



# PLANNING & TRANSPORTATION COMMISSION MINUTES

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*August 28, 2002*  
*REGULAR MEETING – 7:00 PM*  
*City Council Chambers*  
*Civic Center, 1st Floor*  
*250 Hamilton Avenue*  
*Palo Alto, California 94301*

**ROLL CALL: 7:10 PM**

**Commissioners:**

*Annette Bialson, Chair*  
*Michael Griffin, Vice-Chair*  
*Karen Holman*  
*Kathy Schmidt -- absent*  
*Bonnie Packer*  
*Phyllis Cassel*  
*Patrick Burt*

**Staff:**

*Lisa Grote, Chief Planning Official*  
*John Lusardi, Planning Manager*  
*Curtis Williams, Consultant Planner*  
*Susan Ondik, Planner*  
*Gina La Torra, Planning Intern*  
*Robin Winkler, Staff Secretary*  
*Zariah Betten, Executive Secretary*

Chair Burt:

Chair Burt: Thank you. At this time we provide an opportunity for members of the public to speak on items that are not scheduled for the agenda.

**ORAL COMMUNICATIONS.** Members of the public may speak to any item not on the agenda with a limitation of three (3) minutes per speaker. Those who desire to speak must complete a speaker request card available from the secretary of the Commission. The Planning and Transportation Commission reserves the right to limit the oral communications period to 15 minutes.

Chair Burt: We do not have any speaker cards for the non-agendized items.

Tonight's primary items are to do with the Zoning Ordinance Update. First a presentation on Mixed-Use Aspects of Multi-Family and Mixed-Use Analysis. We all have a Staff presentation. Then further discussion of our LM and GM Districts. Preceding that we have a carry-over item from our last meeting, which is the selection of the new Chair and Vice-Chair.

**COMMISSION MEMBER QUESTIONS, COMMENTS, AND/OR ANNOUNCEMENTS.**

- 1  
2 • Selection of Chair and Vice Chair.  
3

4 Chair Burt: Do we have nominations that Members of the Commission would like to make for  
5 Chair and Vice-Chair? Phyllis.  
6

7 Commissioner Cassel: I would like to nominate Bonnie Packer to be Chair of the Planning  
8 Commission. She has been with us now several years initiating motions and putting together  
9 items for us to vote on and summarizing items. She has experience in other formats for being  
10 Chair in other committees and non-profit organizations. I think she will do a fine job at  
11 managing our meetings.  
12

13 Chair Burt: Thank you. Any other nominations? Michael.  
14

15 Commissioner Griffin: I would like to nominate Annette Bialson. I'll say a few words of  
16 support to that if I may. Annette possesses previous experience in the roll of Chair not only here  
17 on the Planning Commission but in her professional career as well. She has the process skills I  
18 think we are going to need as we tackle the meat of the Zoning Ordinance Update and several  
19 other high visibility issues coming before the panel in the coming year.  
20

21 Chair Burt: Any other comments from Commissioners? Annette.  
22

23 Commissioner Bialson: I just want to comment that on the upcoming vote I will be voting for  
24 Bonnie.  
25

26 Chair Burt: Thank you. We have the option of either verbal votes or written votes. We can go  
27 either, we will go with verbal then.  
28

29 For Commissioner Packer, all those in favor? (ayes) We have three votes in favor,  
30 Commissioners Cassel, Bialson and Packer.  
31

32 For Commissioner Bialson, all those in favor? (ayes) We have a three to three tie. What we can  
33 do is take a second voted. Is that how the Commission would like to proceed?  
34

35 A second vote, all those in favor of Commissioner Packer? (ayes)  
36

37 All those in favor of Commissioner Bialson? (ayes) We have a four to two in favor of  
38 Commissioner Bialson. With Commissioners Griffin, Holman, Bialson and Burt voting in favor  
39 of Commissioner Bialson.  
40

41 We have had two very excellent candidates and I think we will draw from the experience of  
42 Commissioner Bialson in this very demanding year of Zoning Ordinance Update. So at this time  
43 I would like to turn the Chair over to Commissioner Bialson for selection of the Vice-Chair. Is  
44 that appropriate?  
45

46 Chair Bialson: That would be fine or you could do the Vice-Chair position.  
47

48 Commissioner Burt: That's fine too.

1  
2 Chair Bialson: Why don't you do that.  
3  
4 Commissioner Burt: Okay. Do we have nominations for the position of Vice-Chair? Karen.  
5  
6 Commissioner Holman: I would like to nominate Michael Griffin.  
7  
8 Commissioner Burt: Do we have any other nominations? Bonnie.  
9  
10 Commissioner Packer: I would like to nominate Phyllis Cassel.  
11  
12 Commissioner Burt: Would anyone like to speak to their nominations? Karen.  
13  
14 Commissioner Holman: Michael and I came on the Commission at the same time and I have  
15 been really impressed with Michael. He shows great enthusiasm. He is respectful of all  
16 participants be it the public, the Staff or other Commissioners. He doesn't have a particular  
17 banner to wave and I think that's really so very important the next couple of years because we  
18 are doing the Zoning Ordinance Update and then we are going to be applying the Zoning  
19 different parcels. I think that that's really, really important that he doesn't have a particular  
20 banner to wave. I have watched him grow particularly the last six months I've just seen him take  
21 giant leaps in growth in procedure and I support him for this role.  
22  
23 Commissioner Burt: Bonnie.  
24  
25 Commissioner Packer: I agree with everything that Karen said about Michael. He has been a  
26 wonderful Commissioner. The only thing I wanted to say is I am somewhat relieved that  
27 Annette will be Chair because we do have a hard year ahead of us and I think Annette is  
28 certainly capable of carrying us through and because of the difficulties of the scope of our  
29 workload and the depth of some of the issues that will coming forward I think we really need to  
30 rely on our more experienced Commission Members to help lead us through this. That's why I  
31 think Phyllis would be an excellent choice for Vice-Chair.  
32  
33 Commissioner Burt: Thank you. Any other comments? All those in favor of Commissioner  
34 Griffin? We have four in favor, Commissioners Griffin, Bialson, Holman and Burt.  
35  
36 All those in favor of Commissioner Cassel? We have two in favor, Commissioners Packer and  
37 Cassel. Commissioner Griffin is elected as our new Vice Chair.  
38  
39 MOTION  
40  
41 I would like to move that the Commission, I think this is proper procedure, support by  
42 acclamation the Chair and Vice-Chair. Do we have a second to that motion?  
43  
44 SECOND  
45  
46 Commissioner Packer: Second.  
47  
48 MOTION PASSED

1  
2 Commissioner Burt: Commissioner Packer. All those in favor? (ayes) We have unanimous  
3 support by acclamation. The best of luck and wishes. It has been a pleasure serving the  
4 Commission in this role. Karen.

5  
6 Commissioner Holman: I think it is very important to acknowledge you and Bonnie for the  
7 leadership you have given this Commission the last year. Staff certainly knows it has been a  
8 very arduous year, and your leadership and endurance and even patience at times have been very  
9 much appreciated. So a nod of appreciation to the both of you for that leadership role is very  
10 appropriate. Thank you.

11  
12 Commissioner Burt: thank you. I have enjoyed the year and look forward to the upcoming years  
13 on the Commission. The best of luck to the new Chair and Vice-Chair.

14  
15 Chair Bialson: Thank you for allowing that shifting of personnel and furniture. Next on our  
16 agenda is the Consent Calendar.

17  
18 **CONSENT CALENDAR.** Items will be voted on in one motion unless removed from the  
19 calendar by a Commission Member.

20  
21 Chair Bialson: We have nothing on that.

22  
23 **AGENDA CHANGES, ADDITIONS AND DELETIONS.** The agenda may have additional  
24 items added to it up until 72 hours prior to meeting time.

25  
26 Chair Bialson: The Agenda Changes I don't believe we have any. So the next item is Item  
27 Number One, Transportation Significance Thresholds. Is that correct?

28  
29 **UNFINISHED BUSINESS.**

30 **Public Hearings:** None.

31  
32 **Other Items:** None.

33  
34 **NEW BUSINESS.**

35 **Public Hearings:**

36  
37 **PLEASE NOTE: ITEM NO. 1 HAS BEEN CONTINUED TO THE SPECIAL MEETING**  
38 **OF SEPTEMBER 19, 2002.**

- 39  
40 1. **Transportation Significance Thresholds:** Staff will present and overview of  
41 assumptions and methodologies for determination of traffic impacts of land development  
42 along with proposed revisions to current standards for determination of traffic impacts of  
43 land development for Commission's review and comment.

44  
45 Ms. Lisa Grote, Chief Planning Official: That item is continued until September 18, 2002.

46  
47 Chair Bialson: I would have noticed that if I had looked. Thank you very much. The only item  
48 tonight if I am correct is the Zoning Ordinance Update Study Session.

1  
2 **Zoning Ordinance Update Study Session:** LM and GM discussion and Multi-family  
3 and mixed-use constraints analysis.  
4

5 Chair Bialson: Would Staff care to make its presentation?  
6

7 Ms. Grote: Thank you very much Chair Bialson and Commissioners. We do have an entire  
8 evening devoted to the Zoning Ordinance Update this evening. There are two aspects to the  
9 Zoning Ordinance Update that we would like to talk about and discuss with you tonight. One is  
10 the multi-family and mixed-use constraints analysis. We do have our consultants from Van  
11 Meter, Williams & Pollock here, Rick Williams and Kevin Gardiner, to give you a presentation  
12 on what they have found to be existing constraints with the existing regulations in looking at  
13 both mixed-use and multiple family zones. Before we get into that I would like to say the second  
14 aspect of tonight's study session will be a continuation of the discussion that you began on July  
15 17, 2002 regarding the Manufacturing Districts, LM and GM, Limited Manufacturing and  
16 General Manufacturing Districts. So after you finish with your discussion on the mixed-use and  
17 multiple family issues we would then move into a continuation of those issues that you had  
18 started to discuss on July 17, 2002.  
19

20 I did also want to introduce to you several new Staff members that have replaced our previous  
21 Staff members who left a couple of months ago. I did want to mention that Joan Taylor in her  
22 retirement is now being replaced with John Lusardi who is moving over to manage this project  
23 on a daily basis. He will now have a staff consisting of Susan Ondik, who is in the audience.  
24 She will be one of our Planners helping with the effort. Also, Gina La Torra who is a Planning  
25 Technician who is in the audience will be assisting as well. Then on Tuesday, September 3, we  
26 have our final member starting and her name is Beth Young. She will be a Senior Planner also  
27 devoted to the Zoning Ordinance Update. So we expect to be making some good progress with a  
28 full team very shortly. So that is exciting for us.  
29

30 To get into the presentation by Rick and Kevin, they have looked at the existing regulations in  
31 the commercial districts and in multiple family districts and what kinds of buildings result from  
32 those regulations and what some of the problem areas or constraints are of those regulations.  
33 This is the beginning of the conversation regarding mixed-use and multiple family development.  
34 It is by no means the end of that conversation. It is an opportunity to get input from the  
35 consultants as well as for you to give us input on issues or concerns that you have seen as  
36 projects have come before you, either mixed-use or multiple family projects and it is an  
37 opportunity to start getting public input on this as well. So with that I will turn it over to Rick  
38 and Kevin.  
39

40 Mr. Rick Williams, Consultant, Van Meter, Williams & Pollock: Thank you very much. The  
41 analysis that we are going to give you a summary of now, and you have further in your Staff  
42 Report, represents an evaluation that was completed back in April regarding evaluating the  
43 existing zoning regulations not really trying to interpret that into additional policies. It brings up  
44 issues relative to the overall zoning regulations for both mixed-use and multi-family zoning  
45 districts. In doing this evaluation we looked at a variety of different site configurations. We  
46 focused on the smaller sites rather than very large sites anticipating that those would still  
47 probably be going through a PC type process. So we were really focusing on the predominant  
48 site configurations, which were generally smaller sites in the mixed-use areas, or areas that

1 potentially could be mixed-use between about 6,500 and 22,500 square feet was the range that  
2 we used. In the multi-family scenarios we again focused on the smaller sites knowing that the  
3 larger sites would come under greater scrutiny and that the real constraints element of them or  
4 the pieces of the zoning regulation, which really formulated the building form had the greatest  
5 impact on the smaller sites. We went through a wide variety of analysis. This isn't meant to  
6 give you any detailed information. We looked at a wide variety of building forms on all the  
7 different various sites. We focused in on a number of items and a number of issues. We  
8 evaluated the residential units or the density, height or number of stories, setbacks side, rear and  
9 front, floor area ratios, site coverage and the parking requirements and what the sites could  
10 accommodate. We evaluated those based on current standards and really tried to make a  
11 determination of what we could build on the site, and this is very important, without receiving  
12 any variances whatsoever. So we weren't trying to change the building envelop. We were trying  
13 to say we as architects are trying to design a building within the existing zoning regulations and  
14 our goal was to design a building, which didn't require any variances.

15  
16 Again, we looked at the variety of sites in the multi-family regulations as well and used a similar  
17 evaluation for those.

18  
19 The summary really focused on density, the setbacks and daylight plane, which was a major  
20 issue, the usable open space, parking, actually we should say parking, parking and parking,  
21 design not so much in aesthetics but in building form and what type of building form or building  
22 type was created. Then the issue of variances and PC zoning was also discussed. Here is the  
23 summary of those various topics.

24  
25 The density really limited and restricted the housing potential of the sites more greatly than the  
26 physical form limited the housing. The number of units allowed rather than the building mass  
27 ended up limiting on mixed-use or multi-family sites. The density limits were proportionately  
28 lower than those maximum floor area ratios, etc. that were allowed. It wasn't that we couldn't  
29 get the parking on, it wasn't that we couldn't get the building size on the site within the zoning  
30 regulations but the units became large units and fewer units rather than say smaller units with  
31 more units. You could get two units rather four on a site. You could have parked four, you  
32 could have fit four units within so there is an emphasis on creating great big units within the  
33 building rather than more smaller units, which also could be translated to an issue of  
34 affordability.

35  
36 The setbacks and daylight plane we found was a major impact on these smaller sites. I want to  
37 emphasize that particularly whether it was in the mixed-use or the multi-family but particularly  
38 on the small sites the side setbacks and daylight plane requirements really impacted the building  
39 design and the building form to a greater extent than I think were anticipated. When you took  
40 for example on multi-family, if you took a commercial zoning requirement placed the multi-  
41 family designation on top of that as a mixed-use building then the setback requirements and  
42 daylight planes for that really impacted the building form substantially. As well as the 25-foot  
43 arterial setback, which comes into play when you have a mixed-use building and it is part of say  
44 the RM-30 and RM-15 Zoning. It would artificially push the building back off the street and in a  
45 mixed-use area or a commercial retail area that building suddenly wasn't really conducive to  
46 pedestrian oriented street front retail uses. If you push the building back in an area where all the  
47 other buildings go up to the street it makes for an odd configuration.

48

1 One of the other things that we thought was interesting was that when the building mass is  
2 pushed to the front of the site, if you were to break that one arterial setback rule, then for sure the  
3 rear setback and daylight plane requirements aren't an issue. Those setback and daylight plane  
4 requirements are really there to protect the single family or residential properties that are behind  
5 that first thin layer of commercial properties along different arterials and in different areas. So  
6 that you have this conflict within the zoning code where in one instance you are asked to push  
7 the building back for the arterial setback but that in fact then squeezes, along with the rear  
8 setback, so if you have an arterial setback here that is wider then the building is impacted by the  
9 daylight plane but it isn't impacted if you push the building forward. So there is a little conflict  
10 in the regulations there. Regardless of that, this particular element in the zoning code seems to  
11 work fairly effectively and wasn't really the piece that impacted the design of the building forms.

12  
13 On building height we found that the RM-15 and RM-30 building heights for residential and  
14 mixed-use projects really began to discourage mixed-use buildings in a number of ways. But a  
15 three-story building with good quality ground floor retail space, which is what most people are  
16 striving for, if you want a good quality retail space then you need a fairly good floor-to-floor  
17 height on the first floor. It is just not quite enough to get a three-story building within a 35-foot  
18 height limit. It wouldn't take a very large change but parapet walls and pitched roofs would need  
19 to extend slightly above a 35-foot height limit to create a three-story building within that form.

20  
21 On smaller sites the building height isn't really a limiting approach at all because in a  
22 configuration like this the side daylight planes are a much greater constraint than height. So the  
23 height issue really only would apply on larger sites.

24  
25 Usable open space, and I have to say we had to contact the City a couple of times to get an  
26 interpretation of what this actually meant. What happens with the building form is that when  
27 you begin to create an object building with all of the other side yard, front yard, and rear yard  
28 setbacks and create a building form which begins to create a building in the middle of the site  
29 you end up with open space which is questionable as to its goal for usability. Primarily because  
30 it is disassociated with the uses that are up above a building, say on a mixed-use project, so that  
31 if you have residential on top of retail/commercial in a mixed-use area then your open space is  
32 generally found down on the ground floor disassociated. So there are a couple of things that  
33 should be dealt with. The amount of usable open space or the standards for it may be  
34 disproportionately large and encouraging the side yard setbacks and the front yard setbacks. The  
35 other thing, regardless of what the percentage is, what is defined as usable open space should be  
36 much more clear in the zoning regulations as we do an update. So whether you change any  
37 percentages or not it should be more clearly defined, common open space, private open space,  
38 minimum dimensions and where they are relative to the uses that they are meant to be for should  
39 be more clearly defined.

40  
41 Parking is a balancing act that we worked on which really did impact development. This is also  
42 an economic issue and later on in the process there will be an economic consultant onboard to do  
43 some evaluations on this so I am just going to comment in general on economics. But basically  
44 what we found was that when you try to do a project that had surface parking it greatly reduces  
45 the size of the building and becomes one of the limiting factors in development particularly if  
46 you are attempting to encourage commercial development on the site. It becomes the defining  
47 factor on how much development you can do particularly on the smaller sites. When you then  
48 say just do underground parking, which has an economic issue but regardless of that, once you

1 start to go underground with parking what you find is that the lot coverage and floor area ratio is  
2 really the limiting factor on the project. So you might be able to park more cars on the site  
3 underground than you could actually create development for because you have different limiting  
4 factors. I think that one of the things that should be looked at is attempting to balance those so  
5 that whether you are having the same amount of development, less development or more  
6 development you attempt to balance the number of parking spaces and the development and the  
7 cost of underground parking if you are trying to encourage that with the amount of development  
8 that you can have. I don't have the exact formula for it but it is something that should be  
9 evaluated through this process. So the number of parking spaces maxes out the site coverage and  
10 floor area ratio utilization on the surface parking and on the underground parking scenario the  
11 floor area ratio is really what limits the development potential. So it is the one time that parking  
12 isn't.

