Architectural Review Board
Staff Report

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

Meeting Date: November 21, 2024
Report #: 2405-3079

TITLE

PUBLIC HEARING / QUASI-JUDICIAL. 3265 El Camino Real [24PLN-00012]: Consideration of an Application to Rezone the Vacant Subject Parcel from Commercial Services (CS) to Planned Community/Planned Home Zoning (PC/PHZ) and to Construct a 100% affordable, Five-story, 55 Dwelling Unit Residential Rental Project. Environmental Assessment: The Project is Being Reviewed for an Exemption under CEQA Guidelines Section 15183 (In-Fill).

RECOMMENDATION

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

1. Consider the project exempt from the California Environmental Quality Act in accordance with CEQA Guidelines Sections 15183; and
2. Recommend approval of the proposed project to City Council based on the ARB findings (Attachment B) and subject to conditions of approval (Attachment B).

EXECUTIVE SUMMARY

The applicant proposes to rezone the vacant parcel located at 3265 El Camino Real from Commercial Services (CS) to Planned Home Zoning[1] in accordance with Palo Alto Municipal Code (PAMC) Chapter 18.38 (Planned Community Zoning). The parcel would be redeveloped with a 100% affordable, 55-unit residential rental project.

The ARB held the first formal hearing for this project on April 18, 2024. Links to the staff reports, meeting minutes, and video recordings are provided in this report[2]. This report summarizes key comments from the ARB as well as the applicant's response to those comments.

Following the April 18, 2024 ARB hearing, the applicant increased the number of units in the proposed project in order to provide a greater number of affordable units at a deeper level of

[1] Referred to in this report as "Planned Home Zoning" to emphasize the focus on housing as the benefit to the community. PAMC Section 18.38, which outlines the requirement and process for Planned Community (PC) Zoning, remains the underlying code supporting application of this policy.
[2] April 18, 2024, ARB Agenda Item 3, 3265 El Camino Real: https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateId=13828

affordability. The previous design provided all below market rate units at a rate affordable to low and moderate income, with some achieving the 50%-80% Area Median Income (AMI) and others achieving the 80-120% AMI. The developer agreed to limit the moderate-income units to no higher than 110% AMI. The current proposal provides the below market rate units at a rate affordable to low income, not to exceed 70% AMI, and moderate, not to exceed 110% AMI, respectively. The proposed floor area ratio (FAR) and height have increased commensurate to the increase in units, resulting in a new FAR of 4.42 (previously 3.58 FAR) and height of 79 feet, 8 inches (previously 64 feet).

Staff's review of the revised project concludes that the proposed project is consistent with the ARB findings for approval and recommends that the ARB recommend approval of the project. Following the ARB's review, the Planning & Transportation Commission (PTC) would review the Development Plan in conjunction with the proposed PC Ordinance. The ARB and PTC's recommendations would be forwarded to Council for a final decision on the project.

ANALYSIS

On April 18, 2024, the ARB held a first formal hearing to provide feedback on the proposed design. Comments from board members and the applicant's responses are summarized in the following table.

ARB Comments/Direction	Applicant Response
Front and Rear Façade. Consider additional modifications to the multi-story stucco wall facing rear and El Camino Real (e.g. windows, color, materials, etc.).	The applicant has included windows along the stucco wall on the East (rear) elevation to add more articulation to the facade. The rear stair tower has also been treated with the same textured material as the front stair tower to improve articulation.
Window Placement. Show the location of the window on the Kasa Hotel side on sheet A2.2 to identify if there are any privacy impacts.	The applicant included neighboring windows in the elevation plans and sections. In the sections you can see there is no privacy issues as the windows exist below any units. The neighboring windows are also treated with translucent film and curtains.
Skylight. Consider using a skylight over the bike parking area at the rear of the building instead of a planter.	The applicant noted that these planters are required for stormwater treatment of the roof areas, and cannot be eliminated, replaced, or relocated.
Circulation. Study introducing a door from the lobby that directly enters the garage to reduce travel distance for tenants to garage and trash room.	The applicant noted that given space restraints and egress requirements, a direct access from the lobby to the garage is not possible.

ARB Comments/Direction	Applicant Response
Patio Privacy. Provide additional details about privacy walls between second floor unit patios.	The applicant has included wooden privacy screens have been incorporated between terraces for privacy, see revised sections and 3D views. No special maintenance would be required outside of the ordinary. Planters will be low maintenance plants with automatic irrigation.
Garage Entry. Concerned that garage access may be limited without queueing space in front of garage door off El Camino Real. Study garage access further.	The applicant raised concerns that recessing the garage from the front of the building would not fit well architecturally and would invite homeless individual to camp in the recess. The applicant has also proposed a high-speed door to limit the vehicle queue time. See additional discussion below.

Responsiveness to ARB Comments

While the applicant did not make significant changes to the design to address ARB comments regarding garage access, the additional context provided by the applicant and minor design changes were responsive to the ARB comments.

