



# PLANNING DIVISION

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## STAFF REPORT

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**TO:** PLANNING & TRANSPORTATION COMMISSION  
ARCHITECTURAL REVIEW BOARD

**FROM:** Beth Bourne, Senior Planner      **DEPARTMENT:** Planning and  
Community Environment

**AGENDA DATE:** December 7, 2005

**SUBJECT:** **3412 Hillview Avenue [05PLN-00411]:** Preliminary Site and Design Review application for demolition of an existing 68,300 square foot research and development building and construction of a new research and development building, parking structure and associated site improvements, to establish a cohesive SAP Labs campus in the Stanford Research Park. Zone District: LM-5(D)

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### **RECOMMENDATION:**

Staff recommends that the Planning and Transportation Commission (P&TC) and Architectural Review Board (ARB) provide comments regarding the conceptual design of the proposed project. In the new year, the applicant intends to submit a Site and Design application for formal P&TC review. No formal action may be taken at a preliminary review; comments made at a preliminary review session are not binding on the City or applicant.

### **SUMMARY OF KEY ISSUES:**

#### **Existing Site Conditions**

The 5.7-acre site is developed with 68,300 square feet of office floor area in two buildings. The buildings were formerly occupied by EPRI and used for administrative use and research and development. The project site is bounded by Hillview Avenue to the east, open space to the west, EPRI's main campus to the south, and SAP's recently constructed 3410 Hillview building to the north. Located across the street to the east is another SAP facility at 3421 Hillview Avenue. The site has a considerable slope with grades that rise from an elevation of 185 feet along Hillview Avenue to an elevation of 260 feet at the western edge of the property. A site section showing existing conditions is provided in Attachment E, Sheet A-1.1 of the plan set.

## **Project Description**

The proposed project consists of the demolition of 68,300 square feet of office development and the construction of 74,000 square feet of new research and development space with an additional 3,000 square feet of employee amenity space. Parking would be provided on site in a two-story parking structure and limited surface parking areas. The preliminary landscape plan provides for a courtyard area, vineyards and amphitheater space located towards the west of the site, as well as significant number of new trees proposed for the parking areas.

Stanford Management Company is the applicant for this proposal on behalf of SAP. The proposed building would be occupied by SAP Labs, establishing a more cohesive campus with the adjacent SAP building next door at 3410 Hillview and across the street at 3412 Hillview. Under a ground lease with Stanford, SAP would occupy and operate the new facility.

The applicant's written project description is contained in Attachment A (and included in the plan set).

## **Zoning Conformance**

The project is expected to be compatible with the Limited Industrial Site Combining District (LM-5) district regulations for floor area ratio (FAR), building height, setbacks and parking, as outlined in the Palo Alto Municipal Code (PAMC). A Design Enhancement Exception (DEE) would be requested for the proposed site coverage. A zoning conformance table is provided in Attachment B.

The LM-5 District regulation for FAR is .3 to 1. At .3 FAR, the proposed preliminary site plan is within the allowed floor area ratio. The LM-5 District regulation for site coverage is 15%. At 27% site coverage, the proposed site plan exceeds the permitted site coverage by 12%, requiring a DEE. The applicant proposes a two-story building, intending to comply with the LM-5 zone district's maximum height allowance of 35 feet. The proposed site plan is within the required setbacks for the LM-5 zone, with a 100-foot front yard setback on Hillview Avenue and a 40-foot setback for side and rear yards.

As the site is located within the site and design combining district ("D" Overlay), the formal proposal would be reviewed by the P&TC and ARB to ensure that the project would be compatible with surrounding land uses and existing development and that it would follow sound principles of environmental design and ecological balance. The required site and design findings are contained in Attachment C of the staff report.

## **Exempt Floor Area**

The applicant is requesting approximately 3,000 square feet of floor area be exempt from floor area calculations. This amount of floor area would be used as employee amenity areas, including cafeteria and food service space. In industrial districts, additions of floor area designed and used solely for on-site employee amenities for employees of the facility, may be exempted from floor area calculations if planning staff determines that such additions will facilitate the reduction of employee vehicle use (PAMC 18.04.030.65.B.iv).