13  
14 One of the other things that we found that was a little bit unique was in certain zones you count  
15 say a podium parking within the floor area ratio and in other zones you don't count the parking.  
16 That should be coordinated appropriately because if floor area ratio is really reflective of  
17 building mass then it should be consistent. You should either never count it or always count it.  
18 Then you should adjust the floor area ratios allowed proportionately if you are attempting to  
19 encourage that. That is tied to another feature, which is the open space that we talked about  
20 earlier. If you want to have open space that isn't down on the ground with the residential up  
21 above it but you want to have the open space associated with the residential, which is the reason  
22 you have the open space, then from a usability standpoint you may want to encourage podium  
23 parking as part of an overall parking and building strategy. So that would then give you open  
24 space up at the podium level that would then be more usable to the residents that would live there  
25 in a mixed-use project. With that you can still meet daylight plane and rear setback requirements  
26 that are even existing in the regulations today. So what we should look at is making it consistent  
27 with the way you count it, not flipping from one zone to the next. I think that's important and  
28 then understanding the implications of that relative to the floor area ratios that you eventually set  
29 in the zoning regulations.

30  
31 The other issue is design and I am not talking about design in terms of style. I am not talking  
32 about is it a Victorian design or is it a modern design. I am talking about it in terms of a building  
33 prototype and massing, how the building sits on the site. I am going to give it sort of a negative  
34 context in a way for many people. The old shotgun buildings where you can drive all the way  
35 down the length of it and you just park under the building and the whole building is above  
36 ground was a prototype that a lot of people in old historic neighborhoods saw move into their  
37 neighborhood in the 1960s because it fit in within the zoning regulations. In fact, it still fits in  
38 within the zoning regulations today you would have a difficult time building it for aesthetic  
39 reasons possibly but they haven't changed the zoning regulations to eliminate that type of  
40 building prototype. Then in a mixed-use area you also have the problem where you have a main  
41 street type of residential area where all of the other buildings would front the street for example  
42 in some areas on El Camino Real and in other areas you have buildings that come up to the street  
43 currently. If you tried to build a building in the middle of that block today the zoning regulations  
44 would require you to set the building back 25 feet and it would be inconsistent with all of the  
45 other buildings on the street. It would just be one building set back. That continuity in retail  
46 storefronts is one of the things that make your Downtown so wonderful. You can always walk  
47 along the street and have a continuity of walks. It doesn't prohibit somebody from setting the  
48 building back a little bit to create a nice space but in this case you are forced to and in the same

1 way you are also forced to have side yard setbacks which don't necessarily fit into the building  
2 pattern as well.

3  
4 I think those are unintended consequences of saying let's do mixed-use but let's put the multi-  
5 family regulations on top of the commercial regulations and have those govern without really  
6 testing them to see what kind of building forms that you eventually end up with. What that all  
7 adds up to is a whole heck of a lot of work for you all because none of the buildings that come  
8 out of this are appealing to your design review board, are appealing to the development  
9 community or really are very appealing to the residential community around or the Planning  
10 Department and generally to the Planning Commission as I well I suspect. So what happens is  
11 every project comes before you as a series of variances which have to have some very specific  
12 findings for or get enveloped into a PC Zone which becomes a very complex and arduous  
13 process which again discourages maybe bad development but it also discourages good  
14 development, the type that you would like to have in the community. It just discourages  
15 development period. That is an important piece to consider. If everyone can come to agreement  
16 on appropriate buildings for a zoning designation then you should be able to write zoning  
17 regulations that help to create and allow that type of building. Then every single project  
18 shouldn't have to be a PC Zone or a variance. So it should simplify everybody's job and create  
19 more assurity of the type of building that you would get.

20  
21 So that's a summary of that evaluation. I wanted to fit it into the bigger picture of the Zoning  
22 Ordinance Update very briefly. That was done back in April, that report, and it was much more  
23 extensive than that and I can answer detail questions on it but we are also now looking at  
24 identifying some additional site areas or site types for different scenarios.

25  
26 We will be looking at the zoning in the Downtown area as well. We will be looking at Midtown  
27 commercial and we are not looking at specific sites. Again, similar to the previous study we will  
28 be looking at hypothetical sites that fit into a general matrix of the type of sites in the area. Then  
29 we will also be looking at sites that would be a little bit larger that would be represented in some  
30 of the existing neighborhood centers in the area. We are also going to be coming back to you  
31 next week along with [Herb's Works] and we will be discussing additional opportunities and  
32 constraints as well as we will be looking at the form-based approach showing you some  
33 examples of how some other cities have tried to tackle this undertaking with a form-based  
34 approach to zoning. We will also go through an extension of this evaluation with some  
35 hypothetical approaches to how would you change with the exact same amount of development  
36 and how might you fit it in with Comprehensive Plan policies as well. Then in October we will  
37 be coming back to you again with a much more comprehensive evaluation of Comprehensive  
38 Plan scenarios. So rather than looking at it strictly from a zoning regulation approach to the  
39 existing zoning we will also be looking at the Comprehensive Plan policies and looking at these  
40 same types of sites and how might the building forms be modified by the Comprehensive Plan  
41 policies. So that is later on in October. Those we will be looking at the existing regulations, the  
42 Comprehensive Plan policy presentation and then moving forward to looking at some  
43 Comprehensive Plan prototypes as well. That concludes the summary presentation. I know that  
44 this report was in much greater detail than that and had a lot of numbers associated with it. I  
45 hope I was able to summarize it sufficiently for you but if you have any detail questions myself  
46 or Kevin Gardiner would be glad to answer any questions for you.

1 Chair Bialson: Thank you very much. Commissioners, do we have any questions prior to hear  
2 from the public? I am not seeing any at this point. So I think we will go to the public and I have  
3 cards from two speakers. First is Harold Justman and second is Paul Garrett. You each will  
4 have five minutes.  
5

6 Mr. Harold Justman, 828 Ramona, Palo Alto: Chair Bialson and Honorable Members, the idea  
7 that greater housing density will produce affordable housing in amounts sufficient to meet our  
8 housing needs is not supported by the history of the City's BMR program during the last 25  
9 years. During that time the BMR program has only produced about 150 BMR ownership units.  
10 A policy of increasing housing density throughout all of Palo Alto is an unworkable policy, I  
11 believe, for our neighborhoods. However, the Palo Alto Oaks Housing Development at Ramona  
12 and Channing points the way toward affordable housing that our neighborhoods can afford.  
13 Moreover there are other sites where this solution can be implemented, the Mayfield site, the  
14 Hoover Pavilion, the Fry's site. They all offer the potential of direct construction of affordable  
15 housing without urbanization of every Palo Alto neighborhood. If we really want to increase the  
16 amount of affordable housing we need to build it directly rather than rely on a policy of  
17 increased housing density. I think then we will have a solution that provides our housing needs  
18 without impacting the neighborhood unnecessarily. Thank you.  
19

20 Chair Bialson: Thank you. The next speaker is Paul Garrett to be followed by Bob Moss.  
21

22 Mr. Paul Garrett, 890 California Avenue, Palo Alto: Good evening. First I would like to thank  
23 all of you for your service to the community. I don't know how you endure this because some of  
24 you start very early in the morning. I have seen you in the morning.  
25

26 I didn't come to speak specifically to this presentation but I did want to make some general  
27 comments. I live in College Terrace and Kathy Durham, the President of our residents  
28 association, couldn't be here and asked me to come. I have lived in Palo Alto for 54 years so I  
29 have seen a bit of the development. I live across from Stanford Research Park on California  
30 Avenue on that side of El Camino. So I have seen the intensity of use of the Stanford Research  
31 Park just keep growing over the years. One thing I would advise you to do is to pay particular  
32 attention to that growth and intensity of use. When I first built a house there 20 years ago they  
33 were very quiet operations like book warehouses and there would be about 20 employees to a  
34 building. Now we have acres of people right across the street in that super-block. That brings  
35 me to my second point. The super-block that is bounded by California and Page Mill, El Camino  
36 and Hanover, was a gross mistake of planning. We suffer from it, those of us who live nearby in  
37 College Terrace, we suffer from that mistake every day because we have truck traffic that  
38 maneuvers on our half residential street in order to back into driveways of commercial  
39 establishments across the street. It is a risk to cross that street on foot. There are no pedestrian  
40 crosswalks there. We have made some progress in dealing with Stanford Management Company  
41 on their new development at least recognizing there needs to be a service road or a core road up  
42 through the middle of that super-block from El Camino to Hanover. There is one building that  
43 stands in the way and as things go maybe that building will go or a piece of it will go someday  
44 and we could have a service road that would take the commercial traffic off of California  
45 Avenue. There are those of us who live on one side of the street and we would like to see that  
46 happen. If you follow the development at Hanover and California, known as 2475 Hanover, it is  
47 an 80,000 square foot office building. We see a beginning of that provision so that that road  
48 could occur. We also see some landscaping on the corner that came from meetings with the

1 ARB and Stanford Management Company. So we are very active in this whole field. We are  
2 squeezed in between the campus where there is a huge amount of development and the industrial  
3 park or the Research Park where there is a lot of activity and now El Camino is very active. So  
4 we are bound up in that rather confined space and we appeal for your help in any way you can  
5 alleviate the situation. Thank you.

6  
7 Chair Bialson: Thank you. Bob Moss and that will be the last speaker.

8  
9 Mr. Bob Moss, 4010 Orme, Palo Alto: Thank you. I would also like to thank you for your  
10 service and I am sorry you are not continuing on.

11  
12 I have a few comments. It is déjà vu all over again. First is on the bonus FAR for underground  
13 parking. Some 30 years ago when the Zoning Ordinance was approved initially and the FARs  
14 were set for various commercial properties there was concern that they were too high. Ken  
15 Schreiber, who was the Director of Planning at the time said don't worry because what  
16 constrains the development is the parking. Since underground parking is so awfully expensive it  
17 is impractical we have effectively reduced the build-out potential. It was only a year and one-  
18 half to two years later that we started getting developments in with underground parking. The  
19 [Hamlet] was the first and we have had a number of then since then. So if the developer wants to  
20 develop and he needs the parking space he will put it underground and he will pay the cost. You  
21 don't have to give him a bonus. I think putting a bonus in for underground parking giving higher  
22 FAR would be a gross mistake especially along El Camino where the lots are small and the  
23 developments could be excessive.

24  
25 Second there was a comment about eliminating densities for mixed-use. That would be a total  
26 disaster. The last thing we need is unlimited density for developments of mixed-use along El  
27 Camino. The idea that by increasing density you are going to have more small units is just a  
28 fond hope. Developers have said repeatedly they are going to build the size units that they can  
29 actually market. Time after time they have built at a lower density, larger units, because that is  
30 what people want. That is what sells. You are not going to get developers coming in in the free  
31 market and building 600 and 700 square foot units. They are going to build 1,200 to 1,800  
32 square foot units because that's what sells. If you remove densities you completely open it up  
33 and you have no control at all over what gets built and you will have some awful messes.

34  
35 The final comment is that not any of this is going to have any effect on affordability. The market  
36 will charge what the market can get. The only way you are going to have affordable housing is  
37 by the usual requirement of 10% to 15% of affordable units for whatever is built. So don't think  
38 that by fiddling with the FARs or density bonuses you are going to get more affordable units.  
39 That's not the way it works.

40  
41 The last comment is I have some real doubts about reducing the open space requirement down as  
42 low as 20%. I think that could be a real mistake. Twenty-five percent is the absolute minimum  
43 you should be looking for and I would not be comfortable with much under 30%. You are  
44 talking about people living along El Camino living in mixed-use developments and having to  
45 have open space where the children can play. If you remove the open space requirement you are  
46 going to make the development much less livable and you would have people playing in areas  
47 where it is unsafe. I would be very careful about that change. Thank you.

1 Chair Bialson: Thank you. We now have two more speakers, Cedric de La Beaujardiere.

2  
3 Mr. Cedric de La Beaujardiere, 3153 Stelling Drive, Palo Alto: Good evening. Thanks for  
4 giving me the opportunity to speak. I wanted to submit for your consideration an alternative  
5 multi-family mixed-use prototype. I made one up in the format of the handout that you had  
6 earlier for the residential transitional prototype and another mixed-use prototype. I apologize for  
7 the rough nature of it and I realized last night that you were doing this today so I had to hurry on  
8 it. In essence it is a terraced building with terraces, rooftop gardens on the terraces so seen from  
9 above it is all garden space. Inside it is three stories with four 900 square foot commercial  
10 spaces and 15 units, they are flats, an average of 1,175 square feet per residential unit. The  
11 residential units all have large yards because of the terraces. I guess that is all I will say. I will  
12 let you consider these figures. Thank you.

13  
14 Chair Bialson: Thank you. Next and I believe last would be Joy Ogawa.

15  
16 Ms. Joy Ogawa, 2305 Yale Street, Palo Alto: Good evening. I am intrigued by Cedric's  
17 prototype. I want to ask did he say how large of a lot he was talking about for that 15 units? I  
18 will find out later.

19  
20 I want to second Harold Justman and Bob Moss's comments. One thing that I want to say about  
21 mixed-use that is important to me is no ground floor office. Currently the ground floor retail  
22 ordinance does not protect vacant properties or buildings that were not retail on March 19, 2001  
23 from developing ground floor office. I think that mixed-use especially if you get special  
24 treatment for mixed-use it should have ground floor neighborhood serving uses. The  
25 recommendations the consultant has for eliminating side setbacks, I think they completely ignore  
26 the fact that there are some existing residential uses along El Camino and some of it is single  
27 story residential use. Daylight plane with respect to these adjacent residential uses that front El  
28 Camino need to be respected. With respect to height I recall 2051 El Camino, the three story  
29 building with ground floor retail, second floor office and housing on the third floor was 33 feet  
30 high. So I guess I don't really buy into the argument that three story mixed-use buildings cannot  
31 be accommodated by the 35-foot height limit. I strongly disagree with the consultants  
32 conclusion that, "the buildings are too diminutive," along El Camino. In my opinion single story  
33 buildings are for me the preferred scale along El Camino. Fifty foot high buildings are way too  
34 massive. I have 50-foot high buildings close to me, they are way too massive, they are not  
35 pedestrian friendly especially when there is a zero foot setback. The sidewalk along is really  
36 narrow and just not pedestrian friendly and too narrow for a zero foot setback. At minimum you  
37 have to have a four-foot setback so that you can at least widen the sidewalk to make it reasonably  
38 pedestrian friendly. I do agree that at grade and partially submerged structured parking should  
39 be counted towards FAR.

40  
41 I am also glad to see that there is no recommendation to reduce onsite parking. I am going to go  
42 into that a little bit. Any reduction in onsite parking requirements I feel needs to be tied a  
43 demonstrated reduction in parking demand. To me, at the very least that means a monitored  
44 TDM program. Monitored so that if the TDM fails to reduce the parking demand as predicted  
45 penalties should be imposed. Penalties can be used to fund City shuttles, maybe neighborhood  
46 traffic calming, residential permit parking programs. Even if there is no reduction in the parking  
47 requirement for a development the increased amount of development that will be produced by  
48 eliminating setbacks and daylight planes and reducing open space requirements will in my mind

1 lead to greater parking demand. In College Terrace we are always suffering from parking  
2 generated by Stanford, California Avenue businesses, the Research Park and I hear that Stanford  
3 is adding even more incentives this fall to keep employees from parking on campus. This  
4 translates into more incentive for employees to park in College Terrace so they can reap the  
5 bonuses being offered by Stanford for not parking on campus. Two years ago College Terrace  
6 residents including myself lobbied Santa Clara County. We succeeded in getting Stanford to  
7 contribute \$100,000 towards instituting a residential permit parking program in our  
8 neighborhood. Those monies have been available for a year yet the City is unwilling to start  
9 developing a residential permit parking program for our neighborhood. We are told that we have  
10 to wait until Downtown's residential permit parking program is in place and has been evaluated.  
11 Downtown residents are told that they have to wait until the parking structures are completed  
12 before their residential permit parking program can proceed. I guess this goes to show where the  
13 City's priorities lie. So neighborhoods that may be impacted by increased parking demand as a  
14 result of changes in the Zoning Ordinance deserve to be assured that the impacts of the increased  
15 parking demand will be addressed in a timely fashion. To me that means that every residential  
16 neighborhood that may be impacted by increased parking demand due to changes in the Zoning  
17 Ordinance if the neighborhood chooses they should be able to have a residential permit parking  
18 program in place and functioning within two years of the Zoning Ordinance changes. Thank  
19 you.

20  
21 Chair Bialson: Thank you. Joy, we have a question for you from Karen. Go ahead.

22  
23 Commissioner Holman: You mentioned a 33-foot high three-story building that was I think you  
24 said, retail, office, housing. Which building were you referencing, please?

25  
26 Ms. Ogawa: That was 2051 El Camino. It was less than 35-feet. They met the height  
27 requirement.

28  
29 Chair Bialson: Thank you. Last speaker is Jane Trautman.

30  
31 Ms. Jane Trautman, 672 Georgia Avenue, Palo Alto: Good evening. I haven't seen you for a  
32 long time Annette, it was on Saddle Court years and years ago. I maybe out of line tonight. My  
33 comment goes toward multi-use parking and thus traffic. I am very concerned when I think of  
34 what the increased underground, or increased parking, could do to streets that are also school  
35 corridors. For example, El Camino where it runs down and crosses Arastradero and Charleston.  
36 That is not at this point a school corridor but when Turman opens and Gunn opens and when  
37 their student body expands we are going to have big traffic problems, which we already have  
38 there. It has lessened a bit since the JCC has moved but I would like to see the Planning  
39 Commission join with the traffic and to really consider our streets, our young people and what  
40 these multi-use buildings are going to do in terms of bringing more cars into an already existing  
41 overcrowded area. One of my neighbors took a survey last year and he could walk from  
42 [Colone] to Gunn High School faster than a car could drive the same distance. We have had big  
43 problems in other parts of the City dealing with the same situation where they might not have  
44 been school corridors or school main roads but where the neighborhoods will begin to be  
45 impacted if we enlarge the density in many of these spots. Then you are going to be sending  
46 more people through the neighborhoods and I feel it is a very big concern that I didn't hear  
47 addressed at all tonight. Thank you very much.

48

1 Chair Bialson: Thank you. I have no additional cards at this time so I will close the public  
2 portion of the hearing and come back to the Commissioners. I see someone from Staff.

