



CITY OF
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Planning & Transportation Commission Staff Report

From: Planning and Development Services Director
Lead Department: Planning and Development Services

Meeting Date: March 27, 2024
Report #: 2403-2703

TITLE

PUBLIC HEARING / QUASI-JUDICIAL. 739 Sutter Avenue [24PLN-00005]: Recommendation on Applicant's Request for Approval of a Vesting Tentative Map to Allow for a Condominium Subdivision to Create 12 Units on a Single 16,720 Square Foot Parcel. The Subdivision map Would Facilitate Construction of An Approximately 18,000 Square Foot Mixed-use Development Project (22PLN-00201). Environmental Assessment: Exempt from the Provisions of the California Environmental Quality Act in Accordance with CEQA Guidelines Section 15332 (In-fill Development). Zoning District: RM-20 (Multi-Family Residential). For More Information Contact the Project Planner Claire Raybould at Claire.Raybould@cityofpaloalto.org

RECOMMENDATION

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

1. Consider the project exempt from CEQA in accordance with CEQA Guidelines Section 15532 (in-fill) as documented in Attachment C.
2. Recommend approval of the Vesting Tentative Map to the City Council based on findings and subject to conditions of approval in the Draft Record of Land Use Action (RLUA) in Attachment B.

EXECUTIVE SUMMARY

The applicant requests approval of a Vesting Tentative Map to allow twelve residential condominium units on a single, existing, 16,720 square foot (sf) parcel located at 739 Sutter Avenue. Through a separate, Streamlined Housing Development Review Entitlement Process, the applicant proposed, and the Director of Planning and Development Services (Director) tentatively approved, construction of a twelve-unit residential townhome project, two units (25% of the base units) of which would be provided at below market rate and made affordable to low income households (80% of Area Median Income or below).

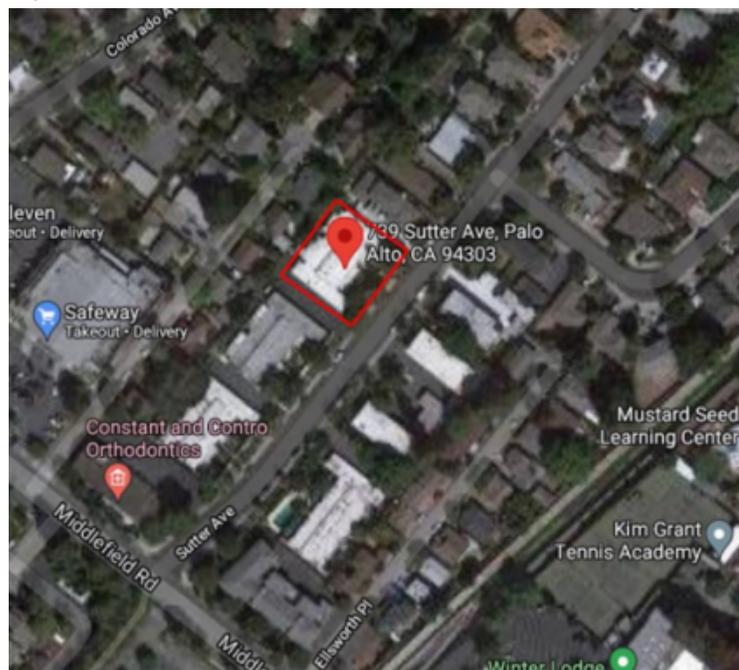
BACKGROUND

Project Information

Owner:	Ge Sun (Grace Li)
Architect:	Dahlin Group
Representative:	Kriselle Rodriguez; Eric Muzzy (Dahlin Group)
Legal Counsel:	Not Applicable

