

Ordinance No. _____

Ordinance of the Council of the City of Palo Alto Adding Chapter 18.29 (North Ventura (NV) District Regulations) and Amending Chapters 18.14 (Housing Incentives), 18.24 (Contextual Design Criteria and Objective Design Standards), 16.65 (Citywide Affordable Housing Requirements) to Implement the North Ventura Coordinated Area Plan (NVCAP) and 18.70.040 (Nonconforming use – Discontinuance)

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. On November 13, 2017, the City Council for the City of Palo Alto (City) certified a Final Environmental Impact Report (EIR) for the City of Palo Alto 2030 Comprehensive Plan through Resolution No. 9720, made findings in relation to the Final EIR, adopted a mitigation monitoring and report plan (MMRP), and adopted a statement of overriding considerations through Resolution No. 9721 and adopted the City of Palo Alto 2030 Comprehensive Plan through Resolution No. 9722.
- B. The City of Palo Alto 2030 Comprehensive Plan Policy L-1.7 and Program L-4.10 calls for the preparation of a plan for the North Ventura and surrounding California Avenue area in order to establish the future of the North Ventura area as a walkable neighborhood with multi-family housing, ground-floor retail, a public park, creek improvements, and an interconnected street grid.
- C. On November 6, 2017, the City Council adopted a Resolution No. 9717 to initiate the local planning process for a North Ventura Coordinated Area Plan in accordance with Palo Alto Municipal Code Section 19.10.020.
- D. On April 30, 2018, the City Council appointed a total of 14 members of the working group to advise the staff, boards/commissions, and the Council during the preparation of the plan.
- E. The City conducted extensive community outreach in multiple languages since the NVCAP process has initiated in November 2017 including 17 meetings of the NVCAP Working Group; several community pop-up events; numerous meeting with stakeholders including school district, commercial property owners and tenants, interest groups in housing and transportation; two community workshops; one meeting of the Architectural Review Board (ARB); two meetings of the Historic Resources Board (HRB); six meetings of the Planning and Transportation Commission (PTC); and seven meetings of the City Council.
- F. Pursuant to the provisions and requirements of CEQA and CEQA Guidelines Section 15163, the City as lead agency, prepared a Supplemental Environmental Impact Report to the 2017 Comprehensive Plan Final EIR (SEIR) to analyze the potential environmental impacts resulting from adopting the NVCAP.
- G. On May 8, 2024, the PTC held a duly and properly noticed public hearing to consider a draft of the SEIR and the NVCAP, and recommended that the City Council adopt the draft NVCAP.
- H. On August 5, 2024, the City Council conducted a duly and properly noticed public hearing to take public testimony, consider the SEIR, reviewed the NVCAP and all pertinent maps, documents and exhibits, including the staff report, and all attachments, and oral and written public comments.
- I. On August 5, 2025, the City Council adopted the NVCAP and certified SEIR and other environmental documents associated with the NVCAP.

- J. The City Council now desires to adopt modifications to the Palo Alto Municipal Code to implement the NVCAP.

SECTION 2. Chapter 18.29 (North Ventura (NV) District Regulations) of Title 18 (Zoning) of the Palo Alto Municipal Code is added to read as follows:

**CHAPTER 18.29
NORTH VENTURA (NV) DISTRICT REGULATIONS**

18.29.010 Purpose

18.29.020 Applicability of Regulations

18.29.030 Zoning Districts

18.29.040 Definitions

18.29.050 Permitted Uses

18.29.060 Development Standards

18.29.070 Parking and Loading

18.29.080 Context-Based Design Criteria and Objective Design Standards

18.29.090 Housing Incentive Programs for NV District

18.29.010 Purpose

The purpose of the North Ventura district is to implement the vision and framework of the North Ventura Coordinated Area Plan (NVCAP) through use regulations and development standards.

18.29.020 Applicability of Regulations

(a) The North Ventura districts shall apply to properties within the NVCAP and designated as North Ventura Coordinated Area Plan within the Palo Alto Comprehensive Plan. Where designated, the regulations set forth in this chapter shall apply in lieu of the comparable provisions established by the underlying zoning district regulations.

(b) Refer to the NVCAP for design guidelines related to streets and buildings in conjunction with the regulations contained within this chapter.

18.29.030 Zoning Districts

The North Ventura districts shall apply to properties designated on the zoning map by the symbol “NV” in front of the zoning district designation.

The following zoning districts are intended to create and maintain sites for residential, commercial and mixed-use sites:

(a) Single Family Residential District (NV-R1)

The NV-R1 single family residential district is intended to create, preserve, and enhance areas suitable for detached dwellings with a strong presence of nature and with open area affording maximum privacy and opportunities for outdoor living and children’s play. Minimum site area requirements are established to create and preserve variety among neighborhoods, to provide adequate open area, and to encourage quality design. Accessory dwelling units, junior accessory dwelling units and accessory structures or

buildings are appropriate. Community uses and facilities are allowed to the extent no net loss of housing would result.