3  
4 Mr. Curtis Williams, Consultant Planner: I just wanted to make a comment I neglected to make  
5 earlier which is just to follow up on the end of Rick's presentation. We want to get started  
6 talking about mixed-use because it is an important issue but the main reason this is on your  
7 agenda tonight is to try to create sort of a process here of reviewing these design products. You  
8 got an overview last time on July 24<sup>th</sup> I guess it was of the process that the design consultant  
9 team is going to use. Next week they will take this example and probably pull one of these  
10 hypothetical situations out and take it, as you asked at that time, from the stage of here are the  
11 constraints that we have analyzed, here are some prototypes that try to address what the  
12 Comprehensive Plan suggests we are looking for in the community and then here is how a code  
13 might look visually, graphically, a form code that would implement that. It won't be to suggest  
14 particular standards for that use but just to give you an example of how that process can work.  
15 Then they are going to go off and assuming that that looks like a good approach to you they are  
16 going to use that in a broader sense. So we wanted to bring this to you now and let you see this  
17 kind of approach and initial constraints analysis done in a visual manner rather than typically we  
18 could go through and identify for you what we saw as kind of conflicts and problems that we  
19 have heard. We think it means more from a visual standpoint. I just wanted to put that in.

20  
21 Chair Bialson: So what I am hearing is that you would like us to address that issue as the  
22 primary one here, whether or not this process is something that we would want to have apply  
23 throughout.

24  
25 Mr. C. Williams: Yes. We will have lots of opportunities later to discuss the mixed-use  
26 standards themselves and some other issues like was brought up with traffic and those kinds of  
27 things that are maybe beyond the design scope. We will definitely get to those at a later date.

28  
29 Chair Bialson: Thank you very much for that. I agree that what we are still trying to work out is  
30 an appropriate process to go through this. I would like to hear the Commissioners comments  
31 with regard to this approach as to whether we are a little closer to target or on target here.  
32 Commissioners, any comments? Phyllis.

33  
34 Commissioner Cassel: I found the information interesting as a baseline to work from to know  
35 what the constraints are that we have today. To have someone else confirm it besides the one-  
36 on-one experiences that we have been having with various developers coming forward and  
37 asking for variances and changes because they can't make the zoning work on their site. I think  
38 the best example was the one that was brought up where we as a Commission knew that the  
39 building needed two units if it was going to go that way and we didn't have the option to make  
40 two units for that. It had to go to City Council and they had to recommend a PC and it had to  
41 come back to us just to get two units in a way that would be reasonable on the site. So this is  
42 interesting in those terms of what exists and where our constraints are and how to move forward,  
43 how to be able to make other decisions in the future.

44  
45 Chair Bialson: Thank you. Anyone else? Karen.

46  
47 Commissioner Holman: I will just throw one thing out there at the moment. Could Staff  
48 respond to a question that probably many of us have but that Jane brought up? If the zoning was

1 changed say to the recommendations or suggestions that have been made here, what would  
2 happen with traffic? I guess I will make that a two-part question. What about traffic impacts  
3 and also is there any idea of how many housing units that might add to our housing stock? At  
4 this point do you have any kind of evaluation of that?  
5

6 Chair Bialson: Just a second. I appreciate the comments and I would like you to answer Karen's  
7 questions but I would like to see if there are any Commissioners who would like to speak to the  
8 process points. Does anyone else have any comments, if not, I'll speak. Bonnie.  
9

10 Commissioner Packer: I think this is an excellent process. It is kind of a reality check of any  
11 concepts that come forward as we define development standards for any particular district. One  
12 thing that seems to come out is that any time we do development standards for a district that  
13 ignores the lot sizes, which is what happens here, then we come up with these problems. In other  
14 words, the main constraint was the lot size. You can't do a mixed-use and apply mixed-use  
15 residential high-density standards on a small lot because it didn't work. You get these skinny  
16 buildings because of the open space requirements. So my question is, would we be applying this  
17 process only in areas where there is going to be a variety of lot sizes or maybe we don't need to  
18 do it in a district that has minimum lot size, let's say in the Limited Manufacturing that has a one  
19 acre minimum. So you are not going to have these issues. Other areas like in the various  
20 commercial areas where there are so many different lot sizes this kind of analysis makes sense  
21 and the Commissioners as we think about development standards might want to think of a set of  
22 development standards for lot sizes that are under 10,000 square feet and then another set of  
23 standards for lot sizes that are beyond, a tiered set of development standards.  
24

25 Mr. R. Williams: Thank you for actually saying something. One of our recommendations is that  
26 when we are assisting the City in developing the eventual regulations one of the things that you  
27 really have to do is you have to test them before you bring them into ordinance. That is part of  
28 what the process is going to be, to test whatever regulations come up. Tonight I wasn't really  
29 trying to promote any changes to regulations. What I was doing was trying to bring up what the  
30 issues are and where the constraints are. I want to use constraints in a positive way. All zoning  
31 regulations are constraints on development and that is not a bad thing. It is good to have the  
32 constraints. What you want to do is have constraints that are proactive that create the type of  
33 buildings that you want to see, whatever type that is. Right now what we have been hearing is  
34 that they aren't necessarily types that people want to see that are being created necessarily. One  
35 of the things that we did realize very quickly is that the size of the parcel has a huge impact on  
36 what the regulations do. So that one of the recommendations that we had also was to look at or  
37 explore having a different set of regulations or a transitioning of regulations when you have  
38 small parcels. Each incremental piece has less impact and it keeps that key quality that Palo Alto  
39 has of a unique fabric of lots of little tiny parcels. You don't need to promote aggregation of  
40 parcels, which create bigger developments that are possibly out of scale. It allows you to keep  
41 that character but also promote small incremental changes if that is what you so choose. So you  
42 may want to have in a new, revised, refined or updated Zoning Ordinance a set of regulations  
43 that specifically addresses small parcels and makes a different set of regulations than on some of  
44 the larger parcels. I think that they do act differently and they provide different opportunities for  
45 the community.  
46

47 Ms. Grote: I do very definitely want to reiterate what Rick said about testing any requirements or  
48 any regulations that may be recommended long before they ever get to a formal recommendation

1 stage. So we will know what would result from changes. So that is very definitely an important  
2 part of this process.

3  
4 Mr. C. Williams: In addition I just want to clarify that the site sizes that Rick used in his analysis  
5 were not kind of just pulled out of particular areas. Those are examples of predominant sizes in  
6 the CN and CS Zones up and down El Camino. The multi-family 5,000, 10,000 square foot lots  
7 are predominant site sizes in the RM-15 and RM-30 Zones on Alma and in the Forest-  
8 Middlefield area, some areas of concentrated multi-family zoning. So that is what we were  
9 looking at was trying to identify what most of the sites do look like in those zones.

10  
11 Chair Bialson: Does that answer your question, Bonnie? Great. Pat.

12  
13 Commissioner Burt: I have one process question and one scope question. Rick, at one point  
14 your presentation alluded to how existing zoning would create a particular building model and  
15 compared it to an existing built-out pattern say along University Avenue or whatever. I think it  
16 would help me, and I would like to know whether other Commissioners feel the same way, to  
17 have a greater sense of how the existing patterns compare to what would be allowed under  
18 existing zoning. If we could see some examples of that I think it might help us visualize what  
19 may be a disconnect between those things.

20  
21 Then the scope question has to do with when you were showing the geographic areas. One that  
22 didn't get circled was California Avenue or maybe more broadly the Mayfield area. Is there a  
23 reason that that wasn't identified as one of the major areas perhaps within the Downtown, same  
24 sort of guidelines as Downtown, or similar ones? Would that be an appropriate place to put it as  
25 opposed to in neighborhood centers?

26  
27 Mr. C. Williams: It may be. I think we talked about some areas to look at and Rick and Kevin  
28 are going to have to look and see if some of the prototypes in the analysis they do will apply in  
29 other areas or they will need to go to those other areas and look at those as well.

30  
31 Chair Bialson: Anyone else on the Commission? Then I guess what I want to say is that  
32 generally I am very happy with this format. I think it is giving us a lot of information with the  
33 addition of the requests by Bonnie and Pat. I think it will be a very useful tool for expediting our  
34 analysis and for your presenting your recommendations in a way that we can understand and  
35 help enunciate our own feelings, which are now sort of morphus and somewhat project related.  
36 So if we had that that will be great.

37  
38 I have one question. Is there any way that you can somehow express in the way you present  
39 these things whether it would be something you see as appropriate to encourage aggregation of  
40 lots? In looking at for instance what you have done here with mixed-use would we be looking at  
41 a situation where it would be desirable to have two 6,500 square foot lots aggregated? It is  
42 something that would be interesting to get your comments on. I do agree with the fabric, etc.  
43 analysis that you used but at times especially if we are looking at possibly creating some BMR  
44 units onsite it may be a little more appropriate to try to get a few of those and encourage some  
45 aggregation.

1 Any other comments on process? Have we answered your questions with regard to our reaction  
2 to the process? Okay, then can we go on to the substantive questions that were asked by Karen?  
3 Would you like Karen to restate those or do you recall them?  
4

5 Ms. Grote: I think the question was what would the impact be on traffic and on number of  
6 potential new housing units should we change densities and particularly if we raised them. Is  
7 that correct?  
8

9 Commissioner Holman: Not just change the densities but some of the suggestions about  
10 changing for instance front setbacks, side setbacks and the daylight plane. In other words, right  
11 now what we have is a situation where parcels can't develop to match the zoning. So if those  
12 changes were made what would we end up with then in terms of traffic impacts and housing unit  
13 gain?  
14

15 Ms. Grote: We had looked at that in terms of the Comprehensive Plan and the land use  
16 designations. Nothing that is proposed would enable a site to exceed its current land use  
17 designation under the Comprehensive Plan. So a lot of the traffic analysis, we wouldn't expect  
18 that these changes or modifications would increase the traffic to the point where the analysis  
19 done under the Comp Plan would no longer be valid or increase the number of housing units  
20 such that we would have a vast or significantly more housing units than anticipated under the  
21 Comprehensive Plan land use designations. So a lot of that analysis was done as part of the  
22 Comprehensive Plan. Now we are in the process of looking at overall Citywide impacts of  
23 traffic and we have the transportation section, planning section, is rerunning our Citywide traffic  
24 model. They will be working very closely with us to analyze the changes that may come out of  
25 any recommendations that the Commission makes or that the Council might ultimately approve.  
26 We are also working with an environmental consultant who is tracking the recommendations that  
27 are at least being discussed they haven't been made yet, but the ideas that are being discussed to  
28 look at potential environmental impacts. So we would not anticipate that anything being  
29 proposed would be vastly different than the Comprehensive Plan but we are tracking it to see  
30 where it falls within the range considered.  
31

32 Commissioner Holman: Just a comment. I am glad that they are re-looking at that because I  
33 think that the Comprehensive Plan didn't anticipate some of the development that has happened  
34 since, if I understand correctly. So I think there is kind of a restart that needs to happen.  
35  
36

37 Mr. R. Williams: If I can make one other comment to that, what we have really done is analyzed  
38 the existing conditions and the existing regulations again. So we weren't really promoting a  
39 change in them so much as we were talking about what some of the issues are. Regarding the  
40 setbacks and one of the primary reasons for the setbacks particularly the side yard daylight  
41 planes is to protect adjacent residential development. What you find is that if you evaluate it  
42 90% of the sites that could potentially be of a mixed-use designation they aren't next to  
43 residential they are next to commercial. Where they are next to residential this was brought out  
44 by one of the speakers, then that setback could still apply but it creates a different type of form  
45 than a more typical commercial mixed-use building if you maintain those side yard setbacks in a  
46 commercial area. So it was that disconnection that I was trying to bring out. One of the other  
47 elements was I was trying to also describe how the residential isn't necessarily the defining,  
48 dictate on the zoning regulations as far as development. The parking would still all be in place if

1 you went from one unit as was described in that one project that came before you and you went  
2 to two units it didn't mean that the building mass got any larger, it didn't mean that the FAR  
3 changed, it didn't mean that you didn't have to meet the parking requirements. It just allowed  
4 two units instead of one within the exact same building envelope and meeting all of those other  
5 regulations that you would still have to meet. It just created say two 1,500 square foot units  
6 rather than one 3,000 square foot unit within the same form. That is only a numerical example.  
7 So that was what we were trying to describe in that residential. It didn't necessarily mean to  
8 bump up the density without keeping all of the other residential kind of requirements and  
9 regulations in place at the same time. I just wanted to clarify that.

10  
11 Chair Bialson: Thank you. Michael.

12  
13 Commissioner Griffin: Rick, I wonder if you could elaborate a little bit more on this 35-foot  
14 height being insufficient to build a proper mixed-use structure. The thing that prompts my  
15 question is that we have been reviewing SOFA 2 during the last few months and we spent a lot  
16 of time on a 35-foot corridor down Homer Street and now that sounds like that is too short.  
17 Maybe I have misinterpreted what you were saying. If you could run us back through that again,  
18 please.

19  
20 Mr. R. Williams: Yes. Really what I am trying to get at on that is not a massive height  
21 enlargement. What happens is that you have in say this CS Zone a 50-foot height restriction  
22 now. If you go to a mixed-use designation you then put the multi-family, RM-30, on top of that.  
23 It actually in effect reduces the height down to 35 feet. If you were then going to build a  
24 building in that 35-foot height limit, I am not talking about a massive height differential, if you  
25 want to get a quality retail space, and I will somewhat maybe challenge whether or not some of  
26 the other retail spaces being developed in smaller mixed-use projects are of the kind of quality  
27 that will attract the type of retail that you really want, you would like to have a little bit taller  
28 space maybe a 10 or 12 foot ceiling height. With all the structure and the mechanical equipment  
29 that it requires I think a reasonable minimum floor-to-floor on the first level would be 15 feet.  
30 Then if you went 10 foot and 10 foot on the two residential floors above, again allowing for a  
31 little bit of mechanical equipment in there, with an eight or nine foot ceiling you are right there  
32 on that 35-foot threshold at the roof at its lowest point. You would then have either a pitched  
33 roof or a flat roof with a parapet and you would probably need a few more feet to get within that  
34 35-foot height limit and have a very nice retail space. What you would want to encourage in a  
35 mixed-use building is that neighborhood serving retail of a high quality so that you get the type  
36 of retailers that you would want to have in the space. So it is a fines point, it may only need to  
37 be a few feet taller or to have a little flexibility so that the parapet walls can extend a little bit  
38 beyond 35 feet, maybe it could be 37 or 38 feet. I am not saying go up to 50 feet again. I am  
39 just saying that it may be an incremental step of a few feet that might be able to be handled  
40 administratively or something like that. It is not a major thing. Remember that just by putting  
41 the mixed-use designation on you have already effectively lowered the height limit in that zone  
42 by 15 feet.

43  
44 Commissioner Griffin: So, Lisa, did we make a mistake in the way we dealt with that in SOFA  
45 2?

46  
47 Ms. Grote: No I don't think you did. I think as Rick was saying there are opportunities to vary  
48 the height limits a little bit. You don't have to have a 15-foot floor-to-floor height on the first

1 floor you can have something that is a little bit less and still have a functioning retail space. You  
2 can, through maybe minor design enhancement exceptions allow for a little bit extra height if on  
3 a particular site that is needed with a particular mix of uses. So there are ways to address it. I  
4 don't think that you have at all undershot on the height limit in other areas that you are  
5 discussing whether it is SOFA or anywhere else.  
6

7 Chair Bialson: Am I hearing that we want those sorts of things better set out and our attention  
8 directed to them in some way? If you come up with a realization that perhaps we should look at  
9 these unintended consequences that we create by having the 35 feet I would like to have that set  
10 out in some more clear way in your analysis and then we can make decisions as to whether or not  
11 we are willing to no longer have the 35-foot limitation. Bonnie.  
12

13 Commissioner Packer: I have a question. I hope this is an appropriate time to raise this. You  
14 mentioned the impact of having residential mixed-use means that you have to have the side  
15 setbacks otherwise in the commercial zone you wouldn't need the side setbacks and we have all  
16 these buildings that are right next to each other without any space in between the parcels. As  
17 soon as you put in a residential you need the side setbacks. The question is, suppose one puts in  
18 the first residential mixed-use development on a commercial street, does that sort of domino  
19 effect, I think this happens now in our code, that now anything else that gets built on either side  
20 of this mixed-use project would have to have residential transition requirements. It would reduce  
21 the building next door that could be 50 feet to 35 feet because there is a residence above. Is that  
22 what is happening?  
23

24 Ms. Grote: Yes, because it is within 150 feet of residential and therefore sometimes the height  
25 limit for that portion of the site that is within 150 feet has a lower height limit. There is that  
26 effect. On larger sites it doesn't have as great an effect because the whole site wouldn't be  
27 within 150 feet but on small sites they are. So it does have that kind of an overall impact.  
28

29 Commissioner Packer: What I wanted to have Commissioners think about as we go forward  
30 thinking about impacts of mixed-use in certain neighborhoods, in most places the requirements  
31 for transitional design to accommodate residential makes sense but it may not in all  
32 neighborhoods. It may be appropriate to have these second story flats closer together. I don't  
33 know if that is what we want but it is something to think about, the impact of these transition  
34 zones works in most neighborhoods but it may not be appropriate in all neighborhoods especially  
35 on commercial streets.  
36

37 Chair Bialson: Thank you, Bonnie. What I am also hearing is that in the analysis that is  
38 presented to the Commission it would be good to have some section that deals with the impact  
39 on a adjacent lots. We have to deal with what happens with regard to the pedestrian friendliness  
40 created by some of these changes in the Zoning Ordinance but it would also be helpful when we  
41 are looking at the diagrams of what can be built on that lot how does that impact what can be  
42 built on adjacent lots. Is that what you are asking about, Bonnie?  
43

44 Commissioner Packer: Yes, thank you for restating it that way.  
45

46 Chair Bialson: Pat.  
47

1 Commissioner Burt: Just on the same theme, what I had heard earlier both in the Staff  
2 presentation and then public comments are that we really have two issues, one where we may  
3 have two severe of an impact in some cases on transitions where we might have single family  
4 homes right behind a mixed-use project in a commercial area or something like that and we have  
5 to look at those sensitivities and make zoning that will have an acceptable transition. On the  
6 other hand we may be over-constrained where we have adjacent properties and setbacks that  
7 really don't require a transition of like use next to another like use. So I think we have both ends  
8 of that spectrum that we have to tweak.

9  
10 Chair Bialson: Great. Any other comments by Commissioners? Phyllis.

