



Planning & Transportation Commission

Staff Report (ID # 11483)

Report Type: Action Items **Meeting Date:** 8/12/2020

Summary Title: 788 - 796 San Antonio Road: Comp Plan Amendment, Zoning Text Amendments, Tentative Map and Variance

Title: PUBLIC HEARING / QUASI-JUDICIAL / LEGISLATIVE. 788 San Antonio Road [19PLN-00079]: Recommendation on Applicant's Request for a Comprehensive Plan Amendment, Zoning Text Amendments for the Site and Adjacent CS (Service Commercial) Zoning District Properties Between Middlefield Road and East Charleston Road including 1) Applying the Housing Incentive Program; 2) Allowing Rooftop Gardens as Open Space; and 3) Exempting Certain Retail Floor Area from Parking. The Request Also Includes Citywide Zoning Text Amendments to the Definition of Gross Floor Area and Exemptions from Retail Preservation. Applicant Also Seeks a One Lot Subdivision for 102 Condominium Units and a Variance To Allow a Protrusion Into the 24-Foot Special Setback Along San Antonio Road. Environmental Assessment: Environmental Impact Report was Circulated for Public Comment From July 31, 2020 to September 14, 2020. Zoning District: CS.

From: Jonathan Lait

Recommendation

Staff recommends the Planning and Transportation Commission (PTC) take the following action(s):

1. Consider the Draft Environmental Impact Report (EIR) prepared pursuant to the California Environmental Quality Act (CEQA), provide comments and recommend that the City Council adopt a Statement of Overriding Considerations with certification of a Final EIR, which will be prepared following the Draft EIR public comment period;

2. Recommend that the City Council adopt the attached draft Record of Land Use Action (RLUA, Attachment B) approving the Tentative Map and Variance based on the required findings and conditions of approval as set forth in the RLUA; and
3. Recommend that the City Council adopt the attached ordinance (Attachment C) for the various Zoning Text Amendments related to application of the Housing Incentive Program; allowing rooftop gardens to count as open space; the exemption of certain retail floor area from parking; changes to the definition of gross floor area; and changes to exemptions from retail preservation.
4. Recommend that the City Council adopt the attached resolution (Attachment D) amending Comprehensive Plan Program L2.4.1 to promote housing on San Antonio Road;

Report Summary

The applicant, Ted O'Hanlon for 788 SAPA Land LLC, proposes to demolish the two existing buildings on two parcels located at 788 – 796 San Antonio Road. If project entitlements, including a Tentative Map to merge the parcels, are approved, the applicant would construct a four-story mixed-use building with two underground parking levels. The project includes 102 dwelling units and approximately 1,800 square feet of ground floor retail commercial space. The Tentative Map would also create a one-lot condominium subdivision for 102 residential condominiums and one commercial condominium.

The site's current zoning (Commercial Services) development standards do not allow for the building and number of dwelling units as proposed. The applicant therefore requests zoning text amendments, which include the expansion of the Housing Incentive Program (HIP). One of the buildings constructed in 1953 is eligible for listing on the California Register of Historic Resources

Council approval of a Zoning Code amendment is requested to allow the HIP to apply to this site. The HIP process currently enables development having a floor area ratio (FAR) up to 1.5:1 in the CS zone along El Camino Real. The HIP provides for a waiver of the lot coverage requirements (currently, maximum lot coverage is 50% of the lot area) among other incentives to encourage additional housing. The HIP also allows a floor area ratio of up to 2.0 in the CC (2) zone.

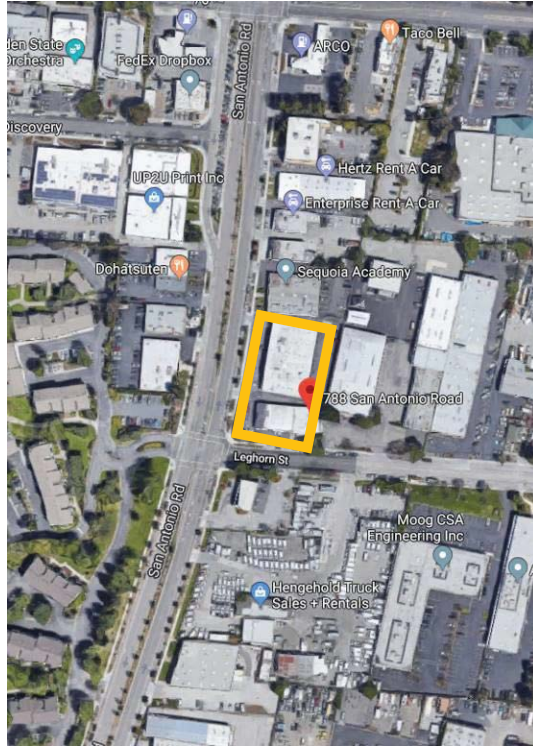
Council's May 2019 discussion explored extension of the HIP area on San Antonio Road. The addition of the HIP along San Antonio Road conflicts with the City's Comprehensive Plan Program L2.4.1 that seeks adjustment of the Housing Element to remove these San Antonio housing sites. Therefore, a Comprehensive Plan Amendment is also requested to amend that Program. The Draft EIR includes analysis of this proposal to encompass 9.54 acres, referred to as the "Program Area" – the CS zoned properties adjacent to San Antonio Road between Middlefield and East Charleston Roads.

Background

788-796 San Antonio Road Project and Property Information

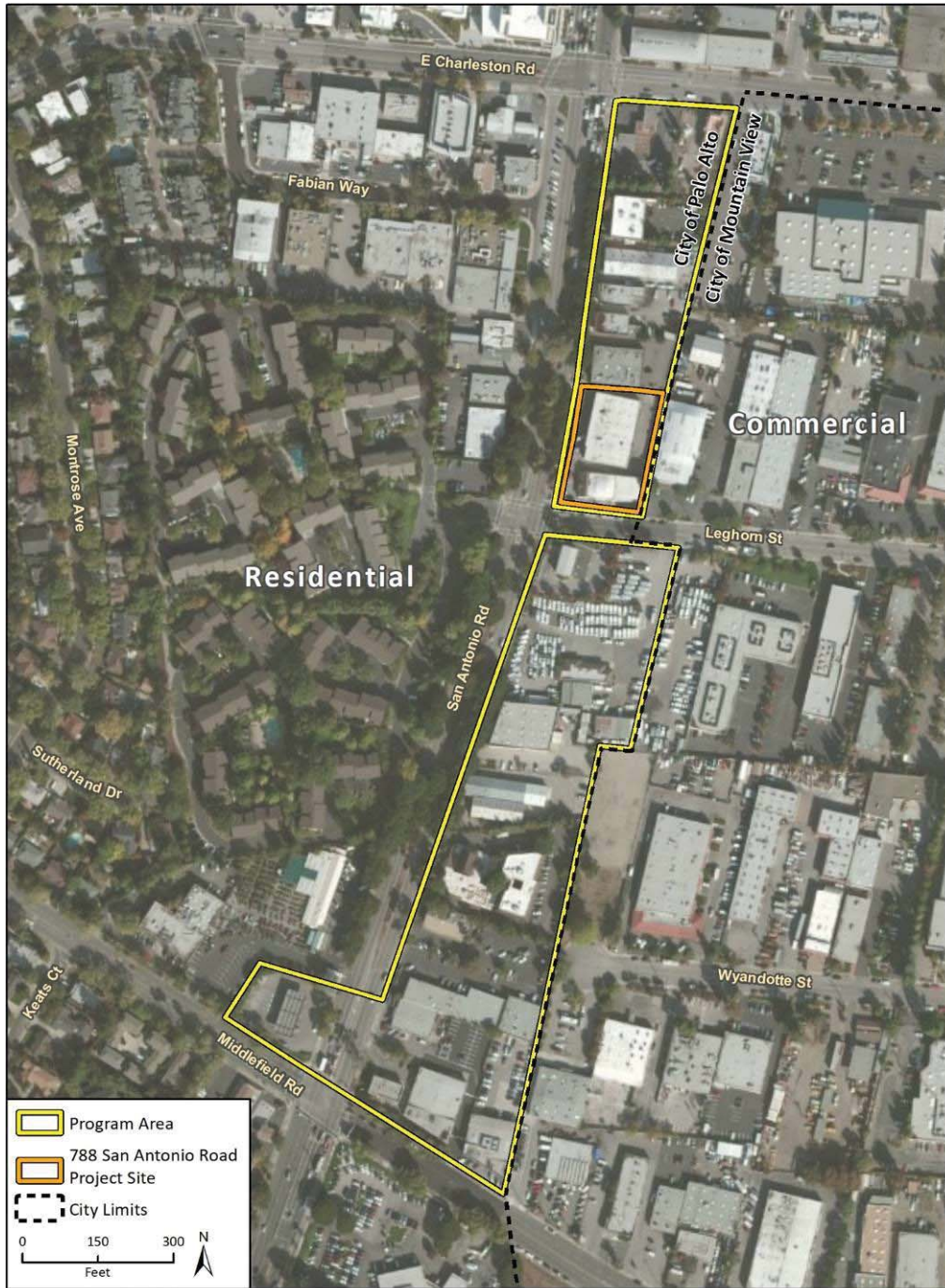
Owner:	Jim Yang (788 SAPA Land LLC)
Architect:	Studio S Squared
Representative:	Ted O'Hanlon
Legal Counsel:	Jorgenson, Siegel, McClure & Flegel, LLP
Address:	Development Site: 788 – 796 San Antonio Road Program Area (including project site): 18 CS zoned and CS(AD) parcels along San Antonio Road, between Middlefield Road and East Charleston Road
Neighborhood:	Across from The Greenhouse Neighborhood
Lot Dimensions & Area:	Development Site: 178' x 254' (43,414 square feet) Program Area: 9.64 acres
Housing Inventory Site:	Development Site: Yes, 0.57 acres of the site has a realistic yield of 20 units
Located w/in a Plume:	No
Protected/Heritage Trees:	Development Site: Yes, 13 protected trees
Historic Resource(s):	Development Site: 788 San Antonio Road (individually eligible for listing on the California Register of Historic Resources)
Existing Improvement(s):	Development Site: 788 San Antonio Road: 6,200 sf; one-story; 22 feet in height; 1953 796 San Antonio Road: 11,633 sf; one-story; 25 feet in height; 1967 Program Area: Various single and multiple story buildings
Existing Land Use(s):	Development Site: Martial arts studio; contractors office Program Area: Automobile related services, manufacturing, future hotels
Adjacent Land Uses & Zoning:	North: Service Commercial CS (commercial uses) West: General Manufacturing GM / PC 2711 (commercial & multi-family residential) East: City of Mountain View – General Industrial MM (automotive repair) South: Service Commercial CS (commercial uses, oil change facility) and CS(AD) for automobile dealerships
Special Setbacks:	San Antonio Road: 25 feet Leghorn Street: 15 feet

Aerial View of Property at 788-796 San Antonio Road:



Source: Google maps, 2020

Program Area



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Land Use Designation & Applicable Plans/Guidelines

Zoning Designation:	Service Commercial (CS)
Comp. Plan Designation:	Service Commercial
Context-Based Design:	Yes
Downtown Urban Design:	Not applicable
SOFA II CAP:	Not applicable

Baylands Master Plan:	Not applicable
ECR Guidelines ('76 / '02):	Not applicable
Proximity to Residential Uses or Districts (150'):	Yes, across San Antonio Road
Located w/in AIA (Airport Influence Area):	Not applicable

Prior City Reviews & Action

City Council:	October 15, 2018: https://tinyurl.com/788-San-Antonio-10-5-2018 May 20, 2019: http://bit.ly/788SA2ndPrescreening
PTC:	September 11, 2019: https://tinyurl.com/788-San-Antonio-PTC-9-11-2019
HRB:	None.
ARB:	August 15, 2019: https://bit.ly/2OWv9qW January 16, 2020: https://tinyurl.com/788-San-Antonio-ARB-1-16-2020

On May 20, 2019, the applicant presented a less dense and smaller version of the project with 64 dwelling units to the City Council as a prescreening request for zoning amendments. Discussion at the meeting centered on the appropriateness of having housing along the San Antonio Road corridor and at more intense levels closer to 2.0:1 Floor Area Ratio (FAR). At that meeting, some members of the City Council expressed interest in applying the HIP along the San Antonio Road corridor between Middlefield Road and East Charleston Road; this discussion is captured pages 5-12 of the Council meeting minutes¹.

The applicant filed an Architectural Review application, which is being processed concurrently with the Zoning Amendment request. The Architectural Review Board (ARB) is scheduled to consider the Draft EIR, review the project plans and discuss Architectural Review findings on August 20, 2020. On The ARB review of preliminary plans on August 15, 2019 was captured in meeting minutes² and is viewable here (<https://tinyurl.com/788-San-Antonio-8-15-19Video>). The ARB provided limited comments regarding the zoning amendment, noting that there is a lack of transit along the corridor to support higher densities. Further, the ARB stated that there may be issues for the retail use because there is not enough parking availability for “drive-by” demand, as exhibited by adjacent commercial uses.

On January 16, 2020, the ARB provided feedback on the project design, captured in meeting minutes³ and summarized as follows:

- Include warmer tones on the Color and Material board
- Need human scaled elements, such as reducing the size and types of windows frames

¹ May 20, 2019 Council meeting minutes:

<https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=71027.62&BlobID=72705>

² August 15, 2019 ARB meeting minutes: <https://www.cityofpaloalto.org/civicax/filebank/documents/73613>

³ January 2020 ARB meeting minutes: <https://www.cityofpaloalto.org/civicax/filebank/documents/75702>

- Add to the asymmetry
- The west and north elevations are visible and therefore need to be fully detailed
- Landscaping shall be in scale with the building
- Break down the scale and increase privacy for the courtyard and roof garden
- Explore having a drop-off area on San Antonio for transit network companies (TNC)
- Make bike parking secure and yet visible from the street
- If any, show curbside parking

A video of the ARB meeting is viewable here: <https://tinyurl.com/788-San-Antonio-1-16-20Video>.

On September 11, 2019, the Planning and Transportation Commission (PTC) conducted a public hearing/scoping hearing to hear comments regarding the scope of the EIR. Meeting minutes⁴ capture the discussion. Several commenters provided verbal comments at the meeting. A summary of these comments is included in the Introduction chapter of the EIR (Attachment G).

Project Description

The applicant proposes a residential mixed-use development on a site that includes two lots. To implement the project, the applicant seeks:

- Council approval of an amendment to the Comprehensive Plan;
- Council approval of amendments to the Zoning Code;
- to merge the existing lots and create a condominium subdivision;
- a variance from a pedestrian ramp; and
- to gain approval of their Architectural Review application.

Development Component

The following provides context to help the PTC with its discussion of the comprehensive plan and zoning amendment issues related to an actual project. In addition, this information helps with the evaluation of the proposed condominium subdivision request.

The project is the redevelopment of an approximately one-acre property located at the intersection of San Antonio Road and Leghorn Street. The applicant proposes a mixed-use building with ground floor retail and upper floor residential units: 102 for-sale residential units (32 studios, 66 one-bedroom units and four two-bedroom units). Of those units, 16 (15%) are proposed to be restricted to Below Market Rate (BMR) households. The four-story, mixed-use building would be 49'-5" in height. A two-level basement garage would include 126 vehicle spaces, trash room, and elevator/stairwells. The required bicycle parking is proposed at grade within the lobby and outside of the commercial space in a secured area. The applicant also requests a Variance for a proposed pedestrian ramp that would encroach into the 24-foot special setback along San Antonio Road. This ramp would provide primary access to the building.

⁴ September 11, 2019 PTC meeting minutes: <https://www.cityofpaloalto.org/civicax/filebank/documents/74497>

The existing buildings at 788 and 796 San Antonio Road are 6,200 square feet and 11,600 square feet, respectively. Of that, 5,897 square feet is occupied by a commercial recreation use (martial arts studio), which is considered “retail/retail-like”. These buildings would be demolished to accommodate the project.

The proposed residential FAR is 1.95:1 (84,812 square feet) and the non-residential FAR would be 0.04:1 (1,800 square feet). The total proposed FAR for the project is 2.0:1 (86,614 square feet). The 1,800 square feet of retail space would be located on the ground floor at the street corner. This space would have a floor to ceiling height of 12 feet. Pedestrian access to the retail space would be provided from both the San Antonio Road and Leghorn Street facades.

The project plans feature a contemporary design using a combination of traditional and contemporary materials including smooth stucco, cement fiber panels, Corten steel panels, redwood elements, aluminum framed windows and curtain wall systems. At the north and south ends of the building along San Antonio Road, the building design includes a full curtain wall window system. The main pedestrian entry to the building along San Antonio Road includes an accentuated entry element. The rear of the building has alternating brick and painted stucco facades. The overall mass of the building is broken up by balconies, change of materials, and variation in colors.

The vehicular entry to the basement parking is accessed from Leghorn Street. In addition to providing parking areas, the basement would include 1,346 square feet for trash rooms.

The building is designed to have an open courtyard area in the center of the building over the podium deck, a large lobby area on the first floor fronting San Antonio Road, and a covered common deck on the fourth floor facing San Antonio Road. Adjacent to the lobby area, the majority of the bicycle parking spaces for the project would be established within a secured area. The remaining bicycle parking spaces would be located on the plaza area outside of the retail space for short-term users. Each unit would have access to its own balcony either looking away from the building or into the interior courtyard.

