TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: AUGUST 7, 2006

CMR: 328:06

SUBJECT: INITIATION OF REZONING TO PEDESTRIAN AND TRANSIT ORIENTED DEVELOPMENT (PTOD) DISTRICT AND COMPREHENSIVE PLAN AMENDMENT FOR 195 PAGE MILL ROAD.

RECOMMENDATION

Staff recommends that the City Council direct the Director of Planning and Community Environment to initiate a Comprehensive Plan map amendment from Light Industrial to Mixed Use and a zone change from General Manufacturing (GM) to Pedestrian and Transit Oriented Development (PTOD) for 195 Page Mill Road which includes properties at 195 Page Mill Road and 2865, 2891, and 2901 Park Boulevard (currently, approximately 50,000 square feet of vacant industrial buildings are situated on this 2.2 acre site).

BACKGROUND

The proposed project is a City-initiated rezoning of three parcels to apply the Pedestrian and Transit Oriented Development (PTOD) overlay to provide housing and mixed use opportunities for the site, particularly to accommodate the designation of the site on the City’s Housing Sites Inventory (Site Number: 8-11). The potential dwelling unit yield and type of housing development under the proposed RM-40 zoning was anticipated to be approximately 46 to 62 residential units for this parcel. The current proposal also includes one additional adjacent parcel, 2901 Park Boulevard, which was not included in the Housing Sites Inventory.

The property owner has submitted an application for a mixed use project, which was scheduled for review by the Architectural Review Board (ARB) on August 3, 2006. Staff determined, however, that the proposal does not comply with zoning requirements for the GM zone and that PTOD criteria would better accommodate a mixed use project.

DISCUSSION

The proposed action would require an amendment to the Comprehensive Plan land use designation for the site and a rezoning to the Pedestrian and Transit Oriented Development (PTOD) Combining District.
Comprehensive Plan Designation
The current Comprehensive Plan designation of Light Industrial allows for high density multiple-family residential facilities and mixed use projects that are compatible with surrounding uses. A revision to a Mixed Use designation, however, would more accurately reflect the proposed uses and the FARs outlined in the Comprehensive Plan. On October 11, 2005, the City Council reviewed and adopted revisions to the Office, Research and Manufacturing Districts of the Zoning Ordinance, and amended the proposed ordinance to prohibit all residential uses (including mixed use) in the General Manufacturing (GM) district. The application of the PTOD to this site would also provide for consistency with the Comprehensive Plan and Housing Element.

PTOD District Adoption and Rezoning
The initial reading of the PTOD Combining District ordinance was approved by the City Council on July 24, 2006, and the second reading of the ordinance is scheduled for August 7, 2006. The PTOD Combining District ordinance (Section 18.66.060) requires that the PTOD zone be established as an overlay that is available to be applied to any specific property within the PTOD boundary upon a rezoning request by the property owner or the City. Subsequent to the rezoning, the Architectural Review Board (ARB) would review the design specifics of the project and assure compliance with development and design standards. The rezoning step will also provide for environmental review of project-specific impacts on the area.

Zone Change Process
The process for a City-initiated zone change is outlined in the Palo Alto Municipal Code under Section 18.98. The steps are summarized as follows:

- The City Council or Planning and Transportation Commission (PTC) directs the Planning Director to initiate a zoning amendment.
- The PTC sets a date for a regular or special meeting of the PTC, including a public hearing and notice to the property owner and surrounding property owners. The Commission may recommend to the City Council approval of the rezoning, modification of the area to be rezoned, application of more or less restrictive zoning, or denial of the rezoning.
- The decision of the Commission is forwarded to the City Council, including the Commission’s findings and determinations for the requested zone change. Upon notice and a public hearing, the City Council takes final action regarding the zoning.

RESOURCE IMPACT
The implementation of the proposed ordinance amendment will require staff time to process the rezoning and Comprehensive Plan amendment for the site. The applicant will not be charged for processing the application since the rezoning is initiated by the City.

POLICY IMPLICATIONS
The proposed zoning change would bring the site into conformance with the Comprehensive Plan Housing Element and with policies regarding housing, mixed use, and transit oriented development.
ENVIRONMENTAL REVIEW
No environmental review is required to initiate the rezoning. An Addendum to the Comprehensive Plan Final Environmental Impact Report (FEIR) was prepared for the Housing Element and includes this site as part of the Housing Sites Inventory. Staff will determine whether the rezoning and Comprehensive Plan amendment require further environmental review upon detailed analysis of the project.

PREPARED BY: ________________________________
CURTIS WILLIAMS
Chief Planning and Transportation Official

DEPARTMENT HEAD REVIEW: ________________________________
STEVE Emslie
Director of Planning and Community Environment

CITY MANAGER APPROVAL: ________________________________
EMILY HARRISON
Assistant City Manager

ATTACHMENTS
A. Pedestrian and Transit Oriented Development Boundary Map
B. Zoning Map

COURTESY COPIES
Planning and Transportation Commission
Architectural Review Board
Harold Hohbach, Court House Plaza Co. (Owner: 195 Page Mill; 2865, 2891, 2901 Park)
Essex Properties (Owner: 2785 Park)
Robert V. Brown (Owner: 2747 Park)