11  
12 Commissioner Cassel: One that doesn't quite fit the subject, which you try to keep avoiding but  
13 it keeps bugging me. That is this term of affordable housing. It used to be you had low, very  
14 low, moderate, middle and high income housing that you were aiming for and we keep getting  
15 ourselves all mixed up with this term. What we are talking about here is private moderate  
16 middle income housing by making the units smaller. It is the struggle that Bob Moss was talking  
17 about. Can you do it? How do you do it? How do you increase that supply? Everyone has slid  
18 into this term of affordable housing. The housing that everyone is bragging about being so  
19 wonderful is a low, very low income housing project that federal subsidy. All of the housing  
20 needs for people in the community can't be met through those federal subsidies. The real  
21 struggle is how do we meet that middle, moderate income level in the private side and it is a  
22 severe struggle.

23  
24 Chair Bialson: Michael.

25  
26 Commissioner Griffin: Rick, what do you think about that? I think that is a pretty valid point.  
27 We are all of us aware that when a developer puts together a project normally the profit potential  
28 of a larger developed unit is something that is driving the development. Now we are talking here  
29 about 600 or 700 square foot living units. Realistically are they going to get built? If we zone  
30 for it that doesn't mean it is going to happen. I thought Bob Moss's comments were worth  
31 considering.

32  
33 Mr. R. Williams: Maybe I should change the term from affordable to attainable because I don't  
34 think any of the homes in the private market sector are going to be "affordable." So I will try to  
35 change the terminology a little bit. Secondly, I think that there may actually be a little bit more  
36 profit to be had for the example that I had used before in numbers two 1,500 square foot units  
37 versus one 3,000 square foot unit. I think that particularly in areas that you may designate or that  
38 may have the ability to be mixed-use there is a threshold someone may not want to buy \$1.5  
39 million, 3,000 square foot unit. It may be more attractive to have two 1,500 square foot units  
40 that would be just more attainable by a greater number of people and may actually be more  
41 realistic in the market given the location that it might be in next to a more major thoroughfare.  
42 So we weren't talking about huge bumps in the density. That market then is maybe better  
43 served, if it is a 3,000 square foot unit there may be one or two unique ones but it may be better  
44 served, within your single family neighborhood where you have a large single family parcel and  
45 someone with a family may choose to have a larger home on a lot with a large backyard rather  
46 than being on a podium along El Camino Real or something like that. So I think that it is an  
47 appropriate housing type. A 900 square foot unit is a very reasonable size. I think you can't mix  
48 the developer's goal of single-family homes and how they are building those when you are

1 looking in particular areas. Downtown Palo Alto may have smaller units in them and I think that  
2 makes them more attainable to a greater scope of people in your community that otherwise  
3 couldn't afford to have one of the 3,000 square foot units. I think that is really what we are  
4 talking about. We are not really talking about affordable units as they are otherwise defined.  
5

6 Chair Bialson: Rick, I appreciate your comments and I think you have heard the concerns and  
7 perspectives of the Commissioners. We are looking forward to having the economic consultant  
8 perhaps answer some of the issues we are raising right now. Some of them are philosophical  
9 which will have to be worked out among the Commissioners. Pat, one more comment and then I  
10 would like to wrap this up and go forward.

11  
12 Commissioner Burt: I have actually one or two. One has to do still with the subject we were just  
13 going over. As I think about it, by having an FAR limit and having a density in terms of number  
14 of units aren't we in essence creating an incentive for larger units? And by allowing an increase  
15 in density or number of units we at least would allow for smaller units even though we are not  
16 mandating it. But right now doesn't our formula essentially encourage the largest units or larger  
17 units and less attainable units the way we are structured?  
18

19 Chair Bialson: Just a second, Rick. I think that is a very valid point and I think that is a question  
20 that we all have. I think it would be good if you could respond now but what we would like is to  
21 have any analysis that you present to us address some of these issues and give us enough  
22 information as to what your thinking is on it. If you can respond now, that would be great.  
23

24 Mr. R. Williams: Just briefly, one of our summary comments to that is that that is exactly what  
25 is being promoted with that balance and what we found to be the case. We are encouraging  
26 much larger units because there is already a limit on the number but that doesn't necessarily fill  
27 up the building mass.  
28

29 Chair Bialson: It is very helpful to have these consequences known to us in terms of what we are  
30 putting out there. Pat.  
31

32 Commissioner Burt: My other questions had to do with parking. You alluded earlier that  
33 currently we have some zoning that counts podium parking against FAR and others that don't.  
34 Within the SOFA 2 area it is one of our issues where in order to encourage ground floor retail we  
35 have a concern with ground floor parking availability and we have a disincentive to create it in  
36 some circumstances because the podium parking is counting against FAR and yet the podium  
37 parking can create an increase in the apparent mass of a structure if it is not counted against the  
38 FAR. So this is something that I think I would welcome getting a better understanding of what is  
39 our breakdown right now, where it is counted and where it isn't, and what is the rationale. Under  
40 a similar vein we have the issue of the underground parking and there are pros and cons,  
41 certainly some pros to having the parking underground or at least a portion of the parking  
42 underground. If it is all underground then we may have spillover parking onto adjacent areas  
43 because people have a first preference often to park at street level. So perhaps we need to have a  
44 certain portion of parking at street level or a certain amount but there are other advantages to  
45 having it underground and I would like to have greater feedback on some of those pros and cons  
46 and how we might evaluate that going forward.  
47

1 Ms. Grote: Also, if I could interject, again, in looking at podium parking in your previous  
2 discussions in other areas of the City you did cap that at four feet above grade so that it  
3 minimized the impact that it was going to have on building mass and bulk. So there are ways to  
4 have podium parking or partially submerged parking not counted into FAR and yet not really  
5 increase the mass or the bulk of the building at least in a significant way. So we can certainly  
6 look again at that Citywide closely, but again, where you have at least currently recommended  
7 that that be applied I think that it is appropriate for the area that you have talked about it in.  
8

9 Commissioner Burt: We might want to look at a certain amount of at grade podium parking that  
10 would not count against FAR. Maybe not an unlimited amount, an appropriate amount to serve  
11 the retail or something along those lines. Maybe not go from one extreme to another but maybe  
12 there is an appropriate balance.  
13

14 Ms. Grote: We also can give you more detail on where we count parking as FAR and where we  
15 don't but generally we do in the Downtown and also in RM-30 depending on how it is designed  
16 and then we don't in RM-15 and RM-40. We can certainly look into some of the records to see  
17 why that is and why it hasn't been consistent.

18 Chair Bialson: It will be of great interest for us to figure out what we did and why we did it and  
19 what really happened. Is this a process question? Fine, feedback is good.  
20

21 Commissioner Holman: I am going to stumble a little bit on this question because it is in my  
22 head and little bit hard to put out there without having a visual to go with it. As we are talking  
23 about this, I am assuming that it is not the intention for every parcel to be able to develop to its  
24 maximum potential. I understand that and you don't need to respond now. You can either do  
25 that now or later. I think sometimes on the part of the public there is kind of an assumption that  
26 every parcel should be able to and that is why sometimes we see a lot of PCs and such. We have  
27 talked about form based code and there is some advantage, physically, to every parcel either not  
28 being developed further or not being able to develop to its maximum potential because it gives  
29 some bounce in heights and that is a positive aspect. There can be some design constraints that  
30 are added or design standards that are set forth to keep some bounce going. That kind of  
31 somehow needs to be put into the mix. I am sorry for such a vague assertion there or question  
32 but I think it needs to be somehow put into play.  
33

34 Chair Bialson: Thank you. Does that respond adequately to your wishes with regard to this  
35 approach?  
36

37 Ms. Grote: It does, thank you. Would it be worthwhile to take two minutes and summarize what  
38 at least I heard to see if I have captured what you have said?  
39

40 Chair Bialson: Fine, or do you want Rick to also?  
41

42 Ms. Grote: Together we can do that. Let me run down my list and then if Rick has things to add  
43 that would be great. First of all I heard general support for the process and an emphasis that  
44 testing any recommendations is very important as we go through our analysis. That potentially  
45 looking at standards for small lots or different size lots, maybe small lots, medium size lots and  
46 large lots, would be a useful exercise. That the standards could differ depending on their  
47 proximity to residential uses and impact on residential uses. That when we do our analysis and  
48 are looking at potential changes to analyze the results of those changes on smaller or typically

1 sized lots and compare those to what the results would be on aggregated or larger lots, to do that  
2 comparison as we go. To give a clear analysis on height limits and why certain height limits  
3 would be potentially recommended. Look at the impact or analyze the impact of development on  
4 adjacent lots as the result of development on any given single lot. So once you implement these  
5 changes on one lot what does that mean to the surrounding parcels. Look at both ends of the  
6 spectrum regarding transition meaning, mixed-use to single family as well as then mixed-use to  
7 commercial and make sure to look at both ends of that spectrum. Look at parking underground  
8 compared to podium parking and whether or not counting it into FAR or not counting into FAR  
9 is reasonable and makes sense for given areas. Looking at the need for moderate level housing  
10 or attainable housing and how our current FAR and density regulations either encourage larger  
11 units or not and documenting that and perhaps showing examples on specific sites of how that  
12 works currently. That is what I wrote down. We probably need to go over Commissioner  
13 Holman's last comment a little bit more to get that summarized.

14  
15 Chair Bialson: I think to a certain extent Commissioner Holman's and mine were somewhat  
16 similar. That is, whether you aggregate some lots in order to make them as productive, shall we  
17 say, to achieve the development potential or do we acknowledge that at certain sizes some lots  
18 just are not going to develop the way their owners might want them to. Is that correct, Karen?

19  
20 Commissioner Holman: Yes.

21  
22 Ms. Grote: And that all lots aren't anticipated to have full development.

23  
24 Mr. R. Williams: Can I ask for a clarification? That variety was one of the goals intended in  
25 that.

26  
27 Commissioner Holman: Yes, it is that bounce of height and such. The other thing was the traffic  
28 impact kind of restart.

29  
30 Chair Bialson: Anyone else? That would be great. So I think we will really benefit from having  
31 this type of analysis and process presented to us. Tonight we are going to go on to discuss the  
32 office research and industrial manufacturing districts. I think before we do that we will have a  
33 five-minute break. Thank you.

34  
35 Commissioners, are we ready to reconvene?

36  
37 I would like to reconvene the meeting at this time. We are going to be addressing the next item  
38 on the agenda which is the LM and GM Discussion. Staff.

39  
40 Ms. Grote: Thank you very much, Chair Bialson and Commissioners. This is a continuation of  
41 your discussion at the July 17 meeting. I did want to provide some background and overview for  
42 you to refresh everyone's memories as to what we discussed and some of the preliminary  
43 recommendations and comments that had made at that July 17 meeting.

44  
45 The purpose for this portion of tonight's study session is really to provide direction regarding the  
46 remaining policy issues and changes. There were ten that I will briefly list in a minute. You got  
47 through about two and one-half or three of those so there are seven more that we would like to  
48 cover tonight. As I summarize those three that you did make recommendations on I would like

1 to ask that we move forward through the seven remaining issues and then come back to you at  
2 the end of September with the follow up that you had asked for on those first three as well as any  
3 follow up that you request on the remaining seven so that we can get through all of the issues and  
4 then return to you with follow up information. We would like to identify work items for the uses  
5 and definitions subcommittee. I know that you have met once so far and so any other definitions  
6 or items that you would like the subcommittee to look at if you could identify some of those  
7 tonight that would be great. To provide input regarding additional public outreach were you  
8 think we might use additional focus group meetings or community outreach workshops, what  
9 kinds of areas you think that getting some additional public input would be useful. Then  
10 discussing where we are going from here, what our next steps are.

11  
12 The initial policy issues for discussion that were brought up on July 17 included ten issues or ten  
13 policy areas. One was whether or not to delete the B from the GM Combining District. We will  
14 actually be talking about that tonight. Redefining and renaming some of the districts, which you  
15 did make some initial recommendations on. Limiting office and R&D in the GM District, which  
16 we will be discussing tonight. Limiting office and R&D in the LM District except for those  
17 areas that are in the Stanford Research Park. Limiting office and R&D in the Research Park and  
18 then limiting office and R&D in OR which is the Office and Research Zone to medical uses.  
19 Revising research and development definitions to distinguish it from office. Allowing or  
20 encouraging more multiple-family housing in industrial zones. Allowing standalone restaurants  
21 and retail uses in industrial and providing incentives for daycare facilities. All of which you will  
22 be discussing tonight.

23  
24 The way we have structured the discussion and what we did on the 17<sup>th</sup> and I think worked fairly  
25 well was to present the issue, the advantages and disadvantages of changing the requirements  
26 that are currently in place in certain respects, the Staff recommendation and then at the end of  
27 your discussion summarizing that, taking a couple of minutes and summarizing the comments  
28 and the main recommendations that you are making for each of those issues. So as we go  
29 through each question we summarize it right then to get it clear in the record.

30  
31 The Commission participation, we have divided the industrial areas into Stanford owned lands  
32 that are primarily west of El Camino Real, have certain size characteristics and use needs and  
33 requirements. Those policy issues that had to do with Stanford lands are policy issues five and  
34 six. The issues independent from Stanford lands, the GM Combining Districts, the GMB  
35 Combining Districts, the GM and LM Zones east of El Camino Real. Then general issues that  
36 would apply to all GM and LM areas Citywide regardless of their relationship to El Camino  
37 Real. So when you are thinking about your potential conflicts if you can think about them in  
38 terms of those geographic areas and then the general applicability of the regulations to both of  
39 those areas.

40  
41 In summary, the Commission direction from the July 17 meeting focused exclusively on the  
42 Stanford Research Park. Those recommendations included that research and development  
43 should be continued to be a permitted use in the district, that the Staff should begin exploring  
44 with Stanford limitation of service office use. We have had an initial meeting with Stanford  
45 regarding that. Also evaluating TDM approaches and the possible joint effort between Stanford,  
46 the City and business owners in developing a Transportation Demand Management program.  
47 Again, we have had an initial meeting with Stanford to discuss some of those possibilities.  
48 Reviewing sales tax contributions of Research Park businesses. We have begun looking into that

1 as well. We do have some information on an aggregate basis which we would like to report back  
2 to you again at the end of September along with our other follow up items that may come out of  
3 tonight's meeting although we do have some available information tonight if you want to discuss  
4 that at the end of the meeting. Compare use definitions with Stanford regarding office, R&D and  
5 medical related uses. We have begun that discussion as well. Then evaluating building heights  
6 for biotech buildings. Also you recommended that in the office research area, which is along  
7 Welch Road, that we limit permitted uses to medical offices, medical research and medical  
8 related services. That then led to the need for some follow up discussion between Staff and  
9 Stanford as to what medical related services means and what medical use means. So we have  
10 initiated that conversation and had a meeting with Stanford about that. Then again, developing  
11 definitions of those uses. Then allowing other office uses in that area only as a conditional use  
12 so that primarily the area would be medical use related. Then exploring with Stanford agreement  
13 again to limit uses in that respect so that they would be predominantly medical in nature. Then  
14 there was a recommendation to rename the LM Zone in the Research Park to RP, which would  
15 stand for Research Park. Then in those areas where there is a combining district notably  
16 Combining District Five which has different FARs and site coverage that it would RP-5 rather  
17 than the LM-5 that it is now. So all of those unique characteristics would be retained for the five  
18 combining zone. Then to rename Office Research to MR which would be Medical Research so  
19 that it would be designated for medical uses.

20  
21 So with that we do have seven remaining issues. The first three, which are issues numbered one,  
22 three and four as outlined in your initial Staff Report are independent of Stanford lands. So that  
23 if you have a conflict in the GM or LM District in sites that are east of El Camino Real you  
24 would need to step down for those zones that you have your conflict in. The first two questions,  
25 one and three, relate to the GM Zone and the third question or policy issue relates to the LM  
26 Zone. So we would start with question or policy issue number one and that is, "Should the B be  
27 deleted given its limited application and potential conflict with the Comprehensive Plan?"

28  
29 Chair Bialson: I have one member of the public who wishes to speak to this item. That is Joy  
30 Ogawa and I think perhaps we will have her speak at this time so that she will have the  
31 opportunity to stay or leave as she sees fits as we grind through all this. Joy, you have five  
32 minutes and you are the only speaker.

33  
34 Ms. Ogawa: Thanks. It will only take me a minute or so. With respect to the industrial and  
35 manufacturing districts I think that new office uses should be kept out. You may be aware that  
36 Menlo Park is considering rezoning certain industrial areas to M-2 in order to achieve just that.  
37 That is to maintain manufacturing and light industrial and keep out office. As I understand it the  
38 reasons for the M-2 proposal are to preserve the sales tax base for the city and to prevent traffic  
39 impacts that new offices bring. Not only should we be doing the same thing to preserve our  
40 industrial manufacturing districts, we should also be concerned about the consequences Menlo  
41 Park's rezoning may have on Palo Alto. If Menlo Park zones out offices in certain large areas  
42 this may put more pressure on Palo Alto's industrial and manufacturing districts to build more  
43 office, to provide for that office that can no longer go into Menlo Park. As a result Palo Alto will  
44 get more traffic impacts. We will further worsen our job/housing imbalance and we will lose  
45 more of our sales tax revenues. So I hope you consider these issues in your deliberations. Thank  
46 you.

47  
48 Chair Bialson: Thank you, Joy. I have one more speaker, Bob Moss, and no other cards

1  
2 Mr. Moss: Thank you. I am not going to go through the various policy issues because I have  
3 spoken on them before. There is one item that came to mind tonight that I don't think anybody  
4 has mentioned before. In regard to policy item nine with respect to restaurants and retail in the  
5 GM and LM Zones it suddenly struck me that we already have that. On Fabian Way which is  
6 zoned GM Palo Alto Joe's is just around the corner on Fabian just past Meadow and there is a  
7 retail store that opened up about a year or year and one-half ago on Fabian almost across from  
8 Ford Aerospace Buildings 8 and 9, it is on the west side of Fabian. It is a flooring store. It is  
9 retail. It is a very large flooring store. So we already have retail and restaurants in the GM Zone  
10 that have been there for years. Palo Alto Joe's closed and a new restaurant is going to be moving  
11 in there next month sometime called [Meeks], which is currently at Turman. So if those uses  
12 have been allowed for years why is it all of a sudden an issue? I am kind of puzzled. When we  
13 talked about this before in the focus group we were talking primarily about Stanford Research  
14 Park and Stanford had problems with that but there are other industrial zones, which obviously  
15 have had these types of uses and they have coexisted quite happily. So do we need to do  
16 anything special or should be just acknowledge that they have been working and go on from  
17 there? Thank you.

18  
19 Chair Bialson: Thank you, Bob. I see no other cards so I will close the public section of this  
20 item. I appreciate your standing by Lisa. I have one comment, Karen.