(b) Two Family Residential District (NV-R2)

The NV-R2 two-family residential district is intended to allow a second dwelling unit, under the same ownership as the initial dwelling unit, in areas designated for single-family use or NVCAP by the Palo Alto Comprehensive Plan, under regulations that preserve the essential character of single-family use. Community uses and facilities are allowed to the extent no net loss of housing would result.

(c) Medium Density Multiple-Family Residential District (NV-R3)

The NV-R3 medium density multiple-family residential district is intended to create, preserve and enhance neighborhoods for multiple-family housing with better transition to lower density residential districts. Projects at this density are intended for larger parcels that will enable developments to provide their own parking spaces and to meet their open space needs in the form of garden apartments or cluster developments. While there is no maximum density in the NV-R3 residential district, the NVCAP anticipates realistic development yields ranging from 16 to 30 dwelling units per acre based on the applicable development standards.

(d) High Density Multiple-Family Residential District (NV-R4)

The NV-R4 high density multiple-family residential district is intended to create, preserve and enhance locations for apartment living at the greater density deemed appropriate for NVCAP. The most suitable locations for this district are along major transportation corridors which are close to mass transportation facilities and major employment and service centers. While there is no maximum density in the NV-R4 residential district, the NVCAP anticipates realistic development yields ranging from 61 to 100 dwelling units per acre based on the applicable development standards.

(e) Low Density Mixed-Use District (NV-MXL)

The purpose of the NV-MXL district is to allow for small-scale commercial and services with limited amount of residential that is compatible with the surrounding development. While there is no maximum density in the NV-MXL district, the NVCAP anticipates realistic development yields ranging from three to 17 dwelling units per acre.

(f) Medium Density Mixed-Use District (NV-MXM)

The purpose of the NV-MXM district is to allow for a compatible mix of residential and limited commercial. While there is no maximum density in the NV-MXM district, the NVCAP anticipates realistic development yields ranging from 31 to 70 dwelling units per acre.

(g) High Density Mixed-Use District (NV-MXH)

The purpose of the NV-MXH district is to allow for a mix of retail, restaurant, entertainment and commercial uses on the ground floor with residential on the upper floors, while maintaining a pedestrian-oriented streetscape. It is intended that the active ground floor retail space required will ensure neighborhood-oriented retail and services are provided within walking distance of high density residential. Ground floor active uses are required along El Camino Real. While no maximum density in the

NV-MXH district, the NVCAP anticipates realistic development yields ranging from 61 to 100 dwelling units per acre.

(h) Public Facilities District (NV-PF)

The NV-PF public facilities district is designed to accommodate governmental, public utility, educational, and community service or recreational facilities. Within the North Ventura area, an approximate one-acre portion of the NV-PF district may permit a 100% affordable housing project.

18.29.040 Definitions

For the purposes of this chapter, the following definitions shall apply:

(a) "Street yard" means a yard adjoining a street lot line and may also be a front lot line.

18.29.050 Permitted Uses

(a) The uses of land allowed by this chapter in each zoning district are identified in the following tables. Land uses that are not listed in the tables are not allowed, except where otherwise noted. Where the last column on the following tables ("Subject to Regulations in") includes a section number, specific regulations in the referenced section also apply to the use; however, provisions in other sections not specifically referenced may apply as well.

TABLE 1: PERMITTED AND CONDITIONALLY PERMITTED USES

P = Permitted Use

CUP = Conditional Use Permit Required

TUP = Temporary Use Permit Required

— = Not Permitted

LAND USE	NV-R1	NV-R2	NV-R3	NV-R4	NV-MXL (1)(5)	NV-MXM (5)	NV-MXH	NV-PF	Subject to Regulations In:
ACCESSORY AND SUPPORT USES									
Accessory facilities and activities customarily incidental to the permitted use	P	P	P	P	P	P	P	—	18.40 18.10.080 18.12.080
Accessory Dwelling Unit & Junior Accessory Dwelling Unit when accessory to primary and permitted residential use	P	P	P	P	P	P	P	—	18.09
Home Occupations, when accessory to	P	P	P	P	P	P	P	P	18.42