Property Information

Address:	739 Sutter Avenue
Neighborhood:	Midtown
Lot Dimensions & Area:	~125x~133 (16,720 sf [.38 ac])
Housing Inventory Site:	Not Applicable (site identified as a pipeline project for the Cycle 6 Housing Element)
Located w/in a Plume:	Not Applicable
Protected/Heritage Trees:	No heritage trees; see discussion below regarding street trees
Historic Resource(s):	Not Applicable (see discussion below)
Existing Improvement(s):	Approximately 5,250 sf; single story; 1954
Existing Land Use(s):	Multi-family residential (8 rental units)
Adjacent Land Uses & Zoning:	North: Multi-family Land Use (RM-20 Zoning) West: Single-family Land Use (R-1 Zoning) East: Multi-family Land Use (RM-20 Zoning) South: Multi-family Land Use (RM-20 Zoning)
Special Setbacks:	Not Applicable
Aerial View of Property:	



Source: Google Satellite Maps

Land Use Designation & Applicable Plans/Guidelines

Comp. Plan Designation: Multi-family Residential

Zoning Designation: RM-30 Zone District

	Yes		Yes		Yes
Baylands Master Plan/Guidelines (2008/2005)	<input type="checkbox"/>	El Camino Real Guidelines (1976)	<input type="checkbox"/>	Housing Development Project	<input checked="" type="checkbox"/>
Downtown Urban Design Guidelines (1993)	<input type="checkbox"/>	South El Camino Real Guidelines (2002)	<input type="checkbox"/>	Utilizes Chapter 18.24 - Objective Standards	<input checked="" type="checkbox"/>
Individual Review Guidelines (2005)	<input type="checkbox"/>	Within 150 feet of Residential Use or District	<input checked="" type="checkbox"/>	Context-Based Design Criteria applicable	<input type="checkbox"/>
SOFA Phase 1 (2000)	<input type="checkbox"/>	Within Airport Influence Area	<input type="checkbox"/>		<input type="checkbox"/>
SOFA Phase 2 (2003)	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>

Prior City Reviews & Action

City Council: None

PTC: None

HRB: None

ARB: None

The proposed subdivision map has not gone to any other boards or commissions for review. However, the proposed improvements associated with the map were reviewed by the Architectural Review Board (ARB) on November 2, 2023.¹

PROJECT DESCRIPTION

The project includes a request for approval of a Vesting Tentative Map to create twelve condominium units (on a single parcel totaling 16,720 sf [0.38 ac]). Approval of the map also includes acceptance of proposed utility easements on the parcel, which are required per City of Palo Alto Utility standards. A location map is included in Attachment A. The proposed Vesting Tentative Map is included in Attachment C.

On March 19, 2024, the proposed improvements associated with this condominium subdivision were tentatively approved by the Director following the November 2, 2023 ARB session, in accordance with the Streamlined Housing Development Review Process. The project includes demolition of a single structure with eight residential rental units and its replacement with two three-story buildings with a total of twelve for-sale townhome units.

¹ The November 2, 2023 Architectural Review Board Staff Report for the 739 Sutter Avenue project is available online at: [Packet_20231026221813038.pdf \(cityofpaloalto.org\)](https://www.cityofpaloalto.org/DocumentCenter/View/20231026221813038.pdf)

Requested Entitlements, Findings and Purview

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

- Vesting Tentative Map: The process for evaluating this type of application is set forth in Title 21 of the Palo Alto Municipal Code (PAMC) and California Government Code 66474. The process for approval of a Vesting Tentative Map for a condominium subdivision is outlined in PAMC Sections 21.12.010 and 21.13.020. Vesting Tentative maps require PTC review. The PTC reviews whether the amended subdivision 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 PTC's recommendation is forwarded to the City Council for final approval. In accordance with Title 21 of the Palo Alto Municipal Code, all entitlements are required to be completed prior to approval of the Vesting Tentative Map. In compliance with this requirement, the applicant's request for Streamlined Housing Development Review was tentatively approved on March 19, 2024.

ANALYSIS

The proposed project and relevant discussion and findings herein reflect the Vesting Tentative Map. The Director previously tentatively approved the proposed site improvements associated with this condominium subdivision. The map also includes dedication of relevant public utility easements associated with the new site improvements.