21  
22 Commissioner Holman: Yes, before you go on could I go back to Stanford Research Park in the  
23 Staff Report on page three, item five the second bullet? We did certainly approve this that Staff  
24 should explore with Stanford University the possibility of an agreement to formalize Stanford's  
25 limitation on office uses in the Research Park. There is some aspect of that that remains a little  
26 fuzzy for me. Because we did get this letter from Jean Snyder that says that Stanford only has  
27 control over 13% of the tenants in the Research Park so that leaves me a little wary of how much  
28 this approach is actually going to accomplish. I wanted to mention that now and on the record  
29 rather than mention it six months from now. So if our goal is really to limit office in the  
30 Research Park I think we might have to go further than have this arrangement with Stanford but  
31 that's what needs clarification as far as my perspective is concerned.

32  
33 Chair Bialson: This is something you are going to come back and report to us on at the end of  
34 September?

35  
36 Ms. Grote: Yes, we will. We will have more information about that. We have had an initial  
37 conversation about that with Stanford and we would like to explore that a little bit more as we  
38 get further into it and then be able to report back to you.

39  
40 Chair Bialson: I appreciate Karen's comments.

41  
42 Ms. Grote: And as Curtis was just mentioning, that was part of our discussion. So we will have  
43 more to report back to you on. Also I did want to respond to the last speaker who was  
44 mentioning the retail use that apparently already exists in a GM Zone. Retail isn't currently a  
45 permitted or conditionally permitted use. What that may be is an existing nonconforming use  
46 that has been there for so many years that it precedes this current zoning regulation and therefore  
47 has been operating as a nonconforming use for many years. We do allow restaurants as a

1 conditionally permitted use currently in GM and this restaurant being referenced may have a  
2 conditional use permit. We would need to look into that.

3  
4 So to return to policy issue number one and the first one to discuss tonight is that should the B  
5 Combining District be deleted given its limited application and potential conflict with the  
6 Comprehensive Plan since where the B is applied is in an area that is designated as a potential  
7 transit oriented development area which typically calls for higher density uses or more intense  
8 uses that can frequently generate more traffic and as a result, the thinking has been it can  
9 accommodate those higher intensity uses because it is close to public transit and people have  
10 other ways to get to the site. So given that, does it seem reasonable to remove that B Combining  
11 District? If there are still uses that are of concern because they do have certain operational  
12 qualities or characteristics or they do generate a vast amount of traffic that those could be  
13 handled through a conditional use permit rather than prohibiting them all together. So we are  
14 recommending at Staff level to consider deleting that B Combining District, handle those  
15 problematic uses or use with potentially very high impact through a conditional use permit.

16  
17 Chair Bialson: Phyllis.

18  
19 Commissioner Cassel: I would recommend that we drop the B. You may help me with this, for  
20 me it seems that some of this area near California Avenue near the transit station will probably  
21 we rezoned when we get that far or recommended for that. Maybe that is not true but that is one  
22 of the potentials in that particular area but the rest of the area that is GMB is mostly on the east  
23 side of Bayshore and that area is already so heavily impacted that the few lots that are left are  
24 relatively small lots in comparison to the buildings in East Palo Alto that are there and going in  
25 and the school that we have already discussed traffic impacts on in that particular area. The  
26 other area that now is B where we are also looking at more high intensity housing already has a  
27 good number of uses that technically would be prohibited except they are there already. So it  
28 would seem to me that it would make life a little simpler if we dropped it and then we could  
29 review the potential traffic impacts.

30  
31 Chair Bialson: Bonnie.

32  
33 Commissioner Packer: I agree with what Phyllis says and I would like to additionally point out  
34 that under GM you still would not be able to have offices, medical, professional or general  
35 offices. So the only major new use would be research and development that would change the  
36 nature of that combining zone a little bit. So you are not going to have what are perceived to be  
37 high traffic uses in those office uses. So add that to your issues as you are considering that. So I  
38 agree with Phyllis that we should drop the B.

39  
40 Chair Bialson: Karen.

41  
42 Commissioner Holman: I agree and disagree. I agree about the area around California Avenue  
43 and the train station. We saw the situation that came to us about the International School and  
44 what difficulties that has. However, near the post office if you think down the road there is  
45 going to be the IKEA project and it is going to be a nightmare around there. So I think it would  
46 be only prudent to control what traffic impacts are there. It is already problematic and we just  
47 had to resolve this issue with the International School, hopefully resolve it. With the

1 development that is going to be happening in East Palo Alto I think we need to keep that overlay  
2 there.

3  
4 Chair Bialson: Michael.

5  
6 Commissioner Griffin: Just in response to that I thought that Phyllis's remark was pretty right on  
7 from the standpoint that we have a preexisting condition right there. That Frontage Road is  
8 totally impacted with traffic and I am thinking at this stage it is too late. In other words, we are  
9 closing the barn door after the horse is already out.

10  
11 Chair Bialson: Pat, do you have any comment? Karen.

12  
13 Commissioner Holman: Well the barn door is open. I just don't think we need to allow for an  
14 exacerbation of that problem. It is a problem and I just don't want to foster its worsening.

15  
16 Chair Bialson: Do you have a comment, Curtis?

17  
18 Mr. C. Williams: I just wanted to explain our thought process a little bit more in that area in  
19 particular. Number one, yes, we did think that what we are talking about is a handful of parcels  
20 out there amidst what is mostly office and R&D type development already. In fact, on a couple  
21 of those parcels we already have office buildings. So we are talking about that nursery or garden  
22 supply type place and auto service shop next to it and maybe one other site that is not in the  
23 office/R&D type mode already. Then the other thing was again falling back to the GM category  
24 that the other types of offices, professional offices and such, aren't permitted in GM either.  
25 What is permitted in GM is only administrative offices and also R&D is allowed in that. In the  
26 next question, policy issue two, we will grapple with that but our suggestion there had been to at  
27 least have the office type of uses be a conditional use permit so that you would be able to address  
28 any request for that type of use in the GM Zone whether it is the B area or not.

29  
30 Chair Bialson: Pat.

31  
32 Commissioner Burt: I haven't drawn a conclusion on this but I have a concern about the  
33 prospective loss of some uses such as a nursery and garden supply, construction materials and  
34 the automotive. We just don't have many places in this City that those sorts of establishments  
35 can function anymore. So I would like to look here in greater detail at whether there is an  
36 additional benefit to having a district that provides for those kinds of services. I am not saying I  
37 have drawn a conclusion at this time but that is a concern.

38  
39 Chair Bialson: Karen and then Bonnie.

40  
41 Commissioner Holman: To counter your point at this point, Curtis, you said that research and  
42 development is allowed but we have had conversations numerous times about how sometimes  
43 the traffic impacts because the number of employees can be virtually the same between research  
44 and development and office so that doesn't reassure me that we would have a lesser traffic  
45 impact just because office isn't allowed. To go along with what Pat is saying if we kept the  
46 traffic impacts less maybe it would have some impact on being able to retain Cirradelli's and that  
47 body shop because there aren't many places in town just as Pat said, I fancy that. Then there is  
48 the school that generates an awful lot of traffic, but it was just once parcel that created the

1 difficulties in that area. So I am still quite concerned about eliminating the B overlay in that  
2 particular part of town.

3  
4 Chair Bialson: Bonnie.

5  
6 Commissioner Packer: It seems to me that the nursery and the auto service would probably  
7 come under general business services or conditional use permits now in the GMB. Is that  
8 correct? And if we took out the B then those would be permitted service.

9  
10 Ms. Grote: Automotive service is a conditional use in the B overlay as is a general business  
11 service. So yes, you are correct, they are both conditional uses.

12  
13 Commissioner Packer: So they would become permitted use under GM, right? Not automotive  
14 but general.

15  
16 Ms. Grote: Automotive services are still use permits under GM. Business services are permitted  
17 in GM. I am just checking the code here. Yes, general business services are permitted in GM  
18 and automobile services are conditional uses.

19  
20 Chair Bialson: So there would be no impact if we deleted the GMB as to just for example those  
21 two businesses?

22  
23 Ms. Grote: There actually would be an impact because it would allow the general business  
24 services as permitted uses. As far as automobile services are concerned there would no impact.  
25 They would remain conditional use permits.

26  
27 Chair Bialson: Appreciate the clarification. Bonnie, you have another point?

28  
29 Commissioner Packer: Yes. There has been an assumption all along in our discussion that there  
30 is definite proof that certain uses are producing the traffic and other uses are not. Is there a study  
31 somewhere that anybody has analyzed where the drivers of the cars are going or where they are  
32 coming from? Has anybody asked are you going to a research lab or are you going to an office  
33 or are you going to a nursery to pick up a plant? How do we know? I haven't seen that study.  
34 We are making assumptions in our discussion that we can't have office because it is going to be  
35 traffic but we can have something else because it is not going to create more traffic. I would like  
36 some feedback from somebody about this because it seems to be driving our discussion and I  
37 don't know that it should be.

38  
39 Ms. Grote: There are different trip generation rates that are used by ITE for certain types of uses.  
40 That is one source and there are other sources, certainly. I think the Urban Land Institute looks  
41 at issues like that. We can and are in the process of getting that information. There are a lot of  
42 different opinions that came out in the focus groups about whether or not office and R&D  
43 generate significantly different amounts of traffic. I think depending on the type of R&D,  
44 depending on the type of office, the differences vary. Sometimes they are very small and  
45 sometimes they are much bigger. So there are a lot of different ways to analyze it and we will  
46 certainly be looking at that. We also, as far as distribution patterns are concerned, we have the  
47 Citywide traffic model that looks at where traffic goes to and comes from generally but we can't  
48 pinpoint whether or not it is going to a specific address or a specific type of use. It is more of an

1 area-wide analysis. So we look at general patterns rather than specifics which gives you levels  
2 of service and things in an area but doesn't tell you about a specific use.

3  
4 Chair Bialson: Appreciate the point and I think we have to keep that in mind. Pat.

5  
6 Commissioner Burt: So Lisa, will you folks be providing some of that information in greater  
7 detail for us? Good because Bonnie, I think that there are two aspects to that concern. One is the  
8 intensification of a use and we have three categories that we have been looking at,  
9 manufacturing, R&D and office. Then on top of that we have the business services and retail. I  
10 can gladly await Staff providing the data but I can tell you as a manufacturer with 25 years of  
11 manufacturing that manufacturing density has fewer employees per square foot by a long shot  
12 than office and fewer than R&D. We certainly have difficulty in circumstances differentiating  
13 between R&D and office and sometimes between R&D and manufacturing. I will give you a  
14 firsthand personal example the building that we reside in in San Carlos was in a manufacturing  
15 district. The City of San Carlos by error allowed a use to come in next-door that was office. The  
16 demand for parking that was adequate for manufacturing was less than half of what was required  
17 for that office. That use next door had to end up, not only did they overflow into all the different  
18 adjacent areas, they finally ended up leasing an available parking lot across the street for 40 cars  
19 or so. So it is that radical a difference in densification. The other aspect is the retail, which very  
20 well may have a greater trip generation but trip generation isn't the only consideration. There  
21 are benefits to the community that we want to bear in mind for the retail other than purely trip  
22 generation. There are trip generations within the community to go that retail but there are also  
23 concerns for longer-term trips if we don't have that service within the City then we have to drive  
24 outside the City. An example that I recall is when we had the tire center on El Camino near  
25 California Avenue that was looking at relocating. We literally as Palo Altoans were going to  
26 have to drive to Redwood City to have a tire replacement. So that is an additional consideration.  
27 I think it is going to be very important as we go through this. It is not merely the traffic impacts,  
28 that is certainly one of our major ones, there are other public benefits basically that we will have  
29 to weigh.

30  
31 Chair Bialson: Thank you. Dealing with this specific issue that we have right now which is  
32 should we delete the GMB Zone, I would like each Commissioner to give us your feeling with  
33 regard to that. We will go right down the line, Phyllis let's start with you.

34  
35 Commissioner Cassel: I think we should delete it. My feeling still stands. The number of sites  
36 there are very small number.

37  
38 Chair Bialson: Bonnie, just yea or nay, delete or not.

39  
40 Commissioner Packer: Let's delete.

41  
42 Chair Bialson: Okay, Pat?

43  
44 Commissioner Burt: I am undecided at this time.

45  
46 Chair Bialson: Okay. Karen.

47  
48 Commissioner Holman: Yes and no as previously stated. Not over by the post office.

1  
2 Chair Bialson: Michael.

3  
4 Commissioner Griffin: Delete.

5  
6 Chair Bialson: I am of a mind to delete it as well but with the caveat that you have which is to  
7 review potential traffic impacts and mitigating standards and review process. So I believe we  
8 have four Commissioners who agree.

9  
10 Commissioner Burt: Annette, I share those concerns so that is what is preventing me from  
11 making a recommendation at this time.

12  
13 Chair Bialson: Appreciate that. Does that assist you then, Staff?

14  
15 Ms. Grote: Yes it does, thank you.

16  
17 Chair Bialson: Great. Now can we get on to the next item?

18  
19 Ms. Grote: The next item is what had originally been policy issue number three and that is  
20 whether new administrative office and research and development uses in the General  
21 Manufacturing Zone should be limited through a conditional use permit or through some other  
22 means. The advantages of limiting new administrative office through a CUP would be that it  
23 does give priority to manufacturing uses. It eliminates the need to distinguish between the office  
24 and research and development definitions as finely as we have talked about in some other  
25 instances. It retains the prohibition on other kinds of office uses. It provides an ability to limit  
26 uses in the current GMB areas with a CUP and it could minimize traffic, parking impacts from  
27 conversion to office and other R&D uses.

28  
29 The disadvantages are that it retains uses that could be replaced by cleaner uses and may  
30 discourage housing if that is considered to be a desirable use. It is more extensive review  
31 process and public hearings for office and R&D, which slows down an approval process or a  
32 decision process whether or not it is approved. It prohibits administrative office and could result  
33 in nonconformity of many existing administrative offices that are already there. The Staff  
34 recommendation is to list administrative office and research and development as conditional uses  
35 in that zone.

36  
37 Chair Bialson: Commissioners, any comments or questions? Pat.

38  
39 Commissioner Burt: One of the considerations that is going to be important for me especially if  
40 we are talking about making R&D a conditional use which I am hesitant to do is that in the last  
41 meeting we had a question about which uses are generating sales tax revenue for the City. I  
42 would like to see an answer to that question before making a real recommendation on what we  
43 are going to do. I think the economic impacts to the City are an important part of our  
44 considerations and we don't have that information yet. So I am going to be struggling with  
45 making such a recommendation other than that I certainly am hesitant to restrict R&D use to  
46 being a conditional use.

1 Chair Bialson: As I recall in the Staff Report you made some comment with regard to your  
2 review on the sales tax revenue information.

3  
4 Ms. Grote: We did do research into the Stanford Research Park on some of their economic  
5 information. Curtis does have a brief over of that. We didn't do it yet in the GM areas so we  
6 don't have anything to report to you tonight about that but we can certainly get it. Again, it is on  
7 an aggregate level.

8  
9 Chair Bialson: Curtis.

10  
11 Mr. C. Williams: Yes. As it is sort of intuitively probably obvious to you office uses,  
12 professional offices, attorneys, accountants, etc., do not generate much if any sales tax. The only  
13 real sales tax that comes from those uses is if they have cafeterias or something like that within  
14 their uses. So what the City's breakdown does is it groups in sort of aggregate industrial  
15 groupings the sales tax revenue. First of all the Research Park itself last year provided about  
16 8.76% of the City's overall sales tax revenue. Of that in the very rough economic groupings  
17 electronic equipment sales was about one-third or 32.9%. Then light industry 18%, chemical  
18 products 14.7% and then the rest is office equipment, restaurant services, business services,  
19 leasing, all of those are less than 10% of the total. So that is kind of the breakdown. What is  
20 very difficult for the economic development people to identify is within those whether those are  
21 components of an existing HP or what kind of specific business is generating it. For instance the  
22 electronic equipment sales where it is really coming from but over in an aggregate sense that  
23 how it breaks down.

24  
25 Commissioner Burt: At our last discussion of this there were two particular categories that I was  
26 quite interested in because they are emerging categories. One is the bio-med field and are sales  
27 revenues being generated from the Research Park as the point of origin for sale? Then in the  
28 software field as we are having major tenants such as Tipco and others up there my  
29 understanding is that within the software field if it is a prepackaged software it is potential sales  
30 tax revenue, if it is a customized software that is a business service then it is not sales tax  
31 revenue. I think as we are seeing a trend toward those two uses including that we were  
32 discussing adjusting potential building height to accommodate the bio-med it is important to  
33 know whether that is providing commensurate return to the City in terms of revenue. Did you  
34 get a chance to look at those two particular areas?

35  
36 Mr. C. Williams: We asked about those and that is where it gets very difficult to break it out  
37 from these aggregate groupings so that we can anticipate that somewhere within that electronic  
38 equipment is probably software but we are not sure how much of it fits under there. By the same  
39 token I think probably the bio-med fits under the definition of the chemical products because that  
40 seems to include some of those type of uses but how much of that chemical products grouping  
41 which is about 15% of the sales tax that is generated in the Research Park is specifically bio-med  
42 is hard to do. We can go back and ask if we can focus on those couple of specific areas and see  
43 if there is more specific information on those.

44  
45 Commissioner Burt: Great, that would be helpful.

46  
47 Chair Bialson: Thank you, Curtis. Michael.

