TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: SEPTEMBER 11, 2006

CMR: 346:06

SUBJECT: 901 SAN ANTONIO ROAD [05PLN-00295, 06PLN-00114]: REQUEST BY STEINBERG ARCHITECTS ON BEHALF OF THE TAUBE-KORET CAMPUS OF JEWISH LIFE (TKCJL) FOR CITY COUNCIL APPROVAL OF REZONING TO A PLANNED COMMUNITY (PC) DISTRICT AND OF A PROPOSED PLANNED COMMUNITY DISTRICT DEVELOPMENT PLAN, WHICH INCLUDES THE DEVELOPMENT OF AN 134,000 SQUARE FOOT COMMUNITY CENTER, INCLUDING A CULTURAL HALL, COMMUNITY MEETING ROOMS, ADULT ACTIVITY SPACE, PRESCHOOL, AFTER SCHOOL CARE FACILITIES, FITNESS CENTER, ADMINISTRATION AND SUPPORT AREAS AND 193 SENIOR RESIDENTIAL LIVING UNITS. THE PROJECT REQUEST INCLUDES A COMPREHENSIVE PLAN AMENDMENT FROM LIGHT INDUSTRIAL TO MIXED USE, A TENTATIVE MAP TO SUBDIVIDE THE PARCEL AND CREATE SENIOR HOUSING CONDOMINIUM UNITS, A VARIANCE TO EXCEED THE 50-FOOT HEIGHT LIMIT, A DESIGN ENHANCEMENT EXCEPTION (DEE) TO ALLOW A SCULPTURAL TOWER ELEMENT TO EXTEND TO APPROXIMATELY 96 FEET ABOVE GRADE, AND CERTIFICATION OF THE FINAL ENVIRONMENTAL IMPACT REPORT. ENVIRONMENTAL ASSESSMENT: A FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) FOR THE BRIDGE URBAN INFILL LAND DEVELOPMENT AND TKCJL PROJECTS HAS BEEN PREPARED. ZONE DISTRICT: GM.

RECOMMENDATION

Staff recommends that the City Council review the project, ask questions of staff and the applicant, conduct a public hearing, provide comments, and continue the project to the September 25, 2006 City Council meeting to receive and review the Below Market Rate (BMR) Agreement letter.

Although staff has recommended that that project be continued, the recommendation at the September 25, 2006 meeting would be as follows:
1. That the Final Environmental Impact Report (FEIR) adequately addresses the environmental impacts of the proposed development plan per the requirements of CEQA and certify the FEIR (Attachment B);

2. Grant a Zone Change from the existing General Manufacturing (GM) district to a Planned Community (PC) district and grant a Comprehensive Plan Land Use Map Amendment from Light Industrial to Mixed Use (Attachment C);

3. Grant a variance from the Palo Alto Municipal Code, Section 18.68.110(c) to allow portions of the proposed building to extend above 50 feet, based upon the findings as listed in the draft ordinance in Attachment C, Section 4;

4. Approve the Architectural Review resolution, including findings for the Design Enhancement Exception for the height of the sculptural tower, subject to the conditions of approval as provided in Attachment D;

5. Approve the Below Market Rate (BMR) Housing plan, including a total of 24 assisted living and congregate care units with associated housing services provided by the Jewish Senior Residence available to low income seniors (Attachment E), to be provided prior to the September 25 meeting and,

6. Approve a Tentative Map that would create one mixed-use lot containing 193 senior congregate care and assisted living condominium units (Attachment F).

BACKGROUND
An application for a Planned Community (PC) district, including a Comprehensive Plan Land Use amendment, environmental impact analysis, a Tentative Map, Variances, and Design Exception has been filed for the redevelopment of an 8.5 acre parcel at the former Sun Microsystems site at 901 San Antonio Road. Attachment G provides more detail about the application processing and components of the project. The request for a PC district includes TKCJL’s specific site development plan for a senior housing project, the Jewish Senior Residences (JSR) containing 118 units of congregate care and 75 assisted living units (193 total units), a 134,150 square foot Jewish Community Center (JCC), and an at grade parking garage that would provide automobile and bicycle parking for all uses within the project. New landscaping, pedestrian access ways, and a private driveway would link the project with the adjacent BUILD project. The mixture of units and floor area for each use is outlined as follows:

Summary Project Table - September 2006

<table>
<thead>
<tr>
<th>Component</th>
<th>Units</th>
<th>Floor Area sq. ft.</th>
<th>FAR*</th>
<th>Parking Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Housing</td>
<td>193</td>
<td>298,130</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Community Center</td>
<td></td>
<td>134,148</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>193 units</td>
<td>432,278</td>
<td>1.17</td>
<td>610 spaces</td>
</tr>
</tbody>
</table>

*For the entire 8.5 acre site

Attachment I contains a detailed project description, staff reports and verbatim minutes from the June 28 and July 26, 2006 Commission meetings.
DISCUSSION

Planned Community (PC) Zone Change
Prior to approving a request for a PC district, the City Council is to review the applicant’s Development Plan (the project plans), Development Statement and Development Schedule (Attachment G). CMR 346A:06 for the BUILD project contains a detailed description of the required findings in order to approve a PC district. The PC District Ordinance (Attachment C) contains the specific findings for establishment of the district (Section 5, Page 4).