Sixteen trees were surveyed for the project. Nine of the trees are street trees, three are adjacent, off-site trees; and four trees are on site. Thirteen trees are considered protected. Three protected street trees are proposed for removal to accommodate the Leghorn street frontage realignment that includes a wider sidewalk and a fourth tree (Raywood Ash Tree) is proposed to be removed given its poor health (Sheets T-2 and AR-1). Proposed landscaping includes street trees, interior trees, shrubs, ground cover, and vines. Accompanying the vegetation would be hardscape in the form of walkways or paved areas. The plaza areas would feature colored concrete and stamped patterns providing a connection to the site’s previous user.

Comprehensive Plan Amendment

To implement the Applicant's project, a Comprehensive Plan amendment is necessary and proposed to eliminate an inconsistency.

The project is subject to several Plan goals, policies and programs. On balance, the project is consistent with the Comprehensive Plan, with the exception of Program L2.4.1 that implements Policy L-2.4.

- Policy L-2.4 Use a variety of strategies to stimulate housing, near retail, employment, and transit, in a way that connects to and enhances existing neighborhoods.
- Program L2.4.1 Amend the Housing Element to eliminate housing sites along San Antonio Road and increase residential densities in Downtown and the California Avenue area to replace potential units from the sites eliminated.

Zoning Amendment

To implement the Applicant's project, a zoning amendment request is necessary and proposed. The applicant proposes to amend the language of the Zoning Code to allow for application of the HIP to the site. This zoning amendment is an opportunity for the City to extend the HIP housing incentives to the subject property. Further, Council can determine whether or not to extend the HIP beyond the subject property, to CS zoned properties fronting the east side of San Antonio Road between Middlefield Road and East Charleston Road. Collectively, these 18 parcels (including the development site) encompass 9.54 acres, referred to as the "Program Area".

The zoning amendment request would specifically include the following:

- Extend housing incentives to the subject property and more broadly to CS zoned properties on the east side of San Antonio Road between Middlefield Road and East Charleston Road (except 705 San Antonio which is not on the east side), including:
 - Establishing an HIP that includes a waiver to allow up to a 2.0:1 FAR for housing projects and changes to lot coverage restrictions;
 - Eliminating maximum housing density requirements;
 - Allowing rooftop gardens to count towards required open space;
 - Excluding the first 1,500 square feet of retail or retail-like floor area from parking requirements;
- Amend the citywide definition of gross floor area to exempt certain area in subterranean garages from counting toward the floor area ratio; and
- Amend the citywide retail preservation requirements to modify the standard for a waiver from the retail preservation ordinance to allow exceptions for certain housing projects.

Requested Entitlements, Findings and Purview:

The following discretionary applications are requested and subject to PTC purview:

- **Comprehensive Plan Amendment:** A request for a Comprehensive Plan amendment is set forth in PAMC 19.04. The PTC forwards its recommendation to the City Council for final action.
- **Zoning Code Text Amendment:** The process for evaluating this type of application is set forth in PAMC 18.80.080. This type of legislative change requires a prescreening before Council, which has been completed. A request for a zoning text amendment requires at least one public hearing before the PTC. The PTC forwards its recommendations to the City Council for final action.
- **Subdivision (Tentative Map):** The process for evaluating this type of application is set forth in Title 21 of the Palo Alto Municipal Code and Government Code Section 66474. Palo Alto Municipal Code Section 21.12.090 requires the Commission to review whether the proposed subdivision complies and is consistent with the Subdivision Map Act (in particular Government Code 66474), Title 21 of the Palo Alto Municipal Code, the Palo Alto Comprehensive Plan, and other applicable provisions of the Palo Alto Municipal Code and State law. The Commission's recommendation is forwarded to the City Council for final action.
- **Variance:** The process for evaluating this type of application is set forth in PAMC 18.76.030. Variance applications are reviewed by the Planning & Development Services Director. Action by the Director is appealable to the City Council if filed within 14 days. However, since this project includes other actions that require approval by the City Council, pursuant to PAMC 18.40.170, the PTC will make its recommendation to the City Council. All findings must be made in the affirmative to approve the project. Failure to make any one finding requires redesign or denial. The variance request is to enable the pedestrian access ramp to extend into the San Antonio Road Special Setback.

Additionally, the project requires approval for the following applications not subject to PTC review:

- **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 & Development Services Director for action within five business days of the ARB's recommendation. Action by the Director is appealable to the City Council if filed within 14 days of the decision. However, since this project includes other actions that require approval by the City Council, the ARB will make its recommendation to the City Council. 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.
- **Partial Waiver of Retail Space:** The process is set forth in PAMC 18.40.180(c). This process is a part of the zoning text amendments under consideration. The Director may act or refer the decision to the City Council. (*Proposed Zoning Text Amendment would exempt retail space eliminating the need for the waiver request.*)

Analysis⁵

Neighborhood Setting and Character

The Site

The one-acre site includes two parcels and two, one-story commercial/light industrial buildings. The structure at 788 San Antonio Road is considered eligible for listing on the California Register of Historical Resources (California Register). The property is associated with the long-term operation of the California Chrysanthemum Growers Association, a Japanese flower growers' cooperative that commissioned construction of the building in 1953. The structure at 790-796 San Antonio Road, was built in 1967. According to the Historic Evaluation conducted by Page & Turnbull (June 2020), under a contract with the City of Palo Alto, the structure does not meet the criteria for eligibility.

Program Area

The Program Area includes the San Antonio Road corridor between Middlefield Road and East Charleston Road. The Program Area includes 18 parcels zoned CS encompassing 9.54 acres. The eastern boundary of the program area borders the City of Mountain View. With the exception of one parcel, 705 San Antonio Road, all of the parcels in the Program Area are located on the east side of San Antonio Road.

San Antonio Road is 80 feet wide from curb to curb and includes four lanes and a landscaped median with left turn pockets. The corridor includes detached sidewalks that are five-feet wide.

A new 300 room hotel project is currently under construction at 744 San Antonio Road. This was approved with a 2.0:1 FAR and represents a similar scale project as the proposed project. There is a 25-foot special setback along San Antonio Road and a 15-foot special setback along Leghorn Street, which could be used to accommodate additional bike facilities in the future.

To the west of the project and across San Antonio Road are 228 condominium housing units within three-story, multi-family buildings on the 15-acre site. This development is known as The Greenhouse. The buildings are located over 150 feet from the project site. The project site is adjacent to and within the vicinity of several one-story commercial buildings. These low-rise commercial developments currently dominate the San Antonio Road corridor. The area is gradually being developed with buildings that rise to the maximum 50-foot height limit. Another notable development, the Taube Koret Campus, with similar mass and height lies at the intersection of San Antonio Road and East Charleston Road.

⁵ The information provided in this section is based on analysis prepared by the report author prior to the public hearing. Planning and Transportation Commission 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 recommended action.

Consistency with the Comprehensive Plan, Area Plans and Guidelines⁶

The Comprehensive Plan contains the City's official policies on land use and community design, transportation, housing, natural environment, safety, business and economics and community services, otherwise known as "elements" of the Plan. Its policies apply to both public and private properties. Its focus is on the physical form of the city. The Plan is used by the City Council and the PTC to evaluate land use changes. It is used by citizens and neighborhood groups to understand the City's long-range plans and proposals for different geographic areas. The Plan also provides the basis for the City's development regulations.

Each "element" includes goals, policies and programs that are the essence of the Plan and provide a framework to guide decisions on a wide range of issues. A Goal is a general end towards which the City will direct effort. A Policy is a specific statement of principle or of guiding actions that implies clear commitment. A general direction that a governmental agency sets to follow, in order to meet its goals and objectives before undertaking an action program.

The Comprehensive Plan designation for the site is Service Commercial, which is characterized in the Land Use Element as:

"Facilities providing citywide and regional services and relying on customers arriving by car. These uses do not necessarily benefit from being in high volume pedestrian areas such as shopping centers or Downtown. Typical uses include auto services and dealerships, motels, lumberyards, appliance stores and restaurants, including fast service types. In almost all cases, these uses require good automobile and service access so that customers can safely load and unload without impeding traffic. In some locations, residential and mixed-use projects may be appropriate in this land use category. Examples of Service Commercial areas include San Antonio Road, El Camino Real and Embarcadero Road northeast of the Bayshore Freeway. Non-residential FARs will range up to 0.4. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multifamily housing may be allowed in specific locations."

The Service Commercial land use designation is categorized as primarily commercial in nature but permits residential uses in appropriate locations. The subject application proposes a mixed-use project with a small proportion of retail to residential. The Multi-Family Residential designation exists on the west side of San Antonio Road, though it would be unique on the east side, designated Service Commercial from Middlefield Road to East Charleston Road.

Housing Element

The Housing Element (2014) of the Comprehensive Plan identifies the 788 San Antonio Road site as a housing inventory site (with a realistic yield of 11 units) along with other properties.

⁶ The Palo Alto Comprehensive Plan is available online: <http://www.cityofpaloalto.org/gov/topics/projects/landuse/compplan.asp>

San Antonio Road traverses the southern boundary of the City into the adjacent City of Mountain View. The 14 identified housing inventory sites along this corridor are located on the east side of San Antonio Road and are zoned CS. The Housing Element indicates that these sites would have a realistic yield of 155 units. The CS zone allows for multifamily housing at 30 dwelling units per acre as part of a mixed-use development. The parcels on the west side of San Antonio Road are primarily developed with single- and multi-family residential units, including The Greenhouse, with some commercial uses. The parcels on the east side of San Antonio Road, including the identified housing sites, are developed with non-residential uses interspersed with some multi-family residential developments.

Many of the commercial structures in this area were built in the 1950s and 1960s with relatively little new commercial redevelopment interest since the 1980s. However, the area has more recently experienced a significant level of mixed-use development. The Taube Koret Campus for Jewish Life (TKJCL), constructed in 2009, is located one block east of the identified housing sites and combines 176 units of senior housing, a cultural art center, health club, and a preschool. Adjacent to TKJCL is the Altaire neighborhood containing 103 units of multi-family residential (townhouses).

Approximately two miles west of the identified sites, there has been a substantial amount of mixed-use development within the City of Mountain View. The first phase of redevelopment on San Antonio Road - the construction 330 housing units and 144,000 square feet of retail space was recently completed. Mountain View's second phase of development will be 500,000 square feet of office space, a 165-room hotel, a Cineplex and 106,000 square feet of additional retail space. This development is likely to catalyze interest in increased mixed-use development along this corridor.

While not directly adjacent to a Caltrain station, the project site is 1.5 miles from the San Antonio Caltrain station (next to The Crossings housing development). Given these factors, there is strong interest by developers for residential development opportunities in Palo Alto. The potential housing sites along this corridor represent a realistic mixed-use development opportunity, especially given recent State housing laws.

In addition, there are several Comprehensive Plan Programs and Policies, listed below, that would be advanced by carefully implemented intensification of this corridor. However, one program, L2.4.1 in the Land Use Element of the Comprehensive Plan (2017-2030) indicates that the San Antonio Road Housing Inventory Sites should be removed in favor of concentrating residential density in the Downtown and California Avenue areas.

Staff recommends an amendment to Program L2.4.1 to ensure complete consistency in the following manner:

- Program L2.4.1 Amend the Housing Element to ~~increase select~~ eliminate housing sites along San Antonio Road and increase residential densities in Downtown and the California Avenue ~~area to replace potential units from the sites eliminated.~~

When considering the Comprehensive Plan as a whole, the project and proposed zoning text amendments, are compatible with the objectives, policies, general land uses, and programs specified in the Plan. The following is a list of relevant Comprehensive Plan Goals and Policies affected by the project:

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-1.6. Encourage land uses that address the needs of the community and manage change and development to benefit the community.

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.

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-2.4. Use a variety of strategies to stimulate housing, near retail, employment, and transit, in a way that connects to and enhances existing neighborhoods.

Program L2.4.1 Amend the Housing Element to increase select ~~eliminate~~ housing sites along San Antonio Road and increase residential densities in Downtown and the California Avenue area ~~to replace potential units from the sites eliminated.~~ (as amended)

Policy L-2.6. Create opportunities for new mixed-use development consisting of housing and retail.

Policy L-4.2. Preserve ground-floor retail, limit the displacement of existing retail from neighborhood centers and explore opportunities to expand retail.

H2.1.2 PROGRAM. Allow increased residential densities and mixed-use development only where adequate urban services and amenities, including roadway capacity, are available.

H2.2 POLICY. Continue to support the redevelopment of suitable lands for mixed uses containing housing to encourage compact, infill development. Optimize the use of existing urban services, and support transit use.

H2.2.8 PROGRAM. Assess the potential of removing maximum residential densities (i.e. dwelling units per acre) in mixed use zoning districts to encourage the creation of smaller housing units within the allowable Floor Area Ratio (FAR), and adopt standards as appropriate.

H3.1 POLICY. Encourage, foster, and preserve diverse housing opportunities for very low-, low-, and moderate-income households.

H3.1.2 PROGRAM. Implement the BMR ordinance to reflect the City's policy of requiring: a) At least 15 percent of all housing units in projects must be provided at below market rates to very low-, low-, and moderate-income households.

Zoning Compliance⁷

A detailed review of the proposed project's consistency with applicable zoning standards has been performed. A summary table is provided in Attachment E. This provides the context of the proposed project, compared with the existing zoning and the proposed development.

Proposed Amendments

The Zoning Code was amended in 2019 to provide incentives to produce additional housing units that are an alternative to using the Density Bonus code. These incentives were packaged as the Housing Incentive Program (HIP). In accordance with the City's Comprehensive Plan, the HIP targets properties along El Camino Real and the Downtown area. Specifically, the CS district properties along El Camino Real are eligible to use the HIP. The HIP includes several provisions that incentivize housing production. The proposed amendments would further incentivize housing production, clarify and modify development standards, and add the San Antonio Road corridor.

Housing Incentive Program Amendments

The proposed amendments to the HIP would:

- **Allow up to 2.0:1 FAR for the Program Area**, which is 0.5:1 FAR higher than what is allowed along El Camino Real for CS zoned properties. It would be the same FAR for CC(2) zoned properties elsewhere in the City and the same FAR as allowed for hotel uses. The Downtown allows up to 3.0:1 FAR. The 2:1 FAR is proposed within the Program Area due to the area's greater height limits and the surrounding land uses. While there are residential properties across San Antonio Road, the immediate area does not have other sensitive land uses and abuts light industrial and commercial land uses in the City of Mountain View.
- **Apply development standards** for building height and setbacks and other development standards and removed the 30 units per acre density limit and This would allow for the design of the site and buildings to provide the necessary aesthetic qualities to be consistent with the required Architectural Review Findings.
- **Allow rooftop garden area to count for up to 60% of the required open space.** This would allow for some flexibility in design for projects.

⁷ The Palo Alto Zoning Code is available online: http://www.amlegal.com/codes/client/palo-alto_ca

- ***Allow reduced parking for small retail.*** Exclude the first 1,500 square feet of ground-floor retail from the retail parking requirement for residential mixed-use projects. The Development Project does not propose to utilize the parking exemption; however, it should be considered as part of the HIP for other potential projects within the Program Area.
- ***Encourage 100% affordable projects.*** Extend same HIP provisions that support 100% affordable housing projects to the Program Area.

Gross Floor Area Definition

The City uses the term ‘gross floor area’ (GFA) along with ‘floor area ratio’ to help regulate the size of buildings on property. The GFA definition states what is included and excluded from calculations of GFA. Basement parking garages within commercial zones generally are exempt from gross floor area, unless this space is deemed useable for commercial uses by the Planning Director. The term useable is broad and can lead to confusion among planners, applicants, and the public.

Staff proposes an amendment to the definition for subterranean parking areas that would exempt electrical and fire equipment rooms. Other basement areas could be determined exempt at the discretion of the Director. That is, if the area does not increase the intensity of the use of the site and is the minimum necessary area to comply with regulations. These areas would not generate additional parking demand, and since these areas are below grade, they would not directly add to the bulk of the building.

Retail Preservation

The purpose of PAMC 18.40.180, Retail Preservation, is to maintain the amount of retail or retail-like ground-floor space in the City. Providing retail space on sites is sometimes challenging for housing developers. During the May 20, 2019 Pre-screening meeting, the Council debated the issue. Council supports mixed-use projects and does not support a complete waiver or exemption of retail from residential projects in zones where retail floor area is required.

The project site includes 5,897 square feet of retail or retail-like space. The applicant proposes to build approximately 1,800 square feet of retail floor area and request a partial exemption from the retail preservation ordinance to exempt the remaining (approximately) 4,100 square feet of retail or retail-like space.

For sites with substantially more retail or retail-like space, redevelopment for housing becomes less attractive for two primary reasons. First it reduces the amount of floor area that can be dedicated toward housing units. Second, retail area must be parked at four spaces per thousand square feet, which adds to the project’s overall construction costs.