1 Commissioner Griffin: Curtis, humor me here. Why is it that it would be advantageous to  
2 remove R&D from that zone considering the sales tax generating potential, etc. that we have  
3 discussed?  
4

5 Mr. C. Williams: First we are not removing it from the zone. We are talking about a conditional  
6 use permit. Conditional use permits are hearing officer conducted so while yes, they are more of  
7 a process than exists without the use permit they don't come to the Council or the Planning  
8 Commission unless there is an appeal on them. Many cities have use permit processes that  
9 require Planning Commission hearings automatically or Commission and Council hearings. So  
10 we are not suggesting prohibiting it at all from the zone. I think our initial recommendation was  
11 based primarily on the assumption of traffic and that that use permit process would allow you, in  
12 these zones where you currently have more of a manufacturing presence to analyze those types  
13 of impacts if someone came in and tried to distinguish between whether the R&D was more of a  
14 laboratory based type of use with lower employee density or whether it was more of a software  
15 office type of use that would act more like offices.  
16

17 Commissioner Griffin: I guess I am thinking there is relatively speaking not nearly as much pure  
18 manufacturing going on in Palo Alto these days as perhaps was once the case. Consequently, the  
19 predominant use that I personally can envision in this zone would in fact be R&D. That is just  
20 an opinion I suppose but based on what some of the folks have said here the last couple of weeks  
21 when we have had public testimony on this subject manufacturing is down. We got a letter from  
22 the people involved with the Harbor Business Park and they made a good point in my opinion,  
23 which was that rental rates simply don't realistically compute for manufacturing purposes.  
24

25 Mr. C. Williams: I think we recognize that. I would comment that I think we would distinguish  
26 the GM Zone though from the LM Zones and the Embarcadero area, which has some other  
27 environmentally sensitive issues to it and good points were made about that in that letter. GM  
28 Zone while yes it is unlikely much if any new manufacturing will take place there does have a  
29 pretty extensive amount of existing manufacturing uses. To the extent that we make it  
30 expeditious for office and/or research and development probably is going to make it more  
31 expeditious for those uses to be moved out of this area. That was our concern and I think our  
32 economic resources folks have expressed that concern as well to try to provide some level of  
33 protection to those existing uses.  
34

35 Chair Bialson: Thank you Curtis. Bonnie.  
36

37 Commissioner Packer: I was thinking about this question. If we were designing a new town and  
38 creating districts and we were saying we should have a general manufacturing district and this is  
39 what it should look like and you probably would want to keep it general manufacturing and not  
40 have a lot of other uses in it, if we were creating a new town. The reality is we are looking at  
41 two areas in town, one of which is already very well developed. That is where Agilent is and the  
42 just did a beautiful new thing there so it is probably not going to change. The other area along  
43 Fabian Way is also right near the Sun site, which is potentially going to be redeveloped with a  
44 totally different use, which is the community center and housing, etc. So given the realities I  
45 would think that we should keep the status quo. Right now research and development and  
46 administrative services are permitted uses in those areas and that fact hasn't necessarily caused  
47 the existing manufacturing uses to be replaced, yet. I don't know if they were to be replaced I  
48 don't know if it is such a terrible thing to have them replaced with research and development.

1 We are not talking about creating any incentives at all for the higher intensive use offices such as  
2 medical, professional and general. So I would leave everything as it is the only thing I might  
3 recommend is that our definition of administrative office, the definition of that use and we can  
4 talk about this is our uses definitions committee, be tightened up so that the only kind of  
5 administrative use we are talking about is associated with an already existing manufacturing or  
6 R&D use, that it is not a standalone headquarters for a company. If you read the definition in our  
7 definitions it could conceivably allow for that. So I would tighten up that definition and make  
8 sure the administrative uses is an ancillary to the other major use and go with that. That way we  
9 just keep that area as it is. We would still preserve the manufacturing because it hasn't gone  
10 away simply because R&D and administrative offices are currently permitted. So that would be  
11 my thinking on this issue.

12  
13 Chair Bialson: Karen.

14  
15 Commissioner Holman: I agree with Bonnie about the definition of administrative offices.  
16 Could Staff comment more about the economic resources person and their perspective about this  
17 area, please?

18  
19 Mr. C. Williams: I just know that they have said that they are concerned about these businesses  
20 that exist currently in the GM. I think primarily what they are talking about is the area down  
21 southeast of San Antonio and Charleston and those few, Industrial and Transport and  
22 Commercial I think are the names of the streets down in there, that pocket area, that they are  
23 concerned that there is this potential for a lot of that business to be replaced by offices. There is  
24 one fairly new I guess it is an R&D building down in that area right now. So that is their  
25 concern, those businesses. I don't know if it is sales tax issue. I am not sure if it is that or if it is  
26 just to try to protect that as a service industry to the community because if they move to the East  
27 Bay or some parts farther away then those services aren't available to the local community. I  
28 think that is their primary concern.

29  
30 Commissioner Holman: Since that office isn't represented here, what would you think that the  
31 response would be to changing the GM allowed uses to manufacturing and with a conditional use  
32 permit for the administrative offices as Bonnie had suggested?

33  
34 Mr. C. Williams: I don't know. We will have to check with them. You are saying to change the  
35 administrative offices to a use permit or to just redefine? I think Bonnie's suggestion was to  
36 redefine.

37  
38 Commissioner Packer: I was talking about just tightening up the definition.

39  
40 Mr. C. Williams: So it was a more limited application where that could happen.

41  
42 Commissioner Holman: Yes and my feeling about why offices haven't and by the way, what is  
43 up here is administrative offices but in our report it say, "note, should new office," it doesn't say  
44 administrative offices. So there is a discrepancy there.

45  
46 Mr. C. Williams: It is intended to be administrative only.

47

1 Commissioner Holman: My feeling about why that didn't change over is because of its local and  
2 the other services and business that are around it. So I think it would be probably the last area  
3 that would be changed over but that doesn't mean we shouldn't protect it for manufacturing uses  
4 for the future. So I would like to have more information from the economic person about what  
5 would be a valid and sound practice to protect the manufacturing uses there.  
6

7 Commissioner Cassel: Interestingly enough this was, if I remember right way back to the  
8 Comprehensive Plan this was an area that was not doing to well and we were talking about  
9 incubator facilities of all kinds. We weren't being real narrow or specific about them. Now of  
10 course it is much more highly occupied. We have very little general manufacturing. This area is  
11 not restricted just to manufacturing as you run your hand down this list it is quite broad. I  
12 actually think I might go along with making these conditional use permits for these uses. My  
13 concern is that we have a balance of spaces in the rest of town for the uses that we are making  
14 conditional use permits. So I am a little concerned that everywhere we take out administrative  
15 offices and make them conditional use permits and everywhere we take out office space and  
16 make them conditional use permits then where are those going? So when I see the whole picture  
17 together I would like to see the whole picture.  
18

19 Chair Bialson: Pat.  
20

21 Commissioner Burt: Let me just toss out one other consideration for the Commission, this kind  
22 of drifts off into specific site things. I am not looking for a response but it is something I would  
23 like to have us consider for the future. We have a large nonconformance use of a major  
24 destination retailer over off of Page Mill, Fry's, and there was a major discussion of how to  
25 extend their life there and conflicting with that the Comp Plan designation for that to be  
26 residential. This, ideally, if we could start from scratch, add a freeway junction here is a much  
27 more appropriate place for a large destination retail. For the same reason down by Charleston,  
28 101, Mountain View a half mile away has those major destination retails. So I would like us to  
29 at least consider whether along San Antonio there, that stretch, has something that long term we  
30 want to look at if not mandating at least allowing or potentially accommodating that for a  
31 destination retail site and a possible relocation. I realize that that's beyond the scope of the  
32 meeting tonight but as we are diving into this section I just wanted to toss that into the ring.  
33

34 Chair Bialson: Appreciate your acknowledgment and I think at this point unless Staff has  
35 something else to say with regard to maybe Bonnie's suggestion, does her suggestion alter your  
36 recommendation?  
37

38 Ms. Grote: I think we would want to look at that more carefully and how that administrative  
39 office use might be redefined so that we would understand what the difference is between a  
40 redefinition of use as opposed to a conditional use permit, what the implications of that would  
41 be. We can certainly look at that. The other thing that I was hearing was the need for some sort  
42 of an analysis maybe based on zoning districts but if we limit these kinds of administrative office  
43 uses in some areas what does that mean overall in all industrial areas. Where does it remain a  
44 permitted use versus a conditional use? So if we start limiting them in some places where would  
45 they end up going in essence because they would no longer be going into those GM Districts. So  
46 almost to map that and to show where they would be going instead.  
47

48 Commissioner Cassel: I wasn't thinking of a map. You have a lovely graph.

1  
2 Chair Bialson: I don't think we are asking Staff to do anything additional at this point. I think  
3 we have to deal with the specific issue of what we want in the GM Zone with respect to the  
4 administrative office and the R&D. That is what you are asking us to give you some direction  
5 on. We are not bound by this because we have to look at the updated Zoning Ordinance as a  
6 total and we will be wrestling with some of these issues at that time. At this point what are the  
7 Commissioners feelings? If you could just tell us briefly and we will go through and I will ask  
8 Phyllis to start again.  
9

10 Commissioner Cassel: For the moment I will go with the Staff recommendation with the caveat  
11 that I need to look at the whole prospective when it is put together.  
12

13 Chair Bialson: Understood and that caveat applies throughout these discussions and will for  
14 some period of time. Bonnie.  
15

16 Commissioner Packer: I would like to keep administrative office and research and development  
17 as permitted uses but tightening the definition of administrative office so that it is not interpreted  
18 to mean that somebody could put their headquarters building there. These are ancillary services  
19 to support the other permitted uses.  
20

21 Chair Bialson: Pat.  
22

23 Commissioner Burt: I would certainly like to retain R&D as a permitted use and look at some  
24 means to constrain office whether it be the conditional use in this area or something along the  
25 lines of what Stanford has in the Research Park of a overall percentage use that might cap the  
26 present level or something like that. Something under your category of other means.  
27

28 Chair Bialson: Karen.  
29

30 Commissioner Holman: Yes, I would like to know what the economic resources department  
31 would have to say about retaining this for only manufacturing with the addition of administrative  
32 offices with a tightened definition as Bonnie suggested. I think Pat's idea of limiting the overall  
33 percentage of even that use would be helpful as well.  
34

35 Commissioner Griffin: I support the last three Commissioners.  
36

37 Chair Bialson: I think we are all sort of saying the same thing here. I think what Bonnie is  
38 suggesting is a means to an end. We all have similar visions. I think that Pat's comment with  
39 regard to trying to preserve the R&D is important especially in light of our not knowing yet what  
40 the rest of the zoning scheme is going to look like. So in general we are supportive of the  
41 objectives I think of the Staff recommendation and just want to look at how that is accomplished.  
42 Is that correct, Commissioners? I think that is the way I heard this developing. Michael.  
43

44 Commissioner Griffin: I thought that research and development would be a permitted use not  
45 subject to a CUP.  
46

47 Chair Bialson: Right. I think that is what we are all saying.  
48

1 Commissioner Griffin: No, Karen doesn't agree.  
2  
3 Commissioner Holman: That is not what I am saying because I do remember comments that  
4 were made previously and that is why I want more information about what the economic  
5 resources person says about not allowing R&D in this area but just allowing manufacturing with  
6 the tightened definition and limits on administrative office. Before I make a recommendation to  
7 allow research and development I would like to know what that department has to say. So that  
8 would be different than what the other Commissioners have said.  
9  
10 Chair Bialson: Okay. That is the sense of the Commission.  
11  
12 Mr. C. Williams: So there seems to be some consensus to try to limit the scope of the office  
13 issue and then on the R&D it sounds like maybe at least half of you are supportive of leaving it  
14 as permitted but you want some additional information on economic resources and also I think  
15 Pat had asked for the information on the sales tax. We will try to get a little refinement on that as  
16 well for the GM Zone and see how that breaks out in that area.  
17  
18 Chair Bialson: Okay. The next items I understand some of the Commissioners are going to have  
19 to stand down on. Is that correct?  
20  
21 Ms. Grote: That is correct. They have to do with the LM office use and R&D uses and the areas  
22 east of El Camino and then they also have to do with the general issues that pertain to all of the  
23 LM and GM Districts. So for those of you who have conflicts you need to step down.  
24  
25 Chair Bialson: Okay and do we have any other issues that the Commissioners can be all  
26 involved in at this point? I understand, correct me if I am wrong, that this will go on through all  
27 the issues.  
28  
29 Ms. Grote: That is correct.  
30  
31 Chair Bialson: Alright. I understand Phyllis you are going to be standing down on these because  
32 I think this also deals with Stanford. Is that not right?  
33  
34 Ms. Grote: Actually, I believe Phyllis can still participate in policy issue number four which is  
35 the Limited Manufacturing Districts east of El Camino but then for the remaining five policy  
36 issues which in your original report were numbers two, seven, eight, nine and ten, she would  
37 need to step down because those are general across the City issues.  
38  
39 Chair Bialson: And I will have to sit out on all items from this point forward.  
40  
41 Ms. Grote: Correct.  
42  
43 Chair Bialson: Our wonderful Vice-Chair is going to take over the rest of the meeting.  
44  
45 Chair Bialson: This is a sign of faith here.  
46  
47 Commissioner Griffin: A leap of faith, indeed. Does Staff wish to take us through the salient  
48 points of policy issue number four?

1  
2 Ms. Grote: Certainly. Thank you. It is policy issue number four and that is should new office  
3 and/or research and development uses in the LM Zone other than those parcels in the Research  
4 Park be limited through a conditional use permit or other means. Again, the advantages and the  
5 disadvantages are similar to the other industrial zones that we identified. Again, our  
6 recommendation at this point, preliminarily, would be to list office and research and  
7 development as conditional uses in those zones.

8  
9 Commissioner Griffin: Do Commissioners wish to comment? Pat.

10  
11 Commissioner Burt: Question, do we know how much R&D and office versus manufacturing  
12 exists? I am looking at this as predominantly the Embarcadero east of Bayshore area. Is that  
13 mostly or entirely what we are talking about here?

14  
15 Ms. Grote: That is entirely.

16  
17 Commissioner Burt: Okay. So how much office exists there in R&D and very little  
18 manufacturing as I understand it.

19  
20 Ms. Grote: Right. We would need to pull the square footages out. I don't think we have that  
21 information at this point. We can attempt to get it through our databases. It probably is going to  
22 be general in nature, it is not going to be exact but we can give you some general numbers when  
23 we come back.

24  
25 Commissioner Burt: There may be some manufacturing there. I remember 10 or 20 years ago  
26 one manufacturer who is not there anymore. I suspect we have almost no manufacturing going  
27 on there. So according to this proposal we would make everything a conditional use or virtually  
28 everything.

29  
30 Commissioner Griffin: Good point.

31  
32 Mr. C. Williams: I think that is a good point. What we have been hearing in the Research Park  
33 and elsewhere, and I think this stemmed again from initial concerns about traffic, and if you  
34 think there are other ways to address that then from a use standpoint, as I pointed out before, I  
35 think the GM is very different from the LM and I tend to agree that there is not that core of  
36 manufacturing still left in the LM if it was ever there. It may deserve a different treatment. I  
37 would point out that it is not only the Embarcadero area but it is also the East Meadow Circle  
38 area and some of the west Bayshore as well.

39  
40 Commissioner Burt: Good point. Just from a building design standpoint the east Embarcadero  
41 area has much more of a campus-like setting out near the Baylands and things. I would presume  
42 that that commands some premium for certain types of uses versus others. It is not a place where  
43 manufacturers tend to go.

44  
45 Separate question on how much office should exist there but it is kind of hard to address that  
46 without knowing how much we have now and to what degree has there been a trend and do we  
47 want to put any constraints on that trend.

1 Commissioner Griffin: Phyllis.

2  
3 Commissioner Cassel: I would like to not make office and research and development as  
4 conditional uses in this area because from what I can see, and somewhat depending on what  
5 Pat's raising, I have a feeling this is significantly an office and research and we will probably not  
6 pick up new manufacturing as businesses leave. I believe we do have some.

7  
8 Commissioner Burt: Phyllis, are you referring to both areas, the east Embarcadero as well as the  
9 East Meadow area?

10  
11 Commissioner Cassel: Clearly it seems to me the area on the other side of Embarcadero we want  
12 as low intensity a use as we possibly can get out there with as little possibility of contamination  
13 of the groundwater that is there. We automobiles but we don't see the other dangers to the water  
14 for accidental spills and things of that sort. So I would think we would want as low an intensity  
15 of use in terms of actual manufacturing as would spontaneously occur. Not eliminating  
16 manufacturing, although there are a lot of cars involved it doesn't seem to be a problem out there  
17 in any way.

18  
19 Commissioner Burt: When you use the term intensity in this case I am taking you to mean low  
20 potential negative environmental impact.

21  
22 Commissioner Cassel: That is correct.

23  
24 Commissioner Burt: As opposed to human intensity.

25  
26 Commissioner Cassel: That's correct.

27  
28 Commissioner Griffin: So Phyllis, are you supporting the Staff recommendation or not?

29  
30 Commissioner Cassel: No. I would rather see them as permitted uses in that area and let  
31 manufacturing exist as long as it meets the federal guidelines for hazardous materials but let the  
32 more broad-based uses exist.

33  
34 Commissioner Griffin: Bonnie.

35  
36 Commissioner Packer: I agree with Phyllis. I would like to point out a couple of things. Unlike  
37 the Research Park where Stanford is this part east of 101 is not near any residential so you don't  
38 have issues of traffic going through residential neighborhoods and that kind of thing to be  
39 concerned with. Also the area of East Bayshore has its ups and down in terms of occupancy. I  
40 am very familiar with it because I live not too far from there. It was highly occupied a couple of  
41 years ago, it wasn't so there were a lot of vacancies during the Comp Plan and there seem to be  
42 some more now. When we try to get people from our neighborhood to participate in a focus  
43 group about that area they asked if there was a problem. It hasn't been an issue no matter what  
44 uses are there. In fact if anything I would like to encourage the cleaner uses in terms of  
45 environmental impacts. I am not proposing that we change it but why not discourage any  
46 manufacturing, I don't know if there is any manufacturing there or something that would be  
47 considered manufacturing. So in other words what I am saying is I would not support the Staff

1 recommendation. I would keep the R&D and those office uses as permitted uses. I don't see  
2 that there is a problem. If it ain't broke why fix it?

3  
4 Commissioner Griffin: Karen.

5  
6 Commissioner Holman: I am of a mind to allow research and development as a permitted use  
7 but general office as a conditional use permit and also that there be a limit put on that. The  
8 reason I am limiting office more or less across the board is because of the glut of it that we have  
9 of how much development in general office space that we had in the last several years. I am  
10 hoping that we will also get some housing perhaps in this area. If it is competing with office  
11 returns in the future when the market comes back, and it will, that just simply won't happen. I  
12 support certainly what Bonnie said about trying to go for and get cleaner uses over there. There  
13 probably isn't much manufacturing left in that area but I do certainly agree that the more  
14 environmentally sound and sensitive practices are better in that area close to the Bay.

15  
16 Commissioner Griffin: May I just jump in to tack on to this? Curtis, the other afternoon when  
17 you met with Bonnie and myself regarding office research, industrial manufacturing revised  
18 definitions and that second paragraph. Do Commissioners have a copy of that or not? Because  
19 in that there is a discussion about office functions that do relate to research and development. To  
20 me it addresses somewhat the issue that we are talking about right now. At what stage are you?

21  
22 Mr. C. Williams: What stage? We need to work with the committee a little bit more and come  
23 up with a suggestion and that would come back with the package of materials in late September  
24 whenever that meeting is scheduled. The office that is mentioned in there is more like ancillary  
25 to the use on the site. So it may be a portion of a building or a complex where most of the use is  
26 more of a research nature but there are support offices in that. The difference is that currently as  
27 a permitted use standalone office is allowed. So it doesn't have to have any relationship to a  
28 research and development facility and that is the distinction from that definition.