Public Benefits
Section 18.68.060 of the PC district regulations requires specific findings to be made in order to establish any new PC district. The required findings are described above in the Planned Community Zone Change section of this staff report. Finding #2 requires a determination that the development of the site under the provisions of the PC district will result in public benefits not otherwise attainable by application of the regulations of the general district or combining districts.

The applicant has described the public benefits that would result with the PC zone change in the Development Program Statement, contained in Attachment G. The significant public benefits include:

- Community center uses shared with the City of Palo Alto and the BUILD/BRIDGE project;
- Discounted memberships to the JCC for BRIDGE senior residents;
- Transportation assistance to the BRIDGE senior residents, who would use the shuttle service that would be established for the JSR.

These public benefits are described in the June 28, 2006 Planning & Transportation Commission staff report (Attachment I).

Height Variance
The applicant has requested a variance to exceed the 50-foot maximum height established by the PC district. The arguments in favor of the variance are the location of the site within the “AE” flood zone and the presence of groundwater contaminants as a result of the previous aerospace use on the site. Federal and local regulations require that all occupied development within the flood zone be constructed at least eight feet above sea level. The existing site is as low as three feet above sea level. The site is subject to a Regional Water Quality Control Board (RWQCB) cleanup order due to the presence of groundwater contaminants as a result of the previous aerospace use on the site. By constructing the community center and housing on a podium above the at-grade parking garage (and by applying specific construction methods and design features), the project would meet the requirements of the RWQCB for the location of sensitive uses within these cleanup areas. The podium development plan would result in a unique condition where the tallest buildings would exceed the 50’ maximum height. In order to develop the site in the manner requested by the applicant, a variance would be required.

The specific height variances requested are described in the June 28, 2006 Commission staff report (Attachment H) and findings are included in the proposed PC ordinance, Section 2 and Exhibit B.
Sculptural Tower
The project includes a design for a proposed sculptural tower element that would be approximately 12’ x 12’ and rise to a maximum height of 96 feet above grade. The tower would contain elevator equipment that would serve the parking garage, the podium level, and the two floors of Building C. The tower would have a solid portion that would extend no higher than 65’ above grade and a skeletal or transparent-type section that would extend to no more than 96’ above the solid portion of the tower. The tower would be approximately 46’ taller than the 50’ height limit established by the PC district.

Planning staff has determined that the Design Enhancement Exception (DEE) process is the appropriate mechanism that would permit the construction of the tower to the height as requested by the applicant. The purpose of the DEE is to enhance the design of a proposed project without altering the function or use of the site, or its impact on surrounding properties. The tower, with a footprint of approximately 144 square feet, is a minor architectural feature of the project. Although the proposed height of the tower exceeds the height limit, the impact the tower would have on the adjacent commercial and residential uses is not significant. The DEE process as described in PAMC 18.76.050 allows, generally, minor changes to the setback, daylight plane, height, lot coverage limitations, parking lot design and landscaping configuration, and additional flexibility in the required proportion between private and common open space. This tower feature meets the intent of the DEE process for minor adjustments that would result in an improved overall design. The findings supporting the DEE are included in the Architectural Review resolution in Attachment D.

BMR Program and Other BMR Contributions
The Project will provide 24 Below Market Rate congregate care and assisted living housing units and the associated residential living services within the 182 unit Jewish Senior Residence. All 24 BMR units will be one bedroom, one bath units ranging in size from about 730 to 870 square feet. In consideration of the applicants’ agreement to offer the full range of services to BMR residents at reduced monthly fees, staff recommends accepting the reduced number of BMR units and has not required the BMRs to reflect the range of unit types and sizes in the Project, as is normally required.

The applicant’s original BMR plan, including alternatives, is described in the Development Program Statement (Attachment G, Section 8). Staff and the applicant have not completed the formal BMR agreement in time for City Council’s review on September 11, 2006. The agreement will be presented to City Council at the September 25, 2006 meeting.

The PC ordinance (Attachment C) would be revised to reflect the BMR agreement that would be presented to City Council on September 25, 2006.