The ordinance requires replacement of any ground floor retail or retail-like space permitted or operating as of March 2, 2015 with another retail or retail-like use. The ordinance notes two grounds for requesting a waiver or adjustments to the retail preservation requirements. These include “economic hardship” and “alternative viable active use”. Documentation is required to

prove that these grounds have merit to warrant a waiver or adjustment. The bar to grant a waiver from the retail preservation ordinance is high.

Staff proposes Council add to the ordinance a partial exemption from the retail preservation for residential high density (30 or higher units per acre) mixed-use projects on CS zoned properties. CS zoned properties typically cater to automobile-oriented commercial. The introduction of high density residential mixed-use projects would cater more towards pedestrian-oriented commercial. Except for commercially zoned areas with a Ground Floor or Retail combining district, the proposed waiver would allow the replacement of retail and retail-like uses with housing. Existing retail-like uses could be replaced with a minimum of 1,500 square feet of retail space.

Multi-Modal Access & Parking

Bicycle and Transit

This project increases density, which requires consideration of bicycle and transit mobility options. The nearest Santa Clara Valley Transportation Authority (VTA) bus stops are at Charleston and San Antonio Road, and Middlefield Road and San Antonio Road. There is no bus service on San Antonio Road between Middlefield Road and Charleston Road.

The site is within a five to 20-minute bike ride of many major employers in the area and a nine-minute ride to Caltrain. San Antonio Road includes a Class III facility (no bike lanes and shared with through traffic). Class II bicycle facilities are found on Middlefield and Charleston. The Plans Sheet A0.5 presents a circulation exhibit. Consistent with zoning requirements, the project plan show 102 long-term bicycle spaces and 18 short-term spaces.

Vehicle Access

The applicant proposes to provide all of the required vehicle parking spaces in two basement levels, with driveway access from Leghorn Street.

Transit

Demand

Management

The applicant proposes a Transit Demand Management (TDM) program as set forth in the Comprehensive Plan Program T1.2.3 and the PAMC. A TDM program is required because the project would generate 50 or more vehicular trips during the AM or PM peak hour. The TDM program includes the following key components:

Mandatory:

- On-Site Transportation Coordinator
- Monitoring Program
- Unbundled parking
- Caltrain Go Pass provision
- VTA SmartPass Provision
- Information Boards/Kiosks

Supplemental:

- Carpool ride-matching services
- Commuter shuttles

Implementation of the mandatory measures would result in a reduction of 38% in daily trips and 51% in PM peak trips. The Comprehensive Plan requires a 20% reduction in peak hour trips for vehicles.

Traffic Report

A traffic report was submitted on behalf of the City for the Environmental Impact Report (EIR) by TJKM. The report includes both Level of Service (LOS) analysis, in compliance with the City's Comprehensive Plan policies, and Vehicle Miles Travelled (VMT) to analyze traffic impacts related to California Environmental Quality Act (CEQA) thresholds. LOS is a qualitative description of traffic operations from the vehicle driver perspective and consists of the delay experienced by the driver at the intersection. It ranges from LOS A, with no congestion and little delay, to LOS F, with excessive congestion and delays. The project's traffic studies are appendices to the EIR.

Suggested Routes to School
The project is not located adjacent to a designated Safe Route to School; however, the intersection of Middlefield Road and San Antonio Road is within a designated walking route for Hoover Elementary School.

A previous attempt to apply the HIP to this area was abandoned to focus on transit-rich areas. San Antonio Road does have sufficient setback due to the Special Setback to allow for the appropriate planning of other mobility infrastructure to support intensified housing and pedestrian-oriented commercial. The PTC and City Council are requested to consider initiating coordinated planning efforts to ensure the appropriate design integration and future funding for mobility infrastructure.

Affordable Housing

Ownership housing projects with five or more units are required to meet the City's Below Market Rate Housing Program (BMR). In accordance with PAMC Section 16.65.030, this project's total BMR requirement is 15.3 units. When the BMR requirement results in a fractional unit, applicants may make an in-lieu payment to the Residential Housing Fund for the fractional unit, instead of providing a BMR unit within the project development.

To satisfy the BMR requirement, the applicant is required to provide 16 BMR for-sale housing units affordable to lower income households within the project in accordance with the requirements set forth in Program H3.1.2 of the City of Palo Alto Comprehensive Plan, Chapter 16.65 of the PAMC, and the BMR Program rules and regulations.

Parkland Dedication

Since the applicant proposes a subdivision with more than 50 units, the project is subject to PAMC 21.50.030. In accordance with the Palo Alto Comprehensive Plan, the City currently provides neighborhood, district park, recreational facilities, and open space to its residents at a ratio of five acres per thousand residents. The public interest, convenience, health, welfare and safety require five acres of property for each one thousand persons residing within the City to be devoted to public park and recreational facilities.

The PAMC uses a density formula to calculate the required amount of park land for a project. In accordance with Table 2 of PAMC 21.50.050, the multi-family residential project requires 0.85 acres of parkland to serve the project. To meet this obligation, the project proponent either dedicates land or makes a payment in-lieu of dedicating land. The City has determined, in accordance with the PAMC, that payment of the in-lieu fee is appropriate. As of July 23, 2020, the impact fee amount is \$4.4 million. This amount would be payable prior to issuance of the first building permit for the project. The fees may be used by the City for purchase of land for future parks, or for improvements to parks.

Consistency with Application Findings

Zoning Amendment

In order to approve the zoning amendment, the City Council would need to consider any findings set forth by the PTC in support of the applicant's request.

Subdivision

The necessary findings for approval of the Tentative Map are contained in State law and incorporated into Title 21 of the Municipal Code. Under the Subdivision Map Act, the PTC and Council must make a series of "reverse" findings to justify approval. If the findings cannot be made, the subdivision must be approved.

Specifically, under Government Code Section 66474, the PTC shall recommend denying a Tentative Map if it makes any of the following findings:

- a) That the proposed map is not consistent with applicable general and specific plans.
- b) That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans.
- c) That the site is not physically suitable for the type of development.
- d) That the site is not physically suitable for the proposed density of development.
- e) That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- f) That the design of the subdivision or type of improvements is likely to cause serious public health problems.
- g) That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.

Details of the consistency with the findings are contained within the Draft RLUA (Attachment B).

Variance

The applicant proposes to place a pedestrian ramp within the 24-foot special setback along San Antonio Road. The ramp would protrude 14 feet into the setback, leaving 10 feet clear to the property line. The ramp would provide the primary access to the building and be the only accessible ramp for persons with disabilities. There is a secondary pedestrian access proposed on the Leghorn Street side that includes steps.

The project site street frontages are subject to Special Setbacks (PAMC 20.08) enacted in the 1950s for the purposes a future roadway widening. It is unlikely that the road would be widened for vehicles, however, other mobility improvements such as for bicycles may be planned. San Antonio Road has a 24-foot special setback, while Leghorn Street has a 15-foot special setback. In addition, Leghorn Street has a 25-foot building setback. Projections into street setbacks are usually addressed with General Exceptions as provided for in PAMC 18.40.070 or with a Design Enhancement Exceptions (DEE); however, no projections are permitted by the General Exceptions for Special Setbacks and a DEE cannot be applied to Special Setbacks (PAMC 18.76.50). Therefore, a Variance to the Special Setback standard is the appropriate request.

Adjacent similarly zoned properties that are subject to the 24-foot special setback have smaller setbacks for building area:

- 800 San Antonio Road is set back 19 feet from the property line (built in 1960).
- 810 and 814 San Antonio Road are set back 16 feet from the property line (built in 1956).
- 816 San Antonio Road is set back 17 feet from the property line (built in 1956).
- 760 San Antonio is set back 19 feet from the property line (built in 1975).
- 720 San Antonio Road is set back 17 feet from the property line (built in 1965).

Notably, these buildings were constructed after the implementation of the Special Setback.

A strict application of the 24-foot special setback to the applicant's project site would deprive the property of privileges enjoyed by other property in the vicinity and in the same zoning district as the subject property.

Other properties along San Antonio Road are subject to the 24-foot special setback. However, not many properties also have a 15-foot special setback on one side, except for the property directly across on Leghorn Street. The project is also subject to a 25-foot setback along Leghorn as that is considered the front setback for the property. The proposed building meets the required setbacks, while the ramp leading to the primary entry into the building protrudes 13'-6" into the special setback. This switchback ramp complies with the Americans with Disabilities

Act and also serves as access for bicyclists into the building. The ramp starts at grade and at the landing is approximately one foot in elevation above grade and the ramp finally reaches approximately two and half feet in elevation above grade at the entry to the building (Figure 1).

Figure 1: Pedestrian Ramp



Source: Studio S Squared

Approval of the requested variance will facilitate development of a residential mixed-use project:

(i) that is consistent with the goals of the comprehensive plan, municipal code, and context based design criteria, (ii) that preserves the health and welfare of five city-owned street trees along San Antonio Road, (iii) that is aesthetically pleasing and complements neighboring properties, and (v) that is consistent with other recent projects in the vicinity.

The Office of Transportation proposes the following condition of approval to accommodate future mobility improvements, which are included in the Architectural Review conditions:

TWENTY-FOUR FOOT (24') SETBACK. To guide and make reservations for future growth, in the event that future public mobility improvements along San Antonio Rd. are necessary, the property owner shall dedicate property within the 24' setback for construction of public improvements. The access into the building shall be adaptable for future mobility improvements.

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 requires the certification of an Environmental Impact Report (EIR) because the existing building at 788 San Antonio is eligible for listing on the California Register and the project includes demolition of the structure, which is considered a significant and unavoidable impact under CEQA. Notably, since July 1, 2020,

CEQA no longer considers traffic delay as an impact. CEQA uses vehicle miles travelled to assess transportation impacts. Further discussion on this topic is included in the following sections.

Notice of Preparation and Scoping Meeting

Pursuant to CEQA, a Notice of Preparation (NOP) was posted for public comment on September 4, 2019 through October 7, 2019. The purpose of the NOP was to state that an EIR was being prepared for the project and to allow the public and other affected agencies to provide comment on topics that they thought should be covered by the EIR. This consultation period was for at least 30-days after the issuance of the NOP. The City received two written comments on the NOP and those were included in the Introduction section of the EIR for reference.

Public

Circulation

The EIR was released for public circulation on July 31, 2020 and the circulation period will extend through September 14, 2020 to receive public comments. After the close of the circulation period, the City will prepare a Final EIR which will include EIR text revisions and written responses to comments received.

The City Council will consider certifying the Final EIR at a public hearing, along with consideration of the project. The EIR is considered a Program EIR for the rezoning within the Program Area. A program EIR is prepared for a series of actions that can be categorized as one large project and are related. The EIR also provides more detailed project-level information and analysis for the actions proposed by the specific project at 788-796 San Antonio Road. The contents and detail of the EIR can be found in Attachment G.

Potential

Impacts

Environmental impacts are considered physical impacts on the environment and are separated into either construction (temporary) or operational (longer-term and ongoing) impacts based upon established thresholds of significance. If an impact is identified, then mitigation measures are required to reduce that impact to a level of less than significant to the extent feasible.

The following were identified as potential significant impacts by topic:

Air Quality

All impacts would be less than significant with mitigation.

Biological Resources

All impacts would be less than significant with mitigation.

Cultural Resources

Impact CUL-1. The project would result in demolition and removal of two existing single-story commercial buildings at 788 and 790-796 San Antonio Road. Due to its retained integrity, one existing structure at 788 San Antonio Road may be eligible for individual listing in the California Register of Historic Resources (CRHR) and constitutes a historical resource for the purposes of CEQA. Therefore, impacts to historic resources for the 788 – 796 San Antonio development

would be significant and unavoidable. Further, development in the rest of the program area under the HIP expansion could result in the demolition or modification of structures eligible for listing on the City's Historic Inventory or CRHR.

The proposed development project would be required to implement mitigation measures, which would reduce significant direct impacts to the eligible historic resource to the extent feasible. Despite the implementation of these mitigation measures for the project, which include historic and photographic documentation and an interpretive website, the historic resource would be demolished and the impact to the 788 San Antonio Road property would not be reduced to a less-than-significant level under CEQA. Demolition by its nature is complete and total material impairment of the historical resource, and no feasible mitigation measures are available to mitigate the demolition of the CEQA historical resources to a less-than-significant level. As a result, demolition of an individually eligible resource would be a significant and unavoidable adverse impact.

For the balance of the program area, where demolition or modifications are proposed to structures over 45 years in age, a Historic Resources Evaluation shall be prepared to determine the structure's eligibility on the local or State historic registers.

Historic Listing Eligible Structure

The building at 788 San Antonio Road was constructed in 1953. As noted in the Page & Turnbull 788 San Antonio Road Historic Resources Report (Appendix D of the EIR), the building appears to be individually eligible for listing in the California Register under Criterion 1 (Events) for its association with the California Chrysanthemum Growers Association, a long-term representative of the importance of Japanese American floriculture and industrial cooperatives in the San Francisco Bay Area. This cooperative floriculture group provided Japanese American growers on the San Francisco Peninsula with shared access to growing technologies, shipping options, and stabilized markets from its founding in 1932 to the end of the twentieth century.

The character-defining features of 788 San Antonio Road include the following features original to its 1953 construction:

- Rectangular, one-story massing, including original building and 1958 eastern extension;
- Side- and cross-gabled roof element at west building façade;
- Concrete masonry unit construction;
- Multi-light steel-frame windows on north, west, and south façades;
- Vehicle utility openings on south façade;
- Wood-plank shelves below windows on west façade.

The building at 788 San Antonio Road retains integrity to the degree necessary to appear eligible for individual listing in the California Register under Criterion 1 (Events) with a period of significance of 1953-2002.

Geology/Soils

All impacts would be less than significant with mitigation.

Greenhouse Gas Emissions

All impacts would be less than significant with mitigation.

Hazards / Hazardous Materials

All impacts would be less than significant with mitigation.

Noise

All impacts would be less than significant with mitigation.

Tribal Cultural Resources

All impacts would be less than significant with mitigation.

Vehicle Miles Traveled

As of July 1, 2020, pursuant to California Public Resources Code section 21099(b)(2) and CEQA Guidelines Section 15064.3, “a project’s effect on automobile delay shall not constitute a significant environmental impact.” Because the City has updated its CEQA thresholds in accordance with state regulations, Level of Service (LOS) is no longer used to make significance conclusions with respect to impacts. However, although LOS is no longer the City’s metric for analyzing traffic impacts under CEQA, the traffic reports (completed by TJKM—Appendices H and I of the EIR) describe traffic operations at the studied intersections in terms of LOS for compliance with the City’s Comprehensive Plan and Council-adopted Local Transportation Analysis Policy.

Vehicle miles traveled (VMT) refers to the amount and distance of automobile travel “attributable to a project.” VMT re-routed from other origins or destinations as the result of a project would not be attributable to a project except to the extent that the re-routing results in a net increase in VMT. Daily VMT per resident is the average number of vehicle miles that a resident in a given area travels per day. One factor that leads to a higher relative daily VMT per resident is an imbalance of jobs and housing availability in an area. Palo Alto is in a part of the Bay Area that has a surplus of jobs relative to the supply of housing. The large supply of jobs in Palo Alto, Mountain View and other neighboring cities results in relatively long commute lengths for many employees, particularly those commuting from residences in the East Bay and San Francisco.

The proposed project would provide housing growth in an area of the County that has a surplus of jobs relative to the supply of housing. By providing residences closer to employment centers in the Peninsula, additional housing in the City would help to reduce net VMT at a regional level.

Projects may be screened from requiring a VMT analysis based on location, or other characteristics anticipated to result in low rates of VMT. However, the proposed project was determined to not meet the eligibility for screening as defined by the City. Therefore, an

assessment of VMT impacts was conducted based on the VMT impact criteria adopted by the City. Where a proposed project replaces VMT-generating land uses, if the replacement leads to a net overall decrease in VMT, the project impact may be considered less than significant based on the adopted standard. However, if the redevelopment project leads to a net overall increase in VMT, the project impact may be considered less than significant only if the proposed new land uses would individually fall below their respective thresholds.

The proposed project (HIP expansion) would allow up to 818 multi-residential units in the program area, anticipated to be occupied by approximately 1,881 residents, with no change to allowable commercial uses. Therefore, the project would not replace VMT-generating land uses and is not anticipated to result in a net overall decrease in VMT.

Based on the anticipated rate of home-based VMT generated by the project (11 miles per resident), the 1,881 new residents would thus generate up to 20,700 daily home-based miles. Taking into account the likely reduction in commute distances to work for new residents that would otherwise have commuted from other parts of the region, the net increase in VMT is estimated to be approximately 15,000 daily home-based miles.

Since the redevelopment project leads to a net overall increase in VMT, City standards specify that the project impact would thus be considered significant if the proposed project exceeds the VMT threshold for residential land uses. VMT impacts attributable to residential projects in Palo Alto may be considered significant if a project exceeds a level of 15 percent below existing (baseline) County home-based VMT per resident. Therefore, VMT impacts from the proposed residential development may be considered significant if daily home-based VMT per resident exceeds 11.33 miles per resident (equivalent to 85 percent of the County home-based VMT average of 13.33 miles per resident).

VMT per resident for the proposed residential development is anticipated to be similar to existing residential areas bordering San Antonio Road. The existing rate of VMT per Resident for the residential development bordering San Antonio Road was estimated based on the VMT Estimation Tool used by the City.

