Pursuant to Code Section 20.08	N/A	N/A
Minimum street setback for sites sharing a common block face with any abutting residential zone district	Note 4	N/A	N/A
Minimum yard (ft) for lot lines abutting or opposite residential zone districts	10 feet (Note 1)	N/A	N/A
Maximum Site Coverage	None Required	100%	100%
Maximum Height	50 feet	19 ft-3 in	45 ft-6 in
Maximum Floor Area Ratio (FAR)	1.0:1 (4,500 sf) With TDR Bonus: 3.0:1 (Note 5); max increase of 1.0:1 (per PAMC Section 18.18.070 and 18.18.080)	2.107:1 (9,481 sf)	2.631:1 (11,839 sf, increase of 0.524)
Maximum Size of New Non-Residential Construction or Expansion Projects	25,000 sf of gross floor area or 15,000 sf above the existing floor area, whichever is greater, provided the floor area limits set forth elsewhere in this chapter are not exceeded	N/A	2,358 sf of new non-residential area; project conforms
Daylight Plane for lot lines abutting one or more residential zone districts			
Initial Height at side or rear lot line	(Note 2)	N/A	N/A
Slope	(Note 2)	N/A	N/A

Notes

1) The yard shall be planted and maintained as a landscaped screen, excluding area required for site access.
2) The initial height and slope shall be identical to those of the residential zone abutting the site line in question.
3) The maximum height within 150 feet of any abutting residential zone district shall not exceed the height limit of the abutting residential district.
4) The minimum street setback shall be equal to the residentially zoned setback for 150 feet from the abutting single-family or multiple family development.
5) FAR may be increased with transfers of development and/or bonuses for seismic and historic rehabilitation upgrades, not to exceed a total site FAR of 3.0:1 in the CD-C subdistrict or 2.0:1 in the CD-S or CD-N subdistricts.

18.18.100 Performance Standards. In addition to the standards for development prescribed above, all development shall comply with the performance criteria outlined in Chapter 18.23 of the Zoning Ordinance. All mixed-use development shall also comply with the provisions of Chapter 18.23 of the Zoning Ordinance.

18.18.110 Context-Based Design Criteria. As further described in a separate attachment, development in a commercial district shall be responsible to its context and compatible with adjacent development, and shall promote the establishment of pedestrian oriented design.

Table 2: CONFORMANCE WITH CHAPTER 18.52.040 (Off-Street Parking and Loading) for Downtown University Avenue Parking Assessment District

Type	Required		Existing	Proposed	Conforms?
Vehicle Parking (within the Downtown Parking Assessment District) PAMC 18.52.040 Table 2	All uses except residential: 1 space per 250 sf	47 spaces	38 spaces (in-lieu)	47 spaces (include 9 additional in-lieu parking spaces)	Yes, with the purchase of 9 additional in-lieu parking spaces.
Bicycle Parking (within the Downtown Parking Assessment District) PAMC 18.52.040 Table 2	All uses except residential: 1 space per 2,500 sf 40% Long Term (LT) 60% Short Term (ST)	5 spaces 2 LT 3 ST	None	2 Long Term 3 Short Term	Yes
Loading Space	The project is not required to provide a loading space because it is less than 9,999 sf. Office projects greater than 10,000 sf are required to provide loading spaces.				

Architectural Review Board
Staff Report (ID # 9879)

Report Type:	Action Items	**Meeting Date:**	3/7/2019

Summary Title: 233 University Avenue: Seismic Rehabilitation and Office Addition (1st Formal)

Title: PUBLIC HEARING / QUASI-JUDICIAL. 233 University [18PLN-00344]: Consideration of a Major Architectural Review to Allow for Seismic Rehabilitation of an Existing Single-story Structure, the Addition of a Second-story for Office Use, and Rooftop Terrace. Additional Floor Area Would be Added Using a Seismic Floor Area Bonus and Transferred Development Rights (TDRs). The Project Includes Alterations at the Ground Floor to Provide Pedestrian Amenities. Environmental Assessment: Exempt from the provisions of the California Environmental Quality Act (CEQA) in Accordance with CEQA Guidelines Section 15332 (In-fill Development). Zoning District: CD-C(GP) (Commercial Downtown Pedestrian and Ground Flood Combining District Overlay). For More Information Contact the Project Planner Claire Hodgkins at Claire.Hodgkins@cityofpaloalto.org

From: Jonathan Lait

Recommendation

Staff recommends the Architectural Review Board (ARB):

1. Consider the proposed project, provide substantive comments, and continue the hearing to a date certain.

Report Summary

The applicant is proposing to seismically rehabilitate an existing, unreinforced masonry building that is currently used for retail and restaurant uses. The project will utilize square footage removed from an existing mezzanine level and add square footage in accordance with the seismic retrofit program as well as transferred development rights (TDRs) purchased from an

City of Palo Alto
Planning & Community Environment
250 Hamilton Avenue
Palo Alto, CA 94301
(650) 329-2442

eligible sender site, in order to construct a second-story for an office use as well as a rooftop terrace above the second level to be used by office employees. The ground floor would continue to be utilized for retail, in conformance with the Retail Preservation Ordinance. As designed, the project meets the applicable zoning requirements. Draft findings are included with this report in Attachments B. The applicant's project description is included in Attachment E and the project plans are included in Attachment F.

