



Planning & Transportation Commission Staff Report

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

Meeting Date: February 26, 2025
Report #: 2501-3978

TITLE

PUBLIC HEARING / QUASI-JUDICIAL. 4335 and 4345 El Camino Real [24PLN-00153]:
Recommendation on Applicant's Request for Approval of a Vesting Tentative Map to Allow for a Condominium Subdivision to Create Eight Units on a 17,406 Square Foot Parcel and to Create 21 Units on a 41,370 Square Foot Parcel. The Subdivision map Would Facilitate Construction of 29 New Residential Units in Five Buildings (24PLN-00152). CEQA Status: Exempt from the Provisions of the California Environmental Quality Act in Accordance with CEQA Guidelines Section 15332 (In-fill Development). Zoning District: CS (Service Commercial). For More Information Contact the Project Planner Emily Kallas at Emily.Kallas@CityofPaloAlto.org.

RECOMMENDATION

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

1. Consider the project exempt from CEQA in accordance with CEQA Guidelines Section 15532 (in-fill) as documented in Attachment D; and
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 eight residential condominium units on the existing, 17,406 square foot parcel located at 4335 El Camino Real, and 21 residential condominium units on the existing, 41,370 square foot parcel located at 4345 El Camino Real, for a total of 29 condominium units.

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 29-unit residential townhome project. Four units of which would be provided at below market rate and made affordable to moderate income

households (80-120% of Area Median Income). The applicant would also pay in-lieu fees for the remaining 0.35 unit in in-lieu fees, totaling 15% of the base units.

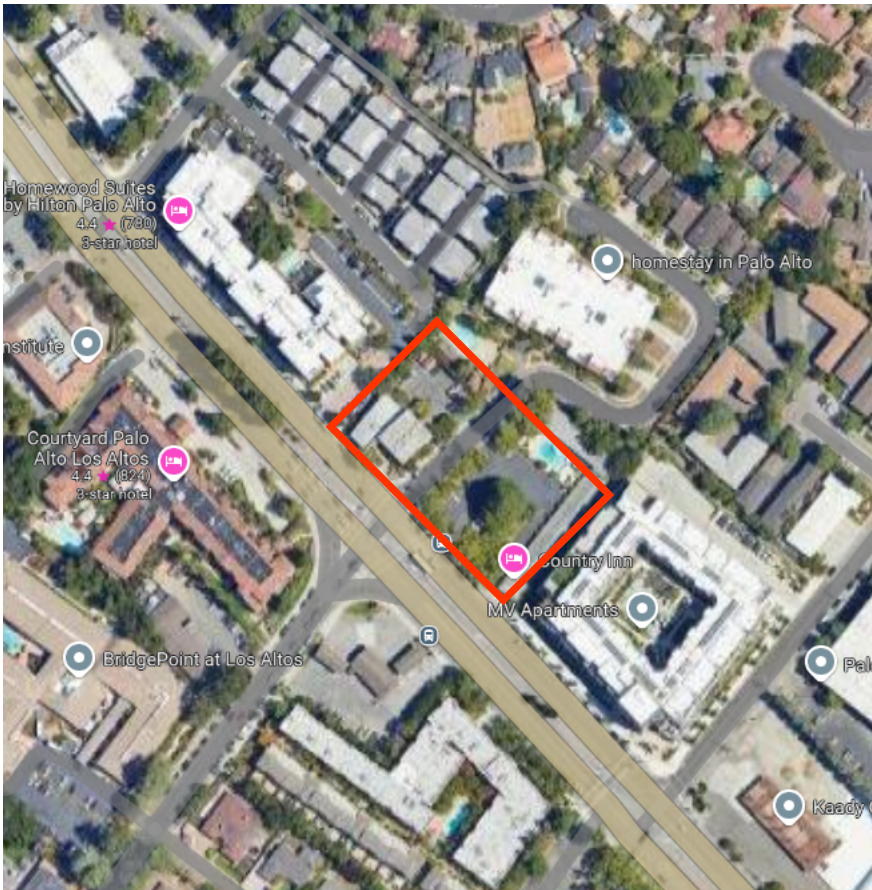
BACKGROUND

Project Information

Owner:	Cesano, Inc.
Architect:	SDG Architects, Inc.
Representative:	John Hickey, SummerHill Homes
Legal Counsel:	N/A