It was determined that the average daily home-based VMT for the six transportation analysis zones near San Antonio Road is 11.19 miles per resident. This means that, on average, each resident near San Antonio Road drives 11.19 miles per day to and from their home. Therefore, the VMT is below the established threshold and is considered a less than significant impact.

Public Notification, Outreach & Comments

The Palo Alto Municipal Code requires notice of this public hearing be published in a local newspaper of general circulation and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance of the public hearing. Notice of a public hearing for this project was published in the *Daily Post* on July 31, 2020, which is 12 days in

advance of the PTC meeting at which the hearing is being held. Postcard mailing occurred on July 28, 2020, which is 15 days in advance of the meeting.

Community meeting

The applicant facilitated a community meeting on August 6, 2020. Because of the current COVID-19 pandemic, the meeting was conducted online. The applicant sent notices to properties within 600 feet of 788 – 796 San Antonio Road and those specific properties within the program area.

Public Comments

As of the writing of this report, no project-related, public comments were received.

Alternative Actions

In addition to the recommended action, the Planning & Transportation Commission may:

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

Report Author & Contact Information

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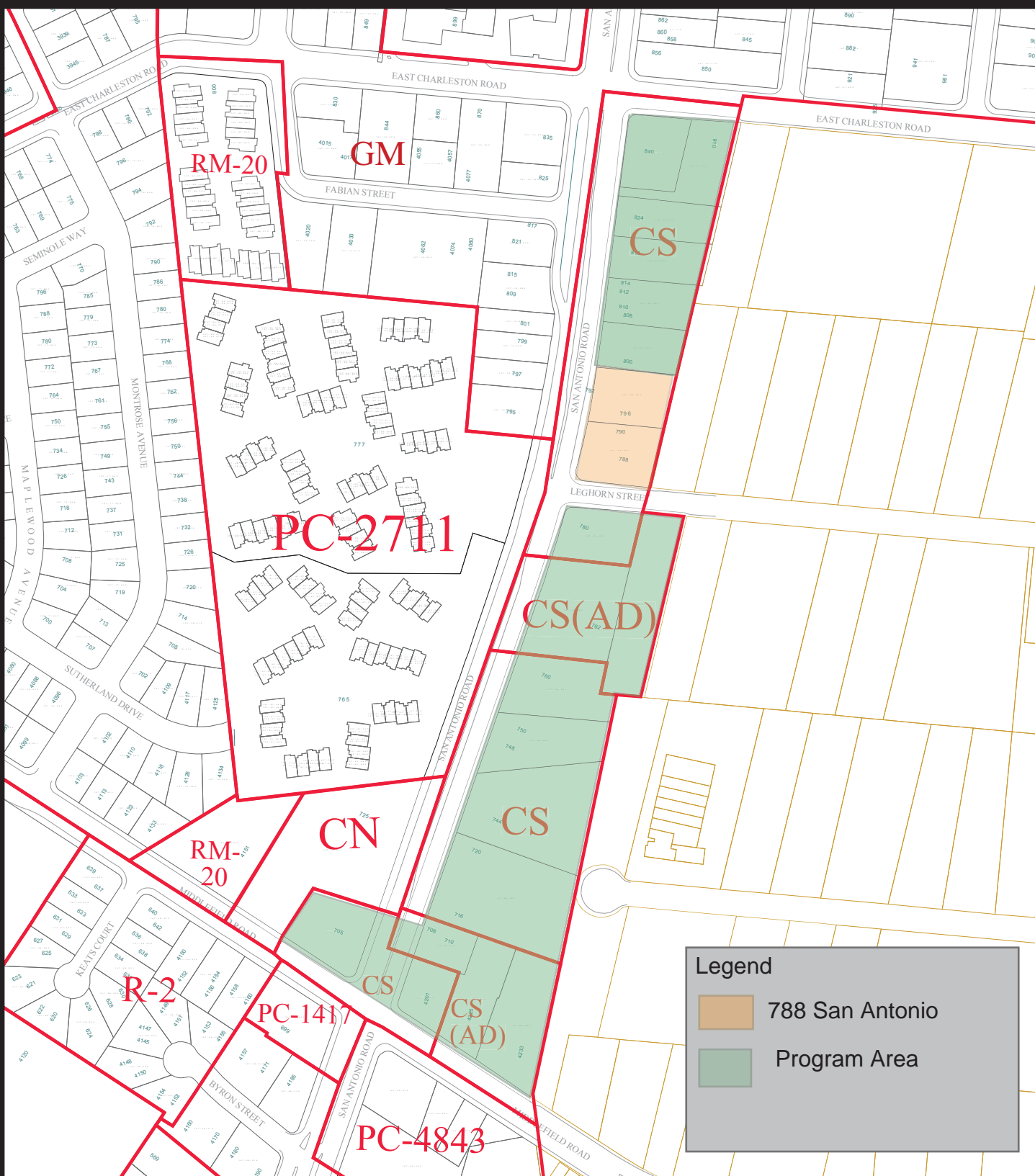
PTC⁸ Liaison & Contact Information

Rachael Tanner, Assistant Director
 (650) 329-2167
Rachael.Tanner@cityofpaloalto.org

Attachments:

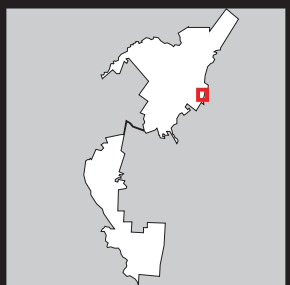
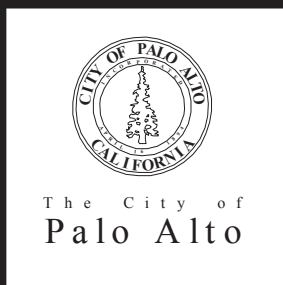
- Attachment A: Location Map (PDF)
- Attachment B: Draft Record of Land Use Action (DOCX)
- Attachment C: Draft Ordinance for Zoning Text Amendment (DOCX)
- Attachment D: Draft Reso for Comp Plan Amendment L2.4.1 (DOCX)
- Attachment E: Zoning Comparison Table (DOCX)
- Attachment F: Applicant's Project Description (PDF)
- Attachment G: Project Plans and Environmental Review (DOCX)

⁸ Emails may be sent directly to the PTC using the following address: planning.commission@cityofpaloalto.org



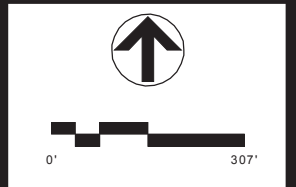
Legend

- 788 San Antonio
- Program Area



788-796 San Antonio & Program Area

This map is a product of the
City of Palo Alto GIS



ACTION NO. 2020-____
DRAFT RECORD OF THE COUNCIL OF THE CITY OF PALO ALTO LAND USE ACTION FOR
788 SAN ANTONIO ROAD: TENTATIVE MAP, VARIANCE, AND ARCHITECTURAL REVIEW,
19PLN-00079 (TED O’HANLON, APPLICANT)

At its meeting on _____, 2020, the City Council of the City of Palo Alto (“City Council”) approved the Tentative Map for the development of a one-lot condominium subdivision and Variance requests making the following findings, determinations and declarations:

SECTION 1. Background.

A. On March 5, 2019, Ted O’Hanlon applied for a Tentative Map for the development of a one parcel condominium subdivision project with 102 residential units and 1,803 square feet of commercial space (“The Project”). Concurrently, the applicant applied for a Variance from the 24-foot special setback along San Antonio Road to allow the 14-foot protrusion into the special setback for a pedestrian entry ramp.

B. The project site is comprised of two existing lots (APN Nos. 147-03-041 and -042) of approximately 0.997-acres within the Commercial Service (CS) zoning district. The site contains two existing commercial structures. Commercial land uses are located adjacent to the lot to the north, south and east. To the project’s west include residential land uses.

C. Following staff review, the Planning and Transportation Commission reviewed the project and recommended approval on August 12, 2020, subject to conditions of approval.

D. Following review from the Planning and Transportation Commission, the Architectural Review Board reviewed the project and recommended _____ on August 20, 2020, subject to conditions of approval.

SECTION 2. Environmental Review.

The City as the lead agency for the Project has determined that the project is subject to environmental review under provisions of the California Environmental Quality Act (CEQA) under Guideline section 15081, Decision to Prepare an EIR. Specifically, the City prepared a Program EIR to address a series of actions that can be categorized as one large project. An Historic Resource Evaluation was completed for the project because of the age of a certain existing building on-site and it was determined that the building is eligible for listing on the California Register of Historical Resources. The loss of the potential resource through demolition cannot be mitigated and required the preparation of an EIR. Statements of Overriding Considerations are proposed for significant and unavoidable impacts to Cultural Resources and Greenhouse Gas Emissions. All other potential significant impacts can be mitigated to a level of less than significant with the implementation of mitigation measures. A Final EIR was prepared for the project that includes responses to comments made during the public draft circulation period (ending on September 14, 2020) and revisions to the draft EIR.

SECTION 3. Tentative Map Findings.

A legislative body of a city shall deny approval of a tentative map, if it makes any of the following findings (California Government Code Section 66474). The City Council cannot make these findings for the following reasons:

1. *That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451:*

The site is consistent with the Comprehensive Plan as described herein.

2. *That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans:*

The Project is consistent with the following Comprehensive Plan policies:

- 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-1.6. Encourage land uses that address the needs of the community and manage change and development to benefit the community.
- 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.
- 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-2.4. Use a variety of strategies to stimulate housing, near retail, employment, and transit, in a way that connects to and enhances existing neighborhoods.
- Policy L-2.6. Create opportunities for new mixed use development consisting of housing and retail.
- Policy L-4.2. Preserve ground-floor retail, limit the displacement of existing retail from neighborhood centers and explore opportunities to expand retail.
- Program H2.1.2. Allow increased residential densities and mixed use development only where adequate urban services and amenities, including roadway capacity, are available.
- Policy H2.2. Continue to support the redevelopment of suitable lands for mixed uses containing housing to encourage compact, infill development. Optimize the use of existing urban services, and support transit use.

- Program H2.2.8. Assess the potential of removing maximum residential densities (i.e. dwelling units per acre) in mixed use zoning districts to encourage the creation of smaller housing units within the allowable Floor Area Ratio (FAR), and adopt standards as appropriate.
- Policy H3.1. Encourage, foster, and preserve diverse housing opportunities for very low-, low-, and moderate income households.
- Program H3.1.2. Implement the BMR ordinance to reflect the City's policy of requiring: a) At least 15 percent of all housing units in projects must be provided at below market rates to very low-, low-, and moderate-income households.

The project includes a mixed-use building with frontage along San Antonio Road and Leghorn Street. Parking is provided below grade and therefore allows for the integration of open space and courtyard at-grade. The project represents reinvestment in the area and is consistent with the land-use designations for the property. Although Comprehensive Plan Land Use Policy L2.4.1 says to amend the Housing Element to eliminate housing sites along San Antonio Road and increase residential densities in Downtown and the California Avenue area, when considering the Comprehensive Plan as a whole, the project supports the objects, goals and policies of the plan. The ARB reviewed the project for compliance with design review objectives; the Planning & Transportation Commission reviewed the zoning text amendments and the City Council reviewed the recommendations from the ARB and the PTC.

3. *That the site is not physically suitable for the type of development:*

The site is a corner lot with frontage on two streets. The design of the site includes appropriate separation between the mixed-use building and the surrounding buildings. The project is consistent with the City's Performance Standards set forth in Palo Alto Municipal Code (PAMC) 18.23, ensuring compatibility between commercial and residential uses. Proposed lighting is directed downward to prevent spillover to adjacent properties. Trash enclosures are located in the basement of the project. The project provides the required setback above ground and includes vegetation and tree plantings within the setback and open spaces. Mechanical equipment areas are screened appropriately.

The site circulation facilitates access for all modes of transportation. The project includes short-term and long-term bike parking. On-site vehicular traffic will be directed underground, leaving the aboveground for pedestrians and bicyclist.

4. *That the site is not physically suitable for the proposed density of development:*

The project proposes zoning text amendments to allow the project to be implemented and therefore allowing the 102 dwelling units and the approximate 2.0:1 Floor Area Ratio development. With the approval of the zoning text amendments, the project is consistent with the zoning and the site is physically suitable for the density of development.

5. *That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat:*

As noted in the Final EIR approved by the City Council on ____DATE____, the Project will not cause environmental damage or injure fish, wildlife, or their habitat, in that property is not adjacent to sensitive habitat areas and would incorporate mitigation measures to reduce impacts to nesting birds to a less than significant level. Statements of overriding consideration were adopted for impacts to cultural resources and greenhouse gas emissions consistent with the California Environmental Quality Act (CEQA).

6. *That the design of the subdivision or type of improvements is likely to cause serious public health problems:*

An environmental analysis identifies potentially significant impacts related to the associated development project's improvements that would require mitigation measures to reduce them to a less than significant level. These include mitigations to address air quality, biological resources, geology and soils, hazards and hazardous materials and tribal cultural resource impacts. In addition, while mitigations are proposed for impacts to cultural resources impacts remain significant and unavoidable. Therefore statements of overriding considerations were adopted in accordance with CEQA to address the impacts. However, this impact is not likely to cause serious public health problems.

7. *That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the governing body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public. This subsection shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to a legislative body to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision.*

The design of the subdivision will not conflict with any easements for access through or use of the property. A public access easement will be dedicated with the Final Map, and other existing easements are vacated to implement the project.

SECTION 4. Variance Findings.

1. *Because of special circumstances applicable to the subject property, including (but not limited to) size, shape, topography, location, or surroundings, the strict application of the requirements and regulations prescribed in Title 18 substantially deprives such property of privileges enjoyed by other property in the vicinity and in the same zoning district as the subject property.*

The project site is a corner property with two street frontages – San Antonio Road and Leghorn Street. Both street frontages are subject to Special Setbacks (PAMC 20.08) enacted in the

1950s, likely for the purposes a future roadway widening. It is unlikely that the road would be widened for vehicles, however, other mobility improvements such as pathways for bicycles and pedestrians may be planned. San Antonio Road has a 24-foot special setback, while Leghorn Street has a 15-foot special setback. In addition, Leghorn Street has a 25-foot setback. Projections into setbacks are usually addressed with General Exceptions as provided for in PAMC 18.40.070 or with a Design Enhancement Exception (DEE), however, no projections are permitted by the General Exceptions for Special Setbacks and a DEE cannot be applied to Special Setbacks (PAMC 18.76.050). Therefore, a Variance to the Special Setback standard is the appropriate request.

Adjacent similarly zoned properties that are subject to the 24-foot special setback have smaller setbacks for building area:

- 800 San Antonio Road is set back 19 feet from the property line.
- 810 and 814 San Antonio Road are set back 16 feet from the property line.
- 816 San Antonio Road is set back 17 feet from the property line.
- 760 San Antonio is set back 19 feet from the property line.
- 720 San Antonio Road is set back 17 feet from the property line.

These buildings were constructed after the implementation of the easement.

Based on the facts above, a strict application of the 24-foot special setback to the applicant's project site would deprive the property of privileges enjoyed by other property in the vicinity and in the same zoning district as the subject property.

2. *The granting of the application shall not affect substantial compliance with the regulations or constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and in the same zoning district as the subject property.*

Other properties along San Antonio Road are subject to the 24-foot special setback. However, not many properties also have a 15-foot special setback on one side, except for the property directly across on Leghorn Street. The project is also subject to a 25-foot setback along Leghorn as that is considered the front setback for the property. The proposed building meets the required setbacks, while only the ramp leading to the primary entry into the building protrudes 13'-6" into the special setback. This switchback ramp complies with the Americans with Disabilities Act and also serves as access for bicyclists into the building. The ramp starts at grade and at the landing is approximately one foot in elevation above grade and the ramp finally reaches approximately two and half feet in elevation above grade at the entry to the building.

3. *The granting of the application is consistent with the Palo Alto Comprehensive Plan and the purposes of Title 18 (Zoning).*

The project proposes zoning text amendments to implement the project. The project as proposed complies with all Zoning Ordinance requirements (other than the encroachments for which a variance is sought), including the context-based design criteria outlined in Chapter 18.16 which specifically encourages “entries to be clearly defined...and bicycle amenities that contribute to the area’s bicycle environment and safety needs.” Furthermore, the proposed project does not conflict with the promotion and protection of public health, safety, peace, morals, comfort, convenience or general welfare. In light of these facts, the proposed project is consistent with the purposes of the Zoning Ordinance (Title 18).

The Palo Alto Comprehensive Plan does not contain any setback requirements, so the variance does not include an exception to the Comprehensive Plan. Further, the proposed project is consistent with the Comprehensive Plan, as it will promote the following goals and policies, among others:

- L2.4: Use a variety of strategies to stimulate housing, near retail, employment and transit, in a way that connects to and enhances existing neighborhoods.
- Policy L-2.6: Create opportunities for new mixed use development consisting of housing and retail.
- 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.

In summary, an important goal of the Palo Alto Comprehensive Plan is to encourage more housing units. Without a variance, development of housing units would be lost because the buildable site area would effectively be reduced to incorporate the ramp within the setback envelope.

