TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER
DEPARTMENT: PLANNING AND COMMUNITY ENVIRONMENT
DATE: OCTOBER 6, 2008
CMR: 374:08

REPORT TYPE: PUBLIC HEARING

SUBJECT: Approval of a Mitigated Negative Declaration, Site and Design, and Record of Land Use Action for a new childcare facility (San Antonio Children’s Center) located at 1129-1137 San Antonio Avenue.

RECOMMENDATION

Staff, the Planning and Transportation Commission, and the Architectural Review Board recommend that the City Council approve the following:

1. Mitigated Negative Declaration, prepared for the property located at 1129-1137 San Antonio Avenue, in accordance with the California Environmental Quality Act (Attachment E).

2. A Record of Land Use Action approving a Site and Design Review application to allow the construction of a new childcare facility subject to the findings and conditions of approval contained in the Record of Land Use Action (Attachment A).

BACKGROUND

The project site is located just east of U.S. Highway 101 at the intersection of East Bayshore Road and San Antonio Avenue (Attachment B). The site is approximately 4.6 acres (198,287 square feet) in size and is located in the Research Office and Limited Manufacturing (ROLM) Zone District. The Automobile Dealership (AD) and Site and Design (D) combining districts also apply to the site. Zoning regulations allow for day care centers to exist in this district as a permitted use. At present, the site is occupied by three single-story office buildings comprising 66,000 square feet of floor area. The property is surrounded by both one-story and two-story office buildings to the south and west, the Los Altos Treatment Plant (LATP) site to the northeast and a utility yard and salt marsh to the east. The property line along the northwest is adjacent to the Google childcare facility at 3801 E. Bayshore Road, which is adjacent to the Baylands which are in the PF (D) zone. All other adjacent properties are in the ROLM (D) (AD) zone. The Comprehensive Plan map designation is Research/Office Park.

There are no facilities identified within 0.25 miles of the site that use or store hazardous materials storage which may impact the site. The Palo Alto Fire Department requires that Google or an authorized representative evaluate Fire Department records annually to identify if any changes in nearby facilities’ hazardous materials usage have occurred that would impact that childcare center.
The project is subject to review and action by the City Council because the site is located in the Site and Design (D) review combining district. The site and design review combining district is intended to provide a process for review and approval of development in environmentally and ecologically sensitive areas in order to assure that use and development will be harmonious with other uses in the general vicinity. All projects in the site and design review combining district are also reviewed by the Planning Commission. If the Planning Commission recommends approval, the project then goes before the Architectural Review Board for review. The plans, as approved by the Planning Commission and Architectural Review Board are then submitted with recommendations to City Council for final action.

This project entails the demolition of the existing single-story office buildings and replacement with three single-story childcare buildings. The new buildings would include exterior play and gathering spaces and a landscaped, 103-space parking lot and driveway. The site coverage of the new project represents an approximately 15,000 square foot reduction in overall site coverage. The maximum floor area ratio for development in the ROLM zone district is 0.4:1. The new Google childcare facility floor area would be approximately 20,000 square feet less than that of the office buildings on the site; the project would have a floor area ratio of 0.23:1.

Google also owns 3801 and 3803 East Bayshore Road. The sites have been designed to be connected by a continuous drive from East Bayshore to San Antonio. The new buildings have been located to orient the play areas towards the south and away from the utility yard to the north. Where the utility area stops and the view to the Baylands begins, the play area will be oriented to the rear. The play areas located at Building #3 are designed to be compatible with the play areas for the childcare facility at 3801 East Bayshore Road and children from all of the Google childcare buildings will be able to share the swing set area between the Bayshore Road and the San Antonio Avenue childcare centers.

As part of this project the applicant will be removing the existing driveway and creating a new driveway to the site. The new driveway will be located along the southeastern property line. On the other side of this property line is the City of Palo Alto utility yard. Access to the utility yard is currently accomplished by crossing San Antonio Avenue on a diagonal right in front of the new driveway to the childcare facility and then continuing along a dirt frontage road. This is not the most desirable scenario for the cars entering the childcare site, though it is workable. The applicant has proposed to address this issue, however, by creating a left turn lane for all vehicles entering both the childcare facility and the utility yard. The restriping and configuration of the left turn lane will be reviewed and approved by all necessary city departments prior to the issuance of a building permit. This has been included in conditions of approval # 4 and 5 in the Record of Land Use Action.