Property Information

Address:	4333-4335 El Camino Real and 4345 El Camino Real
Neighborhood:	Monroe Park
Lot Dimensions & Area:	4335 El Camino Real: Approximately 70 feet wide, 150 feet deep, 17,406 square feet total 4345 El Camino Real: Approximately 169 feet wide, 266 feet deep, 41,370 square feet total
Housing Inventory Site:	Yes, 12 units at 4335, 31 units at 4345 El Camino Real
Located w/in a Plume:	No
Protected/Heritage Trees:	Yes, street trees
Historic Resource(s):	TBD
Existing Improvement(s):	4335 El Camino Real: One-story commercial building, 2,732 square feet Two-story commercial building, 6,384 square feet 4345 El Camino Real: One-to-two story motel building 10,913 square feet
Existing Land Use(s):	Commercial/retail, motel
Adjacent Land Uses & Zoning:	North: Hotel (CS) West: Multi-Family Residential (PC) East: Hotel (CS), Gas Station (City of Los Altos) South: Multi-Family Residential (City of Mountain View)
Aerial View of Property:	



Source: Google Satellite Maps

Land Use Designation & Applicable Plans

Comp. Plan Designation: Service Commercial (CS)

Zoning Designation: Service Commercial (CS)

Prior City Reviews & Action

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 September 19, 2024.¹

PROJECT DESCRIPTION

The proposed project includes a request for approval of a Vesting Tentative Map to create eight residential condominium units on the existing, 17,406 square foot parcel located at 4335 El

¹ Link to the September 19, 2024 ARB Staff Report:

<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateId=13905>, Video:

<https://youtube.com/watch?v=WEp4UeH1qhM?feature=share>

Camino Real, and 21 residential condominium units on the existing, 41,370 square foot parcel located at 4345 El Camino Real, for a total of 29 condominium units. Approval of the map also includes acceptance of proposed public utility easements and private streets on the parcel, which are required per City of Palo Alto Utility and Public Works Engineering Department standards, respectively. A location map is included in Attachment A. A link to the proposed Vesting Tentative Map is included in Attachment C.

On February 19, 2025, the proposed improvements associated with this condominium subdivision were tentatively approved by the Director, following the September 19, 2024 ARB meeting, in accordance with the Streamlined Housing Development Review Process. The project includes demolition of a commercial building located at 4335 El Camino Real, which contained retail and personal service uses, and a motel located at 4345 El Camino Real.

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 February 19, 2025.

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

This property is located adjacent to the city boundaries with both the City of Mountain View to the south and the City of Los Altos to the west. The property currently contains one- and two-story commercial buildings, which contain retail and personal service uses (4335 El Camino Real) and a hotel use (4345 El Camino Real). The 4345 El Camino Real site is directly adjacent to a five-story apartment building located within the City of Mountain View and the 4333-4335 parcel is immediately adjacent a four-story hotel (Homewood Suites). Behind the project site along Cesano Court is a condominium building and seven single-family homes located within PC-3036. This PC project also established the current lot configuration on the subject property,

which is why the project plans refer to 4333-4335 El Camino Real as “parcel 1” and 4345 El Camino Real as “parcel 3”. Across El Camino Real is a three-story hotel and a gas station. The Los Altos City Council has approved demolition of the gas station and development of a five-story multi-family complex.

Consistency with the Comprehensive Plan, Area Plans, and Guidelines²

The proposed Vesting Tentative Map is consistent with the Comprehensive Plan, in that the site is designated as the “Commercial Service” land use designation, which allows for multi-family residential uses. The site is also identified as a Housing Inventory Site in the Housing Element; therefore, development of the site with multi-family residential use is appropriate and consistent with the Housing Element, as discussed further below. 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 four 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.