Background

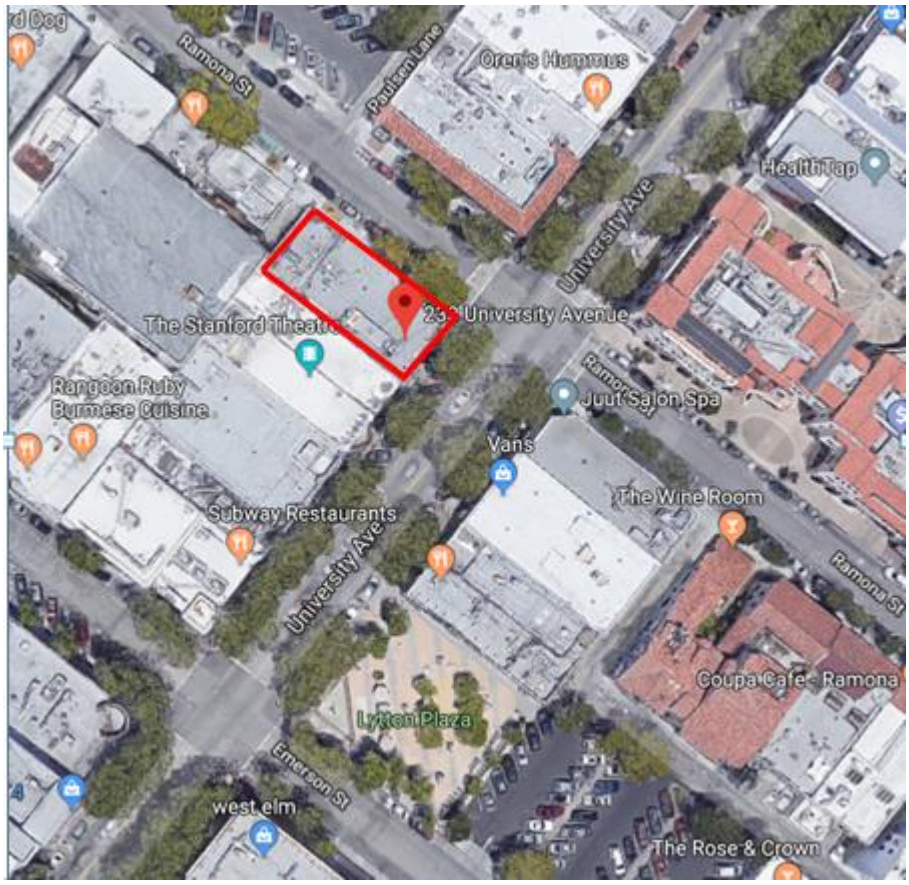
Project Information

Owner:	Mills Family, LLC
Architect:	Ken Hayes, Hayes Group Architects
Representative:	Ken Hayes, Hayes Group Architects
Legal Counsel:	Not Applicable

Property Information

Address:	233 and 235 University
Neighborhood:	Downtown North (University Avenue Parking Assessment District)
Lot Dimensions & Area:	45 feet x 100 feet (Area of 4,500 sf)
Housing Inventory Site:	No
Located w/in a Plume:	No
Protected/Heritage Trees:	One street tree on University Avenue and two street trees on Ramona Street
Historic Resource(s):	The subject property is listed as potentially eligible for the California Register. A Historic Resource Evaluation was prepared for the site and concludes the building is not eligible for the California Register because it lacks integrity, as discussed further below.
Existing Improvement(s):	Single story flat roofed brick commercial corner building; approximately 9,481 sf of gross floor area (approximately 3,420 sf basement and 4,461 sf of ground floor, and 1,600 sf interior mezzanine); 19 feet 3 inches in height at top of parapet. Originally built circa 1905
Existing Land Use(s):	Three existing retail tenant uses: The Tap Room (Restaurant; 233 University Avenue), Mills Florist (235 University Avenue); and Hookah Nights Lounge (235 University Avenue).
Adjacent Land Uses & Zoning:	North: (Regional/Community Commercial) PC-4063 Zoning West: (Regional/Community Commercial) CD-C (GF)(P) Zoning East: (Regional/Community Commercial) CD-C (GF)(P) Zoning South: (Regional/Community Commercial) PC 3872, CD-C (GF)(P) Zoning

Aerial View of Property:



Source: Google Maps

Land Use Designation & Applicable Plans

Zoning Designation:	Commercial Downtown-Community with a Ground Floor and Pedestrian Combining District overlay CD-C(GF)(P)
Comp. Plan Designation:	Regional/Community Commercial (CC)
Context-Based Design Criteria:	Not Applicable
Downtown Urban Design Guide:	Applicable, see discussion below
South of Forest Avenue Coordinated Area Plan:	Not Applicable
Baylands Master Plan:	Not Applicable
El Camino Real Design Guidelines (1976 / 2002):	Not Applicable
Proximity to Residential Uses or Districts (150'):	Not Applicable
Located w/in the Airport Influence Area:	Not Applicable

Prior City Reviews & Action

City Council:	None
PTC:	None
HRB:	None
ARB:	The ARB held a preliminary hearing on the proposed project on December 15, 2016. Staff Report: https://tinyurl.com/233-University-Prelim-SR Minutes: https://tinyurl.com/233-University-Prelim-Minutes Video: https://tinyurl.com/233-University-Prelim-Video

Project Description

The project includes seismic rehabilitation of an existing structure and the addition of a second-story to the building along with a rooftop terrace. Floor area would be added to the building using a seismic floor area bonus and transferred development rights (TDRs). The project would also include alterations at the ground floor to provide pedestrian amenities and a new elevator that would provide access from the basement to all floors, including the rooftop terrace. The ground floor is currently utilized as retail and eating/drinking services and would continue to be a retail use. The second story and rooftop terrace would be part of the proposed office use.

