TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT
DATE: SEPTEMBER 26, 2005 CMR:390:05

SUBJECT: 4219 EL CAMINO REAL [05PLN-00157]: CONSIDERATION OF WHETHER TO SCHEDULE APPEAL BY WILLIAM SPANGLER OF THE DIRECTOR OF PLANNING AND COMMUNITY ENVIRONMENT’S APPROVAL OF AN ARCHITECTURAL REVIEW APPLICATION FOR THE REDEVELOPMENT OF THE HYATT RICKEY’S HOTEL SITE, INCLUDING THE CONSTRUCTION OF 170 MULTI-FAMILY DWELLING UNITS AND 11 SINGLE-FAMILY DETACHED UNITS, A PUBLIC STREET BETWEEN THE PROJECT SITE AND 4249 EL CAMINO REAL (ELKS LODGE) TO SERVE AS THE PRIMARY ACCESS TO THE DEVELOPMENT, INTERIOR PRIVATE COLLECTOR STREETS AND LANDSCAPING IMPROVEMENTS. THE PROJECT INCLUDES A REQUEST FOR DESIGN ENHANCEMENT EXCEPTIONS (DEE) TO ALLOW A) HEIGHTS TALLER THAN 35’ FOR THE TYPE D BUILDINGS ADJACENT TO EL CAMINO REAL AND FOR SPECIFIC TYPE C BUILDINGS; B) DAYLIGHT PLANE AND SETBACK ENCROACHMENTS ALONG EL CAMINO REAL AND THE ELKS/HYATT SHARED PUBLIC ROAD AND THE AREA A/AREA B BOUNDARY; C) TANDEM GARAGE CONFIGURATION FOR 43 MULTI-FAMILY UNITS; AND D) ENCROACHMENT OF FOUR, FIRST AND SECOND STORY BALCONIES INTO THE SPECIAL SETBACK AT CHARLESTON ROAD. ENVIRONMENTAL ASSESSMENT: AN ENVIRONMENTAL IMPACT REPORT (EIR) WAS CERTIFIED BY THE CITY COUNCIL IN JUNE 2004. ZONE DISTRICT: CS(H), CS(L).

RECOMMENDATION
Staff recommends that the City Council decline to hear the appeal by William Spangler and uphold the Director of Planning and Community Environment’s decision to approve the Architectural Review Board decision based upon the findings and conditions in the August 5, 2005 Architectural Review Board staff report (Attachment E).

BACKGROUND
The City’s streamlined process, including the Architectural Review procedures, provides for a City Council “call up” of appeals. If the Director’s decision is appealed, the project is sent to Council on the consent calendar. In the case of Architectural Review applications, three Council
Member votes are required to remove the project off the consent calendar. The Council’s options under Palo Alto Municipal Code Section 18.77.070(f) are as follows:

1. The Council may pass the item on the Consent Calendar; or
2. The Council may upon the motion, second and affirmative vote of three Council Members remove the item from the Consent Calendar; and

Should the matter be removed from the Consent Calendar the Council then has three options:

1. The Council may discuss the appeal at this Council meeting and approve based upon the record of the Architectural Review Board. This may be done upon a majority vote of the Council; or
2. The Council may discuss the appeal at this Council meeting and deny based upon the record of the Architectural Review Board upon a majority vote of the Council; or
3. The Council may set the matter for a new public hearing at a future date before the Council. This may be done upon a majority vote of the Council.

The project involves the redevelopment of the Hyatt Rickey’s hotel site to 170 multi-family units and 11 single-family units. The ARB formally reviewed the project on July 7 and August 5, 2005. The Director also held a special meeting on August 15, 2005 to receive additional public testimony for members of the public who did not attend the August 5, 2005 ARB meeting. On August 31, 2005, a Director’s decision was issued approving the project (Attachment B). On September 14, 2005, an appeal was formally filed by William Spangler. The letter of appeal is attached to this report, as Attachment B.

The redeveloped site will contain four housing types. Type A homes include the 11 single-family homes adjacent to Wilkie Way. Type B, C, and D homes are multi-family units located along El Camino Real, Charleston Road and near the interior property line adjacent to the Elk’s Lodge. The Type B homes are detached, three-story, townhouse style homes located behind the Type A homes. The Type C homes are three-story, attached condominium style homes located primarily at Charleston Road and within the interior loop road. The Type D homes are three-story, attached condominium style homes located along El Camino Real.

The project would include 6.15 acres of usable open space, which is 39% of the site area, where 30% usable open space is the minimum required area (PAMC 18.24.050(j)(2)).