29  
30 Commissioner Griffin: So I am thinking that Karen would perhaps support this definition that  
31 we saw in the committee. That was the distinction that you were trying to make between a  
32 standalone office and an office that was related to an R&D function, for example. We are going  
33 to revisit this next session?

34  
35 Mr. C. Williams: Yes, when we come back we will bring back the definitions of those key terms  
36 that we have been discussing. Hopefully that will clarify it but I think Karen is talking about  
37 primarily that standalone office type of use as opposed to an office component of a research and  
38 development building that may be 20% of the floor area.

39  
40 Commissioner Griffin: Pat.

41  
42 Commissioner Burt: Just a couple of other comments. In our last meeting when we were  
43 discussing the prospect of office and R&D being conditional uses we had a very favorable  
44 response from the property owners and property managers who were present to an alternative of  
45 a strong TDM program to address the issue of the traffic impacts. I would definitely like to  
46 continue to link that. I think it would be one of the most constructive outcomes that we could  
47 have of the ZOU to have that program and have it inclusive of these areas. As I recall that was

1 one of the things you were going to be discussing with Stanford and getting their input and  
2 various other property owners on what sort of a model might work. Is there any update on that?  
3

4 Ms. Grote: For the Stanford Research Park we have had an initial discussion with them and  
5 there is interest on their part to work with the City and other business owners to develop that  
6 kind of a demand management program. In areas that aren't owned or controlled by a single  
7 property owner it is more difficult to have them come together to develop that kind of a program.  
8 There may be some potential to explore with property owners, some sort of an association that  
9 they can form to then work with the City. It is a more difficult process. We could start exploring  
10 that with business owners, property owners as well. We may not meet with the same kind of  
11 success because of the variety of owners.  
12

13 Commissioner Burt: I would certainly like to see us toss it out to those property owners and ask  
14 them what sort of program is possible. I think if the alternative is a much more onerous  
15 approach to them then we could get some creative solutions and let them make some  
16 recommendations and see if they look good to us.  
17

18 The second point is that on these areas we still need some sort of baseline understanding of what  
19 we have in office. That will be difficult because we don't have business licenses and even if we  
20 have a means to establish the baseline whatever outcome we have here in the whole zoning code  
21 we are going to have a great difficulty of implementing it if we are looking at different uses in  
22 the absence of business licenses. So as we have all discussed we need to keep this at the  
23 forefront of our discussions and recommendations to Council.  
24

25 Then finally just a clarification. Phyllis, when you were referring to wanting to assure that we  
26 had adequate environmental controls I want to make sure that Staff didn't take it too literally  
27 because fortunately or unfortunately the federal regulations are the more lenient in our area. So  
28 it is all appropriate environmental regulations is what I took Phyllis to mean.  
29

30 Commissioner Griffin: Do Commissioners have the sense that they would split out new  
31 standalone office from the R&D function and list new office as the conditional use and R&D as  
32 the permitted use? Phyllis.  
33

34 Commissioner Cassel: No.  
35

36 Commissioner Griffin: Bonnie.  
37

38 Commissioner Packer: No. I want to point out something else. I was looking at the parking  
39 requirements, I may be wrong in this, but it looked like the parking requirements in the LM  
40 District are about the same for R&D, all the different kinds of offices and for administrative  
41 offices. So we are not really talking about a difference in impact on space needs and that kind of  
42 thing. Am I correct in that the ratio is 1:250 or 1:300 square feet but it is the same for each of  
43 those uses? Now the actual impact and how those parking spaces are used may be different. I  
44 understand that. The other thing we see happening is no matter how much we sit up here and  
45 make plans the marketplace really decides what happens in terms of vacant space, what's  
46 popular at a certain time. Right now office spaces have a high vacancy rate, which may mean  
47 that maybe R&D can move in or other things can move in or housing can move in. It will go

1 back and forth and I don't know what we gain by trying to limit office spaces when nobody  
2 wants to build them or rent them right now anyway.

3  
4 Commissioner Holman: I will respond to that. What we gain is that, I'll go back to Stanford  
5 Research Park, in those focus groups everyone talked about the importance of research and  
6 development.

7  
8 Commissioner Cassel: I am uncomfortable when we keep going back to the Stanford Research  
9 Park because I can't consider that in my discussion although I can sit quietly when someone in  
10 the audience says that. We are supposed to be talking about the stuff east of that.

11  
12 Commissioner Holman: Okay. Research and development is an important aspect of this  
13 community. Office rents as I understand it, general office can garner a higher return on the space  
14 than can research and development. So while perhaps the parking demand might be the same for  
15 R&D and general office the other aspect of it is though that if more general office is allowed then  
16 it becomes less affordable for R&D. While right now we do have a lot of empty office that is not  
17 always going to be the case and what we need to do now, I feel like what our task is now is to  
18 zone for what we want. If we wait until the market changes and more office does get built later  
19 and we haven't allowed for that possibility then shame on us.

20  
21 Commissioner Griffin: Pat.

22  
23 Commissioner Burt: I would just like to respond again to Bonnie on this. I think we reviewed  
24 this in the last meeting. In the broad conceptual manner I would like to give you a response and  
25 I am not saying that therefore I think that we should do a certain zoning in this area but in this  
26 principle that you are talking about of why bother to zone it, first we are not zoning for the next  
27 year or two. We have an anomaly right now and to think that we should structure our Zoning  
28 Ordinance Update based on the present anomaly I think is a fallacy. Second, when we do zoning  
29 anywhere we are by definition of the zoning driving certain uses. We may have flexibilities  
30 within those zones but we set constraints and within those constraints we don't allow skyscrapers  
31 to be built. If we did the value of that land at the location where we have a skyscraper would be  
32 extremely high and it would virtually eliminate any other potential use. So in principle I think it  
33 is really erroneous to bring up a question of why bother zoning there. Of course there are sound  
34 reasons. That drives land values, it drives the future uses, it is our job to look forward at a long-  
35 term vision. So I strongly disagree with that principle. Separately from that I am not necessarily  
36 disagreeing with you on the specifics of what we should do in this district.

37  
38 Commissioner Griffin: Phyllis.

39  
40  
41 Commissioner Cassel: We could have office as a permitted use but have a higher requirement  
42 for parking.

43  
44 Commissioner Griffin: I am wondering if we could start to close on this issue. We have batted  
45 around the different aspects of it pretty good. Are we ready to vote on whether or not we are  
46 agreeing with the Staff recommendation? Okay, then I will pose the question. Would you like  
47 to start, Phyllis?  
48

1 Commissioner Cassel: I thought I did already. I don't agree with the Staff recommendation  
2 although I would go along with Pat's caveat that this has a higher intense parking space and thus  
3 we might expect a higher parking ratio for these uses.  
4

5 Commissioner Packer: I agree with what Phyllis says. I just want to reply to what Pat said. I  
6 agree with a lot of what you said, the philosophical part. I am reacting to all this empty office  
7 space and seeing the cycle from ten years ago when we were encouraging the creation of all this.  
8 I do like the idea of looking at the parking requirements based on some more information. We  
9 are going to have a parking consultant and all that kind of thing, which might give us more  
10 information on which to base the parking requirements. That might be a good way to deal with  
11 the R&D/office conundrum.  
12

13 Commissioner Burt: I would certainly not want to make R&D a conditional use and I would  
14 want to request Staff to look at where these areas are right now in terms of the amount of office.  
15 I think that we have a valid question of do we want to allow this area to hypothetically some day  
16 become all office and that is a different issue from mandating as a conditional use, which I think  
17 may go too far for this area. I think this area is a mixture of R&D and office and we have a  
18 question of to what extent should there be that balance. We have a separate question as Phyllis  
19 mentioned of does office drive a higher parking demand than R&D. We could use that  
20 additional data.  
21

22 I neglected to bring up one other request of Staff. I don't know whether Staff has access through  
23 ABAG or other means of economic multipliers of different uses. From a decade ago I had  
24 statistics of multipliers of manufacturing versus R&D versus service versus retail and for each  
25 dollar generated how that dollar rippled through the community and had a multiplier effect.  
26 They were drastically different. I think that is an additional consideration that we may want to  
27 make when we are looking at our long-term zoning. No one of these factors is a single and  
28 overriding consideration but it was a startling set of numbers that made us recognize certain uses  
29 and how they affected the economic vitality of the community.  
30

31 Commissioner Griffin: Karen, would you tell us how you vote on the Staff recommendation,  
32 please.  
33

34 Commissioner Holman: R&D as a permitted use, general office as a conditional use permit with  
35 a percentage to be determined cap on that.  
36

37 Commissioner Griffin: I support that position. Are you ready to give us the run through on the  
38 next policy issue, please?  
39

40 Commissioner Cassel: I have to leave because I understand that these next issues are general and  
41 I can't participate in that.  
42

43 Mr. C. Williams: I am thinking that you may not need to on this one. The next one is the issue  
44 on renaming the districts unless you want to put that off. We have already dealt with the  
45 Stanford and what was the OR Zone. So what we have left to talk about are the areas east of El  
46 Camino, the remaining LM and the GM Districts. So I don't see that there is a conflict there.  
47 Last time it was flipped around.  
48

1 Commissioner Griffin: That being the case it looks like you stick. Who would like to start the  
2 conversation?  
3

4 Commissioner Burt: I will take a stab on the LM. Given the discussion we just have had on the  
5 east Embarcadero zone and for that matter the other one that is the East Meadow and East San  
6 Antonio area that at least in the East Embarcadero where we seem to all be acknowledging that it  
7 is not a manufacturing district. So I think we should have a designation that better reflects what  
8 we are describing as its use. I don't know that we are at that point tonight to be able to determine  
9 that because we are still struggling with to what degree is office a dominant use in that area or  
10 should it be a dominant use. Whether it becomes RD or something else I think LM is maybe an  
11 inappropriate description for that area.  
12

13 Commissioner Cassel: I didn't think there was anything in what we said that said we didn't want  
14 limited manufacturing to have the option to be there. So it is limited manufacturing, it may be  
15 LMR.  
16

17 Commissioner Burt: Right. I am just saying as LM alone isn't accurate. I want to have these  
18 designations as clear as possible. When somebody sees them it should imply what it is.  
19

20 Commissioner Griffin: Karen.  
21

22 Commissioner Holman: I am wondering if we can actually address this yet because if we are  
23 going to want to promote housing in some of these areas then that is going to impact whether we  
24 think these abbreviations are going to be reflective of the uses allowed in the areas.  
25

26 Commissioner Griffin: I would like to ask a question of Curtis. Is it correct that the abbreviation  
27 OR is now available? That uses to be the Welch Road designation.  
28

29 Mr. C. Williams: Office Research is what it stood for and you have directed that that should be  
30 changed to MR, which we are saying is Medical Office and Medical Research. So I think the  
31 dilemma and I mentioned this previously is getting those initials right and not having too much  
32 confusion by what we come up with. Not that it can't change this way but we currently all our  
33 base zones have two letter initials, number one. We have all the zones starting with R as  
34 residential zones, R-1, R-2 and then the multi-family, RM zones. OR is available now but does  
35 that create a lot of confusion to all of a sudden call something OR that is a completely different  
36 area from everybody is familiar with for OR. So we have those kind of concerns and are very  
37 open to trying to find and agree with the concept of what you want to do. If OR is the best thing  
38 and it is a long-term name and that's what fits maybe that is the best kind of thing to go with. Or  
39 if we struggle with that enough maybe we need to sit down with the attorneys and talk about how  
40 much latitude we have for changing those things and what will work then come back to you with  
41 suggestions if you tell us what you want concept you want it to represent.  
42

43 Commissioner Griffin: I think all of us would like to see some descriptions here that really hit  
44 the nail on the head. OR for office and research works for me but I am just throwing that out as  
45 a possibility. Would anybody else like to comment on it? Bonnie, we haven't heard from you.  
46

47 Commissioner Packer: I think if we add the word office it would sort of go against what I heard  
48 people saying who were concerned about how much office. So I don't think we want to put

1 office into this mix of words. Nobody has said that we should get rid of manufacturing  
2 completely so limited or light manufacturing should be in the title. I believe the general  
3 consensus was to keep research and development and development as a permitted use in these  
4 zones so that word should be in the title too so far based on our discussions so far. There are  
5 some things we are going to come back to but that is what I would go for. That would apply to  
6 the General Manufacturing and Research seems like a good title for that. Limited Manufacturing  
7 and Research for LM and then for Embarcadero just adding an E for that area if we need to  
8 distinguish it because there is a different FAR and lot size over there.

9  
10 Commissioner Burt: Question. Is there a reason that RP, Research Park, wouldn't work for that  
11 area?

12  
13 Ms. Grote: Primarily because that is what we use to distinguish the Stanford Research Park on  
14 the other side of El Camino Real. We had talked about there being enough difference between  
15 the types of lots that are there and the impacts that the uses have in the surrounding areas that we  
16 wanted to distinguish the two and not keep the same designations and the same titles. It may be  
17 that it is premature to talk about this side of El Camino and these areas at this point. That we  
18 want to hone the uses, figure out what is there, what the title should reflect based on what is there  
19 and what we want there. So we may want to defer this discussion.

20  
21 Commissioner Cassel: So the decision may be that we just want to work on a definition that is  
22 more appropriate than the ones we have now.

23  
24 Commissioner Griffin: I would like to throw out another one, which might be IR for Industrial  
25 and Research. That avoids the use of the term office, which is perhaps not PC. I would add that  
26 to your list, Industrial and Research. Lisa, you are suggesting we postpone the remainder of this  
27 discussion?

28  
29 Ms. Grote: I think it may be appropriate since we have more research to do on what types of  
30 uses are there and what other types of uses you may want to promote or encourage there.

31  
32 Commissioner Griffin: Alright, if we have concurrence then let's move to the next policy issue.

33  
34 Commissioner Cassel: Then I do leave. I am going to leave for the remainder of the meeting,  
35 Michael.

36  
37 Commissioner Burt: We were just struggling with how far we want to go tonight. What we still  
38 have to do and do we all want to try and muscle this out or are we near the end of our ropes.

39  
40 Ms. Grote: I would suggest that on the next issue which is the policy issue number seven that  
41 our recommendation would be that Staff continue to work with the subcommittee on these use  
42 definitions, research and development and office use. I think you have made a good start we  
43 would recommend that we continue to do that, not discuss it here tonight. That would leave  
44 policy issues eight, nine and ten having to do with multiple family housing allowed or  
45 encouraged in these zones, standalone retail and restaurants and personal service in the zones and  
46 then incentives for businesses to include daycare facilities. If you think you can cover those  
47 three issues then I would say you might want to continue on.

1 Commissioner Burt: Karen was saying we could cover them pretty fast and I was thinking these  
2 may be significant issues that we may need to have a fair amount of discussion on. So I don't  
3 know which it is. I think we would like to not extend the meeting very long.  
4  
5 Commissioner Griffin: Any comments from you two?  
6  
7 Commissioner Cassel: I just think I should leave because it is not going to make any difference I  
8 can't discuss any of them.  
9  
10 Commissioner Packer: It depends how long we talk, Pat.  
11  
12 Commissioner Griffin: I am good for another half an hour.  
13  
14 Commissioner Burt: I'm not.  
15  
16 Commissioner Griffin: I am looking for help from my friends at the desk.  
17  
18 Commissioner Burt: What are you guys good for?  
19  
20 Ms. Grote: I would suggest going another half an hour and trying to address the three remaining  
21 issues so that then when we come back at the end of September we will really be coming back  
22 with the follow up items that you have requested and we can nail down some recommendations.  
23  
24 Commissioner Griffin: Alright, thank you for that. Would you please review number eight then  
25 I believe it is.  
26  
27 Ms. Grote: Okay. That would be whether or not multiple family housing should be allowed  
28 and/or encouraged in these industrial zones. The advantages of encouraging housing in the  
29 zones would be that it is consistent with Comprehensive Plan policies to encourage higher  
30 densities and mixed-uses in industrial areas, that the sites are frequently large enough to  
31 accommodate a mix of uses, that it provides more opportunities to reduce trips. You would have  
32 a mix of uses on the site you wouldn't have to drive to these different areas. And it would help  
33 reduce the City's existing jobs/housing imbalance. The disadvantages could be that there are  
34 some incompatibilities between research and industrial uses and housing, may result in new  
35 residential uses and the tenants objecting to some of the long standing industrial and research  
36 related uses in the area, it could adversely impact traffic if residents do travel elsewhere to work  
37 rather than work right in those mixed-use sites, and some of the zones aren't in close proximity  
38 to transit, some are and others are further away. There may be opportunity to have industrial and  
39 housing uses close to transit but not so much opportunity further away. The Staff  
40 recommendation at this point is to allow multiple family housing to continue as a permitted use  
41 but defer the FAR bonuses or other incentives to further consideration after we have some  
42 further design analysis conducted and emphasize the proximity to transit uses when making  
43 recommendations. In other words maybe recommend it for those areas that are close to transit,  
44 don't recommend it for those that are further away.  
45  
46 Commissioner Griffin: Anyone like to start? Karen.  
47

1 Commissioner Holman: I essentially concur with the Staff recommendation. I have one caveat  
2 to that though, which is the GM District that is off the San Antonio-Charleston area, that GM  
3 area, if we are trying to encourage the retention of that manufacturing, and that is a  
4 manufacturing area, I don't really support housing there but the other areas I pretty much do.  
5

6 Commissioner Griffin: Bonnie.  
7

8 Commissioner Packer: A quick question in response to Karen. Isn't that where the Sun site is or  
9 is that in LM? It is across the street, okay. I would like to continue multiple-family housing as a  
10 permitted use but I think we have to look carefully at the development standards for multiple-  
11 family housing in these areas. They probably will need a constraints analysis as we heard earlier.  
12 We may want to have some different transitional issues if there is housing next to a  
13 manufacturing or a research area that are different from what we have now in current RM-15,  
14 RM-30 and RM-40. I am not so sure yet about bonuses and what those would be at this point.  
15 As I said, I agree with the Staff to defer it but I think it is something we need to look into but  
16 let's not do a thing where we just say yes you can do it but just move the RM-15 criteria over  
17 like we have done with the mixed-use concept. I think it has to be a totally different thing.  
18 Recently I was reading in the paper that in San Jose they put in a whole big new multiple family  
19 housing complex in an industrial area. So there are some exciting possibilities that we should  
20 have our Zoning Code allow.  
21

22 Commissioner Griffin: Would you make it a conditional use permit?  
23

24 Commissioner Packer: No, right now it is a permitted use. However the development standards  
25 for housing as a permitted use should be different from the development standards for housing  
26 that we currently have for our various RM zones. I don't know what those would be yet but as  
27 we go forward we would find that out.  
28

29 Commissioner Griffin: Pat.  
30

31 Commissioner Burt: I agree with Bonnie's approach on this with a couple of other points. We  
32 may want to identify the most appropriate housing locations within these districts and then we  
33 would have a question of what would we do once we identified them. Would those be overlay  
34 zones or how would we differentiate those from having it as a permitted use? Frankly, there are  
35 areas in these industrial zones that it is just not appropriate for housing even though we currently  
36 have it as a permitted use. I hate to do anything that would suggest that we are on paper  
37 reducing the potential housing but in reality we have had no housing built in these areas for 20  
38 years. So we wouldn't have a functional reduction. I think we would achieve more housing if  
39 we looked and carefully identified the most appropriate locations even considering whether some  
40 of those zones are appropriate to rezone for housing. Another consideration is that not in all  
41 locations would multiple family housing be the only appropriate use. We have talked about  
42 along California Avenue and repairing that abrupt transition between a residential neighborhood  
43 and the industrial park by perhaps having a group of small lot homes or something along those  
44 lines that would create a transition to the research buildings behind it and a buffer zone for that  
45 neighborhood. Consistent with our Comp Plan it talks about mid block rather than mid street  
46 change in uses and transitions. So those would be my additional comments is for us to look  
47 specifically at the best candidate sites for housing, even to consider as part of the ZOU rezoning  
48 of the most appropriate of those from commercial to residential and to not in all cases limit it to

1 multiple family housing. Although, my inclination is that if we are going to do it to try to  
2 maximize the housing stock in those areas but there may be places where for transition reasons  
3 we may want something that is not large lot single family but something that would provide a  
4 transition.