4. *The granting of the application will not be detrimental or injurious to property or improvements in the vicinity, and will not be detrimental to the public health, safety, general welfare, or convenience.*

Approval of the requested variance will facilitate development of a residential mixed-use project:

(i) that is consistent with the goals of the comprehensive plan, municipal code, and context based design criteria, (ii) that preserves the health and welfare of five city-owned street trees along San Antonio Road, (iii) that is aesthetically pleasing and complements neighboring properties, and (v) that is consistent with other recent projects in the vicinity.

SECTION 5. Architectural Review Findings. (forthcoming post August 20, 2020 ARB meeting)

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

SECTION 6. Tentative Map Approval Granted.

Tentative Map Approval is filed and processed in accordance to PAMC Section 21.12.090 and granted by the City Council under PAMC Sections 21.12 and 21.20 and the California Government Code Section 66474, subject to the conditions of approval in Section 9 of this Record.

SECTION 7. Variance Approval Granted.

The Variance is filed and processed in accordance with PAMC Section 18.77.60 and granted by the City Council under PAMC Section 18.77.050.

SECTION 8. Final Map.

The Final Map submitted for review and approval by the City Council shall be in substantial conformance with the Tentative Map prepared by BKF Engineers titled “Tentative Map 788 San Antonio Housing,” consisting of nine (9) pages, stamped as received March 31, 2020, except as modified to incorporate the conditions of approval in Section 8. A copy of the Tentative Map is on file with the Department of Planning & Development Services, Current Planning Division. Prior to the expiration of the Tentative Map approval, the subdivider shall cause the subdivision or any part thereof to be surveyed, and a Final Map, as specified in Chapter 21.08, to be prepared in conformance with the Tentative Map as conditionally approved, and in compliance with the provisions of the Subdivision Map Act and PAMC Title 21 and submitted to the City Engineer (PAMC Section 21.16.010[a]).

SECTION 9. Conditions of Approval (Tentative Map).

PLANNING DIVISION

1. **MITIGATION MONITORING AND REPORTING PROGRAM.** The Mitigation Monitoring and Reporting Program (MMRP) associated with the project and attached here as **Exhibit 1** is incorporated by reference and all mitigation measures shall be implemented as described in said document. Prior to requesting issuance of any related demolition and/or construction permits, the applicant shall meet with the Project Planner to review and ensure compliance with the MMRP, subject to the satisfaction of the Director of Planning and Development Services.
2. **ESTIMATED DEVELOPMENT IMPACT FEES.** Development Impact Fees, currently estimated in the amount of \$5,344,136.59 plus the applicable public art fee, per PAMC 16.61.040, shall be paid prior to the issuance of the related building permit.
3. **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.

HOUSING DIVISION

The project as proposed includes 102 residential ownership units in a mixed-use development. The project is subject to the Below Market Rate requirement as set forth by Palo Alto Municipal Code (PAMC) 16.65.060.

4. When the BMR requirement results in a fractional unit, an in-lieu payment to the Residential Housing Fund may be made for the fractional unit instead of providing an actual BMR unit, except that larger projects of 30 or more units must provide a whole BMR unit for any fractional unit of one-half (0.50) or larger. The proposed project – 102 ownership units is subject to a Below Market Rate (BMR) requirement of 15.3 units and is proposing 16 units. Of the 16 BMR units, at least 66% of units affordable to households of 80-100% area median income (AMI) and up to 33% affordable to households 100-120% AMI.
5. All BMR units constructed shall be in conformance with the City's BMR Program rules and regulations. Failure to comply with the timing of this condition and any adopted BMR Program rules and regulations shall not waive its later enforcement.
6. A BMR Agreement in a form acceptable to the City Attorney for the 16 BMR units shall be executed and recorded prior to final map approval or building permit issuance, whichever occurs first. Failure to comply with the timing of this condition and any adopted BMR Program rules and regulations shall not waive its later enforcement.

PUBLIC WORKS ENGINEERING DEPARTMENT

7. **OFF-SITE IMPROVEMENTS:** Submit a copy of the off-site improvement plans that includes the replacement of curb, gutter, sidewalk, utilities, landscape, grind and overlay the full width (from curb to curb) for both sides of project frontage, etc. Plans shall include grades along the conforms. The applicant shall reach out to Public Works to schedule a meeting to discuss the extent of the off-site improvements prior to submittal of Final Map.
8. Subdivider shall prepare and submit documents per PAMC 21.16.020 along with the Final Map.
9. Provide closure calculations and stamped and signed engineer's cost estimate for the off-site improvements described above.
10. Subdivision Improvement Agreement is required to secure compliance with condition of approval and security of improvements onsite and offsite per PAMC Section 21.16.220.

11. The Final Map shall include CITY ENGINEER STATEMENT, CITY SURVEYOR STATEMENT, BENEFICIARY STATEMENT, DIRECTOR OF PLANNING AND COMMUNITY ENVIRONMENT STATEMENT and CITY CLERK.
12. The City of Palo Alto does not currently have a City Surveyor we have retained the services of 3rd party Surveyor to review and provide approval on behalf of the City. 3rd party Surveyor will be reviewing, signing and stamping the Final Map associated with your project. In effort to employ the services of 3rd party Surveyor, and as part of the City's cost recovery measures, the applicant is required to provide payment to cover the cost of 3rd party Surveyor's review. Our intent is to forward your Final Map to 3rd party Surveyor for an initial preliminary review of the documents. 3rd party Surveyor will then provide a review cost amount based on the complexity of the project and the information shown on the document. We will share this information with you once we receive it and ask that you return a copy acknowledging the amount. You may then provide a check for this amount as payment for the review cost. The City must receive payment prior to beginning the final review process.

PRIOR TO FINAL MAP APPROVAL.

13. Provide electronic copies of the documents submitted.
14. Submit wet signed and stamped mylar copy of the Final Map to the Public Works for signature. Map shall be signed by Owner, Notary and Surveyor prior to formal submittal.
15. Signed Subdivision Improvement Agreement and Security as described per PAMC 21.16.230.

PRIOR TO ISSUANCE OF A BUILDING PERMIT OR GRADING AND EXCAVATION PERMIT

16. Final Map shall be recorded with County Recorder.
17. Provide conformed copy of Map to City.

TRANSPORTATION

18. San Antonio Road Twenty-Four Foot (24') Setback. To Guide and make reservations for future growth, in the event that future public mobility improvements along San Antonio Road are necessary, the property owner shall dedicate property within the 24' setback for construction of public improvements. The access into the building shall be adaptable for future mobility improvements.

SECTION 10. Conditions of Approval. (Architectural Review)

PLANNING DIVISION

1. **CONFORMANCE WITH PLANS.** Construction and development shall conform to the approved plans entitled, "788 San Antonio Housing," stamped as received by the City on May 11, 2020 on file with the Planning and Development Services 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.** 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. **LANDSCAPE PLAN.** Plantings shall be installed in accordance with the approved plan set and shall be permanently maintained and replaced as necessary.
7. **DEVELOPMENT IMPACT FEES:** Development Impact Fees, currently estimated in the amount of \$5,344,136.59 plus the applicable public art fee, per PAMC 16.61.040, shall be paid prior to the issuance of the related building permit.
8. **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.

9. **INDEPENDENCE AVENUE / LEGHORN STREET INTERSECTION:** Prior to issuance of an occupancy permit, with approval from the City of Mountain View, the owner or designee shall modify the intersection to include restriping of the westbound approach to the intersection to provide a westbound right-turn lane, or to provide a de facto right-turn lane by prohibiting curb-side parking during p.m. peak hours on weekdays.
10. **TOXIC AIR CONTAMINANTS EMISSIONS REDUCTIONS:** To comply with Comprehensive Plan Policy N-5.4 the applicant shall implement the following measures to reduce exposure of proposed residences to toxic air contaminants emissions from vehicles on San Antonio Road:
 - a. Submit to the City of Palo Alto a ventilation proposal prepared by a licensed design professional for all on-site buildings that describes the ventilation design and how that design ensures all dwelling units would be below the excess cancer risk level of 10 in one million established by the Bay Area Air Quality Management District.
 - b. If the proposed buildings would use operable windows or other sources of infiltration of ambient air, the development shall install a central HVAC system that includes high efficiency particulate filters (a MERV rating of 13 or higher). These types of filters are capable of removing approximately 90 percent of the DPM emissions from air introduced into the HVAC system. The system may also include a carbon filter to remove other chemical matter. Filtration systems must operate to maintain positive pressure within the building interior to prevent entrainment of outdoor air indoors.
 - c. If the development limits infiltration through non-operable windows, a suitable ventilation system shall include a ventilation system with filtration specifications equivalent to or better than the following: (1) American Society of Heating, Refrigerating and Air-Conditioning Engineers MERV-13 supply air filters, (2) greater than or equal to one air exchanges per hour of fresh outside filtered air, (3) greater than or equal to four air exchanges per hour recirculation, and (4) less than or equal to 0.25 air exchanges per hour in unfiltered infiltration. These types of filtration

methods are capable of removing approximately 90 percent of the DPM emissions from air introduced into the HVAC system.

- d. Windows and doors shall be fully weatherproofed with caulking and weather-stripping that is rated to last at least 20 years. Weatherproof should be maintained and replaced by the property owner, as necessary, to ensure functionality for the lifetime of the project. e. Where appropriate, install passive (drop-in) electrostatic filtering systems, especially those with low air velocities (i.e., 1 mph).
 - f. Ensure an ongoing maintenance plan for the HVAC and filtration systems. Manufacturers of these types of filters recommend that they be replaced after two to three months of use.
 - g. The applicant shall inform occupants regarding the proper use of any installed air filtration system.
11. **MITIGATION MONITORING AND REPORTING PROGRAM.** The Mitigation Monitoring and Reporting Program (MMRP) associated with the project and attached here as Exhibit 1 is incorporated by reference and all mitigation measures shall be implemented as described in said document. Prior to requesting issuance of any related demolition and/or construction permits, the applicant shall meet with the Project Planner to review and ensure compliance with the MMRP, subject to the satisfaction of the Director of Planning and Development Services.
12. **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, Sheldon S. Ah Sing at sahsing@m-group.us to schedule this inspection.

RECYCLING

13. It is the responsibility of the Site (788 San Antonio Road) to transport the refuse containers one to three times per week to the refuse staging area located along Leghorn Avenue. The refuse container lids must be kept closed to prevent rain and vermin from entering the bins. The Site is also responsible for transporting the refuse containers back to the refuse enclosure immediately after collection.

The applicant has agreed that the property management will find the proper adaptable hitch (hook tow hitch) that can maneuver the waste hauler, GreenWaste of Palo Alto's refuse bins. Please contact

GreenWaste of Palo Alto at (650) 493-4894 or e-mail ecissna@greenwaste.com (Eric Cissna) for recommendations.

WATERSHED PROTECTION

14. The applicant shall complete and submit the “PCBs Applicant Package,” including any required sampling reports (per the Applicant Package instructions), with the demolition permit application. The Applicant Package will outline PCBs sampling and reporting requirements that must be met if the project meets ALL of the following conditions:
 - a. The project is a commercial, public, institutional, or industrial structure constructed or remodeled between January 1, 1950 and December 31, 1980. Single-family homes are exempt regardless of age.
 - b. The framing of the building contains material other than wood. Wood-frame structures are exempt.
 - c. The proposed demolition is a complete demolition of the building. Partial demolitions do not apply to the requirements.

15. If the project triggers polychlorinated biphenyls (PCBs) sampling as identified on the “PCBs Applicant Package,” then the project shall conduct representative sampling of PCBs concentration in accordance with the “Protocol for Evaluating Priority PCBs-Containing Materials before Building Demolition (2018).”
 - a. If the representative sample results or records DO NOT indicate PCB concentrations ≥ 50 ppm in one or more “priority materials,” then the screening assessment is complete. Applicant submits screening form and the supporting sampling documentation with the demolition permit application. No additional action is required.
 - b. If the representative sample results or records DO indicate PCBs concentrations ≥ 50 ppm in one or more “priority materials,” then the screening assessment is complete, but the Applicant MUST also contact applicable State and Federal Agencies to meet further requirements. Applicant submits screening form and the supporting sampling documentation with the demolition permit application, and also must contacts the State and Federal Agencies as indicated on Page 3 of the “PCBs Screening Assessment Form.”

IMPORTANT: ADVANCED APPROVAL FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY (USEPA) OR OTHER STATE AGENCIES MAY BE REQUIRED PRIOR TO BUILDING DEMOLITION. IT IS RECOMMENEDED THAT APPLICANTS BEGIN THE PCBs ASSESSMENT WELL IN

ADVANCE OF APPLYING FOR DEMOLITION PERMIT AS THE PROCESS CAN TAKE BETWEEN 1-3 MONTHS.

PRIOR TO THE ISSUANCE OF ANY BUILDING PERMIT:

16. Stormwater treatment measures:

- a. All Bay Area Municipal Regional Stormwater Permit requirements shall be followed.
- b. Refer to the Santa Clara Valley Urban Runoff Pollution Prevention Program C.3 Handbook (download here: http://scvurppp-w2k.com/c3_handbook.shtml) for details.
- c. For all C.3 features, vendor specifications regarding installation and maintenance should be followed and provided to city staff. Copies must be submitted to Pam Boyle Rodriguez at <mailto:mpamela.boyledrodriguez@cityofpaloalto.org>. Add this bullet as a note to the building plans.
- d. Staff from Stormwater Program (Watershed Protection Division) may be present during installation of stormwater treatment measures. Contact Pam Boyle Rodriguez, Stormwater Program Manager, at (650) 329-2421 before installation. Add this bullet as a note to building plans on Stormwater Treatment (C.3) Plan.
- e. Bay-friendly Guidelines (rescapeca.org)
- f. Do not use chemicals fertilizers, pesticides, herbicides or commercial soil amendment. Use Organic Materials Review Institute (OMRI) materials and compost. Refer to the Bay Friendly Landscape Guidelines: <http://www.stopwaste.org/resource/brochures/bayfriendly-landscape-guidelines-sustainable-practices-landscape-professional> for guidance. Add this bullet as a note to the building plans.
- g. Avoid compacting soil in areas that will be unpaved. Add this bullet as a note to the building plans.

17. Stormwater quality protection:

- a. Temporary and permanent waste, compost and recycling containers shall be covered to prohibit fly-away trash and having rainwater enter the containers.
- b. Drain downspouts to landscaping (outward from building as needed).
- c. Drain HVAC fluids from roofs and other areas to landscaping.

TRANSPORTATION

18. **SAN ANTONIO ROAD TWENTY-FOUR FOOT (24') SETBACK.** To guide and make reservations for future growth, in the event that future public mobility improvements along San Antonio Road are necessary, the property owner shall dedicate property within the 24' setback for construction of public improvements. The access into the building shall be adaptable for future mobility improvements.
19. **TRANSPORTATION DEMAND MANAGEMENT (TDM) PLAN.** Pending submittal of the TIA memo, or if the applicant requests a reduction in parking requirement. The applicant shall prepare a TDM plan for review and approval by the Chief Transportation Official (CTO) or designee prior to the issuance

of building permits. The TDM plan shall include measures and strategies to achieve the goal of reducing single-occupancy vehicle trips to the project site by a minimum of 20% in conformance with the City's Comprehensive Plan. The TDM plan shall include an annual monitoring plan to document mode split and trips to the project site. Where the monitoring reports indicate that performance measures are not met through the measures and programs initially implemented, the City may require program modifications and may impose administrative penalties if identified deficiencies are not addressed within six months.

UTILITIES – WASTE, WATER & GAS

PRIOR TO ISSUANCE OF DEMOLITION PERMIT:

20. The applicant shall submit a request to disconnect all utility services and/or meters including a signed affidavit of vacancy. Utilities will be disconnected or removed within 10 working days after receipt of request. The demolition permit will be issued by the building inspection division after all utility services and/or meters have been disconnected and removed.

FOR BUILDING PERMIT:

21. The applicant shall submit a completed water-gas-wastewater service connection application - load sheet 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, and sewer in fixture units/g.p.d.).
22. 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, backwater valve, sewer ejector pumps and any other required utilities. The plans must include complete profiles for the design of all gravity lines clearly identifying the minimum vertical clearances from existing underground facilities.
23. The applicant to verify crossing utilities and **provide engineering profile drawings for the proposed sewer lateral**, there are existing primary and secondary high voltage conduits running along the frontage of the building.
24. The residential development portion will be master metered by CPAU and each dwelling unit will be privately sub metered. See requirement below. The applicant needs to provide an estimated domestic water load in g.p.m. to design the water service and meter size. A 4" master water meter will require a 4'x8' water meter set with a 2" by-pass per DWG. # STD. WD-04. The vault shall be in private property inside a public utility easement (PUE). 5. Per SB7 (Water Code, Division 1, Chapter 8, Article 5, Section 537-537.5) requires new multifamily residential building to include a water sub-meter for each dwelling unit and to bill tenants accordingly for their water use per CPA Utilities rules and Regulations. Sub-meters shall comply with all laws and regulations governing their installation, maintenance, reading billing, and testing. Due to the extend

of the frontage area along the streets, assuming a space constraint does not exist with the total number of meters, these dwelling units could be evaluated for the installation of individual City-owned meters in the Public City Right of Way and not on private property to avoid potential exposure in the event of leaks.