Pedestrian access to the retail space would continue to be provided from University Avenue. Pedestrian access to the proposed office would be provided along Ramona Street. The proposed building would be approximately 45 feet tall, below the allowable height limit of 50 feet. The ground floor façade would be renovated to include large windows along Ramona to increase pedestrian visibility into the retail area. Access for the second story office use would be provided at the rear of the building along Ramona Street and is the minimum necessary to provide appropriate lobby access to the office use above.

Requested Entitlements, Findings and Purview:

The following discretionary applications are being requested:

- Architectural Review – Major (AR): The process for evaluating this type of application is set forth in PAMC 18.77.070. AR applications are reviewed by the ARB and recommendations are forwarded to the Planning & Community Environment Director for action within five business days of the Board's recommendation. Action by the Director is appealable to the City Council if filed within 14 days of the decision. AR projects are evaluated against specific findings. All findings must be made in the affirmative to approve the project. Failure to make any one finding requires project redesign or denial. The findings to approve an AR application are provided in Attachment B.

Analysis[1]

[1] The information provided in this section is based on analysis prepared by the report author prior to the public hearing. The Architectural Review Board in its review of the administrative record and based on public testimony may reach a different conclusion from that presented in this report and may choose to make alternative findings. A

As discussed further below, staff finds the project to be consistent with the Comprehensive Plan and zoning requirements.

Neighborhood Setting and Character

The proposed project is located within the City's core downtown area on University Avenue. Existing buildings within the vicinity include a one-story building immediately adjacent to the site along University, which serves as an extension to the Stanford Theater; adjacent to this is the two-story Stanford Theater, which is identified as a Category 3 historic building under the City's historic inventory. Across Ramona is a larger two-story building (Fidelity Bank), which is also identified as a Category 3 historic building. Across University is primarily single-story retail (Nest bedding, and Juut) as well as a five-story tower and attached four-story building at 250 University, opposite the proposed project. The rooflines along University between Ramona and Emerson are generally flat-roofed designs with the exception of the historic Stanford Theater. Many of the buildings across Ramona and leading toward Hamilton Avenue have a Spanish influenced design with stucco facades and clay-tiled roofing.

The proposed project would be a two-story building with a rooftop terrace. The flat-roofed design varies from the Spanish influenced designs along Ramona but is consistent with many of the other flat-roofed commercial developments along University Avenue, including the building abutting the site and those across the street. The project would be taller than the immediately adjacent building and those across the street. Although it would be taller than the Stanford Theater, the tallest portion of the façade is set to the rear of the building and away from the Stanford Theater.

Most of the development within the vicinity is zero lot line development, consistent with the existing building at the site and the proposed project.

Consistency with the Comprehensive Plan, Area Plans and Guidelines[2]

The Comprehensive Plan includes Goals, Policies, and Programs that guide the physical form of the City. ARB Finding #1 requires that the design be consistent and compatible with applicable elements of the Palo Alto Comprehensive Plan. The Comprehensive Plan land use designation for the project site is Regional/Community Commercial. The Regional/Community Commercial land use designation is intended to provide a wider variety of goods and services than the neighborhood shopping areas and include such uses as department stores, bookstores, furniture stores, toy stores, apparel shops, restaurants, theatres and non-retail services such as offices and banks.

change to the findings may result in a final action that is different from the staff recommended action in this report.

[2] The Palo Alto Comprehensive Plan is available online: http://www.cityofpaloalto.org/gov/topics/projects/landuse/compplan.asp

A detailed review of the project's consistency with the Comprehensive Plan is provided in Attachment B. The project is consistent with the policies in the Comprehensive Plan and therefore fulfills the goals of the Plan.

Zoning Compliance[3]

The site is zoned Downtown Commercial-Community with Ground Floor and Pedestrian Combining Districts (CD-C[GF][P]). The Downtown Commercial-Community District is intended to "be a comprehensive zoning district for the downtown business area, accommodating a wide range of commercial uses serving city-wide and regional business and service needs, as well as providing for residential uses and neighborhood service needs." The Ground Floor Combining District is intended to provide design guidelines and modify the uses allowed in the commercial districts and subdistricts to promote active, pedestrian-oriented uses, with a high level of transparency and visual interest at the ground level. The pedestrian shopping combining district is intended to modify the regulations of the commercial downtown district in locations where it is deemed essential to foster the continuity of retail stores and display windows and to avoid a monotonous pedestrian environment in order to establish and maintain an economically healthy retail district.

The project would include the addition of more windows, particularly on the Ramona Street frontage that are slightly recessed from the brick façade, and recessed entries along both Ramona and University, as encouraged in the pedestrian combining district. The project is consistent with all other zoning requirements. A detailed review of the proposed project's consistency with applicable zoning standards is provided in Attachment C.

Transferred Development Rights

On October 20, 2008, the City Council approved a resolution designating the former Sea Scout building at 2560 Embarcadero Road as an eligible sender site in the TDR program. The site was deemed eligible to transfer 2,500 square feet of development rights to an eligible receiver site. As documented in an informational report to Council on June 6, 2016, Mills Family, LLC purchased 1,600 square feet of these TDRs. The applicant proposes to utilize these 1,600 square feet of TDRs for the proposed development.