Housing Element

Both 4335 and 4345 El Camino Real are Housing Inventory Sites (HIS) in the City’s adopted Housing Element. The 4335 El Camino Real parcel has a projected capacity of 12 units where 8 units are proposed, and the 4345 El Camino Real parcel has a projected capacity of 31 units where 21 units are proposed. This is a total of 14 units below the anticipated capacity for the two sites combined. In preparing the Housing Element to meet the City’s required Regional Housing Needs Allocation (RHNA) of 6,086 units, the City planned for and analyzed a buffer, meaning that in identifying HIS, the City planned an additional 727 units to accommodate for the fact that actual development of housing projects across the City are dependent on numerous factors. Therefore, although the project does not build to the identified capacity for the site, the project still proposes a housing development project on a HIS and includes four inclusionary below market rate units on site, consistent with the City’s goals of providing housing. The difference in the number of units between the 43 units identified in the housing element and the 29 proposed is accounted for within the allotted buffer. Therefore, re-designation of another HIS to accommodate this difference is not required.

Zoning Compliance³

The site is zoned CS (Service Commercial). The proposed multi-family development is a permitted use within the CS Zone District and the applicant requested relief from retail preservation requirements through use of State Density Bonus waivers and concessions. The size of the parcels would not change and is consistent with code requirements for the zoning

² The Palo Alto Comprehensive Plan is available online: bit.ly/PACompPlan2030

³ The Palo Alto Zoning Code is available online: bit.ly/PAZoningCode

district, which has no minimum lot size requirements. Likewise, CS-zoned parcels have no maximum density, and therefore the proposed 20-22 du/ac is sufficient. Staff finds that the proposed Vesting Tentative Map complies with these code requirements for parcels.

The proposed public streets meet the minimum 32-foot width as required by PAMC Section 21.20.240.

Multi-Modal Access & Parking

As a housing development project proposed in accordance with State Density Bonus Law, this project is required to provide 1.5 space per unit and no guest spaces are required. The applicant proposes two parking spaces per unit (for a total of 56 spaces) plus two guest spaces on the site, and therefore exceeds this requirement. The project proposes two new private streets to provide access from Cesano Court to each of the units. The proposed project is anticipated to provide fewer net trips than the existing uses.

There are no existing bike lanes on Cesano Court or El Camino Real in the vicinity of the project. The planned El Camino Real improvements will add a bike lane on El Camino Real in this location.

Consistency with Application Findings

As detailed in Attachment B, this project meets all required findings for a Vesting Tentative Map and facilitates development of a housing development project that is consistent with the City's regulations, goals, and policies.

FISCAL/RESOURCE IMPACT

The developer would be required to pay all applicable development impact fees estimated to total \$2,118,286.08 for the subdivision and the proposed improvements, plus the applicable public art fees, as documented in Condition of Approval #8 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 be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the *Daily Post* on February 14, 2025, which is 12 days in advance of the meeting. Postcard mailing occurred on February 12, 2025, which is 14 days in advance of the meeting.

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 included in Attachment C. Two members of the public advocated for a connection to the existing bicycle path from Mountain View at the rear of the neighboring development to Cesano Court. However, the connection point to Cesano Court is not part of

the subject property. The connection point would affect a neighboring parcel that is currently owned by the residents of the neighboring condominiums. Modifications to this parcel would require unanimous approval of all the condominium owners and the applicant does not have the authority to agree to this work.

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. A link to the exemption documentation is available in Attachment D.

ALTERNATIVE ACTIONS

In addition to the recommended action, the PTC may:

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

ATTACHMENTS

Attachment A: Location Map Attachment

Attachment B: Draft Record of Land Use Action

Attachment C: Public Comments

Attachment D: Link to Vesting Tentative Map and Environmental Analysis

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