25. The residential will have set of meters and the retails will have another set of meters shown on the plans.
26. New HDPE water service and meter installation are required to furnish customer's demand for domestic. The water meter will be sized based on the water loads demands.
27. A separate water meter and backflow preventer for the retail space is required.
28. New HDPE water service installation is required to furnish customer's demand for fire sprinkler system. The water service and connection will be sized based on the water fire protection load demands. The applicant shall provide to the engineering department a copy of the plans for fire system including all fire department's requirements prior to the actual approval of the service.
29. The existing unused water services and sewer lateral (s) will be disconnected and abandoned at the main per utilities standards by the City of Palo Alto Utilities.
30. An approved reduced pressure principle assembly (RPPA backflow preventer device) is required for all 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 or City Right of Way.
31. An approved reduced pressure detector assembly (RPDA backflow preventer device) 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.
32. There shall be no new gas service for this project.
33. The applicant is responsible for installing and upgrading the existing utility mains/services/lateral 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/services/lateral.
34. Per City of Palo Alto Ordinance 16.08.130 Amendment to CPC 710.1. Sewer backflow protection shall be installed for all new construction, remodels, sewer line repairs/ modifications, structures with

sewer ejectors pumps and building floors. Where the elevation is at or below the invert of the city sanitary sewer main. **Show the location of the backwater valve on the plans.**

35. Sewer ejector pumps shall meet the CPA Utilities conditions limiting the wastewater discharge flow rate to the wastewater collection. Sewage ejector pumps shall meet the following conditions:
 - a. The pump(s) shall be limited to a total 100 GPM capacity or
 - b. The sewage line changes to a 4" gravity flow line at least 20' from the City clean out.
 - c. The tank and float is set up such that the pump run time not exceed 20 seconds each cycle.
36. Trees may not be planted within 10 feet of new water, gas or wastewater mains/services or meters. New water, gas or wastewater services/meters may not be installed within 10' of existing trees.
37. 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 relocation.
38. All utility installations shall be in accordance with the latest edition of C.P.A. Utility Standards for Water, Gas & Wastewater.

PUBLIC WORKS ENGINEERING

39. **STORM WATER TREATMENT:** This project shall comply with the storm water regulations contained in provision C.3 of the NPDES municipal storm water discharge permit issued by the San Francisco Bay Regional Water Quality Control Board (and incorporated into Palo Alto Municipal Code Chapter 16.11). These regulations apply to land development projects that create or replace 10,000 square feet or more of impervious surface, and restaurants, retail gasoline outlets, auto service facilities, and uncovered parking lots that create and/or replace 5,000 square feet or more of impervious surface. In order to address the potential permanent impacts of the project on storm water quality, the applicant shall incorporate into the project a set of permanent site design measures, source controls, and treatment controls that serve to protect storm water quality, subject to the approval of the Public Works Department. The applicant shall identify, size, design and incorporate permanent storm water pollution prevention measures (preferably landscape-based treatment controls such as bioswales, filter strips, and permeable pavement rather than mechanical devices that require long-term maintenance) to treat the runoff from a "water quality storm" specified in PAMC Chapter 16.11 prior to discharge to the municipal storm drain system. **Effective February 10, 2011, regulated projects, must contract with a qualified third-party reviewer during the planning phase to certify that the proposed permanent storm water pollution prevention measures comply with the requirements of Palo Alto Municipal Code Chapter 16.11.** The C3 Data Form and a stamped and signed letter from the third party reviewer confirming which documents they reviewed and that the project complies with Provision C.3 and PAMC 16.11 must be provided prior to PWE approval of the

planning application. Provide updated C3 Data Form stamp/signed by 3rd party and signed/stamped approval letter for Building permit set of plans.

40. **SUBDIVISION:** As this proposed project involves merging two lots and the creation of condominium units, a Tentative Map and a Final Map are required for the proposed development. The applicant shall submit a major subdivision application to the Department of Planning & Development Services. Show all existing and proposed dedications and easements on the map submitted as part of the application. Please be advised that the Final map shall be recorded with the Santa Clara County Clerk Recorder prior to Building and/or Grading and Excavation Permit issuance. A digital copy of the Parcel Map, in AutoCAD and DXF format, shall be submitted to Public Works Engineering and shall conform to North American Datum 1983 State Plane Zone 3 for horizontal survey controls and NGVD88 for vertical survey controls. Tentative/Final maps are submitted under a Major Subdivision application to the Department of Planning and Community Environment. Public Works will review and provide comments on the documents provided as part of the submittal. Please be advised that under the provisions of the Subdivision Map Act, off-site improvement plans are processed as an extension of the subdivision application process and the applicant may be required to enter into a subdivision improvement agreement and provide security for work shown in the plans.
41. **EASEMENTS:** All existing easements shall remain and not be removed. Above grade features such as building features shall not encroach into easement area.
42. **SIDEWALK, CURB & GUTTER:** As part of this project, the applicant must replace all sidewalks, curbs, gutters and driveway approaches in the public right-of-way along the frontage(s) of the property and must remove any unpermitted pavement in the planter strip. In addition, any abandoned driveway approaches need to be replaced with City standard sidewalk, curb and gutter. The site plan submitted with the building permit plan set must show the extent of the replacement work. The plan must note that any work in the right-of-way must be done per Public Works' standards by a licensed contractor who must first obtain a *Street Work Permit* from Public Works at the Development Center.
43. **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, such as a bubbler box in a landscaped area, so that water can percolate into the soil and/or sheet flow across the site. 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.

44. **BASEMENT SHORING:** 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.
45. **DEWATERING:** Proposed underground garage excavation may require dewatering during construction. Public Works only allows groundwater drawdown well dewatering. Open pit groundwater dewatering is disallowed. Dewatering is only allowed from April 1 through October 31 due to inadequate capacity in our storm drain system. The geotechnical report for this site must list the highest anticipated groundwater level; if the proposed project will encounter groundwater, the applicant must provide all required dewatering submittals for Public Works review and approval prior to grading permit issuance. Public Works has dewatering submittal requirements and guidelines available at the Development Center and on our website: https://www.cityofpaloalto.org/gov/depts/pwd/forms_and_permits/default.asp
46. **GRADING & EXCAVATION PERMIT:** An application for a grading & excavation permit must be submitted to Public Works when applying for a building permit. The application and guidelines are available at the Development Center and on our website.
47. **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. The sheet is available here: <http://www.cityofpaloalto.org/civicax/filebank/documents/2732>
48. **SWPPP:** The proposed development will disturb more than one acre of land. Accordingly, the applicant will be required to comply with the State of California's General Permit for Storm Water Discharges Associated with Construction Activity. This entails filing a Notice of Intent to Comply (NOI), paying a filing fee, and preparing and implementing a site specific storm water pollution prevention plan (SWPPP) that addresses both construction-stage and post-construction BMP's for storm water quality protection. The applicant is required to submit two copies of the NOI and the draft SWPPP to the Public Works Department for review and approval prior to issuance of the building permit. Also, include the City's standard "Pollution Prevention - It's Part of the Plan" sheet in the building permit plan set. Copies are available from Public Works at the Development Center.
49. **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. Provide hard copy in submittal.

50. **STORMWATER MAINTENANCE AGREEMENT:** The applicant shall designate a party to maintain the control measures for the life of the improvements and must enter into a **maintenance agreement** with the City to guarantee the ongoing maintenance of the permanent C.3 storm water discharge compliance measures. **The maintenance agreement shall be executed prior to any Building and/or Grading permit issuance.** The City will inspect the treatment measures yearly and charge an inspection fee.
51. **LOGISTICS PLAN:** The contractor must submit a logistics plan to the Public Works Department prior to commencing work. Please be sure to follow the City's Logistics Plan Preparation Guidelines when preparing this plan. If separate demo, grading and/or building permits are submitted, a separate logistics plan will be required for each separate permit application specific to that phase of construction.
52. Within 45 days of the installation of the required storm water treatment measures and prior to the issuance of an occupancy permit for the building, third-party reviewer shall also submit to the City a certification for approval that the project's permanent measures were constructed and installed in accordance to the approved permit drawings.
53. **STREET OVERLAY.** San Antonio Road and Leghorn Street were recently resurfaced and these streets are under a moratorium. Applicant will be required to grind and overlay the full width (from curb to curb) of San Antonio Road and Leghorn Street over the full project frontage per Public Works standards. Plans shall include a signage a striping plan.
54. Based on the City's GIS there may be plume monitoring wells within the project site. Typically these wells are maintained by Santa Clara Valley Water District (SCVWD). The proposed work shall not destroy any of the monitoring well or affect the function and use of these. Contact SCVWD to verify the well location. Plot and label them on the plans and provide notes to protect wells as required by the district.
55. **ROUGH GRADING PLAN.** Provide a Rough Grading Plan for the work proposed as part of the Grading and Excavation Permit application. The Rough Grading Plans shall including the following: pad elevation, basement elevation, elevator pit elevation, ground monitoring wells, shoring for the proposed basement, limits of over excavation, stockpile area of material, overall earthwork volumes (cut and fill), temporary shoring for any existing facilities, ramps for the basement access, crane locations (if any), etc. Plans submitted for the Grading and Excavation Permit, shall be stand-alone, and therefore the plans shall include any conditions from other divisions that pertain to items encountered during rough grading for example if contaminated groundwater is encountered and dewatering is expected, provide notes on the plans based Water Quality's conditions of approval.

Provide a note on the plans to direct the contractor to the approve City of Palo Alto Truck Route Map, which is available on the City's website.

56. **STORM WATER HYDRAULICS AND HYDROLOGY:** Plans provided do not show if the existing site drainage has a direct discharge into the existing system. Provide an analysis that compares the existing and proposed site runoff from the project site. Runoff shall be based on City of Palo Alto Drainage Design Standards for 10 year storm event with HGL's 0.5 foot below inlet grates elevations and 100-year storm with HGL not exceeding the street right-of-way. As described on the City of Palo Alto Drainage Design Standards. Please provide the tabulated calculations directly on the conceptual grading and drainage plan. This project may be required to replace and upsize the existing storm drain system to handle the added flows and/or depending on the current pipe condition. The IDF tables and Precipitation Map for Palo Alto is available County of Santa Clara County Drainage Manual dated October 2007. The proposed project shall not increase runoff to the public storm drain system.
57. **STORM DRAIN LOGO:** The applicant is required to paint the "No Dumping/Flows to Adobe Creek" logo in blue color on a white background, adjacent to all onsite storm drain inlets. Stencils of the logo are available from the Public Works Environmental Compliance Division, which may be contacted at (650) 329-2598. A deposit may be required to secure the return of the stencil. Include the directions to paint the logos on the construction grading and drainage plan. Include maintenance of these logos in the Hazardous Materials Management Plan, if such a plan is part of this project. For any new public catch basins in the public road right-of-way, applicant shall place medallions next to the inlets. Medallions are also available from Environmental Compliance Division.
58. Plans for proposed development show the entire site's storm water runoff directed into the catch basin on Leghorn Street. Applicant will be required to provide Public Works Storm Drain Division a video of the storm drain line from that catch basin to the San Antonio manhole connection. If any of that storm drain line needs to be repaired or replaced, this project must complete that work as part of its offsite improvements.
59. The grading plan provided in the planning stage proposes overland release into the public right of way on San Antonio and Leghorn. This will only be allowed if applicant demonstrates that this matches existing drainage patterns and existing flow volume.
60. Civil plans submitted in the Building permit stage shall include detail sections at all locations where C.3 treatment devices are within 10' of the property line.
61. Areas noted as self treating or self retaining on the SWMP will not be allowed to have area drains that ultimately connect to the City storm system without explicit third party C.3 reviewer approval

and approval from the City's storm drain division. This may include revising drainage calculations to factor in this additional discharge.

UTILITIES – ELECTRIC

62. Applicant shall provide easement for the transformer. A signed easement shall be the final condition prior to energization of the building. The City reserves the right to shut the power to the building without a signed easement.
63. The applicant shall comply with all the Electric Utility Engineering Department service requirements noted during plan review.
64. The applicant shall be responsible for identification and location of all utilities, both public and private, within the work area. Prior to any excavation work at the site, the applicant shall contact Underground Service Alert (USA) at 1-800-227-2600, at least 48 hours prior to beginning work.
65. Only one electric service lateral is permitted per parcel. Utilities Rule & Regulation #18.
66. If this project requires pad-mount transformers, the location of the transformers shall be shown on the site plan and approved by the Utilities Department and the Architectural Review Board. Utilities Rule & Regulations #3 & #16 (see detail comments below).
67. The developer/owner shall provide space for installing pad-mount equipment (i.e. transformers, switches, and interrupters) and associated substructure as required by the City.
68. The location of the electric panel/switchboard shall be shown on the site plan and approved by the Architectural Review Board and Utilities Department.
69. The customer shall install all electrical substructures (conduits, boxes and pads) required from the service point to the customer's switchgear. The design and installation shall be according to the City standards and shown on plans. Utilities Rule & Regulations #16 & #18.
70. The customer is responsible for sizing the service conductors and other required equipment according to the California Electric Code requirements and City standards.
71. Any additional facilities and services requested by the Applicant that are beyond what the utility deems standard facilities will be subject to Special Facilities charges. The Special Facilities charges

include the cost of installing the additional facilities as well as the cost of ownership. Utilities Rule & Regulation #20.

72. Projects that require the extension of high voltage primary distribution lines or reinforcement of offsite electric facilities will be at the customer's expense and must be coordinated with the Electric Utility.
73. The applicant shall secure a Public Utilities Easement for facilities installed on private property for City use.
74. Industrial and large commercial customers must allow sufficient lead-time for Electric Utility Engineering and Operations (typically 8-12 weeks after advance engineering fees have been paid) to design and construct the electric service requested.
75. A completed Utility Service Application and a full set of plans must be included with all applications involving electrical work. The Application must be included with the preliminary submittal.
76. The applicant shall submit a request to disconnect all existing utility services and/or meters including a signed affidavit of vacancy, on the form provided by the Building Inspection Division. Utilities will be disconnected or removed within 10 working days after receipt of request. The demolition permit will be issued after all utility services and/or meters have been disconnected and removed.
77. All utility meters, lines, transformers, backflow preventers, and any other required equipment shall be shown on the landscape and irrigation plans and shall show that no conflict will occur between the utilities and landscape materials. In addition, all aboveground equipment shall be screened in a manner that is consistent with the building design and setback requirements.
78. Contractors and developers shall obtain permit from the Department of Public Works before digging in the street right-of-way. This includes sidewalks, driveways and planter strips.
79. At least 48 hours prior to starting any excavation, the customer must call Underground Service Alert (USA) at 1-800-227-2600 to have existing underground utilities located and marked. The areas to be checked for underground facility marking shall be delineated with white paint. All USA markings shall be removed by the customer or contractor when construction is complete.
80. The customer is responsible for installing all on-site substructures (conduits, boxes and pads) required for the electric service. No more than 270 degrees of bends are allowed in a secondary conduit run. All conduits must be sized according to California Electric Code requirements and no 1/2 – inch size conduits are permitted. All off-site substructure work will be constructed by the City at

the customer's expense. Where mutually agreed upon by the City and the Applicant, all or part of the off-site substructure work may be constructed by the Applicant.

81. All primary electric conduits shall be concrete encased with the top of the encasement at the depth of 30 inches. No more than 180 degrees of bends are allowed in a primary conduit run. Conduit runs over 500 feet in length require additional pull boxes.
82. All new underground conduits and substructures shall be installed per City standards and shall be inspected by the Electrical Underground Inspector before backfilling.
83. For services larger than 1600 amps, a transition cabinet as the interconnection point between the utility's pad-mount transformer and the customer's main switchgear may be required. See City of Palo Alto Utilities Standard Drawing SR-XF-E-1020. The cabinet design drawings must be submitted to the Electric Utility Engineering Division for review and approval.
84. For underground services, no more than four (4) 750 MCM conductors per phase can be connected to the transformer secondary terminals; otherwise, bus duct or x-flex cable must be used for connections to padmount transformers.
85. If customer installs a bus duct directly between the transformer secondary terminals and the main switchgear, the installation of a transition cabinet will not be required. The customer is responsible for installing all underground electric service conductors, bus duct, transition cabinets, and other required equipment. The installation shall meet the California Electric Code and the City Standards.

86. Meter and switchboard requirements shall be in accordance with Electric Utility Service Equipment Requirements Committee (EUSERC) drawings accepted by Utility and CPA standards for meter installations.
87. Shop/ factory drawings for switchboards (400A and greater) and associated hardware must be submitted for review and approval prior to installing the switchgear to:
Tiffany Pagtulingan Power Engineer
Utilities Engineering (Electrical) 1007 Elwell Court
Palo Alto, CA 94303
88. For 400A switchboards only, catalog cut sheets may be substituted in place of factory drawings.
89. All new underground electric services shall be inspected and approved by both the Building Inspection Division and the Electrical Underground Inspector before energizing.
90. The customer shall provide as-built drawings showing the location of all switchboards, conduits (number and size), conductors (number and size), splice boxes, vaults and switch/transformer pads.
91. The follow must be completed before Utilities will make the connection to the utility system and energize the service:
- a. All fees must be paid.
 - b. All required inspections have been completed and approved by both the Building Inspection Division and the Electrical Underground Inspector.
 - c. All Special Facilities contracts or other agreements need to be signed by the City and applicant.
 - d. Easement documents must be completed.