The site meets the eligibility requirements outlined in PAMC Section 18.18.080(e) as it is located within the Downtown Commercial Zone District, there are no historic resources existing on site, and the site is not located within 150 feet of a residentially zoned district. In addition, the TDRs would be used on a site that is within the boundaries of the downtown parking assessment district. The use of these TDRs at this site would not cause the project to exceed a maximum floor area ratio addition of 1.0 to 1 above what exists (proposed addition of 0.524:1), would not result in additional floor area of 10,000 square feet or more (total addition of 2,358 sf), would not cause the development limitation project size limitation set forth in 18.18.040 to be exceeded, and would not cause the site to exceed 3.0 to 1 FAR in the CD-C subdistrict. The

[3] The Palo Alto Zoning Code is available online: http://www.amlegal.com/codes/client/palo-alto_ca

1,600 square feet of TDRs would count toward gross floor area as well as the parking assessment requirements.

Seismic Rehabilitation

The existing building is an unreinforced masonry building constructed circa 1905 and has been deemed a Seismic Category I building. In accordance with PAMC Section 18.18.070(a)(2), "a building that is in Seismic Category I, II, or III, and is undergoing seismic rehabilitation, but is not in Historic Category 1 or 2, shall be allowed to increase its floor area by 2,500 square feet or 25% of the existing building, whichever is greater." In accordance with this Code section, the project proposes to seismically rehabilitate the existing building and use the 2,500 square foot bonus to construct a new second-story addition and access to a rooftop terrace. This bonus square footage would be combined with additional floor area obtained through TDRs, as discussed above. The total floor area ratio of the project with the use of both these allowances would be 2.63:1, and therefore would not cause the site to exceed a FAR of 3.0:1 as required in accordance with the PAMC Section 18.18.070. The project proposes to park this additional square footage by paying in-lieu fees in accordance with PAMC Section 18.18.090.

As noted in PAMC Section 18.18.070(b), the use of this floor area bonus is subject to restrictions. Table 1 below summarizes why the project would comply with these restrictions.

Table 1: Consistency with Restrictions for Use of Floor Area Bonus for Seismic Rehabilitation

1. All bonus square footage shall be counted as square footage for the purposes of the 350,000 square foot limit on development specified in Section 18.18.040.	Bonus square footage is included in the total assumed calculation of floor area for compliance with the Downtown restrictions on non-residential development, see further discussion below.
2. All bonus square footage shall be counted as square footage for the purposes of the project size limit specified in Section 18.18.060 (a).	Taking into account all bonus square footage proposed for the project, the project would not exceed any project size limits specified in Section 18.18.060(a), which limits construction of new non-residential floor area to 25,000 square feet of gross floor area or 15,00 square feet above the existing floor area, whichever is greater. The project includes 4,400 sf of new office area and 2,358 sf of total new non-residential floor area.
3. In no event shall a building expand beyond a FAR of 3.0:1 in the CD-C subdistrict or a FAR of 2.0:1 in the CD-S or CD-N subdistrict.	The total FAR of the proposed project would be 2.63:1, which would be less than 3.0:1.
4. The bonus shall be allowed on a site only once.	The bonus will be applied only once to this site. Use of the bonus will be documented in the conditions of approval of the project.

5. For sites in Seismic Category I, II, or III, seismic rehabilitation shall conform to the analysis standards referenced in Chapter 16.42 of this code.	The site will comply with the analysis standards for seismic rehabilitation as referenced in Chapter 16.42.
6. For sites in Historic Category 1 or 2, historic rehabilitation shall conform to the Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (36 CFR §67,7).	The existing building on the site is not a historic structure. Therefore, these requirements are not applicable.
7. For sites in both Seismic Category I, II, or III and Historic Category 1 or 2, no bonus shall be granted unless the project includes both seismic and historic rehabilitation conforming to the standards in subsections (5) and (6).	
8. For sites in both Seismic Category I, II, or III and Historic Category 1 or 2, a bonus granted under this section that will be used on-site is subject to the following requirements: (A) The city council must approve on-site use of such a FAR bonus. Such approval is discretionary, and may be granted only upon making both of the following findings: (i) The exterior modifications for the entire project comply with the U.S. Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (36 CFR §67,7); and (ii) The on-site use of the FAR bonus would not otherwise be inconsistent with the historic character of the interior and exterior of the building and site. (B) The applicant for on-site use of a cumulative floor area bonus shall have the burden of demonstrating the facts necessary to support the findings required for council approval.	

Ground Floor Retail Preservation

The existing building includes retail and retail-like uses on the ground floor, including Mills Florist, a hookah lounge, and the Tap Room. In accordance with the Ground Floor Retail

Preservation Ordinance, as codified in PAMC Section 18.40.180, the proposed project would be required to preserve ground floor retail and retail-like uses on the site. The project proposes to retain the ground floor use(s), as required in accordance with the code.

Staff notes that a small area of the ground floor that is currently used for retail would now be utilized to provide access to the office area. Consistent with the Ground Floor Combining District requirements, this entrance area and access is allowed in order to serve non-ground floor uses to the extent reasonably necessary, provided they do not interfere with the ground floor uses. The proposed entrance is at the rear of the building and is the minimum necessary to provide access to the office above.

Annual Office Limit and Downtown CAP

The proposed project includes 4,400 sf of new office space, which includes access to the stairs and elevator on the ground floor, the second floor space, and covered areas for access to the rooftop terrace. Some of this office space would replace retail space provided on a mezzanine level; therefore the total new non-residential square footage being added totals 2,358 sf. Pursuant to PAMC Section 18.40.210, "no more than 50,000 net new square feet of office annual limit land uses per fiscal year (July 1 to June 30) shall be approved by the city in the office annual limit area." Currently there are 23,650 sf of office proposed or approved for fiscal year 2019. Therefore, the proposed 4,400 sf would not cause the City to exceed its annual limit of 50,000 sf of new office space.