5  
6 Commissioner Griffin: Karen.

7  
8 Commissioner Holman: I want to ditto Pat's comments. There is one other thing, it may be too  
9 much minutia to deal with, as a part of the Housing Element I made a suggestion that we look at  
10 church sites and allow them to have a unit or convert some of their space that they already have  
11 for a living unit for say a custodian or maintenance person or a landscape person. Maybe that is  
12 something that ought to be considered for some of these industrial and R&D areas too. There  
13 might be some benefit to having somebody onsite especially if we are looking at mixing  
14 residential uses. There is somebody there who can respond immediately and the safety factor of  
15 having eyes on the site and again it eliminates that commute factor too. The person could be  
16 right there.

17  
18 Commissioner Griffin: Bonnie.

19  
20 Commissioner Packer: I agree with what you are saying Karen and also Pat but I just wanted to  
21 respond to what you were saying about rezoning. I want us to remember and I think if Wynne  
22 was here she would remind us that in the Zoning Ordinance Update we are not rezoning any  
23 parcels now even though the areas we are looking at are so specific. We are talking about how  
24 the districts would operate and then we will apply the zones. I think you are aware of that but I  
25 just want to say that for the public record.

26  
27 Commissioner Burt: I definitely recognize that at this point in time that is not our objective but  
28 looking forward as we talk about housing in these areas I wanted to make sure that we are not  
29 just considering allowing housing but this other more broad issue at its appropriate time.

30  
31 Commissioner Griffin: Unless there are any more comments, can we move on to issue nine,  
32 please.

33  
34 Ms. Grote: Great. That policy issue is should standalone retail, restaurants and/or personal  
35 services be allowed in the industrial zones. The advantages of allowing those kind of standalone  
36 uses would be that again it is consistent with the Comp Plan because we do have many policies  
37 that call for mixed-uses, the potential to reduce longer trips and it better assures that services for  
38 local residents are not displaced to serve research or industrial employees, that they would have  
39 places that service their needs. The disadvantages is that they not be successful over the long-  
40 term given limited hours of activity and visibility, the synergy of concentrated urban uses is  
41 beneficial to retail and restaurant success, so you need to have those in close proximity. In  
42 especially the OR Zone such facilities could displace the limited medical services that we had  
43 just established are of primary importance in that area and that it is also already served by the  
44 Stanford Shopping Center. So that it may not be needed in that particular area. So the Staff  
45 recommendation would be to allow standalone retail, restaurant uses, personal services as  
46 conditional uses in all the relevant zones except the OR Zone.

47  
48 Commissioner Griffin: Comments from the Commission? Pat.

1  
2 Commissioner Burt: I will just say I think it is generally a good concept. The two disadvantages  
3 that are listed have to do with that it may not be viable and if it is not viable then it may be  
4 something that we allow and even encourage but may not occur but it is not a reason to prohibit  
5 it. Finally, on the third bullet, I think the points are well taken that the OR soon to become MR  
6 Zone probably does not require these uses and it would be best to retain all of that space for the  
7 MR use.

8  
9 Commissioner Griffin: Bonnie.

10  
11 Commissioner Packer: It is my understanding that restaurants are conditional use permits now in  
12 the LM and GM Zones. Is that correct? So you are not suggesting a change except to eliminate  
13 that from the Welch Road area. Is that correct?

14  
15 Commissioner Burt: Bonnie, the difference is I think between a conditional use and an allowed  
16 use.

17  
18 Commissioner Packer: No, they are conditional uses now.

19  
20 Commissioner Burt: Right, and aren't they proposing an allowed use?

21  
22 Commissioner Packer: The Staff recommendation is a conditional use.

23  
24 Mr. C. Williams: We are proposing to retain them as conditional uses. I think the difference  
25 between what we have now, because the OR Zone actually currently does not even have them as  
26 conditional uses so that concept is already there in the OR Zone. I think the only different is that  
27 right now in the GM Zone retail services are not allowed at all even with a use permit. So the  
28 real difference here is that we would allow retail services with a use permit in the GM Zone.

29  
30 Commissioner Burt: I'm sorry, I was reading the Staff Report and I notice the overlay is  
31 different from what we have down in the report. Note nine? I am looking at our August 28  
32 report. Anyway, we take it to mean that it is the conditional use that is being talked about.

33  
34 Commissioner Packer: Anyway, I support the Staff recommendation.

35  
36 Commissioner Griffin: Karen.

37  
38 Commissioner Holman: I would essentially support the Staff recommendation. Once again I  
39 would think we need to be mindful of the GM area down around San Antonio and Charleston  
40 because I don't know what the possibility or potential is if a conditional use permit is required of  
41 that area becoming just a retail Mecca. Again, if we are trying to retain that manufacturing area  
42 how much do we really want to allow other uses in that area? Maybe put a cap CUP in that area.  
43 I wouldn't say just allow them without any limits in that area in particular.

44  
45 Commissioner Griffin: So in other words you don't want Fry's to move to that area down by the  
46 freeway.

1 Commissioner Holman: I'll make a different example. Maybe you wouldn't want Spago's and  
2 Scott's and Cook's and everybody else to move into that GM Zone and displace the  
3 manufacturing. It is I guess possible given its location.  
4

5 Commissioner Packer: While I support the Staff's recommendation I would want to come back  
6 to it once we see what the parameters of the conditional uses would be and what findings you  
7 would suggest would have to be made in order for the conditional use to go forward. What  
8 would be the criteria for the conditional use? I would assume that you would want to make it a  
9 little bit different for each area depending on the nature of the area as Karen suggested.  
10

11 Ms. Grote: That is something that we could consider. I think in this initial recommendation we  
12 had considered the conditional use permit findings to be the same as those that are currently in  
13 the Zoning Ordinance, which are basically two findings. One is that it wouldn't have a  
14 detrimental impact on the surrounding area and certainly an inconsistency with the type of land  
15 uses that surround it would factor in to making that finding. If it was found to be inconsistent  
16 with the surrounding uses you would not be able to make that finding therefore you wouldn't be  
17 able to approve the use permit. The other finding currently in the Ordinance is that it is  
18 consistent with Comprehensive Plan policies and generally with the intent of the zoning district.  
19 So again, if it violated or was not compatible with surrounding land uses it wouldn't be  
20 compatible with the Comprehensive Plan policies that call for general compatibility of land uses.  
21 So there are existing ways to evaluate those uses. We could look at based on where these uses  
22 are located having additional findings in specific geographic areas that try to address the specific  
23 needs of that area and the desired land uses in those areas. So that is a possibility.  
24

25 Commissioner Griffin: Unless there are any other comments I am going to suggest that we are  
26 essentially in favor of the Staff recommendation with the caveats that were mentioned. We  
27 could now go to policy issue ten.  
28

29 Ms. Grote: This is the last policy issue and it is whether or not the City should provide  
30 additional incentives for businesses to include childcare facilities on their sites. The advantages  
31 of having those additional incentives would be that it is consistent with Comp Plan policies to  
32 provide incentives for childcare, it could provide an incentive for employees of those businesses  
33 and it can help reduce trips during the day. The disadvantages are that is expensive for business  
34 owners to provide daycare facilities, there are some employer concerns about liability of these  
35 types of facilities that came out in the focus groups, employers find that most workers want  
36 daycare closer to home rather than at or close to business locations and it can have an adverse  
37 parking or traffic impact resulting from incentives that provide additional FAR as a result of  
38 these types of facilities. We have recommended that 150% of the floor area credit be given for  
39 daycare facilities but require that the additional square footage meet parking requirements so that  
40 it doesn't have an adverse impact on the parking on the site or off-site in surrounding areas and  
41 that there be adequate circulation for the daycare facility meaning drop-off and pick-up areas be  
42 provided onsite. It is a substantial floor area credit for providing these kinds of uses.  
43

44 Commissioner Griffin: Commissioners? Karen.  
45

46 Commissioner Holman: I have a question. Could you clarify what is meant by provide 150%  
47 floor area credit? Could you clarify that please?  
48

1 Mr. C. Williams: Yes. Currently the code provides essentially a 100% credit for daycare  
2 facilities so that square footage does not count against your floor area on the site. So 150%  
3 would actually allow an additional 50% of that area to go into usable building space. If there  
4 were a 1,000 square foot daycare facility that would provide 1,500 square feet of additional floor  
5 area for your site and 1,000 of that is for the daycare. So you would have an additional 500  
6 square feet that would truly be at that point a bonus amount of square footage that could be used  
7 for office or R&D or manufacturing or whatever the particular use was on that site. What we are  
8 saying here is that that additional 500 square feet in that instance would have to meet parking  
9 requirements recognizing that it is going to be used for something other than childcare itself.

10  
11 Ms. Grote: Currently the 100% bonus, so the area that is devoted to that childcare center, does  
12 not have to be parked. So this would be a slight departure from that saying that that additional  
13 increment of the 500 square feet would have to be parked. So it wouldn't create a parking deficit  
14 on the site, which then could spill over into a surrounding neighborhood.

15  
16 Commissioner Packer: Our Chair disappeared so we are just shuffling. It is hard to talk against  
17 daycare. Are we talking about daycare for children only? So that would be clarified. I could see  
18 this in the areas that have larger parcels and larger buildings and more room. I don't see this in  
19 the GM areas as going to have much of an impact. You would want to have kind of a large  
20 facility anyway. You don't want to have somebody put in a little room and call it a daycare and  
21 then get some extra square footage. You want to be sure that you would have regulations that  
22 this daycare would meet all the guidelines that the state and also our City sets out for space and  
23 all that. It is something that is worth exploring. Whether they will take up the advantage is not  
24 known. As a user of daycare I agree with the fact that you want your daycare close to home but  
25 some people may use it. So I am not so sure that the people in the focus groups were people who  
26 would use daycare. They were the people who were the potential landlords of the daycare and  
27 they gave their own perspectives. I think it is worth exploring and see if the developers take us  
28 up on it.

29  
30 Ms. Grote: One of the issues that did come up in the focus group is some of the business owners  
31 wanted to see a flexibility in this requirement such that the amenity or the daycare facility  
32 wouldn't have to remain in daycare use in perpetuity. At this point Staff has not supported that.  
33 We have said that the whole purpose behind this is to make sure that the daycare facility really  
34 does remain on the site and that the extra incentive comes from that 150%, that extra square  
35 footage that could be devoted the primary use on the site, but that that's based on the daycare  
36 facility remaining. So we didn't want to see this be able to flip back and forth between some  
37 other kind of use. There was a concern by some of the business owners at the focus groups that  
38 this was a very expensive thing to provide and you needed a fairly big site and fairly big facility  
39 overall to be able to do it. We still see an advantage in making it available for all size sites and  
40 parcels not to limit it to just the big ones.

41  
42 Commissioner Holman: I certainly see an advantage of having daycare onsite. Actually I went  
43 to a couple/three of the focus groups and I think there is somebody in the Research Park or  
44 somebody locally who is doing a childcare facility now.

45  
46 Mr. C. Williams: His project isn't in the Research Park. He is in the Research Park, an office  
47 developer I think who has a project in South San Francisco or someplace else where he has done  
48 recently a daycare facility.

1  
2 Commissioner Holman: Is there any knowledge about what the average size is or typical size is  
3 of a daycare facility at an onsite location?  
4

5 Ms. Grote: We don't have that data. We could look into trying to get that data. I don't know.  
6

7 Commissioner Packer: Karen, the state I think sets forth guidelines about how square footage  
8 you need to have depending on the age of the child and there are a lot of requirements.  
9

10 Ms. Grote: That is true. The state has certain requirements per child outdoor and indoor  
11 requirements. However, that is a little bit different than the question, which was how big is the  
12 average or a typical daycare facility onsite in a working environment. We can try to get that  
13 information.  
14

15 Commissioner Holman: For me I think that information would be really crucial to have because  
16 you are talking about 150%. So I would like to know what the potentiality of that is. Also, one  
17 other caveat I would put to this is if we did some kind of bonus program like this I would like to  
18 treat it kind of like a beta site if you will. There might be unintended consequences and it might  
19 be such that, I know a lot of situations where onsite daycare has been provided that it has been a  
20 great boon to the business who has put it in. So we might be incenting something that once  
21 recognized and once experienced that we don't even need to incent it. So I would hate to give up  
22 say for instance 150% of a bonus and then find out that everybody and their dog is doing it and  
23 we don't really need to incent it at all and we are causing more traffic and more development that  
24 we don't need to.  
25

26 Commissioner Burt: Just a couple of comments. One is that we haven't had daycare built with  
27 our 100% incentive so I don't think there is going to be a huge impetus to do it. The developer  
28 that was at one of the focus groups said it really, even with whatever incentives they had in the  
29 other city, was a struggle and it was only as a result of a real committed large employer that they  
30 were able to do it. So although I think it very unlikely that we would have the prospect of a huge  
31 oversized onsite daycare center just to help assure neighborhoods that may be in the vicinity that  
32 may be concerned about that hypothetical potentiality. I think we could put a cap without  
33 placing real constraints on the reality of the potential and it would help reassure people that they  
34 are not looking at an overwhelming potential impact on them. I think we could do that without  
35 reducing the likelihood of the daycare being constructed. So those are my thoughts.  
36

37 Commissioner Griffin: Bonnie.  
38

39 Commissioner Packer: Just one more thing. We may want to get more information from the  
40 daycare industry, maybe there is somebody at Palo Alto Community Child Care (PACCC) who  
41 can give us some information about the viability of this so that we are doing more than shooting  
42 from the hip about what is a good idea.  
43

44 Commissioner Griffin: Karen.  
45

46 Commissioner Holman: When people are approaching or not approaching putting in childcare in  
47 their facilities here do you have a way of knowing are they considering that this facility would be  
48 for their employees or are they considering that it would be for a broader spectrum, say the

1 neighborhood? That would make it maybe more feasible for them. Do you know how they are  
2 approaching it?

3  
4 Ms. Grote: Currently the Zoning Ordinance limits it to be for employees only. In fact it was  
5 done in order to reduce trips. So you wouldn't have people coming to the site just to go to the  
6 daycare or childcare facility, that they would be coming there anyway and this would then reduce  
7 trips. Which differs from the daycare or childcare facilities that are or could be proposed as part  
8 of a public benefit package in a PC where in that instance we would want to see that childcare  
9 facility be available to everyone so it is a general public benefit. So there are two different ways  
10 to approach it depending on the type of facility and the type of application that someone may be  
11 making. In reality we haven't seen daycare facilities being proposed as either part of general  
12 development proposal or as part of a PC. So I don't know which would be more attractive to a  
13 developer because we haven't seen any of them proposed.

14  
15 Commissioner Burt: Just a follow up thought on that. It may not be an adequate incentive to  
16 encourage them to provide this service but we may want to consider allowing any worker in that  
17 zoning district to be able to utilize that daycare at the prerogative of the provider. If they were  
18 going to build it for a certain size and they can't really predetermine if they have 1,000  
19 employees and they are guessing they might get 50 employees who want to utilize that daycare,  
20 they build a site for 50 employees, they find that they only have 35 users then they have a real  
21 inefficiency that they have created. I think within the industrial park if we allowed other users  
22 from smaller companies to have their children use their service, if the provider would allow it,  
23 that it is not going to have a real traffic impact because it is right within the industrial park and it  
24 would be a valuable public service. This still may not be an adequate incentive to help  
25 encourage it but it might help on the margins and I don't think it has much downside risk.

26  
27 Commissioner Griffin: It is eleven o'clock, unless there are some really urgent things that still  
28 need to be discussed I would like to close off the discussion of this particular item and move to  
29 the approval of the minutes for the meeting of August 7. Karen.

30  
31 ***REPORTS FROM COMMITTEES.***

32  
33 ***REPORTS FROM OFFICIALS.***

34  
35 ***APPROVAL OF MINUTES.*** . Minutes of Adjourned Meeting of August 7, 2002.

36  
37 Commissioner Holman: My nose would grow if I approved these minutes because I have to  
38 admit this is the second time in the year that I have not gotten to read the minutes. I apologize  
39 for that but I can't act on it.

40  
41 Commissioner Griffin: Do I have someone ready to make a motion for approval?

42  
43 MOTION

44  
45 Commissioner Burt: I'll make that motion.

46  
47 SECOND

1 Commissioner Packer: Second.

2

3 MOTION PASSED

4

5 Commissioner Griffin: Thank you. All in favor? (ayes) Opposed? Abstain. With one  
6 abstention, Commissioner Holman.

7

8 ***NEXT MEETING:*** Special Meeting of September 4, 2002.

9

10 Commissioner Griffin: I guess we are set for the Special Meeting September 4. Is that in fact  
11 Staff our next date? I thought we had one sooner than that.

12

13 Ms. Grote: No, you have one on September 4 which is a week from tonight and then you have  
14 one on September 5 which Thursday of next week.

15

16 Commissioner Griffin: So we do have a two-for after all. Do I have a motion for adjournment.  
17 Just do it. Alright it is done.

18

19 ***MEETING ADJOURNED: 11:15 PM***

20