LAND USE	NV-R1	NV-R2	NV-R3	NV-R4	NV-MXL (1)(5)	NV-MXM (5)	NV-MXH	NV-PF	Subject to Regulations In:
permitted residential use									
Horticulture, Gardening, and Growing of food products for consumption by occupants of a site	P	P	P	P	P	P	P	—	
EDUCATIONAL, RELIGIOUS, AND ASSEMBLY USES									
Private Clubs, Lodges, or Fraternal Organizations, excluding any such facility operated as a business for profit	—	—	—	CUP	CUP	—	—	—	
Private Educational Facilities	CUP	CUP	CUP	CUP	CUP	P	P	—	
Religious Institutions	CUP	CUP	CUP	CUP	P	P	P	—	
OFFICE USES⁽²⁾									
Administrative Office Services	—	—	—	—	P	P	P	—	18.29.050(a)
Medical Offices	—	—	—	—	P	P	P	—	18.29.050(a)
Professional and General Business Offices	—	—	—	—	P	P	P	—	18.29.050(a)
PUBLIC/QUASI-PUBLIC USES									
Community Centers	CUP	CUP	CUP	CUP	—	—	—	CUP ⁽³⁾	
Utility Facilities essential to provision of utility services but excluding construction or storage yards, maintenance facilities, or corporation yards.	CUP	CUP	CUP	CUP	CUP	CUP	CUP	—	
RECREATION USES									
Neighborhood Recreational Centers	—	—	CUP	CUP	—	—	—	CUP ⁽³⁾	

LAND USE	NV-R1	NV-R2	NV-R3	NV-R4	NV-MXL (1)(5)	NV-MXM (5)	NV-MXH	NV-PF	Subject to Regulations In:
Commercial Recreation	—	—	—	—	CUP	CUP	CUP	CUP ⁽³⁾	
Outdoor Recreation Services	CUP	CUP	CUP	CUP	—	CUP	CUP	CUP ⁽³⁾	
Youth Clubs	—	—	—	—	—	—	—	CUP ⁽³⁾	
RESIDENTIAL USES									
Single-Family	P	P	—	—	—	—	—	—	
Two-Family	P	P	—	—	—	—	—	—	18.42.180
Multiple-Family	—	—	P	P	P	P	P	p ⁽⁴⁾	
Residential Care Homes	P	P	P	P	P	P	P	—	
RETAIL USES									
Eating and Drinking Services, except drive-in and take-out services	—	—	P	P	P	P	P	CUP ⁽³⁾	18.40.160, 18.29.050(c)
Personal Services and Retail Services of a neighborhood-serving nature	—	—	P	P	P	P	P	CUP ⁽³⁾	18.40.160, 18.29.050(c)
Liquor stores	—	—	—	—	—	P	P	—	18.40.160, 18.29.050(c)
SERVICE USES									
Animal Care, excluding boarding and kennels	—	—	—	—	P	P	P	—	18.29.050(c)
Convalescent Facilities	—	—	—	CUP	P	P	P	—	
Day Care Centers	CUP	CUP	CUP	P	P	P	P	—	18.40.160
Large Family Day Care Homes	P	P	P	P	P	P	P	p ⁽³⁾	
Small Family Day Care Homes	P	P	P	P	P	P	P	p ⁽³⁾	
Large Adult Day Care Homes	CUP	CUP	P	P	P	P	P	p ⁽³⁾	
Small Adult Day Care Homes	P	P	P	P	P	P	P	p ⁽³⁾	
Financial Services	—	—	—	—	P	P	P	—	18.29.050(a) 18.29.060(b)
General Business Services	—	—	—	—	P	P	P	—	18.29.050(a) 18.29.060(b)
Hotels	—	—	—	—	—	P	P	—	18.40.160, 18.16.060(d)

LAND USE	NV-R1	NV-R2	NV-R3	NV-R4	NV-MXL (1)(5)	NV-MXM (5)	NV-MXH	NV-PF	Subject to Regulations In:
Personal Services	—	—	—	—	P	P	P	—	18.40.160, 18.29.050(c) 18.29.060(b)
AGRICULTURAL AND OPEN SPACE USES									
Park uses and uses incidental to park operation	—	—	—	—	—	—	—	P	
All facilities owned or leased, and operated or used, by the City of Palo Alto, the County of Santa Clara, the State of California, the government of the United States, the Palo Alto Unified School District, or any other governmental agency, or leased by any such agency to another party	—	—	—	—	—	—	—	P	
Utility Facilities	—	—	—	—	—	—	—	CUP	
TEMPORARY USES									
Temporary Uses	—	—	TUP	TUP	—	—	—	—	18.42.050
Farmer's Markets	—	—	—	—	—	CUP	CUP	—	
Temporary Parking Facilities, provided that such facilities shall remain no more than five years	—	—	—	—	—	CUP	CUP	CUP (3)	
Notes: ⁽¹⁾ For NV-MXL zoning district, the total floor area of non-residential uses permitted and conditionally permitted on a lot shall not exceed 5,000 square feet. ⁽²⁾ For office uses, total floor area of permitted office uses on a lot shall not exceed 5,000 square feet. ⁽³⁾ Provided such use is conducted on property owned by the City of Palo Alto, the County of Santa Clara, the State of California, the government of the United States, the Palo Alto Unified School District, or any other governmental agency, and leased for said uses. ⁽⁴⁾ Only a 100% Affordable Housing Project is permitted. Development shall follow NV-R4 standards. ⁽⁵⁾ Ground floor uses shall comply with the ground floor edge framework set forth in NVCAP section 2.3.									