Currently under PAMC Section 18.18.040, there is a 350,000 square foot limit on non-residential development within the downtown area. At the time that this staff report was prepared, there was approximately 18,000 sf of non-residential area that could still be added within the downtown area without exceeding the downtown non-residential development cap. On February 11, 2019, City Council approved eliminating the limit provided under 18.18.040, which corresponded to policies set forth in the previous Comprehensive Plan but that were not included in the currently adopted Comprehensive Plan. Council approved a second reading of the ordinance on February 25, 2019. The code amendment will take effect 30 days from the date of the second reading. Regardless, the 2,358 sf of new non-residential development proposed as part of this project would not cause the downtown non-residential limit to be exceeded. Therefore, the project would not conflict with this requirement.

Multi-Modal Access & Parking

The proposed project does not include any vehicle access or on-site parking. The existing building is being retained and the site has paid into the downtown in-lieu parking for the existing gross floor area. Gross floor area added through both the seismic rehabilitation bonus and the TDR bonus is required to be parked but may be parked through in-lieu fees, in accordance with PAMC Section 18.52. Because floor area on the mezzanine level is being removed, the total floor area being added is 2,358 square feet. At a ratio of one space per 250 square feet, a total of nine additional parking spaces are required to be paid in-lieu. No loading space is required for the proposed project.

Because parking may only be provided in-lieu if providing parking on-site is infeasible, the applicant prepared an analysis as shown on sheet A2.6 showing that a ramp meeting the code requirements could not feasibly be provided from Ramona Street to the basement level. Specifically, the ramp does not extend low enough for an accessible route below the first floor structure at the allowed slope under the PAMC. In addition, the ramp would affect the ability to provide the required access from the basement level. The City would not support a two-way ramp leading from University Avenue, as it would significantly impact the pedestrian environment along this main downtown frontage. The existing building would be rehabilitated and has a zero lot line construction, making at grade parking infeasible. Therefore, because on-site parking is infeasible, additional parking would be provided via in-lieu fees.

The proposed project is consistent with the Pedestrian and Bicycle Master Plan. Specifically, it maintains the sidewalk as well as landscaping and bicycle parking along the project frontage. It would not affect any future plans, if proposed, to provide a bicycle lane along University or Ramona as there would be no changes to the curb location or width of the sidewalk as part of the proposed project.

Access to the ground floor retail space continues to be provided from University Avenue but is no longer provided from Ramona Street. Access to the office space is provided along Ramona Street. Based on comments received from board members during the preliminary hearing, it would be more desirable to also have access from Ramona Street; possibly even a through access as is currently provided at the corner of University and Ramona.

The project would include repaving the sidewalk along the Ramona frontage and, consistent with comments from at least one board member during the preliminary hearing, would include tree grates for the three tree wells to improve the area for pedestrians.

Consistency with Application Findings

As detailed in Attachment B, staff finds that the project, on balance, is consistent with the findings for Architectural Review, including the Comprehensive Plan, Zoning requirements for the CD-C Zone District as well as the Pedestrian (P) and Ground Floor (GF) combining districts and the Downtown Guidelines though staff notes that the project could be more consistent with the Architectural Review landscape requirements by providing more native and/or habitat supporting species on the terrace. The project includes high quality materials, including the existing brick, which will be salvaged in order to maintain the existing look and feel of the ground floor of this building. It retains the mature, existing street trees on University and at the corner of University and Ramona. Two other trees along Ramona would be replaced with native Oaks. The project also improves the pedestrian environment along the Ramona Street frontage by adding large windows to provide views in, and provides for all three waste streams on site where trash was previously brought off-site to containers in a nearby alley. It also makes the building safer (both from seismic shaking and for fire) and improves American’s with Disabilities (ADA) compliance for the building as a whole.

Environmental Review

The subject project is being assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. Specifically, the project is anticipated to be exempt from the provisions of CEQA in accordance with CEQA Guidelines Section 15332, exemptions for in-fill projects. Minor additional information about project construction and anticipated construction equipment is still being obtained and evaluated, in particular, to assess whether vibrations from construction equipment would have the potential to impact nearby historic resources to ensure that the findings for a Class 32 exemption can be made. Staff will return to the ARB once the CEQA evaluation is complete.

Historic Review

The subject property is not listed on the National Register, California Register, or City's Historic Inventory. The City's Dames & Moore survey identified the property as potentially eligible for the California Register. The existing building, constructed circa 1905, was the subject of a historic resource evaluation prepared by Joshua Samuels, an archaeologist and historical anthropologist, and Johanna Street, a qualified consultant for architectural history. The HRE is included in Attachment D of this staff report. This analysis was peer reviewed by the City's consulting architect, Page & Turnbull. The HRE concluded that the project was not eligible for the California Register of Historic Resources. The HRE concluded that the findings possibly could have been made under Criterion 3 (Architecture) due to the fact that the rarity of brick buildings within Palo Alto conform to its beginnings as a small town, with small town ambitions up to 1920s and because Birge M. Clarke, who is considered a Master architect of local and regional importance, designed the remodel of half of the front façade of the property in 1928. However, nothing of Birge M. Clarke's design remains and despite its age, the building lacks integrity. Therefore, the findings under criterion 3 could not be made for this project. This initial HRE was peer reviewed by the City's consulting historic architectural firm, Page & Turnbull. The peer review concurred with the conclusions of the HRE but noted that the HRE should include a summary of the project's consistency with the adjacent historic buildings, particularly the historic Stanford Theater. The revised report included in Attachment D reflects this recommendation. Because the original height and rectangular plan on the ground floor is maintained, the new vertical addition is set back sufficiently from the front façade, and there is sufficient air space between the two buildings, which include different materials, the new building would not compete with the Stanford Theaters character defining exterior features.