HOUSING

The project as proposed includes 102 residential ownership units in a mixed-use development. The project is subject to the Below Market Rate requirement as set forth by Palo Alto Municipal Code (PAMC) 16.65.060.

92. When the BMR requirement results in a fractional unit, an in-lieu payment to the Residential Housing Fund may be made for the fractional unit instead of providing an actual BMR unit, except that larger projects of 30 or more units must provide a whole BMR unit for any fractional unit of one-half (0.50) or larger. The proposed project – 102 ownership units is subject to a Below Market Rate (BMR) requirement of 15.3 units and is proposing 16 units. Of the 16 BMR units, at least 66% of units

affordable to households of 80-100% area median income (AMI) and up to 33% affordable to households 100-120% AMI.

93. All BMR units constructed shall be in conformance with the City's BMR Program rules and regulations. Failure to comply with the timing of this condition and any adopted BMR Program rules and regulations shall not waive its later enforcement.
94. A BMR Agreement in a form acceptable to the City Attorney for the 16 BMR units shall be executed and recorded prior to final map approval or building permit issuance, whichever occurs first. Failure to comply with the timing of this condition and any adopted BMR Program rules and regulations shall not waive its later enforcement.

URBAN FORESTRY

TREE PROTECTION COMPLIANCE:

95. 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.
96. **PLAN CHANGES.** Revisions and/or **changes to plans before or during construction** shall be reviewed and responded to by the (a) project site arborist, or (b) landscape architect with written letter of acceptance before submitting the revision to the Building Department for review by Planning, PW or Urban Forestry.
97. **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.
98. **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.
99. **BUILDING PERMIT SUBMITTAL- PROJECT ARBORIST CERTIFICATION LETTER.** Prior to submittal for staff review, attach a Project Arborist Certification Letter that he/she has; (a) reviewed the entire

building permit plan set submittal and, (b) affirm that ongoing Contractor/Project Arborist site monitoring inspections and reporting have been arranged with the contractor or owner (see Sheet T-1) and, (c) understands that design revisions (site or plan changes) within a TPZ will be routed to Project Arborist/Contractor for review prior to approval from City.

- 100.TREE PROTECTION VERIFICATION.** Prior to any site work verification from the contractor that the required protective fencing is in place shall be submitted to the Urban Forestry Section. The fencing shall contain required warning sign and remain in place until final inspection of the project.
- 101.EXCAVATION RESTRICTIONS APPLY (TTM, Sec. 2.20 C & D).** Any approved grading, digging or trenching beneath a tree canopy shall be performed using ‘air-spade’ method as a preference, with manual hand shovel as a backup. For utility trenching, including sewer line, roots exposed with diameter of 1.5 inches and greater shall remain intact and not be damaged. If directional boring method is used to tunnel beneath roots, then Table 2-1, Trenching and Tunneling Distance, shall be printed on the final plans to be implemented by Contractor.
- 102.PLAN SET REQUIREMENTS.** The final Plans submitted for building permit shall include the following information and notes on relevant plan sheets:
- 103.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!](http://www.cityofpaloalto.org/civicax/filebank/documents/31783)), 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** and recognize the Project Arborist Tree Activity Inspection Schedule. Monthly reporting to Urban Forestry/Contractor is mandatory. (Insp. #1: applies to all projects; with tree preservation report: Insp. #1-7 applies)
- 104.The Tree Preservation Report (TPR).** All sheets of the Applicant’s TPR approved by the City for full implementation by Contractor, shall be printed on numbered Sheet T-1 (T-2, T-3, etc) and added to the sheet index.
- 105.Plans to show protective tree fencing.** The Plan Set (esp. site, demolition, grading & drainage, foundation, irrigation, tree disposition, utility sheets, etc.) must delineate/show the correct configuration of Type I, Type II or Type III fencing around each Regulated Tree, using a bold dashed line enclosing the Tree Protection Zone (Standard Dwg. #605, Sheet T-1; City Tree Technical Manual,

Section 6.35-Site Plans); or by using the Project Arborist’s unique diagram for each Tree Protection Zone enclosure.

PUBLIC ART

106.If the applicant chooses to commission art on site, then they must complete both initial and final reviews and receive approval from the Public Art Commission prior to the issuance of a building permit.

107.If the applicant chooses to pay a contribution into the Public Art fund in-lieu of commissioning art on site, the contribution must be made prior to the issuance of a building permit.

SECTION 11. Terms of Approval.

1. Tentative Map. All conditions of approval of the Tentative Map shall be fulfilled prior to approval of a Final Map (PAMC Section 21.16.010[c]). Unless a Final Map is filed, and all conditions of approval are fulfilled within a two-year period from the date of Tentative Map approval, the Tentative Map shall expire and all proceedings shall terminate. An extension of time may be granted by the city council after recommendation of the planning commission, upon the written application of the subdivider, prior to the expiration of the Vesting Tentative Map approval, or any previous extension granted. Such extension(s) shall be subject to the maximum limitations set forth in the Subdivision Map Act.

2. Variance. Approval of the Variance shall automatically expire after two years if the proposed use of the site or the construction of buildings has not commenced, in accordance with PAMC 18.77.090. The Director may approve an extension for a maximum period of twelve additional months only, upon application filed with him or her before the expiration of the initial two year approval.

3. Architectural Review. Approval of the Architectural Review shall automatically expire after two years if the proposed use of the site or the construction of the buildings has not commenced, in accordance with PAMC 18.77.090. The Director may approve an extension for a maximum period of twelve additional months only, upon application filed with him or her before the expiration of the initial two year approval.

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

APPROVED:

City Clerk

Director of Planning and
Development Services

APPROVED AS TO FORM:

Assistant City Attorney

PLANS AND DRAWINGS REFERENCED:

Those plans prepared by BKF titled "Tentative Map 788 San Antonio Housing, 788, 790 & 796 San Antonio Road, City of Palo Alto, Santa Clara County, California" consisting of nine (9) pages, stamped, March 31, 2020. Those plans prepared by Studio S Squared Architecture titled "788 San Antonio Housing" consisting of 72 pages, stamped May 11, 2020.

Ordinance No. _____

Ordinance of the Council of the City of Palo Alto Amending Title 18 (Zoning) of the Palo Alto Municipal Code, Including Chapters 18.04 (Definitions) and 18.16 (Neighborhood, Community, and Service Commercial (CN, CC, and CS) Districts), 18.40 (General Standards and Exceptions) and 18.52 (Parking and Loading Requirements) to Establish the Housing Incentive Program for CS Zoned Properties Along San Antonio Road Between Middlefield Road and East Charleston Road, Including Rooftop Gardens, Modified Parking Requirements; Change the Gross Floor Area Definition to Exempt Certain Subterranean Square Footage, Modifications to the Retail Preservation

The Council of the City of Palo Alto ORDAINS as follows:

SECTION 1. Findings and Declarations. The City Council finds and declares as follows:

A. In November 2017, the City adopted an updated Comprehensive Plan that projected 3,545 to 4,420 new housing units between 2015 and 2030, and included policies to encourage housing production. The Council subsequently approved a Housing Work Plan with to support the City's efforts in meeting its Regional Housing Needs Assessment (RHNA) allocation of 1,988 units at varying levels of affordability and the goals inherent in the Comprehensive Plan policies. The Housing Work Plan detailed the actions needed to spur the production of housing, and included the proposed zoning changes reflected in this Ordinance to remove barriers and disincentives to housing development at higher densities where appropriate near transit, jobs and services, and that is affordable for a range of income levels.

B. On April 1, 2019, the City adopted the Housing Work Plan, which included various zoning ordinance amendments related to residential and residential mixed-use developments standards such as the housing incentive program, rooftop gardens and parking requirements.

C. On March 5, 2019, Ted O'Hanlon, representing Explore Real Estate on behalf of 788 SAPA Land Inc., the property owner for 788 San Antonio Road in Palo Alto, submitted an application for a high-density residential project. That project has since evolved to include a commercial component.

D. On May 20, 2019, the City Council held a duly noticed public hearing and was presented a pre-screening of the project that included potential zoning text amendments to implement the project (CMR 10330).

E. The proposed Ordinance promotes the development of housing in accordance with the goals and policies in the City's Comprehensive Plan and the purposes of the City's Zoning Code.

F. The proposed ordinance was considered through the California Environmental Quality Act.

SECTION 2. Subsection (a)(65)(B) (Gross Floor Area, Non-residential & Multifamily Exclusions) of Section 18.04.030 of Chapter 18.04 (Definitions) of Title 18 (Zoning) of the Palo Alto Municipal Code (PAMC) is amended to add a new subdivision (vi) as follows:

18.04.030 Definitions

(a) Throughout this title the following words and phrases shall have the meanings ascribed in this section.

[. . .]

(65) "Gross floor area" is defined as follows:

[. . .]

(B) Non-residential & Multifamily Exclusions: For all zoning districts other than the R-E, R-1, R-2 and RMD residence districts, "gross floor area" shall not include the following:

[. . .]

(vi) In subterranean parking garages: Areas designed and required for electrical and fire equipment rooms, and other areas designated for similar purposes that do not increase the intensity of the use of the site; this exclusion only applies to the minimum area need for equipment rooms, and similar purposes to comply with current code requirements.

[. . .]

SECTION 3. Subsection (k) (Housing Incentive Program) of Section 18.16.060 (Development Standards) of Chapter 18.16 (Neighborhood, Community, and Service Commercial (CN, CC, and CS) Districts) of Title 18 (Zoning) of the PAMC is amended as follows:

18.16.060 Development Standards

[. . .]

(k) Housing Incentive Program

~~(1) For an exclusively residential or residential mixed-use project in the CC(2) zone or on CN or CS zoned sites on El Camino Real, the Director may waive the residential floor area ratio (FAR) limit and the maximum site coverage requirement after the project with the proposed waiver~~

~~or waivers is reviewed by the Architectural Review Board, if the Director finds that a project exceeding these standards is consistent with the required architectural review findings. In no event shall the Director approve a commercial FAR that exceeds the standard in Table 4 of Section 18.16.060(b) or a total FAR (including both residential and commercial FAR) in excess of 2.0 in the CC(2) zone or 1.5 in the CN or CS zone.~~

- (1) The Director may waive the residential floor area ratio (FAR) limit and the maximum site coverage requirement for a project that is reviewed by the Architectural Review Board, if the Director finds that the project with such waiver or waivers is consistent with the required architectural review findings in Section 18.76.020. The Director may only waive these development standards in the following areas and subject to the following restrictions:
- (A) For an exclusively residential or mixed-use project in the CC(2) zone or on CN or CS zoned sites on El Camino Real. In no event shall the Director approve a commercial FAR that exceeds the standard in Table 4 of Section 18.16.060(b) or a total FAR (including both residential and commercial FAR) in excess of 2.0 in the CC(2) zone or 1.5 in the CN or CS zone.
- (B) For an exclusively residential or mixed-use project on CS zoned sites on San Antonio Road between Middlefield Road and East Charleston Road. In no event shall the Director approve a commercial FAR that exceeds the standard in Table 4 of Section 18.16.060(b) or a total FAR (including both residential and commercial FAR) in excess of 2.0.
- ~~(2) For a 100% affordable housing project in the CC(2) zone or on CN or CS zoned sites on El Camino Real, the Director may waive any development standard including parking after the project with the proposed waiver or waivers is reviewed by the Architectural Review Board, if the Director finds that a project with such waiver or waivers is consistent with the required architectural review findings. In no event shall the Director approve development standards more permissive than the standards applicable to the Affordable Housing (AH) Combining District in Chapter 18.30(J). A "100% affordable housing project" as used herein means a multiple-family housing or mixed-use project in which the residential component consists entirely of affordable units, as defined in Section 16.65.020 of this code, available only to households with income levels at or below 120% of the area median income, as defined in Section~~

~~16.65.020, and where the average household income does not exceed 60% of the area median income level, except for a building manager's unit.~~

(2) The Director may waive any development standard including parking for a project that is reviewed by the Architectural Review Board, if the Director finds that the project with such waiver or waivers is consistent with the required architectural review findings in Section 18.76.020. The Director may only waive these development standards in the following areas and subject to the following restrictions:

(A) For a 100% affordable housing project in the CC(2) zone or on CN or CS zoned sites on El Camino Real;

(B) For a 100% affordable housing project on CS zoned sites on San Antonio Road between Middlefield Road and East Charleston Road.

(C) In no event shall the Director approve development standards more permissive than the standards applicable to the Affordable Housing (AH) Combining District in Chapter 18.30(J). A "100% affordable housing project" as used herein means a multiple-family housing or mixed-use project in which the residential component consists entirely of affordable units, as defined in Section 16.65.020 of this code, available only to households with income levels at or below 120% of the area median income, as defined in Section 16.65.020, and where the average household income does not exceed 60% of the area median income level, except for a building manager's unit.

(3) This program is a local alternative to the state density bonus law, and therefore, a project utilizing this program shall not be eligible for a density bonus under Chapter 18.15 (Residential Density Bonus).

[. . .]

SECTION 4. Footnote (2) of Table 4 (Mixed Use and Residential Development Standards) of Section 18.16.060 (Development Standards) of Chapter 18.16 (Neighborhood, Community, and Service Commercial (CN, CC, and CS) District) of Title 18 (Zoning) of the PAMC is amended as follows:

Section 18.18.060 Development Standards

[. . .]

(b) Mixed Use and Residential

Table 4 specifies the development standards for new residential mixed use developments and residential developments. These developments shall be designed and constructed in compliance with the following requirements and the context-based design criteria outlined in Section [18.16.090](#), provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section [18.76.020](#).

**Table 4
Mixed Use and Residential Development Standards**

	CN	CC	CC(2)	CS	Subject to regulations in:
Minimum Site Specifications					
Site Area (ft ²)	None required				
Site Width (ft)					
Site Depth (ft)					
Minimum Setbacks					Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply
Front Yard (ft)	0' - 10' to create an 8' - 12' effective sidewalk width ⁽⁸⁾	None Required ⁽⁸⁾	0' - 10' to create an 8' - 12' effective sidewalk width ⁽⁸⁾	0' - 10' to create an 8' - 12' effective sidewalk width ⁽⁸⁾	
Rear Yard (ft)	10' for residential portion; no requirement for commercial portion				
Rear Yard abutting residential zone district (ft)	10'				
Interior Side Yard if abutting residential zone district (ft)	10'				
Street Side Yard (ft)	5'				
Build-to-Lines	50% of frontage built to setback ⁽¹⁾				

	33% of side street built to setback ⁽¹⁾				
Permitted Setback Encroachments	Balconies, awnings, porches, stairways, and similar elements may extend up to 6' into the setback. Cornices, eaves, fireplaces, and similar architectural features (excluding flat or continuous walls or enclosures of interior space) may extend up to 4' into the front and rear setbacks and up to 3' into interior side setbacks				
Maximum Site Coverage	50%	50%	100%	50%	
Landscape/Open Space Coverage	35%	30%	20%	30%	
Usable Open Space	150 sq ft per unit ⁽²⁾				
Maximum Height (ft)					
Standard	35' ⁽⁴⁾	50'	37'	50'	
Within 150 ft. of a residential zone district (other than an RM-40 or PC zone) abutting or located within 50 feet of the side	35'	35' ⁽⁵⁾	35' ⁽⁵⁾	35' ⁽⁵⁾	
Daylight Plane for lot lines abutting one or more residential zoning districts	Daylight plane height and slope shall be identical to those of the most restrictive residential zoning district abutting the lot line				
Residential Density (net) ⁽³⁾	15 or 20 ⁽⁹⁾	See sub-section (e) below	No maximum	30	18.16.060(i)
Sites on El Camino Real	No maximum			No maximum	
Sites on San Antonio Rd Between Middlefield Rd and E. Charleston Rd	15 or 20 ⁽⁹⁾		-	No Maximum	
Maximum Residential Floor Area Ratio (FAR)	0.5:1 ⁽⁴⁾		0.6:1	0.6:1	
Maximum Nonresidential Floor Area Ratio (FAR)	0.4:1		2.0:1	0.4:1	

Total Mixed Use Floor Area Ratio (FAR)	0.9:1 ⁽⁴⁾		2.0:1	1.0:1	
Minimum Mixed Use Ground Floor Commercial FAR⁽⁶⁾	0.15:1 ⁽¹⁰⁾		0.15:1 ⁽¹⁰⁾ 0.25:1 ⁽⁷⁾⁽¹⁰⁾	0.15:1 ⁽¹⁰⁾	
Parking	See Chapters 18.52 and 18.54 (Parking)				18.52, 18.54

- (1) Twenty-five-foot driveway access permitted regardless of frontage; build-to requirement does not apply to CC district.
- (2) Required usable open space: (1) may be any combination of private and common open spaces; (2) does not need to be located on the ground (but rooftop gardens are not included as open space except as provided below); (3) minimum private open space dimension six feet; and (4) minimum common open space dimension twelve feet.