### Design Enhancement Exception

A Design Enhancement Exception would be requested for the proposed 27% site coverage to exceed the maximum allowed 15% site coverage in the LM-5 district (PAMC 18.76.050). Parking structures are considered “buildings” and therefore count towards site coverage while surface parking areas are exempted (PAMC 18.040.030 (86)(B)). The applicant is proposing that the parking deck be located towards the front of the site, in an area of the site that was previously graded for the existing three-story terraced building. Set into the hillside, this location considerably reduces the visual appearance of the parking structure. Existing trees and vegetation would be augmented with new plantings to further conceal the parking structure. Sectional views of the site and proposed parking deck are contained in Attachment E, sheet A-1.1.

The applicant’s stated design intent for the proposed parking deck is to allow for improved pedestrian circulation through the site, a reduction in the amount of grading required on the site, preservation of a greater number of existing trees, and an increase in pervious area. The proposed design would reduce the site’s impervious surfaces from 160,00 square feet to 103,000 square feet. The site coverage for the main building is 15% (36,989 sq. ft.). The site coverage for the building and parking structure is 26.8% (66,270 sq. ft.).

The proposed exception would be reviewed by the P&TC and ARB to ensure that it is appropriate for the site and would not be detrimental to the surrounding uses. The DEE findings are contained in Attachment D of the staff report.

### **Circulation and Parking**

The proposed site plan uses the existing Hillview Avenue entrance as its primary ingress/egress. The northern portion of the looped driveway has been eliminated and replaced with bioswales, retention ponds and a pedestrian path. Emergency firetruck access only is provided around the rear of the building.

The proposed site plan includes 246 parking spaces (216 spaces in the parking deck and 30 surface spaces), which conforms to the parking requirement of 1 space for each 300 sq. ft. of gross floor area for the LM-5 zone (PAMC 18.83). The required bicycle parking is 10% of auto parking or parking for 25 bicycles including bike lockers and bike racks. A pedestrian walkway provides convenient access to the transit stop located close by on Hillview Avenue.

A transportation impact analysis would be conducted for the formal application review to evaluate intersection operations, site access, and on-site circulation. The CEQA analysis that would be prepared for a formal submittal would identify any potentially significant traffic and circulation impacts and recommend mitigation measures, if needed, so the project would result in less than significant impacts.

### **Landscaping**

The landscape design includes the outdoor courtyard and lawn area, amphitheater, water features, and vineyards located throughout the site. Sustainable landscape features include bioswales, retention pond, and turf block as stormwater pollution prevention measures. The surface parking areas are proposed to be amply landscaped with tree planter islands provided between every two

parking spaces (one tree for every two spaces compared to the City requirement of one tree for every ten spaces). Extensive landscaping around the perimeter of the parking deck would provide screening. A tree preservation report would be prepared for the formal submittal that identifies the trees to be retained. See Attachment E, for the schematic landscape plan and landscape imagery.

### **Sustainable Building Features**

The applicant intends to use sustainable building features in the project design, such as high performance glazing and sunshades, recycled materials, landscaped bioswales, and appropriate site selection. At the time of formal submittal, the applicant will provide a more detailed letter describing the sustainability features.

The applicant is seeking feedback on the site's conceptual design in terms of overall site planning and circulation, including: layout of access driveway and parking; designation of landscaped areas, pedestrian pathways and amenities; and proposed building elevations. The applicant is also seeking feedback on the request for design enhancement exception for site coverage. Site plan and building elevations have been provided in the project plan set (Attachment D). P&TC and ARB input on the conceptual design is requested to assist Stanford Management Company in the preparation of a formal project application.

Staff would perform a complete analysis of the project's compliance with zoning regulations, Comprehensive Plan policies, and other City standards upon submittal of a formal development application.