(a) Office Use Restrictions

(1) Conversion of Ground Floor Housing and Non-Office Commercial to Office Medical, Professional, and Business offices shall not be located on the ground floor, unless any of the following apply to such offices:

(A) Have been continuously in existence in that space since **the effective date of this ordinance** and as of such date, were neither non-conforming nor in the process of being amortized pursuant to [Chapter 18.30\(l\)](#);

(B) Occupy a space that was not occupied by housing, neighborhood business service, retail services, personal services, eating and drinking services, or automotive service on **the effective date of this ordinance** or thereafter;

(C) Occupy a space that was vacant on **the effective date of this ordinance**; or

(D) Are located in new or remodeled ground floor area built on or after **the effective date of this ordinance** if the ground floor area devoted to housing, retail services, eating and drinking services, and personal services does not decrease.

(E) Along El Camino Real, the office use has a consistent flow of in-person customers visiting the business, such as a dentist or medical office.

(2) Size Restrictions on Office Uses in the NV District

(A) Total floor area of permitted office uses on a lot shall not exceed 5,000 square feet.

(b) Late Night Use and Activities

Late Night Use and Activities requirements established in Section 18.42.040 shall apply to NV zoning districts.

(c) Active Ground Floor Commercial Uses

The NVCAP requires active ground floor uses along the El Camino Real corridor and encourages active ground floor uses on other designated streets. Active uses are activities and functions that promote social engagement, vitality, and interaction within a community. Refer to NVCAP, Section 2.3 for detailed requirements.

(1) Active ground floor commercial uses generally include retail, personal services, neighborhood business service, and eating and drinking establishments. These may also include other active uses such as daycare, building lobbies, spaces accessory to residential uses such as fitness rooms, workspaces, leasing offices, bicycle facilities (Class I) with direct access to the sidewalk. Office uses may be included only to the extent they are permitted in ground floor regulations, are consistent with 18.29.080(a) and have a regular flow of in-person customers.

(2) Ground floor commercial uses are required for properties with frontage along El Camino Real, as shown in the NVCAP Section 2.3 (Ground Floor Edges)

- (3) Ground floor commercial uses shall have a minimum floor to ceiling height of 14 feet.
- (4) Retail or retail-like at the ground floor is required at the intersections of El Camino Real and Olive Avenue, and El Camino Real and Portage Avenue.
- (5) 100% affordable housing projects are exempt from providing ground floor commercial uses.

18.29.060 Development Standards

(a) The following tables specify the development standards that shall apply to NV district properties. Where the last column on the following tables ("Subject to Regulations in") includes a section number, specific regulations in the referenced section also apply to the development standard; however, provisions in other sections may apply as well.

TABLE 1: LOW DENSITY RESIDENTIAL DEVELOPMENT STANDARDS

DEVELOPMENT STANDARD	NV-R1	NV-R2	Subject to Regulations In:
Minimum Setbacks	Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may also apply		18.10.050
Street yard (ft)	Pepper Ave: 10' to create a 12' effective sidewalk width ⁽¹⁾ Olive Ave: 10'	Olive Ave: 10'	18.29.020(b)
Height (ft)	35'	35'	
Parking	Refer to 18.29.070		
Other development standards	See regulations in Chapter 18.12	See regulations in Chapter 18.10	
Notes: ⁽¹⁾ The effective sidewalk width includes the pedestrian clear zone and landscape/furniture zone as described in PAMC 18.24.020.			

TABLE 2: MULTI-FAMILY RESIDENTIAL & MUTLI-FAMILY RESIDENTIAL MIXED-USE DEVELOPMENT STANDARDS

DEVELOPMENT STANDARD	NV-R3	NV-R4	Subject to Regulations In:
Minimum Site Specifications			
Site Area (ft ²)	8,500		
Site Width (ft)	70		
Site Depth (ft)	100		
Minimum Setbacks			
Street Yard (ft)	Park Blvd.: 15' Ash St: 5'	Park Blvd.: 15' Olive Ave.: 20'	18.29.020(b)

