TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT

DATE: JANUARY 22, 2008

CMR: 100:08

SUBJECT: APPROVAL OF A TENTATIVE MAP AND A RECORD OF LAND USE ACTION TO SUBDIVIDE THE ELKS LODGE SITE INTO TWO LOTS, FOR A NEW LODGE AND A MULTI-FAMILY RESIDENTIAL PROJECT LOCATED AT 4249 AND 4251 EL CAMINO REAL.

RECOMMENDATION
Staff and the Planning and Transportation Commission (Commission) recommend that the City Council approve the proposed Tentative Map which proposes to subdivide the Elks Lodge site into two lots, based upon findings and conditions contained within the draft Record of Land Use Action (Attachment A).

DISCUSSION
The Tentative Map proposed by SummerHill Homes on behalf of the property owner, Benevolent and Protective Order of Elks (BPOE), involves a two-lot subdivision of the approximately 7-acre Elks Lodge site to enable the construction of a new Elks Lodge on Lot 1 and the development of a 45 unit, multi-family residential community by SummerHill Homes on Lot 2. Although the applicant’s request is for only a two-lot subdivision, PAMC 21.04.030 requires a Tentative Map for certain minor subdivisions involving less than five lots or units where the total acreage involved exceeds five acres or for any subdivision where an individual lot created exceeds two acres.

The proposed two lot subdivision would create one 2.82 acre parcel to be retained by BPOE for the future Elks Lodge and a second 3.97 acre parcel to be purchased by SummerHill Homes for its proposed multi-family development. Approximately .34 acres of the Elks Lodge site, which is currently a public access easement for a portion of Deodar Street, would be permanently dedicated. A preliminary architectural review application for the new Elks Lodge was reviewed by the Architectural Review Board on August 2, 2007. A formal application for architectural review of the new Elks Lodge has not yet been submitted. The proposed 45 unit, multi-family SummerHill Homes development on Lot 2 was granted architectural review approval on October 30, 2007. A Tentative Map for the separate SummerHill Homes development on Lot 2 will be presented for Commission recommendation and City Council approval after the approval of this subject two-lot subdivision.
Because of the terms of the purchase agreement between BPOE and SummerHill Homes, the existing Elks Lodge will not be demolished until after the final map for the two-lot subdivision is recorded. In effect, the proposed lot line subdividing the Elks Lodge site into two lots would slice through the existing Elks Lodge structure. City staff has discussed the logistics of the demolition with the applicant and an agreement was reached that a bond or letter of credit would be provided by the applicant to the City to guarantee the demolition of the Elks Lodge upon final map recordation. The actual demolition of the Elks Lodge and accessory structures would occur immediately after final map recordation. Conditions pertaining to the demolition of the Elks Lodge are included in the attached draft Record of Land Use action. With the incorporation of conditions relating to the demolition of the Elks Lodge, staff has determined that the two-lot Tentative Map request is in general conformance with the requirements set forth in Chapter 18 (Zoning) and Chapter 21 (Subdivisions) of the Palo Alto Municipal Code (PAMC). Background information related to the project’s details and history has been included in the attached draft Record of Land Use Action.

BOARD/COMMISSION REVIEW AND RECOMMENDATIONS
On November 28, 2007, the Commission conducted a public hearing and recommended (6-0-0-1) that the City Council approve the Tentative Map to subdivide the Elks Lodge site into two lots, as submitted, based upon the findings and conditions contained within the draft Record of Land Use Action. At the hearing, the Commission had questions regarding drainage impacts of the proposed development which were addressed by the applicant’s civil engineer. Three members of the public spoke regarding access to Wilkie Way from the proposed development at the Elks Lodge site, and traffic concerns on Deodar Street and El Camino Real. The Commission also posed questions regarding pedestrian and bicycle connectivity to Wilkie Way, and street design and circulation within the proposed development by SummerHill Homes. Staff explained to the Commission that these issues will be considered with the Tentative Map for the 45-unit SummerHill Homes condominium development (the site planning for which was granted architectural review approval on October 30, 2007) to be presented to the Commission for review and recommendation to the City Council within the next three months. Draft minutes from the Commission hearing are included in Attachment C.

RESOURCE IMPACTS
The proposed map, a lot split, will not result in any cost or revenue impacts to the City. After acting on the final map for the lot split, Council will review the tentative map allowing for the 45-home condominium project. The CMR for the second tentative map will contain information about resource impacts of the condominium development, with its associated development impact fees and provision of public parkland. The Elks Lodge site plans are not yet developed, but in general the new lodge will replace the old with little change in size and use. The Elks Lodge project will be reviewed by the Architectural Review Board for recommendation to the Planning Director. All development review costs for both projects will be recovered through permit fees.

POLICY IMPLICATIONS
The proposed map is consistent with the Comprehensive Plan in that the site is zoned for multi-family residential use and the continued use and renovation of the Lodge was expressly permitted by prior action of the Council. Design and compatibility policies are addressed by the Architectural Review Board during design review of each project.
ENVIRONMENTAL REVIEW
The California Environmental Quality Act (CEQA) lists a land division of property in an urbanized area into four or fewer parcels as exempt from CEQA if the subdivision is in conformance with all zoning regulations. As such, the proposed two lot subdivision would generally be exempt from the requirements of CEQA. However, CEQA requires that a Lead Agency examine the potential environmental impacts of the ‘whole of an action’ which has the potential to physically change the environment, directly or ultimately, and not just the act of merely subdividing a parcel into two lots. In this case, the two lot subdivision would ultimately facilitate the construction of two developments – a new fraternal lodge and a 45 unit multi-family development – which are not exempt from CEQA requirements.

Prior to Architectural Review approval of the proposed SummerHill Homes multi-family development, Staff prepared an Initial Study and Draft Mitigated Negative Declaration which discussed the potential impacts of the two lot subdivision, the SummerHill Homes development and the new Elks Lodge development. The documents were made available for a 20 day public review period between August 31, 2007 and September 19, 2007. No public comments were received during this review period. The Environmental Assessment found that the impacts produced by the project, including the development of the multi-family homes and the new Elks Lodge, would have less than significant impacts on the environment with the incorporation of mitigation measures, and less than significant impact on public services. These impacts are described in the assessment contained in Attachment D. Since State law requires the adoption of an Initial Study and Mitigated Negative Declaration prior to taking action on a discretionary project, these environmental documents were adopted on October 25, 2007 by the Director of Planning and Community Environment, prior to Architectural Review of the proposed SummerHill Homes project.

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DEPARTMENT HEAD: _________________________________________ STEVE EMSLIE
Director of Planning and Community Environment

CITY MANAGER APPROVAL: ________________________________ EMILY HARRISON
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ATTACHMENTS
A. Draft Record of Land Use Action
B. Planning & Transportation Commission Staff Report, November 28, 2007
C. Excerpt of the Draft Planning & Transportation Commission Minutes, November 28, 2007
D. Initial Study and Mitigated Negative Declaration, adopted October 25, 2007
E. Tentative Map (Councilmembers only)

COURTESY COPIES
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