### **ENVIRONMENTAL REVIEW:**

No environmental review is required for this Preliminary Review application, as it is not considered a project under the California Environmental Quality Act (CEQA). When a project application is filed, staff will develop the Initial Study in compliance with CEQA guidelines. The outcome of this Initial Study will determine the type of environmental document staff will produce to evaluate this proposal in regard to CEQA guidelines.

### **ATTACHMENTS:**

- A. Applicant's Project Description
- B. Zoning Compliance Table
- C. Required Findings for Site and Design
- D. Required Findings for DEE
- E. Project Plans (Commissioners and ARB members only)

### **COURTESY COPIES:**

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Carl Cahill, Planning Director, City of Los Altos Hills, 26379 Fremont Rd, Los Altos Hills, CA 94022

PREPARED BY: Beth Bourne, Senior Planner

REVIEWED BY: Amy French, Manager of Current Planning

DEPARTMENT/DIVISION HEAD APPROVAL:



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**ANDY COE**  
**INTERIM DEPUTY DIRECTOR**



## 3412 Hillview Avenue

December 7, 2005

### Project Description

The 3412 Hillview Avenue Project consists of the redevelopment of a 5.66 acre parcel in the Stanford Research Park. The Stanford Management Company is applying for this redevelopment project on behalf of SAP Labs, a current Research Park tenant, who will occupy and operate the new facility. SAP is located next door at their recently constructed 3410 Hillview building to the north, as well as at 3421 Hillview Avenue, across the street to the east. Just to the south of the property is EPRI's main campus at 3420 Hillview. Coyote Hill abuts the site at its western border.

The application proposes a new 73,978 square foot building to replace the existing 68,278 square foot two-building campus, formerly occupied by EPRI. The main existing building (approximately 63,000 sf) is a split-level three-story structure built into the grade, with much of the lower floor located below grade without windows. (A small 5,000 square foot satellite building is connected to the main building by a covered walkway.) The site extends from Hillview Avenue on the east to hillside open space to the west. Grades on this sloping site rise from an elevation of 185 feet along Hillview Avenue to an elevation of 260 feet at the western edge of the property, creating challenges for redevelopment.

The two existing buildings will be demolished and replaced by a single new building and parking deck. The new building will be two stories in height and will total 73,978 square feet, with an additional anticipated 3,000 s.f. of exempt space. The new building is sited on the western portion of the property at elevation 245, and shaped to create a sweeping gesture toward the adjacent hillside open space. From this location, occupants of the building will benefit from views toward San Francisco Bay to the east and toward Coyote Hill to the west. The architecture will be sympathetic to the surrounding environment, in particular taking account of the relationship to the adjacent open space.

The proposed parking layout takes advantage of the significant grade changes on the site. Parking will be provided on site at a ratio of 1:300 totaling 246 spaces. A pedestrian-scaled arrival court is located at elevation 238, with a landscaped stairway leading to the lobby at the center of the building. East of the arrival court, a parking deck is proposed to further respect the existing slope of the site. The parking deck will provide shaded parking for 105 cars, while still allowing natural light and air into the lower parking area. Extensive landscaping including existing trees and vegetation augmented by additional new planting will conceal the parking deck. The use of a parking deck creates an opportunity for a significant increase in both site landscaping and pervious area, resulting in a more sustainable site plan. In fact, the proposed design results in a reduction in impervious surfaces from the existing 160,000 square feet to a significantly improved 103,000 square feet; the landscaped area increases by nearly 67%. The more concise footprint of the parking deck over a conventional on-grade parking solution also allows for improved pedestrian circulation through the site, reduces the amount of grading required on the site, and allows for the preservation of a greater number of existing trees.

The materials selected for the exterior of the proposed building include tinted green glazing and earth-toned pre-cast panels to present an appropriate image respectful of the natural landscape. The lobby volume is conceived as a very transparent space to promote a clear relationship with the surrounding landscape and the hillside beyond.

