TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT
DATE: NOVEMBER 20, 2006 CMR: 411:06

SUBJECT: ADOPTION OF AN EXTENSION TO AN URGENCY ORDINANCE AMENDING SECTION 18.10.070 “SECOND DWELLING UNITS” OF THE PALO ALTO MUNICIPAL CODE TO PROHIBIT INDIVIDUAL SALE OF SECOND UNITS IN THE RMD AND R-2 ZONING DISTRICTS

RECOMMENDATION
Staff recommends that the City Council adopt and extend the attached Interim Ordinance No. 4921 for a period of 22 months and 15 days (through October 15, 2008), prohibiting new airspace condominiums for buildings within the RMD and R-2 zone districts.

BACKGROUND
On October 16, 2006, the City Council adopted Ordinance No. 4921, prohibiting new airspace condominiums for buildings within the RMD and R-2 zone districts. The ordinance responded to an approval of an application for airspace condominiums on a property zoned RMD at 610 California. An appeal for that project was heard by the Planning and Transportation Commission on September 27, 2006, and will be heard by the Council on November 20, 2006. The Commission recommended that the Council uphold the Director’s approval of the application. The interim ordinance, however, exempts the 610 California project from its limitations.

DISCUSSION
The existing ordinance was adopted pursuant to Government Code Section 65858, which applies for an initial 45-day period, and would expire on December 1, 2006. State law allows for an interim ordinance adopted after a noticed hearing to be extended for up to two years. Staff has scheduled consideration of a permanent ordinance by the Planning and Transportation Commission for December 13, 2006, and recommends extension of the interim ordinance for a total of one year, through October 15, 2008, or upon adoption of the permanent ordinance prior to that date.
No changes are proposed to the Interim Ordinance. This action would only extend the ordinance adopted by the Council on October 16, 2006.

**RESOURCE IMPACTS**
Staff will assess the economic and other resource impacts of the ordinance when a permanent ordinance is proposed.

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. Ordinance No. 4921
B. October 16, 2006 City Manager’s Report