Public Notification, Outreach & Comments

The Palo Alto Municipal Code requires notice of this public hearing be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the *Daily Post* on February 22, which is 13 days in advance of the meeting. Postcard mailing occurred on February 25, which is 10 days in advance of the meeting.

Public Comments

One verbal public comment was received from a resident who expressed that they did not like the style of the proposed project and felt that this style in general was inconsistent with the character of the City.

Alternative Actions

In addition to the recommended action, the Architectural Review Board may:

1. Approve the project with modified findings or conditions;
2. Continue the project to a date (un)certain; or
3. Recommend project denial based on revised findings.

Report Author & Contact Information
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ARB[4] Liaison & Contact Information
Jodie Gerhardt, AICP, Planning Manager
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Attachments:

- Attachment A: Location Map (PDF)
- Attachment B: Draft Architectural Review Findings (DOCX)
- Attachment C: Zoning Comparison Table (DOCX)
- Attachment D: Historic Resource Evaluation (PDF)
- Attachment E: Applicant's Project Description (PDF)
- Attachment F: Project Plans (DOCX)

[4] Emails may be sent directly to the ARB using the following address: arb@cityofpaloalto.org

CITY OF PALO ALTO

Notice of Exemption

Project Title: 233 University Avenue Project

Project Location (include county)**:** 233 University Avenue, Palo Alto, CA 94301 (Santa Clara County)

Project Description:
The proposed project involves rehabilitation of an existing approximately 9,481 square foot (sf) commercial building and construction of a second-story addition and rooftop terrace for a proposed office use. The proposed project would total 11,839 sf on a 4,500 sf parcel. The project will utilize a seismic rehabilitation floor area bonus as well as transferred development rights. A new elevator would provide an accessible path between the existing basement, existing ground floor and the new addition above. No parking is provided on-site. All parking would be accommodated through in-lieu fees for the Downtown Parking Assessment District.

Name of Public Agency Approving Project: City of Palo Alto

Name of Person or Agency Carrying Out Project: Ken Hayes, Hayes Group Architecture (on behalf of Leslie Mills, property owner)

Exempt Status: (*check one*)

☐ Ministerial (Sec. 21080(b)(1); 15268);
☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☑ Categorical Exemption: 15332 In-fill Exemption
☐ Statutory Exemptions. State code number

Reasons why project is exempt:

See attached documentation

Project Planner: Claire Hodgkins, AICP E-mail: Claire.Hodgkins@cityofpaloalto.org

If filed by applicant:
1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ☐ Yes ☒ N/A

Planner	*April 18, 2019*
Signature (Public Agency)	*Title*	*Date*

Documentation of Project's Eligibility for Class 32 Categorical Exemption Under CEQA

The City has determined that the proposed 233 University Avenue Project is categorically exempt from CEQA under Class 32 (In-fill Development Projects). CEQA Guidelines §15332 reads: "Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section." The information herein documents the project's compliance with these conditions in addition to confirming that no exceptions to the exemptions, as outlined in CEQA Guidelines §15300.2, apply to the project.

Class 32 Exemption Condition	Complies?
a. *The project is consistent with the applicable general plan policies as well as with applicable zoning designation and regulations*	■
b. *The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses*	■
c. *The project site has no value as habitat for endangered, rare, or threatened species*	■
d. *Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality*	■
e. *The site can be adequately served by all required utilities and public services*	■

a. The project is consistent with the applicable general plan policies as well as with applicable zoning designation and regulations

The project site's Comprehensive Plan Land Use Designation is "Regional/Community Commercial." The Regional/Community Commercial land use designation is intended to provide a wider variety of goods and services than the neighborhood shopping areas and includes such uses as department stores, bookstores, furniture stores, toy stores, apparel shops, restaurants, theatres and non-retail services such as offices and banks. The proposed use of the site as office with ground floor retail is consistent with the allowed uses identified in the Comprehensive Plan for this land use. In addition, the Comprehensive plan encourages the provision of open space on sites, particularly rooftop balconies. The project is consistent with the policies outlined in the Comprehensive Plan, particularly the Land Use Element, Transportation Element, Natural Environment Element, and the Business and Economic Element.

The site is zoned Downtown Commercial-Community with Ground Floor and Pedestrian Combining Districts (CD-C[GF][P]). The Downtown Commercial-Community District is intended to be "a comprehensive zoning district for the downtown business area, accommodating a wide range of commercial uses serving city-wide and regional business and service needs, as well as providing for residential uses and neighborhood service needs." The Ground Floor Combining District is intended to provide design guidelines and modify the uses allowed in the commercial districts and subdistricts to promote active, pedestrian-oriented uses, with a high level of transparency and visual interest at the ground level. The pedestrian shopping combining district is intended to modify the regulations of the CD commercial downtown district in locations where it is deemed essential to foster the continuity of retail stores and

display windows and to avoid a monotonous pedestrian environment in order to establish and maintain an economically healthy retail district.

The project would include the addition of more windows, particularly on the Ramona Street frontage that are slightly recessed from the brick façade, as well as entries along both Ramona and University, as encouraged in the Downtown Design Guidelines and pedestrian combining district. The project is also consistent with all other zoning requirements, including but not limited to: height, floor area, setbacks, and parking. For commercial properties within this zone district, the floor area ratio (FAR) may not exceed 3.0:1 with the use of transferred development rights and other floor area bonuses (such as for seismic rehabilitation). The proposed project would have a FAR of 2.63:1, which is allowed in accordance with the PAMC.