Sustainable building design and materials will be incorporated as appropriate for a cold shell development. Recycled materials and extensive stormwater pollution prevention measures such as bioswales and turf-block will be integrated into the site design and landscaping. Projecting sunshades are proposed on the southern elevations to protect the glazing surfaces while providing expansive views to the surrounding landscape. High performance glazing is provided throughout, framed in painted metal mullions. Glazing will be spectrally sensitive, dual paned, with low-e coatings on critical sun exposures.

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The redevelopment of the site provides a great opportunity to create significant improvements to the site plan and landscape design, for the benefit of the campus users and the general public. A high percentage of the site is currently covered by roadways and parking lots. The arborist's inventory of the site indicates that a large number of the existing trees are in decline. The redevelopment of the site allows for the increase of new plantings, improving the usability and visual quality of the outdoor spaces while making significant improvements to the way the site interacts with the community. The use of native and low water use plants will reduce the total amount of water used by the project. Sustainable design and creative use of materials will provide enhancements to the surrounding environment.

**ATTACHMENT B**  
3412 Hillview Avenue / File No. 05PLN-00411

**CONFORMANCE WITH ZONING CODE REGULATIONS**

<b>Table 1: CONFORMANCE WITH CHAPTER 18.60 and 18.63 (LM-5)</b>			
<b>Feature</b>	<b>Regulation</b>	<b>Proposed</b>	<b>Conformance</b>
Site Area	5 acres minimum	5.66 acres	Conforms
Site Width	250' minimum	+350'	Conforms
Site Depth	250' minimum	+660'	Conforms
Front Setback	100' minimum	+110'	Conforms
Interior Side Yard	40' minimum	+45'	Conforms
Rear Setback	40' minimum	+70'	Conforms
Floor Area Ratio	30%	73,978 sf = 30%	Conforms
Site Coverage	15%	66,270 sf = 27%	DEE required
Building Height	35' maximum	<35'	Conforms
Employee shower facilities	4 showers for 50,000 s.f. and up of gross floor area	4 showers required	Required

<b>Table 2: CONFORMANCE WITH CHAPTER 18.83 (parking/landscape)</b>			
<b>Parking Spaces</b>	<b>Required/Allowed</b>	<b>Proposed</b>	<b>Conformance</b>
246 required	1 space/300 sf of gross floor area	246 parking spaces:  30 ground surface 216 parking structure	Conforms
Loading space	1 loading space for office up to 100,000 sf	To be proposed	Required
Bicycle Parking	10% of auto parking = 25 bike spaces: 20 (80%) Class I 5 (20%) Class II	To be proposed	Required



## **ATTACHMENT C**

### **REQUIRED FINDINGS FOR SITE AND DESIGN (PAMC 18.82.060)**

1. The project will be constructed and operated in a manner that will be orderly, harmonious, and compatible with existing or potential uses of adjoining or nearby sites;
2. The project is designed in such a way as to ensure the desirability of investment, or the conduct of business, research of educational activities, or other authorized occupations, in the same or adjacent area;
3. Sound principles of environmental design and ecological balance will be observed in construction of the project; and
4. The project is in accord with the Palo Alto Comprehensive Plan.



## **ATTACHMENT D**

### **REQUIRED FINDINGS FOR DESIGN ENHANCEMENT EXCEPTION (PAMC 18.76.050(C))**

1. There are exceptional or extraordinary circumstances or conditions applicable to the property or site improvements involved that do not apply generally to property in the same zone district;
2. The granting of the application will enhance the appearance of the site or structure, or improve the neighborhood character of the project and preserve an existing or proposed architectural style, in a manner which would not otherwise be accomplished through strict application of the minimum requirements of Title 18 and the architectural review findings set forth in Section 18.76.020(d); and
3. The exception is related to a minor architectural feature or site improvement that will not be detrimental or injurious to property or improvements in the vicinity and will not be detrimental to the public health, safety, general welfare or convenience.