As noted above, board members commented that without adequate queue space on site at the drive aisle, residents would create a safety issue by queueing across the sidewalk, bicycle lane, and along El Camino Real. The board requested that the applicant study this issue further and specifically recommended that the applicant recess the garage door at the façade to address this concern. The applicant proposes to retain the garage door at the front of the building for the following stated reasons:

a. Architecturally, given the narrowness of the site and the garage door as predominant feature of the ground floor for the building, recessing it could create a disjointed architectural expression for the building and result in an incoherent design;
b. Functionally, the applicant's traffic consultant, Hexagon, has suggested that by using a high-speed garage door it could help minimize vehicle queue time along El Camino Real for residents entering and exiting the site (Attachment D); and
c. From a safety standpoint, the applicant is concerned that creating a recess could have an unintended consequence of attracting transient individuals to shelter there.

While staff understands the applicant's concerns, allowing vehicles to queue along the sidewalk and future bike lane on El Camino Real or in the street presents a safety concern. While increasing the speed of the garage door may reduce queueing, any queuing into the right-of-way would be a concern for pedestrian, bicyclist, and vehicular safety. Therefore, staff recommends addressing this safety concern through a condition of approval requiring that the garage door be set back to allow for on-site queuing, as provided in Attachment C.

Modified Design

As noted previously, at the April 18, 2024 ARB hearing, the applicant proposed a 44-unit, five-story development. In order to address comments on the conceptual design from Council and the PTC, which encouraged providing deeper affordability levels for the units, the project has since been modified to provide a 55-unit, six story development with all units set to either 70% or 110% of Area Median Income. Aside from modifying the overall massing of the project, staff notes two new key considerations for the ARB as a result of these modifications: 1) modifications to the ground level height; and 2) modifications to parking.

Modifications to Ground Floor Height

In addition to the overall modification to the height of the building due to the additional 11 units, the ground floor height has also been modified to add another level of above-grade stackers, resulting in seven additional parking stalls on site. This change results in a ground floor height of 19 feet, 4 inches, whereas the previous design had a ground floor height of 14 feet, 4 inches. With this redesign, the ground floor height appears to be taller than the adjacent INDO Restaurant and roughly equivalent to the two-story Kasa hotel (as seen by sheets A3.2, 3.3, and 3.4). Although the proposed zoning is not subject to the objective design standards, for comparison, PAMC 18.24.060 requires storefront/retail ground floors to have a minimum height of 14 feet or maintain the second-floor datum line of an adjacent two-story building to ensure a compatible scale for the facade. Because the project would comply with this objective standard, staff believes the scale of the ground floor level is still appropriate. A rendering of the previous design and the current design is provided for context.

Previous Elevation

Proposed Elevation

Modifications to Parking

Based on the nature of the puzzle lift system, vehicle stalls are shuffled around using the wall kiosk or a remote key fob until a stall is moved to the ground level for a vehicle to exit from or pull into the space. For the puzzle lift system to function properly, some stalls need to be left unused. In this case, two stalls will be left unused resulting in 32 of the 34 parking lift stalls being usable.

The City's traffic consultant Fehr & Peers analyzed the vehicle turning radii for the proposed parking lift stalls using a mid/full-size vehicle as required by PAMC 18.54.020(b)(4)(F). Stalls 1 through 6 can be accessed with three or fewer turning maneuvers while stalls 7 and 8 require more than three maneuvers; three or fewer maneuvers is the industry standard to determine whether a parking stall design is viable as a parking space.

For stalls 7 and 8, Fehr & Peers notes that only mid-size vehicles will be able to access those stalls with three maneuvers which is consistent with the vehicle size requirements of PAMC 18.54.020(b)(4)(F). Each space is assigned to a specific tenant and the system can be programmed so that smaller vehicles are placed in the above ground stalls. Because all stalls comply with the size requirements set forth in Chapter 18.54, in accordance with the conditions of approval that require proper management of the system, the proposed design is consistent with the City's requirements.

<u>Comprehensive Plan Compliance</u>

ARB Finding #1 requires that the design be consistent and compatible with applicable elements of the Palo Alto Comprehensive Plan. The Comprehensive Plan land use designation for the project site is Service Commercial, which allows for higher density multi-family near transit. The

proposed project is located along El Camino Real, which is considered a high-quality transit corridor. Therefore, the proposed use is consistent with this land use designation. The project is consistent with the policies set forth in the Comprehensive Plan, as detailed in Attachment B.

Housing Element
This site is included as a Housing Inventory Site in the adopted Housing Element, with an anticipated capacity of 44 units that may be provided at market rate. The project proposes 55 units, all of which would be below market rate, provided at a rate affordable to low income (70%) or moderate income (110%). Therefore, the project is consistent with the Housing Element and contributes to the city's Regional Housing Needs Allocation goals, including goals at below market rate levels.