For CN and CS sites on El Camino Real, CS sites on San Antonio Road between Middlefield Road and East Charleston Road and CC(2) sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 60% of the required usable open space for the residential component of a project. In order to qualify as usable open space, the rooftop garden shall meet the requirements set forth in Section 18.40.230.

- (3) Residential density shall be computed based upon the total site area, irrespective of the percent of the site devoted to commercial use.

[. . .]

SECTION 5. Subsection (c) (Waivers and Adjustments; and Exemptions) of Section 18.40.180 (Retail Preservation) of Chapter 18.40 (General Standards and Exceptions) of Title 18 (Zoning) of the PAMC is amended to add a new subsection (4)(C) as follows:

Section 18.40.180 Retail Preservation

[. . .]

(c) Waivers and Adjustments; and Exemptions

[. . .]

- (4) Exemptions. The following uses shall be exempt or partially exempt from the provisions of this Section 18.40.180, as provided below shall

not apply to:

[. . .]

(C) A high-density residential or mixed-use project in the CS zone district, but not within the Ground Floor (GF) or Retail (R) combining districts, shall be required to replace only 1,500 square feet of an existing Retail or Retail-Like use. For the purposes of this partial exemption, high-density shall mean 30 or more dwelling units per acre.

[. . .]

SECTION 6. Footnote 4 of Table 1 (Minimum Off-Street Parking Requirements) of Section 18.52.040 Off-Street Parking, Loading and Bicycle Facility Requirements of Chapter 18.52 (Parking and Loading Requirements) of Title 18 (Zoning) of the PAMC are amended as follows:

18.52.040 Off-Street Parking, Loading and Bicycle Facility Requirements

[. . .]

**Table 1
Minimum Off-Street Parking Requirements**

[. . .]

1. Long Term (LT) and Short Term (ST) bicycle spaces as described in Section 18.54.060.
2. A "micro-unit" as used herein means a residential unit of 450 square feet or less.
3. Senior housing for purposes of this provision means an independent living facility, not a convalescent or residential care facility.
4. For residential mixed-use developments in the CD-C zone, CC(2) zone, ~~and~~ on CN and CS zoned sites abutting El Camino Real, and on CS zoned sites abutting San Antonio Road between Middlefield Road and East Charleston Road, the first 1,500 square feet of ground-floor retail uses shall not be counted toward the vehicle parking requirement.
5. Because these parking standards are reduced from the standards otherwise applicable to multiple-family residential development, projects that utilize these reduced parking standards shall not be eligible for further parking reductions through adjustments under Section 18.52.050, Table 4.

[. . .]

SECTION 7. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 8. The City as the lead agency for the Project has determined that the project is subject to environmental review under provisions of the California Environmental Quality Act (CEQA) under Guideline section 15081, Decision to Prepare an EIR. Specifically, the City prepared a Program EIR to address a series of actions that can be categorized as one large project. A Historic Resource Evaluation was completed for the project because of the age of a certain existing building on-site and it was determined that the building is eligible for listing on the California Register of Historical Resources. The loss of the potential resource through demolition cannot be mitigated and required the preparation of an EIR. Statements of Overriding Considerations are proposed. All other potential significant impacts can be mitigated to a level of less than significant with the implementation of mitigation measures. A Final EIR was prepared for the project that includes responses to comments made during the public draft circulation period (ending on September 14, 2020) and revisions to the draft EIR.

SECTION 9. This Ordinance shall be effective on the thirty-first day after the date of its adoption.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

NOT PARTICIPATING:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Assistant City Attorney

City Manager

Director of Planning &
Development Services

Not Yet Adopted

Resolution No. _____

Resolution of the Council of the City of Palo Alto Adopting the Text Amendments to the Comprehensive Plan Land Use Element to Promote Housing on San Antonio Road.

WHEREAS, the Planning Commission, after a duly noticed public hearing on August 12, 2020, recommended that the City Council amend the Land Use Element of the Palo Alto Comprehensive Plan as set forth below; and

WHEREAS, upon consideration of said recommendation after duly noticed public hearing, the Council desires to amend said plan as hereinafter set forth;

The Council of the City of Palo Alto does RESOLVE as follows:

SECTION 1. The City Council finds that the public interest, health, safety and welfare of Palo Alto and the surrounding region require amendments to the Palo Alto Comprehensive Plan as set forth in Section 3.

SECTION 2. The proposed text amendments are consistent with the following policies and programs of the Comprehensive Plan:

Land Use Policies and Programs

- 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-1.6. Encourage land uses that address the needs of the community and manage change and development to benefit the community.
- 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.
- 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-2.4. Use a variety of strategies to stimulate housing, near retail,

Not Yet Adopted

employment, and transit, in a way that connects to and enhances existing neighborhoods.

- Policy L-2.6. Create opportunities for new mixed use development consisting of housing and retail.
- Policy L-4.2. Preserve ground-floor retail, limit the displacement of existing retail from neighborhood centers and explore opportunities to expand retail.

Housing Policies and Programs

- Program H2.1.2. Allow increased residential densities and mixed use development only where adequate urban services and amenities, including roadway capacity, are available.
- Policy H2.2. Continue to support the redevelopment of suitable lands for mixed uses containing housing to encourage compact, infill development. Optimize the use of existing urban services, and support transit use.
- Program H2.2.8. Assess the potential of removing maximum residential densities (i.e. dwelling units per acre) in mixed use zoning districts to encourage the creation of smaller housing units within the allowable Floor Area Ratio (FAR), and adopt standards as appropriate.
- Policy H3.1. Encourage, foster, and preserve diverse housing opportunities for very low-, low-, and moderate income households.
- Program H3.1.2. Implement the BMR ordinance to reflect the City’s policy of requiring: a) At least 15 percent of all housing units in projects must be provided at below market rates to very low-, low-, and moderate-income households.

SECTION 3. The Council finds hereby amends the text of the Program L2.4.1 of the Land Use Element of the Palo Alto Comprehensive Plan as follows:

Program L2.4.1 Amend the Housing Element to increase select ~~eliminate~~ housing sites along San Antonio Road and increase residential densities in Downtown and the California Avenue ~~area to replace potential units from the sites eliminated.~~

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//
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Not Yet Adopted

SECTION 4. The City as the lead agency for the Project has determined that the project is subject to environmental review under provisions of the California Environmental Quality Act (CEQA) under Guideline section 15081, Decision to Prepare an EIR. Specifically, the City prepared a Program EIR to address a series of actions that can be categorized as one large project. A Historic Resource Evaluation was completed for the project because of the age of a certain existing building on-site and it was determined that the building is eligible for listing on the California Register of Historical Resources. The loss of the potential resource through demolition cannot be mitigated and required the preparation of an EIR. Statements of Overriding Considerations are proposed. All other potential significant impacts can be mitigated to a level of less than significant with the implementation of mitigation measures. A Final EIR was prepared for the project that includes responses to comments made during the public draft circulation period (ending on September 14, 2020) and revisions to the draft EIR.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

APPROVED:

City Clerk

Mayor

APPROVED AS TO FORM:

City Manager

Assistant City Attorney

Director of Planning and
Development Services

ATTACHMENT E
ZONING COMPARISON TABLE
788 San Antonio Road

Table 1: CS ZONING DISTRICT COMPARISON TABLE (TITLE 18.16)

Zoning District	CS (Existing Zoning)	Housing Incentive Program (HIP)	Proposed Project if HIP approved
Regulation	Required	Required	Proposed
Minimum Site Specifications			
Minimum Site Area (ft²)	None Required	Not Applicable	43,390 sf (0.996 acres)
Site Width (ft)	None Required	Not Applicable	234-255 feet (varies)
Site Depth (ft)	None Required	Not Applicable	147-187 feet (varies)
Minimum Setbacks			
Min. Front Yard (Leghorn Street)⁽⁸⁾	0 – 10 feet to create an 8 – 12 feet effective sidewalk width ⁽¹⁾	Not Applicable	25 feet with 7' 6" sidewalk
Min. Rear Yard	10 feet for residential portion; no requirement for commercial portion	Not Applicable	10 feet – 1 inch
Min. Interior Side Yard	10 feet (for lots abutting a residential zone district)	Not Applicable	10 feet – 3 inch
Min. Street Side Yard (San Antonio Road)	5 feet (superseded by special setback requirement)	Not Applicable	Building: 26 feet – 1 inch with 5 foot sidewalk Pedestrian Ramp: 10 feet
Special Setback	24 feet along San Antonio Road and 15 feet along Leghorn Street	Not Applicable	26 feet 1 inch along San Antonio Road and 25 feet along Leghorn Street
Build-to-Lines (from Special Setback)	50 percent of frontage built to setback; 33 percent of side street built to setback ⁽¹⁾	Not Applicable	Not Applicable
Maximum Site Coverage	50 percent	May be waived by the Director of Planning	68 percent (29,467 sf)
Minimum Site Open Space (percent)	30 percent	Not Applicable	35.5 % (15,412.31 sf)
Minimum Usable Open Space (sf per unit)	150 sf per unit (15,300 sf) ⁽²⁾	Not Applicable	155 sf per unit (15,823.86 sf)

Table 1: CS ZONING DISTRICT COMPARISON TABLE (TITLE 18.16)

Zoning District	CS (Existing Zoning)	Housing Incentive Program (HIP)	Proposed Project if HIP approved
Maximum Height	50 feet	Not Applicable	49 feet – 5 inches
Maximum Residential Floor Area Ratio (FAR)	0.6:1	May be waived by the Director of Planning	1.95:1 (84,812 sf)
Maximum Non-Residential Floor Area Ratio (FAR)	0.4:1	Not Applicable	0.04:1 (1,802.56 sf)
Maximum Combined Residential and Commercial Floor Area Ratio (FAR)	1.0:1	1.5:1	2.00:1 (86,614.75 sf)
Minimum Mixed-Use Ground Floor Commercial FAR	0.15:1 (6,508.5 sf) ⁽¹⁰⁾	Not Applicable	0.04:1 (1,779.5 sf)
Daylight Plane for lot lines abutting one or more residential zone districts	Daylight plane height and slope shall be identical to those of the most restrictive residential zoning district abutting the lot line	Not Applicable	Not Applicable
Maximum Residential Density per Acre⁽³⁾	30 units/per acre, and no maximum for sites on El Camino Real	Not Applicable	102.34 units per acre

CS Zoning Notes for Mixed Use Projects

(1) Twenty-five-foot driveway access permitted regardless of frontage; build-to requirement does not apply to CC district.

(2) Required usable open space: (1) may be any combination of private and common open spaces; (2) does not need to be located on the ground (but rooftop gardens are not included as open space except as provided below); (3) minimum private open space dimension six feet; and (4) minimum common open space dimension twelve feet.

For CN and CS sites on El Camino Real and CC(2) sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 60% of the required usable open space for the residential component of a project. In order to qualify as usable open space, the rooftop garden shall meet the requirements set forth in Section [18.40.230](#).

(3) Residential density shall be computed based upon the total site area, irrespective of the percent of the site devoted to commercial use.

(8) A 12-foot sidewalk width is required along El Camino Real frontage.

(10) In the CC(2) zone and on CN and CS zoned sites on El Camino Real, there shall be no minimum mixed use ground floor commercial FAR for a residential project, except to the extent that the retail preservation requirements of Section [18.40.180](#) or the retail shopping (R) combining district ([Chapter 18.30\(A\)](#)) applies.

Housing Incentive Program
See Draft Ordinance for details.

18.16.080 Performance Standards. All development in the CS district shall comply with the performance criteria outlined in [Chapter 18.23](#) of the Zoning Ordinance, including all mixed use development

18.16.090 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 (Off-Street Parking and Loading)				
Type	Required		Proposed	Conforms?
Multiple-Family	1 space per studio and one-bedroom; 2 spaces per two-bedroom unit	Studio: 32 1-bedroom: 66 2-bedroom: 4 Total: 106 spaces	106 spaces	Yes
Commercial (Restaurant)	1 space per 60 square feet of dining & 1 space per 200 square feet of other areas.	$930/60 = 15.5$ spaces $873/200 = 4.4$ spaces Total: 20 spaces	20 spaces	Yes
Bicycle Parking <i>Residential</i> <i>Restaurant</i>	1 space per unit/ 100% Long Term (LT) 1 space per 10 units short term for guests (ST) 1 space per 600 square feet (ST) & 1 space per 2,000 square feet (LT)	102 LT spaces 10.2 ST spaces $1.55 + 0.44 = 2$ ST spaces Total: 102 LT and 12 ST spaces	102 LT Spaces 18 ST Spaces	Yes



*Explore Real Estate
2625 Middlefield Rd, #101
Palo Alto, CA 94306
650.813.1077*

March 30, 2020

Sheldon S. Ah Sing, AICP
Principal Planner
City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301
Email: SAhsing@m-group.us

Subject: 788-796 San Antonio Road, Architectural Review, Major Project

Mr. Ah Sing:

On behalf of the owners of the property located at 788-796 San Antonio Road, we are pleased to present the third revision for review by the Architectural Review Board for a Major Project. Herein is an updated project description.

Project Summary

The property was acquired in May 2018 and currently consists of 2 existing commercial/light industrial buildings with 3 commercial tenants on a 1-acre parcel. It enjoys excellent proximity in Palo Alto and immediate adjacency to a light-industrial and commercial area of Mountain View. The Google World Headquarters, currently under construction, is a 5-minute bike ride from the property. San Antonio Road also serves as a feeder to Highway 101, a major thoroughfare for accessing San Francisco to the north and San Jose to the south, and many other job centers along the Peninsula.

The project proposes to construct 102 rental units with a ground level retail use in a single building. The structure will be 4 floors above grade, with maximum heights below the allowable 50-foot limit and two levels of below grade parking. The total garage area is around 59,000 square feet while the usable (or FAR per code) area above grade is about 86,600 square feet. The proposed project follows the development standards of the Housing Incentive Plan approved by City Council for similarly zoned properties

(Commercial Service or CS) on El Camino Real, reasoning that San Antonio Road is similar in many characteristics.

The 102 units consist of (4) 2-bedroom/2 bath units, (66) 1-bedroom units and (32) studios. As required by the City, 15% of these (16 units) will be designated for Below-Market Rate qualified users. The 2-level garage provides 126 parking stalls (20 for retail use, 106 for residential), with no tandem stalls or stackers. This compares favorably to our previous 1 level garage design, which had 107 parking spaces (81 stacker stalls, 24 conventional stalls, 2 tandem).

An 1,800 square foot ground floor retail area has been designed as a possible café/restaurant, providing a destination and gathering place for both residents and neighbors. The 3,000 square foot roof garden will include a 700 square foot community room, outdoor cooking areas, and both covered and uncovered areas for dining and socializing.

Taking advantage of the active California lifestyle and the proximity of Google and other employers, the building will provide 102 indoor long-term bike parking spaces adjacent to the ground floor main lobby. Entry walkways have been generously sized to accommodate both cyclists and pedestrians. The building will also feature indoor bike repair areas, and an outdoor bike wash area for residents. The property will also accommodate 18 guest and short-term bike spaces.

The architecture has been designed to complement recent projects of similar scale along San Antonio Road, while also recalling older historic uses in the area. A glassy retail corner with an 12 foot ceilings topped by 3 residential units provides a focal point for the two street-facing elevations. From this corner high point, the building steps down in both directions, especially on the San Antonio side, where the rooftop terrace provides a common outdoor space with views towards the Bay and the East Bay hills beyond. A double height residential lobby provides a grand sense of arrival for residents, and a refreshing view of our lushly landscaped courtyard for passers-by. A rich exterior materials palette of smooth white and gray stucco, clear-heart redwood, Equitone cement fiber panels, and Corten Steel provides visual interest at all levels of the building. The Corten panels clad a playful architectural “ribbon” which winds its way across the San Antonio and Leghorn elevations, demarcating private/public zones, entry portals, and glassy/solid areas of the facade as it travels. A redwood rain screen evokes the walkways and structures of the nearby Baylands Nature Preserve and provides a warm tone at most of the residential balconies. Recalling the historic use of the site as a wholesale flower mart for chrysanthemum distribution, a floral stamp pattern enlivens both the public retail plaza and the private residential courtyard.

If useful, we can furnish or refresh supplemental information but it has not been described in this letter to avoid redundancy. Thus far the project has had two City Council Pre-Screenings, a Planning & Transportation Committee review with an Environmental Impact Report in process. We have also submitted information related to the project and the City’s Housing Incentive Program, a Retail Preservation Waiver

Request, and Notice of Preparation Comments related to the Environmental Impact Report.

We look forward to forthcoming Staff Reports, Development Review Committee and feedback from the Architectural Review Board and ultimately City Council.

Best Regards



Ted O'Hanlon

Cc: Studio S-Squared
788 SAPA Land LLC

Attachment G

Project Plans and Environmental Impact Report

Due to shelter-in-place, these documents are only available online.

Directions to review Project plans online:

1. Go to: bit.ly/PAwaitingprojects
2. Scroll to find "788 San Antonio Road" and click the address link
3. On this project specific webpage you will find a link to the Project Plans, Initial Study and other important information

Direct Link to Project Webpage:

<https://www.cityofpaloalto.org/news/displaynews.asp?NewsID=4575&TargetID=319>