Driveway Names
The applicant’s fundraising efforts include the naming of the shared driveway from Fabian Way and the porte-cochere entrance on Charleston Road for donors to the facility. As these features would be considered driveways and not public or private streets, no further Council action would be required.
Other Review Items
The June 28, 2006 Commission staff report includes discussion regarding tandem parking, architectural review, the tentative map, the project phasing & schedule, and development impact fees.

BOARD/COMMISSION REVIEW AND RECOMMENDATION
On July 26, 2006 the Commission unanimously recommended approval of the FEIR and the project to the City Council. The Commission reviewed the project in conjunction with the review of the adjacent BUILD project, as a single EIR was prepared to encompass both projects. Prior to the July 26 meeting, the Commission agendized the project on June 28, 2006 to accept public testimony and ask questions of staff and the applicant.

The Commission requested that staff and the applicant review the follow project components and prepare a response for the City Council:

Transportation Demand Management (TDM) Program
The Commission requested that the TDM program be enhanced to provide transportation alternatives for employees of the JCC and JSR. The JCC and JSR have committed to a 20% trip reduction goal, offering shuttle services to the senior residents in the JSR and members of the JCC. Trip reduction would also be reduced by offering shuttle services and alternative transportation information to employees of the JCC. In addition to the elements in the TDM program, the JCC will provide shuttle services for senior members of the JCC who cannot transport themselves and who live in Palo Alto, Los Altos, and Mountain View. The JCC will also provide a “pick-up” shuttle service for Palo Alto school children for the JCC’s after school programs. The JSR has also committed to providing shuttle services for employees to and from transportation depots if the demand for such services is evident.

The TDM program has been revised to include these trip reduction goals. A copy of the updated TDM program is included in Attachment H.

Bicycle Access Improvements
The Commission requested that the Development Plan be modified to improve the bicycle access from Fabian Way and Charleston Road. The current design would accommodate bicyclists from Fabian Way, but similar provisions for Charleston Road had not been built in to the project.

The applicant had responded by improving bicycle access from Charleston Road to the project site. Improvements include a new bicycle storage facility adjacent to the exterior stairway and the Cultural Hall. This facility would be accessible only to members of the JCC. Non-members would be required to pass through security at the Fabian Way entry. The bicyclist path of travel from Charleston Road to the bicycle parking area is attached to the updated TDM program in Attachment H. No additional improvements have been proposed for the Fabian Way entry, in that the focus of this entrance is on security, the pick-up and drop-off area, sidewalks, and efficient movements of vehicles in and out of the site. Bicyclists may utilize the driveway and sidewalks to gain access to the bike parking areas.

Special Event Parking
The FEIR analyzed the parking impacts at the TKCJL site based upon all the proposed uses being in use at the same time. The conclusion from this analysis was that the parking facility
could generally accommodate all uses at the maximum capacity. The DEIR identified a potential impact, however whereby special events during weekdays could result in a parking demand that would exceed supply. A mitigation measure was proposed (Impact B.5.1) that would require off-site special event parking on weekday evenings. This analysis and recommended mitigation was based upon a parking facility that would accommodate approximately 90 shared parking spaces with the adjacent BUILD project.

The BUILD project has been modified to reduce the total number of dwelling units on the site. This change would eliminate the need for 90 shared spaces. Thus, more spaces would be available for TKCJL events. The proposed mitigation measure for off-site special event parking has not changed, and includes notification at least two weeks in advance of a weekday special event and commitments for off-site parking and other measures (shuttle, valet, etc.) if necessary. Condition of Approval #21 (Attachment D, Section 4) outlines this condition.

The Commission requested that specific triggers be added to the condition that would require an off-site agreement for both weekday evenings and weekend special events. Staff has proposed that a special event (using the Cultural Hall and/or outdoor facilities) that would attract 350 or more additional visitors to the site on weekday evenings, or 500 or more additional visitors on weekends would require an off-site parking agreement. This condition would be a precautionary approach for weekday and weekend special events, in that it is likely that the parking facility could accommodate special events at all times. The condition has also been modified to allow the Director of Planning and Community Environment to adjust these triggers based upon the actual conditions once TKCJL has been built and is fully operational.

Outdoor Events with Amplified Sound Limitations
Staff had proposed a condition requiring that all outdoor events with amplified sound shall cease operations no later than 10:00 P.M., seven days per week. The Commission requested that the regulation of noise be accomplished by a more enforceable method.

Staff has proposed to remove the amplified sound limitation from the conditions of approval and include it within the PC ordinance. This would give the City more regulatory control over outdoor amplified sound. Section 8 of the PC ordinance (Attachment C) contains the use limitations for amplified sound.