Therefore, the proposed project is consistent with the applicable general plan policies as well as with the applicable zoning designation and regulations.

b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.

The proposed project is located on APN 120-26-018, which is a 4,500 square foot site (0.10 acres) that is located wholly within the City of Palo Alto's jurisdiction. Surrounding uses are commercial uses, including a bank, retail stores, restaurants and a theater. There are no open space areas or natural features (such as creeks) within the vicinity of the site.

c. The project site has no value as habitat for endangered, rare, or threatened species

As noted above, there are no open space areas or natural features within the vicinity of the project site. The area is entirely urban in nature. The adopted Palo Alto 2030 Comprehensive Plan includes Map N-1, which identifies sensitive animal and plant species within the Palo Alto quadrangle, a large geographic area that includes the urban portions and portions along the bay and within the foothills, based on information in the California Natural Diversity Database (CNDDB). Based on this map and the urban nature of the site, the subject property does not contain any habitat for endangered, rare, or threatened species and has not historical supported any of these species.

d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality or water quality

Traffic

Valley Transit Authority (VTA) Traffic Impact Analysis (TIA) Guidelines suggest that projects generating less than 100 new trips per peak hour do not require quantitative analysis, subject to the Congestion Management Program requirements, because they are unlikely to result in noticeable changes in area traffic conditions, even where traffic conditions are already degraded [VTA Transportation Impact Analysis Guidelines, October 2014]. To be conservative, the City of Palo Alto requires a focused traffic analysis that quantifies potential project impacts for projects generating more than 50 trips per peak hour. Based on the ITE Trip Generation Manual (10th Edition), the project would replace an existing commercial building with retail and restaurant uses, which generates 23 AM peak hour trips and 128 PM peak hour trips with a new office/retail building that is anticipated to generate 38 AM peak hour trips and 82 PM peak hour trips. This results in 15 net new AM peak hour trips and 46 fewer PM peak hour trips in comparison to the existing use. Therefore, estimated net new peak hour trips would be less than the existing (due to the changes in types of retail use on the ground floor) and well below both of these identified thresholds. It should also be noted that because parking will be provided in-lieu, these trips would likely be dispersed to nearby public parking lots such as one of the three located along Emerson Street or the lot along High Street.

Overall, this in-fill project is designed to reduce vehicle miles traveled (VMT) based on its location in close proximity to existing transit service (Caltrain). The project would not include new roads or intersections or any other features that may include hazardous design features. Access for both pedestrians and emergency vehicles would be maintained at all times during construction. The project would not affect any adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities or decrease the performance or safety of these facilities. The proposed addition of bicycle parking on the site and pedestrian friendly design of the project would further City goals to encourage multi-modal transportation. For these reasons, the project would not result in any significant impact to traffic.

Noise

The ambient noise level at the site is estimated to be approximately 54 dBA. The nearest sensitive receptor (a residential use) is located approximately 400 feet north of the site near the corner of Lytton and Ramona. Demolition work would occur for approximately 2-4 weeks. Excavation for the minor basement addition, rehabilitation of the walls, and construction of the second floor addition would last approximately 10-12 months, followed by interior work. The overall construction duration would be 12-14 months. The noisiest activity for in-fill construction projects is typically demolition; however, given that the existing building is being rehabilitated rather than completely demolished, the type of equipment being used would be smaller (e.g. mini excavator) and would generate less noise. Given that the nearest sensitive receptor is almost 400 feet northwest of the site and because the project would be required to comply with the regulations outlined in Title 9 of the Palo Alto Municipal Code (PAMC) with respect to construction noise, which stipulates maximum allowed decibels and restricts construction hours, the project would not result in a significant impact on noise during construction.

Operation of the proposed project, which includes office and retail uses, would be similar to the noise levels for the existing use on the site (restaurant and retail) and within the immediate vicinity of the site. All HVAC equipment would be required to comply with applicable code requirements for permanent noise producing equipment. Therefore, the project would not result in any significant impact to noise.

Air Quality

Construction activities would generate emissions from construction vehicle trips, equipment use, and ground disturbance. However, consistent with Comprehensive Plan Program N5.1.2, the project would comply with standard Bay Area Air Quality Management District (BAAQMD) recommendations to reduce construction emissions such as limiting vehicle idling and implementing best management practices to reduce dust emissions. The project would also be required to comply with all standard BAAQMD regulations for demolition. The project includes rehabilitation of an existing retail space and the addition of approximately 4,000 square feet of office floor area. The rehabilitation and minor construction activities would not have the potential to result in a significant impact on air quality due to an exceedance of criteria pollutant emissions. This project is well below the BAAQMD screening levels for construction of office or retail spaces.

Given the size of the project, the project would not generate emissions that would exceed the BAAQMD thresholds of significance for any criteria pollutants during construction. The project would rehabilitate an existing building for a similar use and construct only a small addition to the building for an office use. Overall the building would only be approximately 2,000 sf larger; therefore, changes in operational emissions would be nominal and would not exceed BAAQMD thresholds. Further, this in-fill development project would, by design, encourage reduced Vehicle Miles Traveled based on its location in proximity to public transit opportunities. For these reasons, the project would not result in any significant impact to Air Quality.