North Ventura Coordinated Area Plan
The proposed development is located within the boundaries of the North Ventura Coordinated Area Plan (NVCAP). The plan is not yet effective, but a second reading has been approved by Council. Therefore, the land use designation and the zoning of the site is anticipated to change prior to issuance of a decision on this project. However, as detailed in the ordinance implementing the NVCAP, projects that have been deemed complete prior to the effective date of the ordinance, would not be subject to the NVCAP goals and policies or the zoning regulations set forth in the ordinance. This project has already been deemed complete and therefore continues to be analyzed in accordance with the regulations set forth under the existing zoning and land use designation. Nevertheless, the proposed land use designation under NVCAP is High-Density Mixed-Use. This land use designation is "intended to support five-to-six story mid-rise apartment buildings." This designation requires active uses for ground floor frontages. As detailed in NVCAP, active uses include building lobbies. Therefore, the project is consistent with the anticipated land use designation under the NVCAP.

El Camino/South El Camino Real Design Guidelines [3][4]
The project is subject to both the El Camino Real and the South El Camino Real Design Guidelines. As detailed in Attachment E, the project is consistent with these guidelines.

Zoning Compliance
Attachment C identifies how the project compares with the existing CS zone district development standards. In addition, it provides a comparison to the Affordable Housing Incentive Program (AHIP) for informational purposes, though the applicant is proposing to rezone instead of utilizing the AHIP, which is now by-right for this site.

The project deviates from the allowable floor area ratio (FAR) and height. The proposed FAR is 4.42:1.0 where the CS zone allows 0.6:1.0 FAR; the proposed height is 79 feet, 8 inches measured to the roof of the elevator cab/staircase where 50 feet is permitted. Additionally, the

[3] El Camino Real Design Guidelines: https://bit.ly/ECRDG

[4] South El Camino Real Design Guidelines: https://bit.ly/SECRDG

project proposes 32[5] parking stalls where 55 are required and does not provide a short-term vehicle loading space required by footnote (d) of PAMC 18.52.040 Table 3 due to the constraints of the site. As Caltrans is restriping El Camino Real for bicycle lanes and eliminating potential loading areas at the front of the property, any future pick/drop-off would occur Lambert Avenue.

The application was deemed complete on October 3, 2024, and therefore is not subject to the North Ventura Coordinated Area Plan (NVCAP) requirements. Should this application be withdrawn, an approval of this application expires, or the project be denied by City Council, any subsequent application filed will need to be evaluated in context with the NVCAP requirements.

Consistency with Application Findings

Staff has prepared a detailed review of the proposed project's consistency with the Findings for approval. The draft findings for the proposed project are provided in Attachment B. Staff finds that the proposed project, as conditioned, meets all of the applicable findings for Architectural Review.

STAKEHOLDER ENGAGEMENT

The Palo Alto Municipal Code requires notice of this public hearing be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the Daily Post on November 8, 2024. Postcard mailing occurred on November 6, 2024.

Public Comments

As of the writing of this report, the City received one comment from the property owner for 3295 El Camino Real, which is provided in Attachment F. At a follow up meeting, the neighboring property owners asked for further clarity as to how their site would be protected during construction and afterwards for any regular maintenance needs, as well as understand whether any shoring or maintenance easements would be necessary between the two properties. The project has been designed to ensure that all shoring would be done within their own property boundaries and that no access or maintenance easements would be needed from the adjacent owners. Staff confirmed with the Chief Building Official that should any easements be necessary in the future, the City does not need to be party to those agreements and they can be established and recorded between the property owners at their own expense outside of the City's review process. Subsequently, there have been no additional public comment on the application.

ENVIRONMENTAL REVIEW

The City, acting as the lead agency, is has analyzed the project in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA). Specifically, the City prepared an analysis of the project in accordance with CEQA Guidelines Section 15183, which

[5] PAMC 18.52.040(b)(8) provides that the accessible loading zone adjacent to an accessible parking stall contributes to the number of vehicle spaces provided on site. While 32 spaces are provided, only 31 can be used to park a vehicle.

evaluated the project's consistency with the Comprehensive Plan and the Comprehensive Plan EIR. The 15183 exemption allows for streamlining of infill projects where the previous adopted EIR for a Comprehensive Plan has been adopted and adequately addresses the impacts of the proposed project. Plan level technical reports were prepared to confirm that the Comprehensive Plan EIR, including any mitigation that would be addressed as required through that EIR, would adequately address the impacts of the proposed project.

ALTERNATIVE ACTIONS

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

1. Recommend the project return to the ARB at a date (un)certain.

ATTACHMENTS

Attachment A: Location Map
Attachment B: Draft Record of Land Use
Attachment C: Zoning Comparison Table
Attachment D: TDM Plan
Attachment E: South El Camino Real Design Guidelines Comparison
Attachment F: Public Comments
Attachment G: Applicant's Project Description
Attachment H: Project Plans & Environmental Documents

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