DEVELOPMENT STANDARD	NV-R3	NV-R4	Subject to Regulations In:
	Acacia Ave: 5' Portage Ave: 5'	Ash St.: 5' Page Mill Rd: sufficient to create a 12' effective sidewalk width ⁽²⁾⁽³⁾	
Interior Side Yards (ft)	5'	5'	
Interior Rear Yards (ft)	10'	10'	
Build-to-Lines	50% of frontage built to setback ⁽¹⁾ 33% of side street built to setback ⁽¹⁾		
Maximum Height (ft)			
Standard	45'	65'	18.29.100
Daylight Plane, for side and rear lot lines for sites abutting any NV-R1 or NV-R2 district or abutting a site containing a single-family or two-family residential use in a mixed-use district	10' initial height 45-degree daylight plane angle		
Daylight Plane, for side and rear lot lines for sites abutting any NV-R3, NV-R4, Planned Community, or mixed-use district that does not contain a single-family or two-family residential use	Refer to 18.24.050(b)(1)(C)		
Maximum Lot Coverage (%)			
Base	60	80	
Additional area permitted to be covered by covered patios or overhangs otherwise in compliance with all applicable laws	5	5	
Floor Area Ratio (FAR)			
Maximum Residential FAR	1.5:1	3.0:1	
Maximum Non-residential FAR	0.15:1	0.15:1	18.29.050(c)
Total Mixed-Use FAR	1.5:1	3.0:1	
Residential Density (net units per acre)			
Maximum units per acre	None	None	
Minimum units per acre	16	61	
Minimum Landscape/Open Space Coverage (%) ⁽⁴⁾	30	10	
Minimum Usable Open Space (ft² per unit)	150	150	
Minimum Common Open Space (ft² per unit)	75	75	

DEVELOPMENT STANDARD	NV-R3	NV-R4	Subject to Regulations In:
Minimum Private Open Space (ft ² per unit)	50	50	
Landscape Requirements			18.40.130
Parking	Refer to 18.29.070		
Notes: (1) 25-foot driveway access permitted regardless of frontage. (2) No parking or loading space, whether required or optional, shall be located in the first 10 feet adjoining the street property line of any required yard. (3) Any minimum front, street side, or interior yard shall be planted and maintained as a landscaped screen excluding areas required for access to the site. A solid wall or fence between 5 and 8 feet in height shall be constructed along any common interior lot line. (4) Landscape coverage may be provided above the ground-floor.			

TABLE 3: MIXED-USE DEVELOPMENT STANDARDS

DEVELOPMENT STANDARD	NV-MXL	NV-MXM	NV-MXH	Subject to Regulations In:
Minimum Site Specifications Site Area (ft ²) Site Width (ft) Site Depth (ft)	None Required			
Minimum Setbacks				
Street Yard (ft)	Ash St.: 5' Olive Ave.: 10' Portage Ave: 0' Pepper Ave: 10'	El Camino Real: sufficient to create a 12' effective sidewalk width ⁽¹⁾⁽²⁾ El Camino Real: sufficient to create a 12' effective sidewalk width ⁽¹⁾⁽²⁾ Pepper: 10' Olive Ave 10' Ash St: 5' Park Blvd: 15' Lambert Ave: 5' Portage Ave: 5'	Park Blvd: 15' El Camino Real: sufficient to create a 12' effective sidewalk width ⁽¹⁾⁽²⁾ Oregon Expy/Page Mill Rd: sufficient to create a 12' effective sidewalk ⁽¹⁾⁽²⁾ Lambert Ave: 5' Acacia Ave: 5' Portage Ave: 5'	18.29.020(b)

DEVELOPMENT STANDARD	NV-MXL	NV-MXM	NV-MXH	Subject to Regulations In:
		Acacia Ave: 5'		
Build-to-Lines	None	For properties abutting El Camino Real: 50% of frontage built to setback ⁽¹⁾ 33% of side street built to setback ⁽¹⁾		
Rear Yard (ft)	10'	10' for residential portion/ none for commercial portion	10' for residential portion/ none for commercial portion	
Rear Yard abutting residential zone district (ft)	10'	10'	10'	
Interior Side Yard (ft)	10'	5'	5'	
Build-to-lines	None Required			
Permitted Setback Encroachments	Refer to Section 18.40.070			
Maximum Setback (ft)	Not applicable	El Camino Real: 10'	El Camino Real: 10'	
Maximum Lot Coverage (%)	50	100	100	
Minimum Landscape/Open Space Coverage (%)	20	10	10	
Usable Open Space (Private and/or Common) (ft²)	150 per unit			18.16.090
Maximum Height (ft)				18.29.100
Standard	35'	55'	65'	
Ground Floor Height	Refer to Section 18.24.060(c)(5)(A)			
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 units per acre)				
Maximum units per acre	None Required			
Minimum units per acre	3	31	61	
Floor Area Ratio (FAR)				
Maximum Residential FAR	0.5:1	2.0:1	3.0:1	

DEVELOPMENT STANDARD	NV-MXL	NV-MXM	NV-MXH	Subject to Regulations In:
Maximum Non-residential FAR ⁽⁴⁾	0.25:1	0.25:1	0.25:1	18.29.050(c) 18.29.060(c)
Minimum Mixed-Use Ground Floor Commercial FAR	0.15:1	0.15:1	0.15:1	18.29.050(c)
Total Mixed-Use FAR	0.5:1 ⁽⁴⁾	2.0:1	3.0:1	
Parking	Refer to 18.29.070			
Notes: ⁽¹⁾ No parking or loading space, whether required or optional, shall be located in the first 10 feet adjoining the street property line of any required yard. ⁽²⁾ Any minimum front, street side, or interior yard shall be planted and maintained as a landscaped screen excluding areas required for access to the site. A solid wall or fence between 5 and 8 feet in height shall be constructed along any common interior lot line. ⁽³⁾ The 150-foot measurement may be reduced to 50 feet at minimum, subject to approval by the Planning Director, upon recommendation by the Architectural Review Board pursuant to criteria set forth in Chapter 18.76 . ⁽⁴⁾ As provided in 18.29.060(c), maximum FAR for hotels shall be 2.0:1. Hotel projects in the NV-MXL zone may reach a Total Mixed-Use FAR of 2.0:1.				