Water Quality

The project site is not located in close proximity to any waterways. The closest water feature is San Francisquito Creek, which is located approximately 0.33 miles northwest of the project site; therefore, the project would not alter the course of a stream or river. The project is not on a parcel that is located within the 100-year flood hazard area and would not expose people or structures to risk of loss involving flooding. The site is not close to any water bodies that could inundate the site by seiche, tsunami, or mudflow. The current project site is completely developed; therefore, the proposed project would not substantially alter the existing drainage of the site. The project would follow public works engineering's required standard practices to control erosion and siltation during construction activities, as required in accordance with Title 16 of the PAMC, so as not to degrade water quality.

The existing site includes a basement covering most of the site area; therefore, the additional basement feature, which is being added to accommodate accessible access (stairs and elevator) covers only a small portion of the site area (approximately 350 square feet). Though this excavation could require dewatering, because the area is so small and because any dewatering would be required to follow PAMC Section 16.28, to ensure that it would not impact water quality or the groundwater basin, there would be no impact on water quality as a result of this small amount of

excavation. Project operation would be serviced by existing utilities and would not affect groundwater supply. For these reasons, the project would not result in any significant impact to Water Quality.

e. The site can be adequately served by all required utilities and public services

The site is within an urban area that is already served by utilities and public services. Although new utility hook-ups would be required for the proposed building, the site would be adequately served by existing infrastructure within the immediate vicinity. The proposed project would replace an existing building in the same location and with the same footprint. The proposed minor addition of floor area to this existing building would not affect public services within the City, including police or fire services. It would also have no impact on parks or schools as the proposed use would not induce population growth.

Exceptions to the Exemptions

The City is aware that there are six categories or exceptions that preclude the use of Categorical Exemptions, as listed in CEQA Guidelines 15300.2 These categories, followed by the reason(s) the City believes they are not applicable to this project, are as follows:

15300.2(a) Location. Classes 3,4,5,6 and 11 are qualified by consideration of where the project is to be located—a project that is ordinarily insignificant in its impact may in a particularly sensitive environment

By definition, this exception does not apply to Class 32 Exemptions.

15300.2(b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

The project is a stand-alone, site specific construction project that would not be phased. No other projects are planned for this site in the foreseeable future.

15300.2(c) Significant Effect. There are no unusual circumstances creating the possibility that the project will have a significant effect on the environment pursuant to CEQA.

There are no unusual circumstances affecting the project or property or unique about the location of the property or adjacent properties. The project complies with zoning and the comprehensive plan in an area where the proposed use is encouraged.

15300.2(d) Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, with a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.

The project site is not visible from a scenic highway. I-280 and Skyline Blvd (HWY 35) are the only State scenic highways in Palo Alto and they are not visible from 233 University Avenue, which is within the City's commercial downtown area.

15300.2(e Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

The City has reviewed the Cortese List on the Envirostor database to confirm that the project site is not on a list of hazardous waste sites compiled pursuant to Sec 65962.5 of the Government Code.

15300.2(f)Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of an historical resource.

For purposes of this section, an historical resource is a resource listed in the National Register, California Register, or City's Historic Inventory, or determined to be eligible for listing in, the California Register of Historical Resources or National Register. Historical resources included in a local register of historical resources, as defined in subdivision (k) of Section 5020.1, or deemed significant pursuant to criteria set forth in subdivision (g) of Section 5024.1, are presumed to be historically or culturally significant for purposes of this section, unless the preponderance of the evidence demonstrates that the resource is not historically or culturally significant. The subject property is not listed on the National Register, California Register, or City's Historic Inventory. The site was a subject of an historic evaluation completed in 2018 by Joshua Samuels, an archeologist and historical anthropologist, and Johanna Street, a qualified consultant for architectural history. The City hired a third party expert, Page & Turnbull to peer review the analysis and to issue an independent determination of the project's eligibility as a historic resource under the California or National Register. Both the historic resource evaluation and peer review concluded that the project was not eligible for either register. The historic evaluation also analyzed the project's consistency with nearby historic buildings, including, in particular, the nearby Stanford Theater. The analysis concludes that because the original height and rectangular plan on the ground floor is maintained, the new vertical addition is set back sufficiently from the front façade, and there is sufficient air space between the two buildings, which include different materials, the new building would not compete with the Stanford Theaters character defining exterior features.

In addition, given the proximity of historic buildings, an analysis was prepared by Charles M. Salter and associates to determine the anticipated level of vibrations from project construction and to determine whether those vibrations had the potential to impact nearby historic buildings. The California Department of Transportation provides vibration criteria to evaluate the potential for construction damage. Transient vibrations are classified as impulsive events that are short in duration (e.g., debris falling, blasting). Continuous vibrations are more sustained vibration events over longer periods of time (e.g. jackhammering, drilling). For historic buildings, Caltrans defines the threshold for transient sources as 0.50 Peak Particle Velocity (PPV)(in/sec) and continuous sources as .25 PPV (in/sec). The analysis concludes that project construction would result in vibrations at a maximum of 0.21 PPV in/sec for transient vibrations and 0.076 for continuous vibrations. Therefore, vibrations from construction would be well below the .50 and .25 PPV (in/sec) thresholds for transient and continuous sources, respectively, and would not significantly impact adjacent historic resources.

For the reasons, the project would not cause a substantial adverse change in the significance of a historic resource either on or adjacent the project site.

Attachment I

Project Plans

Hardcopies of project plans are provided to Board members. These plans are available to the public online and/or by visiting the Planning and Community Environmental Department on the 5th floor of City Hall at 250 Hamilton Avenue.

Directions to review Project plans online:

1. Go to: bit.ly/PApendingprojects
2. Scroll down to find "233 University" and click the address link
3. On this project specific webpage you will find a link to the project plans and other important information

Direct Link to Project Webpage:

https://www.cityofpaloalto.org/news/displaynews.asp?NewsID=4517