Neighborhood Setting and Character

The project is located on Sutter Avenue and surrounded on the northeast, east, and south by other multi-family residential uses within the RM-20 Zone district. At the rear of the property (west) the site abuts single-family residential uses along San Carlos Court. Surrounding development is primarily single-story. The site is located within close proximity to commercial uses along Middlefield, such as a grocery store and small retail, financial, and personal service uses.

Consistency with the Comprehensive Plan, Area Plans and Guidelines

The proposed Vesting Tentative Map is consistent with the Comprehensive Plan, in that the site is designated primarily as "Multifamily" land use category and will be developed as a multifamily development on that portion of the site. The map facilitates the redevelopment of a parcel within the City's urban service area which is consistent Policy L-1.2 of the Comprehensive Plan. The associated development to be constructed on the lot would add new residential units that contribute to the housing inventory including two affordable housing units, consistent with Goal 2 of the Housing Element, which states "assist in the provision of safe, attainable, and sustainable housing, especially affordable housing, to meet the needs of all economic segments of the community." Consistencies with other Comprehensive Plan policies are included in Attachment B of this report.

Zoning Compliance

The site is zoned primarily as RM-20 (multi-family residential). The proposed multi-family development is a permitted use within the RM-20 Zone. The size of the parcel would not change and is consistent with code requirements for the RM-20 Zone District, which has a minimum lot size of 8,500 sf and minimum dimensions of 70 feet in width by 100 feet in depth. Staff finds that the proposed Vesting Tentative Map complies with these code requirements for parcels.

Private Street Width

The proposed project includes new private streets that do not meet the minimum width of 32 feet set forth in PAMC 21.20.240. The applicant requested a waiver from this development standard in accordance with State Density Bonus Law to allow for a private street that is 20 feet in width. Approval of this waiver was tentatively granted as part of the tentative approval of the proposed development under the Streamlined Housing Development Project review. The waiver also applies to the subdivision map process. The proposed improvements, including the street width, were reviewed by all departments as part of the streamlined housing development review process. Reviewers included, but were not limited to, City of Palo Alto Fire Department, Public Works Engineering, Office of Transportation and the Building Department. The proposed project, with the proposed 20-foot street width, meets all safety requirements, including, but not limited to, fire safety and traffic safety.

FISCAL/RESOURCE IMPACT

The developer would be required to pay all applicable development impact fees estimated to total \$279,177.12 for the subdivision and the proposed improvements, plus the applicable public art fees, as documented in Condition of Approval #6 in Attachment B and detailed further in Condition of Approval #17 in the Tentative Approval Letter for the Streamlined Housing Development Project Review Approval.

STAKEHOLDER ENGAGEMENT

The Palo Alto Municipal Code requires notice of this public hearing to be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the Daily Post on March 15, 2024, which is 13 days in advance of the meeting. Postcard mailing occurred on March 13, 2024.

Public Comments

As of the writing of this report, no project-related, public comments were received related to the Vesting Tentative Map. Comments received on the proposed Streamlined Housing Review application are outlined in the Architectural Review staff report.

Key comments from nearby residents associated with the development application included, but were not limited to:

- Concerns about the height of the proposed structures

- Concerns about increased traffic
- The project's compliance with fire safety requirements
- Proximity of the structure to the rear property line
- Privacy impacts from the proposed project; tree screening along the rear property line
- Noise from residents occupying the site and from construction
- Air quality impacts during construction

Modifications were made to the development plans based on feedback from the ARB as well as neighboring residents.

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 proposed Vesting Tentative Map is exempt from CEQA in accordance with CEQA Guidelines Section 15332.

ALTERNATIVE ACTIONS

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

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

ATTACHMENTS

Attachment A: Location Map

Attachment B: Draft Record of Land Use Action

Attachment C: Vesting Tentative Map and Environmental Analysis

AUTHOR/TITLE:

Claire Raybould, AICP, Senior Planner