The applicant requested Design Enhancement Exceptions (DEE) for specific elements of the Type C and D homes, for tandem parking configuration at approximately 70 units and for minor setback, daylight plane, and height protrusions at other areas of the project. A table showing the approved exceptions is contained in Attachment D. Sheet C-9 of the project plans contain a visual depiction of the approved exceptions.

**DISCUSSION**

The four items raised in the appeal letter relate to the DEE requests and the creation of single-family lots within the CS(H) zone district. Specifically, the appellant does not agree that exceptions should be granted for the following building elements:
Item #1  Height of Type D units at El Camino Real- a maximum height of 45’ where 35’ is normally the maximum allowed height.

Item #2  Height of the Type C units at Charleston Road- small 11’ x 11’ elements that would extend to 45’ where 35’ is normally the maximum allowed height.

Item #3  Setbacks of Type D units at El Camino Real- Setbacks to within 12’ of the property line, where a 24’ setback is normally required.

As a final issue (Item #4), the appellant states that it is inappropriate to be creating new, approximately 6,000 square foot CS(H) lots along Wilkie Way, to be used for the single-family houses.

**Design Enhancement Exception**

The purpose of a DEE is to permit a minor exception to zoning regulations, when doing so will:

1. Enhance the design of a proposed project without altering the function or use of the site, or its impact on surrounding properties; or
2. Enable the preservation of the architectural style of existing improvements on the site.

Neither the Director, nor the City Council on appeal, shall grant a DEE unless it is found that:

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 this title (Zoning) 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.

In determining the uniqueness or extraordinary circumstances of the site, staff identified the location of the project site at the intersection of two arterial roads (El Camino Real and Charleston Road) as a unique condition that would allow the opportunity for minor exceptions to the zoning regulations that would enhance the project, without altering the function of the project or impact adjacent property owners or neighborhoods.

A discussion of how each of the appealed items (Item #1, #2, and #3) meets the findings is included in Attachment D.
Item #4: New CS(H) lots along Wilkie Way.
The project would create 11 new single-family lots along Wilkie Way. These lots would be zoned CS(H). Single-family use is a permitted use within the district. The project would not involve the re-zoning of the lots to R-1, Single-Family Residential.

There are no requirements for lot size, width, depth, or setbacks for lots within the CS(H) district (PAMC 18.45.050). However, for lots in residential use, the standards of the RM-30, Medium Density Multiple Family Residential District, would apply for multiple family use (PAMC 18.45.070). For single-family use, the Site Development Regulations of R-1 would apply (PAMC 18.24.090, 18.12.40 through 80).

The Site Development Regulations of the R-1 district state that the minimum lot size is 6,000 square feet. Each of the proposed lots would be in excess of 6,000 square feet. Furthermore, the development of each lot would meet the R-1 regulations for lot width, depth, setback, lot coverage, floor area, and height.

As part of the Tentative Map/Final map process, staff will recommend, as a condition of approval, that the Covenants, Codes and Restrictions (CCRs) contain language that would prohibit the conversion of any of the eleven lots to any use other than single-family residential.

The design of the single-family homes was reviewed by the ARB. These homes did not go through the Individual Review (IR) process, because IR process and guidelines are not contained in the Site Development Regulations of the R-1 chapter of the municipal code.

RESOURCE IMPACT
This project is a cost recovery project. All fees and staff time incurred during the review of the project will be paid by the applicant. There are no other expected costs that would be borne by the City.

ENVIRONMENTAL REVIEW
A Final Environmental Impact Report (FEIR) and Mitigation Monitoring and Reporting Program (MMRP) for the revised Hyatt Rickey’s development project was certified by the City Council in June 2004. The City Council found that the FEIR adequately assessed the environmental impacts of the revised project, in that the revised project is essentially a smaller hybrid of the initial project and four of the FEIR alternatives described and assessed in the project FEIR. The proposed project, as conditioned, is consistent with the certified EIR.

PREPARED BY: ________________________________
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DEPARTMENT HEAD REVIEW: ________________________________
STEVE ESMILIE
Director of Planning and Community Environment
ATTACHMENTS
A. Director’s Approval letter dated August 31, 2005
B. Appeal letter submitted by William Spangler, dated September 14, 2005
C. Table 1: Findings for Appealed Design Enhancement Exceptions
D. ARB Staff Report, August 5, 2005
E. ARB Meeting Minutes, August 5, 2005
F. Project Plans (City Council only)

COURTESY COPIES:
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