(b) Storefront Guidelines

Where active use and retail frontages are required or located within the NV district on the ground floor, the following design standards shall apply:

- (1) Exterior windows on the ground floor shall use transparent glazing to the extent feasible. Low-e glass or minimal tinting to achieve sun control is permitted, so long as the glazing appears transparent when viewed from the ground level.
- (2) Window coverings are not permitted on the ground floor during typical business hours. Where operations preclude transparency (e.g., theaters) or where privacy requires window coverings, sidewalk-facing frontage shall include items of visual interest including displays of merchandise or artwork; visual access shall be provided to a minimum depth of three (3) feet.
- (3) No more than 10% of the total street-facing building façade or a maximum of 25 feet in width, whichever is greater, shall be dedicated to mechanical equipment rooms, parking garage entrances, exit stairs, and other facilities necessary for building operation.

(c) Hotel Regulations

- (1) The purpose of these regulations is to allow floor area for development of hotels more than floor area limitations for other commercial uses, to provide a visitor-serving use that results in an enhanced business climate, increased transient occupancy tax and sales tax revenue, and other community and economic benefits to the city.
- (2) Hotels, where they are a permitted use, may develop to a maximum FAR of 2.0:1, subject to the following limitations:

(A) The hotel use must generate transient occupancy tax (TOT) as provided in [Chapter 2.33](#) of the Palo Alto Municipal Code; and

(B) No room stays more than thirty days are permitted, except where the city council approves longer stays through an enforceable agreement with the applicant to provide for compensating revenues.

(3) Hotels may include residential condominium use, subject to:

(A) No more than twenty-five percent (25%) of the floor area shall be devoted to condominium use; and

(B) No more than twenty-five percent (25%) of the total number of lodging units shall be devoted to condominium use; and

(C) A minimum FAR of 1.0 shall be provided for the hotel/condominium building(s); and

(D) Where residential condominium use is proposed, room stays for other hotel rooms shall not exceed thirty (30) days.

(4) Violation of this chapter is subject to enforcement action for stays more than thirty days not permitted under the provisions of this chapter, in which case each day of room stay more than thirty days shall constitute a separate violation and administrative penalties shall be assessed pursuant to Chapters 1.12 and 1.16.

18.29.070 Parking and Loading

All projects shall comply with the parking and loading standards in PAMC Chapters 18.52 and 18.54, unless a parking reduction is permitted pursuant to state law. If a reduction in automobile parking is permitted under Government Code Section 65863.2, a project will be subject to the requirement to provide electric vehicle spaces and accessible parking spaces that would have otherwise applied to the development if Government Code Section 65863.2 did not apply.

18.29.080 Context-Based Design Criteria and Objective Design Standards

In addition to the development standards prescribed in 18.29.050, all Housing Development Projects shall comply with the objective standards outlined in [Chapter 18.24](#), as defined herein. All other developments, and Housing Development Projects that elect to deviate from one or more objective design standards in [Chapter 18.24](#), shall meet the Context Based Design Criteria, as determined by the Director pursuant to the Architectural Review process. In the event of any conflict between the development standards established in this Chapter and those established in Chapter 18.24, the NVCAP standards shall prevail.

(a) Multiple Family Context-Based Design Criteria

Refer to Section 18.13.060 for the Context Based Design Criteria.

(b) Mixed-Use and Commercial Context-Based Design Criteria

Refer to Section 18.16.090 for the Context Based Design Criteria.

18.29.090 Housing Incentive Programs for NV District

(a) Housing development projects in the NV Districts may utilize any Housing Incentive Program or Affordable Housing Incentive Program set forth in Sections 18.14.030 and 18.14.040.

18.29.100 Non-conforming Uses and Non-Complying Facilities

(a) Office Use.