**BOARD/COMMISSION REVIEW AND RECOMMENDATIONS**

**Planning and Transportation Commission (PTC) Review**

The proposal was heard by the PTC on July 9, 2008. The PTC unanimously voted (5-0-2-0) to recommend approval. The PTC requested that the applicant provide additional information for the ARB to review. The PTC expressed interest in the applicant improving the entryway by creating a more defined single point of entry. The PTC requested that the applicant explore relocation of the trash and transformer enclosures from the parking lot to a less prominent area, possibly at the end of the building or inside the building. The PTC also requested that the
applicant provide a detailed striping plan to the City Council in conjunction with the applicant’s proposal to relocate the utilities yard entrance to a more desirable location further away from the Children’s Center site. There was no public testimony given at the hearing. The staff report from the July 9 PTC meeting is included as Attachment C. The PTC meeting minutes are included as Attachment D (for Council members only) and are available on the City’s website at http://www.cityofpaloalto.org/civica/filebank/blobdownload.aspx?BlobID=11937.

ARB Review

On March 6, 2008, conceptual plans went before the Architectural Review Board (ARB) on a preliminary basis. The ARB was supportive of the proposed plan but did have recommendations on the proposal as part of the formal application. The ARB encouraged the applicant to incorporate Baylands Design Guidelines where feasible. The ARB expressed some concerns over the similarity between the entryways for each building. The board also recommended the site connection between 3801 East Bayshore and 1129 San Antonio be shown on the plans to clarify how circulation will work between the sites.

The formal ARB hearing was held on August 21, 2008, with a review of revised plans that included three notable changes that were made based on the recommendation of the PTC. First, the number of dividers on the windows were significantly reduced on each building in the revised plan set. Second, metal roofs have been incorporated into the revised plans only for those buildings with a roof slope of 2:12 or greater. Finally, vine cables are proposed on the sides of the trash enclosures to improve the aesthetic quality of the enclosure as well as to improve the overall design of the landscaped parking lot. The ARB was supportive of the project and recommended approval by a vote of (4-0-1-0). The staff report for the August 21, 2008 public hearing of the Board is provided as Attachment E. The staff report is also available on the City’s website and in City files for public review.

RESOURCE IMPACT

The proposed project will generate modest, incremental General Fund (GF) resources. The land purchase and improvements result in approximately $9,300 in new, annual property tax revenues. This is offset, however, by an expected decrease in Utility User Tax (UUT) revenue due to reduced building square footage (former buildings had 67,000 square feet; new one 46,000 square feet). UUT revenue is expected to drop by $1,900. The total, net annual GF revenue effect of the project is estimated to equal $7,400.

There are no sales tax or impact fees from this project. Former building occupants on this site did not generate any material City sales tax receipts nor will the new occupant. No impact fees will be charged because there will be a decrease in building square footage.

Staff time spent on the development review of this project is fully recoverable through fees charged to the applicant.

POLICY IMPLICATIONS

The Comprehensive Plan designation is Research/Office Park. The proposed project is consistent with the comprehensive plan land use designation because it is considered a support
use that is in close proximity to employment centers. 1129-1137 San Antonio Avenue is in the Research Office and Limited Manufacturing District (ROLM), regulated by the Palo Alto Municipal Code (PAMC) Chapter 18.20. Day care centers are permitted in this zone district as a permitted use. The site is also located in the Automobile Dealership (AD) and Site and Design (D) combining districts. Compliance with the Site and Design review criteria is outlined in the Record of Land Use Action (Attachment A).

ENVIRONMENTAL REVIEW

A Draft Initial Study, which reviewed the environmental issues as required by the California Environmental Quality Act (CEQA), and Intent to Adopt a Mitigated Negative Declaration were posted and circulated for public review. The 20-day public review circulation period began June 19, 2008 and ended July 8, 2008. Key mitigation measures will be implemented to reduce potential impacts to the users of the proposed childcare facility in the areas of air quality, seismicity and hazardous materials. A copy of the environmental document is provided as Attachment F.

PREPARED BY:

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DEPARTMENT HEAD:

CURTIS WILLIAMS
Interim Director of Planning and Community Environment

CITY MANAGER APPROVAL:

JAMES KEENE
City Manager

ATTACHMENTS
Attachment A: Record of Land Use Action.
Attachment B: Location Map
Attachment C: PTC Staff Report July 9, 2008 (w/o attach)
Attachment D: PTC Verbatim Minutes of July 9, 2008
Attachment E: ARB Staff Report, August 21, 2008 (w/o attach)
Attachment F: Draft Initial Study and Mitigated Negative Declaration
Attachment G: Mitigation Monitoring Reporting Program
Attachment H: Project Plans (Council packet only)

COURTESY COPIES
Chris Dorman, Dorman and Associates, Applicant
Doug Schmitt, Google Inc., Property Owner