RESOURCE IMPACT
This project will have impacts on fiscal and community resources in the City of Palo Alto. Discussion of these impacts is restricted to development of the project site as proposed and its effect on the City’s revenues and expenses. This narrative does not discuss impacts on the Palo Alto Unified School District nor the public benefits Palo Alto residents will receive from the recreational facilities provided by TKCJL (Attachment C, Section 4).

The construction of 193 senior residential units will result in the addition of an estimated 278 residents; therefore, the City will provide incremental services and realize additional revenue. Staff concurs with the conclusions of the Environmental Impact Report that the TKCJL projects will not result in a “significant” impact on facilities and services such as the need for a new library, fire or police station or additional FTEs to service the site. The City can
expect, however, incremental calls for fire, police, public works and utility services as well as increased usage of City facilities and other services. As the EIR indicates, “the Palo Alto Fire Department estimates a five percent increase in calls for services to Station 4 from the proposed project.” Paramedic calls will increase given the profile of residents in assisted and congregate care units on the TKCJL site.

This analysis assumes that the City’s costs for evaluating, monitoring, and implementing this project will be recouped through its fee structure. Planning, inspection, and utility connection fees, for example, will be levied to achieve cost recovery for these services. Likewise, it is expected that Utilities will recover its supply, operating, and capital costs through their rate structures. In addition, there will be significant impact fees. These one-time fees, by definition, are intended to fund development and capital improvement costs associated with the facilities (parks, community centers, libraries) and roadways (San Antonio, Charleston) that the TKCJL community will eventually utilize. Impact fees for this development are estimated at $179,000.

Substantial fee credit is provided for the community and recreational facilities proposed on the site. Once this project is built and occupied, the City can expect ongoing, annual estimated General Fund sales and Utilities User Tax revenues of $53,000 from the TKCJL development. Because of expected property tax exemptions and the nature of transactions for the apartment units, the City is not expected to receive property or documentary transfer taxes from development of the TKCJL site.

In summary, the City can expect that the BUILD and TKCJL projects will result in incremental City services and revenues. While these projects, which add approximately 600 new residents in total, will not result in the immediate need for new City staff or facilities, it is possible that when combined with other new, large residential projects such as Hyatt Rickey’s, there may be a need for additional staffing in the future. The ongoing General Fund revenues cited above will mitigate these costs.

POLICY IMPLICATIONS
The project, including the permitted uses and the site development regulations applicable within the District, would be consistent with the Comprehensive Plan and would be compatible with the existing and potential uses on the adjoining sites or within the general vicinity. The site is a designated Housing Opportunity site in the City’s adopted Housing Element. Consistency with the Comprehensive Plan is detailed in Attachment C, Section 5(d), Page 5.

ENVIRONMENTAL REVIEW
A Final Environmental Impact Report (FEIR) has been prepared for the 901 San Antonio Road site encompassing both the BUILD and CJL projects. The FEIR is comprised of the Draft EIR (DEIR, under separate cover), Responses to Comments on the DEIR, and text revisions to the DEIR. The DEIR addressed the Comprehensive Plan Amendment for the site as a “Program EIR” and the BUILD and CJL projects as a “Project EIR.” The Program EIR component of the DEIR focuses on policy and code provisions to satisfy potential impacts, rather than project-specific mitigation, and would apply whether these particular projects are constructed or not. The “Project EIR” component of the DEIR addresses project-specific impacts and mitigation measures of the two proposals. CMR 346A:06 for the BUILD project contains a detailed
description of the environmental review process. The BUILD CMR also contains the staff report
and verbatim minutes from the March 29, 2006 Commission review of the DEIR.

PREPARED BY:  
______________________________
STEVEN TURNER
Senior Planner

DEPARTMENT HEAD:  
______________________________
STEVE ESMLIE
Director of Planning and Community Environment

CITY MANAGER APPROVAL:  
______________________________
EMILY HARRISON
Assistant City Manager

ATTACHMENTS
A. Location map
B. CEQA Resolution and Draft Mitigation Monitoring Plan
C. Planned Community Ordinance
D. Architectural Review Resolution and Conditions of Approval
E. BMR Program Letter – to be provided to the City Council at the Sept. 25 meeting
F. Record of Land Use Action: Tentative Map Approval
G. Development Program Statement and Development Schedule
H. Transportation Demand Management Program and Charleston Road Bicycle Access
   Improvements
I. Project Background and Description, Staff Reports, and Verbatim minutes (separate
doctorument)
J. Correspondence (separate document – Council only)
K. Development Plan (Council only)
L. Final Environmental Impact Report (previously distributed)

COURTESY COPIES
Interested Parties List