- (1) Any existing office use and facilities established prior to the effective date of this ordinance may remain as legal and non-conforming use and/or non-complying facility.
- (2) The legal and non-conforming office use shall be considered abandoned and may be replaced only by a non-conforming use if it ceases and thereafter remains discontinued for up to 24 consecutive months after the effective date of this ordinance.
- (3) A non-conforming office use which is changed to or replaced by a conforming use shall not be reestablished, and any portion of a site or any portion of a building, the use of which changes from a legal non-conforming use to a conforming use, shall not thereafter be used except to accommodate a conforming use.
- (4) The legal and non-conforming office use and/or non-complying office facilities shall be permitted to remodel, improve, or replace site improvements on the same site, for continual use and occupancy by the same use, provided such remodeling, improvement, or replacement complies with all of the following:
 - (A) Shall not result in increased floor area.
 - (B) Shall not relocate below grade floor area to above grade portions of the building.
 - (C) Shall not result in an increase of the height, length, building envelope, building footprint or any other increase in the size of the improvement. For purposes of this section, “building envelope” shall mean the three-dimensional shape and size occupied by an existing building. It is not the maximum, buildable potential of the site.
 - (D) Shall not increase the degree of noncompliance.
 - (E) The Director may approve minor changes to the building’s footprint, height, length, and the building envelope through Architectural Review of minor aesthetic architectural improvements and to improve pedestrian-orientation provided there is no increase to the degree of any non-complying feature.

(b) Any other uses or facilities rendered non-conforming or non-complying by this Chapter shall be subject to Chapter 18.70, including the schedules for required termination of non-conforming uses under Section 18.70.070.

18.29.110 Transportation Demand Management Plan

A transportation demand management plan shall be required for all new development projects or any projects that meet the conditions listed in PAMC Section 18.52.030(i).

SECTION 3. Table 1 of Section 18.14.020 (Housing Element Opportunity Sites) of Chapter 18.14 (Housing Incentives) of Title 18 (Zoning) of the Palo Alto Municipal Code is amended to read as follows (additions underlined):

Table 1

Housing Element Opportunity Site Development Standards
(Residential and Commercial Mixed Use Districts)

Base Zoning District	Maximum Far ⁽¹⁾		Minimum Landscape Coverage	Residential Density (du/ac) ⁽⁴⁾		Other Development Standards
	Residential	Total		Minimum	Maximum	
CC ⁽²⁾	1.5	2.0	(3)	20	See base district regulations: 18.16.060	See base district regulations: 18.16.060
CC	1.25	1.25	(3)	20		
CS (El Camino Real)	1.25	1.25	(3)	20		
CS (Other)	1.25	1.25	(3)	20	See HE Appendix D	
CN (El Camino Real)	1.25	1.25	30% ⁽³⁾	20	See base district regulations: 18.16.060	
CN (Other)	1.25	1.25	30% ⁽³⁾	20	See HE Appendix D	
CD-C	2.0	2.0 ⁽²⁾	(3)	20	See base district regulations: 18.18.060	See base district regulations: 18.18.060
CD-N	1.5	1.5	(3)	20	See HE Appendix D	
RP	1.25	1.25	(3)	25	None; 40 du/ac anticipated	See base district regulations: 18.20.040
RM-40	1.5	1.5	(3)	31		See base district regulations:
RM-30	1.25	1.25	(3)	20		

RM-20	1.25	1.25	See 18.13.040	20	See HE Appendix D	18.13.040
<u>NV-R3</u>	<u>See base district regulations: 18.29.060, except that maximum height shall be 50', maximum lot coverage shall be 70%, and minimum density shall be 25 du/ac.</u>					

Notes:

- (1) Nothing in this table increases the non-residential floor area permitted in any district.
- (2) FAR may be increased with transfer of development rights; see [Chapter 18.18](#) for details.
- (3) Landscape coverage may be provided above the ground-floor. If standard is not specified, refer to base district regulations.
- (4) Where no maximum density is provided in terms of du/ac, maximum density shall be determined by estimating the realistic development capacity of the site based on the objective development standards applicable to the project. Where noted, refer to Housing Element Appendix D: Sites Inventory for specified densities.

SECTION 4. Section 18.24.010 (Purpose and Applicability) of Chapter 18.24 (Contextual Design Criteria and Objective Design Standards) of Title 18 (Zoning) of the Palo Alto Municipal Code is amended to read as follows (additions underlined, and unchanged text omitted by bracketed ellipses):

18.24.010 Purpose and Applicability

(a) Purpose

[. . .]

(b) Applicability of Regulations

These regulations apply to Housing Development Projects (as defined in Gov. Code 65589.5), both new construction and renovations, within the following zones and combining districts:

- (1) Chapter 18.12: R-1, for multiple-family uses only
- (2) Chapter 18.13: RM-20, RM-30, RM-40
- (23) Chapter 18.16: CN, CC, CC(2), CS
- (34) Chapter 18.18: CD-C, CD-S, CD-N
- (45) Chapter 18.20: MOR, ROLM, ROLM(E), RP, RP(5), GM
- (56) Chapter 18.28: PF
- (7) Chapter 18.29: NV-N3, NV-R4, NV-MXM, NV-MXH
- (68) [Chapter 18.34](#): PTOD combining district

~~Housing Development Projects include m~~ Multifamily housing with three or more units ("multiple-family use" as defined in Section [18.04.030](#)), supportive and transitional housing, and residential mixed-use projects with at least two-thirds residential square footage shall meet the objective design standards.

(c) Process and Alternative Compliance

[. . .]

SECTION 5. Section 18.70.040 (Nonconforming use – Discontinuance) of Chapter 18.70 (Nonconforming Uses and Noncomplying Facilities) of Title 18 (Zoning) is amended to read as follows (additions underlined):

18.70.040 Nonconforming use - Discontinuance.

- (a) On any site having facilities thereon valued at less than one thousand dollars, any nonconforming use, other than a residential use, which is discontinued or abandoned or otherwise ceases operation and use of the site for a period of six months or longer shall not be resumed, reestablished, or continued, and all subsequent use of such site and facilities thereon shall conform to this title.
- (b) On any site not subject to subsection (a), a nonconforming use of facilities designed and constructed for nonresidential purposes which is discontinued or abandoned or otherwise ceases operation and use of the site for a period of one year or more shall not be resumed, and all subsequent use of such site and facilities thereon shall conform to this title. Notwithstanding the foregoing, a nonconforming use within the North Ventura Coordinated Area Plan boundaries may be reestablished unless the use is discontinued or abandoned or otherwise ceases operation and use of the site for a period of two years or more.
- (c) Notwithstanding the provisions of Section 18.70.030, or the provisions of subsections (a) and (b) of this section, in any residential district, a nonresidential, nonconforming use occupying facilities originally designed and constructed for residential use which is discontinued or abandoned or otherwise ceases operation and use of the site for a period of ninety days or greater shall not be continued or recommenced, and any subsequent use of the site and facilities shall conform to this title. This provision shall not be construed to prevent a change of ownership or management of such nonconforming use; provided, that any cessation of operation of the use is solely in connection with the transfer of ownership or management to a specifically designated person or entity and is solely for the purpose of accomplishing any transfer of title, equipment, operational control, or similar purpose.
- (d) The timeframes provided in this Section apply only when a use is both nonconforming and discontinued or abandoned or otherwise cease operation and use of the site.

SECTION 6. Section 16.65.030 (Basic affordable housing requirement - residential ownership projects) of Chapter 16.65 (Citywide Affordable Housing Requirements) of Title 16 (Building Regulations) is amended to read as follows (additions underlined, and unchanged text omitted by bracketed ellipses):

16.65.030 Basic affordable housing requirement - residential ownership projects.

The provisions of this section shall apply to all residential ownership projects, including the residential ownership portion of any mixed use project containing three or more units, except for any residential ownership project exempt under Section 16.65.025.

(a) Unless an alternative is approved as described in Section 16.65.080, residential ownership projects shall provide the following:

(1) For projects on sites of less than five acres, fifteen percent of the dwelling units in the project shall be made available at affordable sales price to very low, low, and moderate income households;

(2) For projects on sites of five acres or more and all townhome projects in the NV districts, twenty percent of the dwelling units in the project shall be made available at affordable sales price to very low, low, and moderate income households; and

(3) For projects that convert existing rental housing to condominiums, other residential ownership or nonresidential space or that remove existing rental housing, twenty-five percent of the dwelling units in the project shall be made available at affordable sales price to very low, low, and moderate income households.

(4) Calculations of the number of affordable units required by this section shall be based on the number of dwelling units in the residential project, excluding any density bonus units. Projects shall not receive a credit for any existing dwelling units demolished as part of the project.

(b) The affordable units shall be made available at the following affordable sales prices:

[. . .]

SECTION 7. Section 16.65.040 (Basic requirement - mixed use, nonresidential and residential rental projects) of Chapter 16.65 (Citywide Affordable Housing Requirements) of Title 16 (Building Regulations) is amended to read as follows (additions underlined; deletions ~~struck through~~):

16.65.040 Basic requirement - mixed use, nonresidential and residential rental projects.

(a) Unless the mixed use, nonresidential or residential rental project is exempt under Section [16.65.025](#) or an alternative is approved as described in Section [16.65.080](#), all mixed use, nonresidential and residential rental projects shall pay housing impact fees as specified in Section [16.65.060](#) to mitigate the projects' impacts on the need for affordable housing; except:

(1) ~~that the~~ The residential ownership portion of a mixed use project containing three or more units shall comply with Section [16.65.030](#).

(2) In the NV districts, residential rental projects, including mixed use projects containing residential rental units, shall provide fifteen percent of the dwelling units in the project at rates affordable to lower income households.

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SECTION 8. Pipeline Projects. This Ordinance and the NVCAP shall not apply to any project application deemed complete prior to the effective date of this Ordinance. Any project completed pursuant to such application shall be deemed a legal non-conforming structure and/or use, subject to the provisions of Palo Alto Municipal Code Chapter 18.70.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Assistant City Attorney

City Manager

Director of Planning and
Development Services